

## Summer Entertaining: Make It Fun & Safe



Dear Policyholder,

Summer is a great time to throw a big party because it can stretch both inside and outside your

home. Large parties, however, can also bring increased liability risk. Help keep danger from becoming an unwanted guest at your party by following the advice in our lead article. On behalf of The Atlantic Companies and Carlson & Carlson, I wish you a safe and secure summer.

From my home to yours,

Dan Olmsted, President and CEO

Bob and Heather threw a great summer pool party. Their friend Jack drank too much, however, and on his way home crashed head on into another car, severely injuring the driver. Now, Bob and Heather are being sued for letting Jack drive while intoxicated.

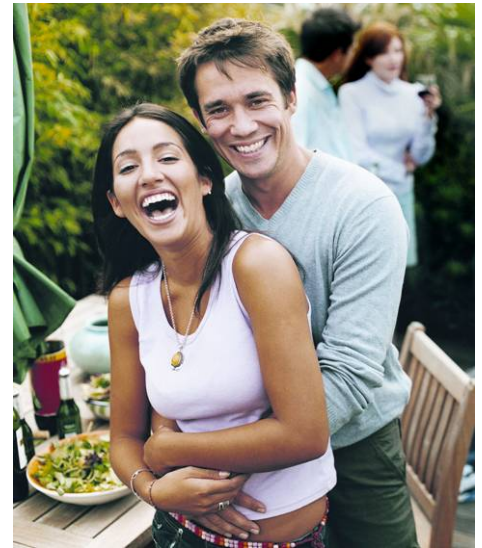
This hypothetical story illustrates one of the risks of entertaining. By all means, entertain. But do so knowing your responsibilities. Being the host or hostess with the “most” or “mostest” means creating fun—in a safe environment.

Whether you’re throwing a huge bash or just having a friendly barbecue with the neighbors, you are responsible for the conditions on your property and can be held responsible for guests’ safety even after they leave.

*Here are three of the most important danger zones for summertime entertaining and how you can handle them safely.*

### Alcohol

- Ask guests to appoint designated non-drinking drivers. If necessary, tell guests that drinking and driving is unacceptable.
- Close the bar 90 minutes before the party ends. Only time (not coffee) sobers someone.
- Don’t let guests mix their own drinks. Choose a reliable bartender to keep track of the size and number of drinks guests consume.
- If guests have had too much to drink, have a sober adult drive them home,



call a taxi, or invite them to stay over.

- Never serve alcohol to someone under the legal drinking age. Never ask children to serve, mix or carry alcohol.
- Make food available with beverages, so guests will not drink on empty stomachs. Avoid salty snacks that create thirst.
- Offer non-alcoholic beverages for designated drivers and those who do not drink alcohol.
- Do not allow an atmosphere where drinking is mandatory to have fun. It isn’t. Try activities such as party games or entertainment.
- Use a non-carbonated base (fruit juice) for alcohol punches. Alcohol is absorbed into the blood stream faster with a carbonated base.

### Grills

- Warn children that grill equipment is hot and dangerous.

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## Spring Storms Demonstrate Advantage of Atlantic Master Plan Coverage

The nor'easter that devastated the Northeast in April and the severe storms that hit the Midwest in May offer lessons about storm preparedness. One of the most important lessons concerns insurance coverage for water and sewer backup.

Prolonged, heavy rainfall can overwhelm drainage systems and cause basement drains and household plumbing to become unwanted gushers of dirty water. Many homeowners learn too late that standard insurance policies do not cover losses due to water and sewer backup. Coverage must be purchased as an add-on endorsement, and even then it may be limited to a few thousand dollars. Damage can easily exceed this amount, especially when the basement has been finished as an entertainment center or home office.

Homeowners with the Atlantic Master Plan do not have this coverage problem. The Atlantic Master Plan automatically includes coverage for



*Flooded basements from water and sewer backup can cost over \$100,000 to fix.*

water and sewer backup, and the coverage has no sub-limit. It goes all the way up to the value of the house. We handled more than 300 claims for water and sewer backup from the two storms and paid out \$3 million in total, with some individual claims exceeding \$100,000. Times like these show why 97 percent of our policyholders who have had a claim would recommend the Atlantic Master Plan to a friend.

### Sump Pump Secrets

Most claims for water and sewer backup due to the recent storms came from sump pumps that failed. Make sure yours won't:

- Buy a pump with adequate capacity. Today's larger houses have bigger basements and may require larger or perhaps multiple pumps to provide protection. Ask your plumber what you need.
- Connect your pump to a power supply with a battery backup. Severe storms often knock out power lines; you don't want to lose your pump when you most need it.
- Pumps should discharge far from the house. If water discharges next to your foundation, it's likely to come right back in.
- Keep the pump in good working order. Remove debris from the pit. Test the pump by pouring water into the pit until it activates.

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- Mark a safe zone around the barbecue for children and pets.
- Never leave matches, lighters or lighter fluid where kids can get to them.
- Let kids help in ways that keep them away from the grill if they want to be part of the action.
- Position your grill at least three feet away from the house, shrubs, trees, and other objects.
- Follow your grill's manual to operate and maintain the grill safely.

### Swimming Pools

About half of child drownings occur in the pools of neighbors, family members, or friends. And, almost 70 percent of pool accidents occur when the child was not thought to be at or in the pool. If you're entertaining and young children are around, be extra careful.

- Always make sure children are closely supervised around water—even if they are wearing floatation devices. Drownings can happen quickly and

silently. Young children may not splash or cry for help. In the time it takes to check the oven or answer the phone, they can drown.

- If a child is missing, always look in the pool first. Seconds count.
- Forbid diving or limit it to the diving board, if you have one, and make sure the water is at least eight feet deep.
- Mark the shallow and deep ends of the pool.

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## Enjoy Your Summer Out on the Water



Every summer, more and more Americans become boating enthusiasts, whether on the ocean, lake, or river.

Powerboats of all sizes are part of the recreational time for millions, so it's timely to consider safety issues. Let's review four basics for boaters from the U.S. Coast Guard Auxiliary:

- 1. Wear a life jacket.** Most people who are killed while boating drown. Most people who drown aren't wearing a life jacket. Those who fall overboard rarely get to a stowed life jacket. Today's life jackets are smaller and more comfortable than ever. Everyone in the boat should use one.
- 2. Stay sober in the boat.** A boat operator with blood alcohol content

above 0.10 is 10 times more likely to die in a boating accident than an operator with zero blood alcohol. Sun, vibration and noise affect the body more when drinking alcohol. Operating a boat under the influence of alcohol or drugs violates both state and federal laws.

### 3. Take a boating course.

Inexperience and lack of knowledge cause 70 percent of recreational boating accidents. Key problems are: not paying attention, carelessness, recklessness, excessive speed, and failure to watch for hazards.

If you own a jet ski or similar type of personal watercraft, make sure not just you, but everyone in your family who is likely to use it, takes a safety course. Personal watercraft are very dangerous and need special consideration from an insurance perspective.

### 4. Get your boat checked – for free!

The U.S. Coast Guard Auxiliary and U.S. Power Squadrons offer a free vessel safety check that helps boat owners comply with safety rules and recommendations.

Don't assume your boat will pass. In more than 100,000 vessel safety checks

by the U.S. Coast Guard Auxiliary and U.S. Power Squadrons, specialists found powerboats failed inspections 25% of the time.

A vessel safety check is a courtesy inspection by a trained expert that can help assure your safety on the water. Visit <http://safetyseal.net/GetVSC> to request one.

### Watercraft Policy Benefits

The Atlantic Master Plan Watercraft policy offers broad protection for boats and yachts, along with related items such as communications equipment, furnishings, and trailers. Agreed Value coverage locks in the value of a boat on total losses. That means your boat value is paid in a claim without depreciation.

A Watercraft policy insures you, family members, and others using the vessel with your permission. It provides coverage for liability and physical damage, as well as loss due to theft, fire, and other perils. Loss of personal effects is also covered.

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- Post emergency telephone numbers near the pool and keep a phone nearby. Also keep nearby rescue equipment such as a life preserver and shepherd's hook. Learn CPR.
- Forbid swimming at night, in rainy weather, or in thunderstorms.
- Keep toys, floats, and lawn furniture away from the pool when it is not in use to avoid attracting children.

### Entertaining Away From Home

When you host a party away from your home (at a restaurant or country club, for example), the owner of the venue, caterer, and other service providers you hire will also assume some of the risk.

Make sure they have insurance. In many cases, their coverage will take

precedence over yours. For this reason, it is somewhat safer to host an event away from your home.

However, you still face liability and should be careful. Once someone decides to sue for damages, he or she is likely to target as many potential payers as possible—including you.

## Eight Ways to Get the Most Value for Your Premium Dollar

Nearly everywhere these days you'll find insurance company ads promising big savings. Be wary—especially when you have substantial assets to protect. You may not learn that you get what you pay for until you place a claim.

A better approach: maximize the value of coverage and service you receive by working with your agent to prudently manage your risk. By assuming the risk of small losses yourself, employing discount-earning safety measures, and purchasing greater protection against large losses, you can control costs and optimize coverage.

*Following are some specific techniques to consider.*

**1. Earn a “package” discount.** Use the Atlantic Master Plan for your Home, Auto, Valuables, Umbrella (excess personal liability), and Watercraft coverage. Discounts range from 5 to 12 percent depending on the state you live in. The package approach minimizes coverage gaps and eliminates wasteful duplications that can occur with a collection of standard industry policies. Plus, you'll make your life simpler with just one policy and one bill to pay.

**2. Choose high deductibles.** You could save hundreds of dollars a year on your Home and Auto coverage. It doesn't take long for the premium savings to add up and outweigh the difference in your out-of-pocket cost if you have a claim. Moreover in most states, choosing a Home deductible of \$2,500 or more or an Auto deductible of \$1,000 or more allows you to participate in our unique Deductible Reserve Program. It reduces the amount of your deductible payment by 10% for each loss-free year.

**3. Install a water leak detection and shut-off system.** In some states, the Atlantic Master Plan offers discounts of up to 2 to 5 percent on your Home premium if you have an automatic leak detection and water shutoff system. While the cost of these systems can range from \$500 to over \$1,000, consider the savings if you avoid even one major leak. Names of systems include FloLogic, WaterCop, and Flood Stopper. Ask your plumber which system would be best for your home.

**4. Install an auto-theft prevention device.** It not only will protect your car, it will earn a discount on your Comprehensive coverage ranging from 5 to 25 percent. Since most cars sold today have factory-installed alarms, you might already have the discount. We know just by the VIN number. If you have installed additional systems, such as LoJack, let your agent know. The discount can be even higher.

**5. Manage your teen drivers.** The Atlantic Master Plan allows you to mitigate the additional cost of a teen driver with Good Student and Driver Training discounts, which typically range from 10 to 50 percent based on a variety of factors.

**6. Be loyal.** In most states, if you stick with the Atlantic Master Plan for three to five years, you earn a credit of up to 5 percent on the cost of your Home coverage for being a loyal customer.

*Getting the most for your premium dollar is not all about savings. It also means applying those savings to strengthen coverage in areas where many people fall short.*



**7. Make sure you have adequate liability coverage.** In today's litigious environment, million-dollar awards for personal liability are not uncommon. You can jeopardize your home, investments, and future income if you are inadequately protected. Liability coverage is provided first through your Home and Auto policies. Then, you can purchase additional coverage through an Umbrella policy. The Atlantic Master Plan offers umbrella coverage from \$1 million up to \$10 million. It's inexpensive compared to the protection it provides. A \$2 million umbrella policy typically costs \$300-400 in annual premium.

**8. Make sure your valuables are properly protected.** The combined value of precious items can add up quickly and exceed even the generous coverage sub-limits in the Atlantic Master Plan Home policy. A Valuables policy allows a higher amount of coverage, includes coverage for losses due to breakage and floods, and has no deductible. Jewelry, artwork, silverware, china and crystal, antiques, rare coins and stamps, wine collections, musical instruments, fur coats, and golf clubs are items commonly covered in a Valuables policy.

**Note:** The safety recommendations in this newsletter should not be viewed as covering every conceivable situation. It only highlights a few of the more common preventive steps. Other or additional steps may be necessary. Any descriptions of coverage in this newsletter are meant to be general in nature and do not include nor are intended to include all of the actual terms, benefits and limitations found in an insurance policy. Coverage may vary by state. The insurance policy and not this newsletter will form the contract between the insured and the insurance company, and governs in all cases.