

A^{the} ADVISOR

A Publication for GuideOne Insurance Personal Lines Policyholders

Issue I, 2005

Protect Your Home from Water Damage

Follow Simple Guidelines for Prevention

Water, we can't live without it. It's something we use in many capacities each and every day. But water can also be an uninvited intruder in your home and cause severe damage.

While you may think that heavy rain or flooding are the most common culprits, the reality is that most sources of water damage are appliances — things like a burst hose from your washing machine or a leak from your refrigerator icemaker. Many people do not realize that water damage accounts for a large percentage of all homeowner's insurance claims.

While some sources of water damage are unavoidable, most problems can be prevented. Regular inspections, routine maintenance and inexpensive precautions can aid in the prevention of water damage. You can help prevent potential leaks and damage by regularly following these guidelines:

- **Washing machines:** Inspect hoses regularly for cracking, bulges and other signs of wear. Replace hoses once every two to five years. Consider steel braided hoses as replacements.
- **Kitchen:** Inspect the water supply lines leading to the refrigerator

icemaker, dishwasher and sink. If there are any leaks or signs of wear, replace hoses immediately.

- **Bathroom:** Inspect water lines and pipes under the sink for leaks. Inspect the tub and shower areas for cracks and damaged caulking, tiles or grout where water can penetrate. Repair if needed. Also, check the toilet, its water line and seals.
- **Water heater:** Inspect the water heater, plumbing connections and area around the heater for leaks. Check for signs of rust or water on the floor. Seek professional assistance if a leak is suspected.
- **Plumbing:** Throughout your home, including the basement or crawlspace, inspect all water pipes and fittings on an annual basis. Check for leaking or "sweating" pipes, clogged drains and faulty drainage systems.
- **Roof:** Inspect the roof regularly to check for damaged or missing shingles. This is especially important after a storm. Gutters and downspouts should be cleaned to prevent overflow. Be sure downspouts drain away from the foundation.
- **Windows and doors:** Inspect caulking and seams around windows and doors to look for cracks where moisture can enter. Replace old or



To learn more about protecting your home and reducing risk, visit the Personal Lines Consumer Information and Safety Tips section on www.guideone.com.



To learn more about any of the features in *The Advisor*, contact your GuideOne agent, or call **1-888-218-8561** to locate an agent near you.

— continued on back

Adding Items to Your Car? Make Sure It's Properly Insured



These days, it seems as though you can add almost anything to your car. Things like DVD players, flat-screen TVs, global positioning systems, high-end wheels and rims and custom paint jobs are all becoming more and more common upgrades to vehicles. When adding upgrades to your car, make sure you are properly insured.

Consider this potential scenario: You decide it's time to update the stereo in your car. You find the perfect complete car stereo system including a multi-disc CD changer, amplifier and new speakers for \$3,000. You have the system professionally installed in your car. Several weeks later, you are in a minor car accident and the new stereo equipment is damaged. You submit your insurance claim, but you are not fully compensated for the equipment because you didn't let your insurance agent know about the new stereo system. Because of this, you are out the additional money it takes to repair or replace the stereo system.

This scenario illustrates an important reminder. Anytime you add items to your car, or upgrade items on your car, talk with your insurance agent to ensure your insurance policy will provide coverage. In addition, if you are purchasing custom packages on new cars, it's also important to talk with your insurance agent. If needed, your insurance agent will assist in updating your policy so that your add-ons, upgrades or customizations will be covered in your policy.

Know Your Score

How Credit History and Insurance Premiums Relate

Ever wonder what your credit history has to do with your insurance? While your credit history and insurance premiums are two very different things, your credit history can have an effect on your insurance premiums — and here's why.

Insurers use insurance scores as a means to gauge the likelihood of a loss. An insurance score is developed from specific information that reflects your credit history and management. Only credit-related information is used in determining the score. Race, religion, gender, marital status and birthplace are not used as determining factors.

Extensive research indicates that there is a 99 percent probability that insurance scores accurately reflect the chance of a claim being filed. This is why virtually all insurers use the scores, in addition to several other factors, when writing policies.

Insurance scores are mathematically calculated by external credit bureaus. Information in your credit report remains private, therefore your insurer

and agent do not have access to your specific credit information.

And, you have complete control of your insurance score. To improve your scores over time, consider following these tips:

- Consistently pay bills on time;
- Keep credit card and other revolving balances low;
- Apply for and open new credit accounts only as needed; and
- Check your credit report and resolve any discrepancies quickly.

You legally have the right to see what is in your credit report. If information is inaccurate, you have the right to have the reporting company correct or remove the information. You can request a copy of your credit report from the following sources:

- **Equifax**
www.equifax.com
1-800-685-1111

- **Experian**
www.experian.com
1-888-397-3742

- **Trans Union**
www.transunion.com
1-800-888-4213

Generally speaking, GuideOne reviews policyholder insurance scores annually. By following the tips previously listed, you can improve your insurance score, which in turn can improve your insurance premiums. For more information about insurance scoring, talk with your GuideOne agent.



Protect Your Home From Water Damage — *continued from front*

dried-out caulking. Also, check for peeling paint as it can be a sign of water penetrating into the wood.

- **Foundation:** Inspect the ground surrounding your home's foundation. Make sure the ground slopes away from the house to allow proper drainage.
- **Water shut-off valve:** Make sure you and your family members know where the main water shut-off valve is located in your home and understand how it works. If a water leak occurs, the shut-off valve can be closed.
- **Before you leave:** Always turn off the water to your washer if you are going to be away for an extended period of time. Also, do not leave

other appliances running when you're not at home including dishwashers and dryers.

Should water intrude your home, it is important that you act quickly and thoroughly in order to minimize the potential damage. Always seek professional assistance when the problem is more than you can fix. For more information about preventing water damage, visit the Personal Lines Consumer Information and Safety Tips section on www.guideone.com.

In addition, talk with your GuideOne agent to find out about endorsements to cover sump pump overflows, water backup of sewers and drains, or if you need to consider purchasing flood insurance.