



## BENEFITS OF REVIEWING YOUR PROPERTY POLICY

**Did you know that a simple review of your policy can save you money?** Time and time again you will have received your renewal and seen the rates increase, but your pay may not have. This can be tough and we understand, as we are insurance consumers as well as advisers for you. What you should ask yourself is, "Am I getting all I can from my insurance company?" You may be thinking that call to your broker may cost you more rather than save you money. Some areas in which you may be able to take advantage of discounts could include the following:

- Upgrades to your roof, plumbing, wiring and heating
- Installation of a sump pump and/or back-water valve
- Being mortgage free
- Installing an alarm system
- Being a non-smoker



**There are even some companies that provide discounts when completing a new evaluation of your home.**

Over the years the calculation tools used to determine the rebuilding cost of your dwelling have been refined. This enables insurance companies to properly insure your residence in case of a loss and to make sure you get back all that you are entitled to. While many homeowners, condominium owners and secondary homeowner policies provide you with guaranteed replacement cost, there is the possibility that the guaranteed replacement cost endorsement could be null and void if you have not recently completed an updated rebuilding evaluation. Be sure to call your broker for more details on how the guaranteed replacement cost endorsement applies. There are always pros and cons in making the decision to take a look at how much you should be insured for. Ask yourself, "How important is it to me to have peace of mind knowing I am insured to value in the event of a loss?"

This is also a good time to see what other coverages are offered by your insurance company. **So take a deep breath, pick up the phone and you never know how much you can save unless you call your broker.**

# STAYING INTOUCH

Tips, strategies, and advice to help you choose the right insurance coverage from your insurance broker

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## IS YOUR BUSINESS INSURANCE POLICY PROTECTING YOUR EQUIPMENT?

**DID YOU KNOW...? YOUR STANDARD BUSINESS OR PROPERTY POLICY SPECIFICALLY EXCLUDES EQUIPMENT BREAKDOWN UNLESS YOUR EQUIPMENT IS DAMAGED BY FIRE OR LIGHTNING.**

There does exist, an equipment breakdown policy that can close the gap in your coverage to ensure you are better protected. The following are common causes of equipment breakdowns:

Power surges and fluctuations, power interruptions, insulation deterioration, overload, boiler explosion, loose connections, moisture or high humidity, dirt and dust, vibration, oil contamination, misalignment, metal fatigue, lack of lubrication, scale build-up, pump failure, and overall inadequate maintenance and human error.

Although equipment breakdown policies will vary, they commonly insure damage to the equipment itself, spoilage of perishable goods due to the breakdown, and loss of income due to the equipment breakdown.

**What 'equipment' are we talking about? What might you have that needs this extra policy?**

A few examples are computers, phone systems, photocopier/fax machines, security systems, ovens, scanning equipment, boilers, hot water tanks, heat exchangers, air conditioners, refrigeration units, pumps, fans, compressors, motors, transformers, electrical panels, presses, production machines, motors, generators, gears, and robotic milking systems.

If you're unsure of what's covered in your business or property policy, call your commercial or farm broker to ensure there are no gaps, and you're fully protected.



Contact your insurance broker for more information on your policy and coverages available to you.

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Brokers work for their customers, not the insurance companies, so consumers can rest assured that their interests are paramount.

A Professional Licensed Insurance Broker works on your behalf, offering expert, independent advice to obtain the best coverage at the right price, takes care of everything for you, and is there to help in the event of a claim.



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# 5 TIPS FOR BUSINESS OWNERS TO PROTECT THEIR BALANCE SHEETS



IN TIMES OF ECONOMIC UNCERTAINTY, BUSINESS OWNERS MUST BECOME MORE VIGILANT IN PROTECTING THEIR BALANCE SHEETS AND INCOME STATEMENTS.

MANAGING RISK THROUGH INSURANCE CAN PROTECT THE FINANCIAL WELL-BEING OF ANY COMPANY, LARGE OR SMALL. EACH COMPANY MUST DEVELOP A RISK MANAGEMENT PHILOSOPHY THAT BALANCES THE AMOUNT OF RISK THE COMPANY HOLDS IN-HOUSE VERSUS THE AMOUNT THEY TRANSFER TO AN INSURER. THE KEY TO SUCCESSFUL RISK MANAGEMENT IS TO KEEP THE LOSS FREQUENCY (# OF CLAIMS) AT A MANAGEABLE LEVEL TO AVOID EXORBITANT PREMIUMS OR UNAVAILABILITY OF THE INSURANCE PRODUCT.

Here's how you can keep your insurance portfolio healthy

## INCREASE DEDUCTIBLES

By increasing deductibles, business owners can save money on premiums and reduce the temptation to utilize the policy as a maintenance contract. When choosing a deductible, determine what dollar amount you would be comfortable paying on your own and set your deductible accordingly. For example, if you decide you could cover all building damages of \$5,000 or less, do not choose a \$1,000 deductible. The lower deductible will cost you more in premiums and open up the temptation to use the policy as a maintenance contract.

## MOTOR VEHICLE ABSTRACTS

Business owners should obtain motor vehicle abstracts on all personnel operating company vehicles annually. While accidents do happen, choosing drivers with proven track records will cut down on frequency of incidents. Remember to get informed consent from company drivers before ordering reports.

## MAINTENANCE LOGS

Business owners should keep detailed maintenance logs of all vehicles, equipment, and buildings. As the economy struggles, the general populous may become more litigious. Proper documentation can disprove negligence and help avert a claims situation.



## INCREASE LIABILITY LIMITS

As society becomes more litigious, court awards are increasing. Are you sure your current limit offers adequate protection? An Umbrella Liability Policy is a cost effective way to increase liability limits under all policies. This policy acts exactly as it sounds - it provides another tier of Liability Insurance that is triggered once the underlying limits are exhausted.

## BACKUP SURETY

Contract surety (bonding) is crucial to some businesses, as it allows them to avoid tying up working capital. However, if something goes awry, it can seriously impede the business owner's ability to perform. Let us arrange a backup surety in case issues arise during the course of the bidding season.

We're business insurance experts. If you've got a question, we've got the answer.

## INSURANCE FACT:

The insurance industry is highly inter-connected. Higher premiums may be the result of large losses or catastrophes in other parts of the world. Through re-insurance, primary insurance companies spread their risks across several countries and even continents. Therefore, a large natural disaster or large court rulings in other parts of the world may have an impact on the cost of covering your risks, even though your business's characteristics have not changed.

# HOME SWEET HOME... ARE YOU SURE? WHAT YOU SHOULD KNOW BEFORE YOU BUY

PURCHASING A HOME CAN BE EXCITING AND FOR MOST OF US, IS THE LARGEST SINGLE ASSET PURCHASE WE WILL MAKE. FEELING CONFIDENT THAT IT CAN BE PROPERLY PROTECTED IS ESSENTIAL. THIS STARTS WITH KNOWING WHAT TO LOOK FOR, FROM AN INSURANCE PERSPECTIVE, BEFORE YOU PURCHASE TO HELP AVOID POSSIBLE ISSUES AND UNPLEASANT SURPRISES.



There are a number of factors that may impact overages especially when buying an older home. Many of these can be identified by hiring your own home inspector before you make an offer to purchase, rather than rely on an inspection report the seller may provide. When possible, hire an inspector who was experienced with doing surveys in the area where you are buying and can help you identify risks and potential problems.

**If purchasing an older home you will want to make sure that key areas have been updated:**

**WIRING:** The majority of insurance companies do not accept homes with, knob and tube, aluminum wiring or 60 AMP service. While 200 AMP service is preferred, make sure your property has at least 100 AMP service.

**ROOF:** Did you know that purchasing a 15 year roof doesn't necessarily mean it will last 15 years? Insurance companies look for a roof that is in good condition. They may recommend replacement or repairs if they have concerns.

**PLUMBING:** The majority of insurance companies do not provide coverage for homes with galvanized plumbing. Cast iron waste pipes may also be a concern due to oxidation.

**HEATING:** Most insurance companies require the furnace to be updated every 20 years. Oil tanks have caused extensive and costly claims for insurance companies. If you plan to purchase a home with an oil tank, it is best to contact a broker to discuss coverage options in advance.

Water damage issues are becoming more prevalent as we experience more extreme weather conditions. Do your research. Determine if there has been sewer back-up issues in the neighbourhood where you are purchasing. If so, what protection exists to avoid or minimize water damage? Does the home have a properly installed sump pump and a back check valve? If there is evidence that there has been prior water damage in the home, be sure to have your inspector check for mould which can present a significant health hazard.

If purchasing a home with solar or geothermal heating, contact your broker to discuss options. Some insurance companies now cover the unique requirements associated with alternate heat sources.

Title insurance should also be considered in order protect yourself from unknown title issues that prevent you from having clear ownership of the property.

Make your home purchase a positive one by being an informed buyer. By keeping these things in mind before your purchase, you will be able to focus on enjoying your new home. Remember your insurance broker is always there to provide advice along the way.

