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NEWSALERT

AS DATA BREACHES GROW, FEW SMALL FIRMS ACT

AS THE number of data breaches involving smaller businesses continues to grow, a survey by The Hartford finds 85% of small business owners said a potential breach of their own data was unlikely, and many are not implementing simple security measures to help protect their customer or employee data.

"Most of the business owners surveyed believe they are not at risk, when in fact smaller businesses are increasingly being targeted," said Lynn LaGram, assistant vice president of small commercial underwriting at The Hartford. "It is important for business owners to take proactive measures to protect data and minimize the likelihood of a breach."

More than a third said they have a more negative opinion of companies that have recently experienced a breach, based on the companies' handling of the breach.

About a third of business owners said they would have difficulty complying with laws requiring that they notify the affected parties if a breach were to occur, and nearly half acknowledge it would be impossible for a small business to completely safeguard customer, patient or employee data.

DATA PROTECTION PRACTICES

The Hartford asked the business owners how they protect their data:

- Lock and secure sensitive customer, patient or employee data (48%)
- Restrict employee access to sensitive data (79%)
- Shred and securely dispose of customer, patient or employee data (53%)
- Use password protection and data encryption (48%)
- Have a privacy policy (44%)
- Update systems and software on a regular basis (47%)
- Use firewalls to control access and lock-out hackers (48%)
- Ensure that remote access to their company's network is secure (41%)

Data breach coverage

Besides these methods, businesses of any size that store sensitive employee or customer information should also consider purchasing insurance to help them respond to and recover quickly from a breach.

Data breach coverage is typically issued

as an endorsement to your company's business owners' policy and will generally provide coverage for expenses and legal liability resulting from a breach.

Some carriers also offer access to services to help them comply with data breach notification laws.

Companies that store sensitive client or patient data, such as those in health care, financial or professional services, and restaurants and retailers with the large volume of credit-card information they process, should consider this coverage. ❖

WHAT INSURANCE COVERS

- First party coverage for response expenses, including legal and forensic services, notification expenses, crisis management and good-faith advertising expenses;
- Third party coverage for defense and liability, including defense costs, civil awards, and settlements or judgments that an insured is legally obligated to pay; and
- Consultation, including help with breach notifications.

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2019

CONTACT US



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EXERCISE EXTREME CAUTION AROUND LARGE TRUCKS, BUSES



AS THE economy hums along, we are sharing the roads with more trucks than ever before. Unfortunately, many people do not exercise the extreme caution required when driving around 18-wheelers, container trucks and buses.

And if there is an accident, due to their sheer size and weight, they can crush a passenger vehicle, seriously injuring or killing the occupants.

Trucks have tremendous blind spots, take longer to brake and often require multiple lanes to make turns. If you are also driving in hazardous conditions like icy, snowy or wet roads, the chances of an accident grow.

Another vehicle in or encroaching into the truck's lane was the critical pre-crash event for 73% of fatal large-truck crashes in the U.S. last year, according to the Federal Motor Carrier Safety Administration.

Fortunately, there are steps you can take to avoid having an incident while sharing the road with trucks and buses.

Five tips for driving around trucks

1. Stay out of blind spots – You're small and those trucks are giants. Even though the drivers are sitting high above you, that size comes with huge blind spots for the truck drivers. Here is a good rule of thumb if you must drive in the lane next to a truck: If you can't see the driver through their window or in their sideview mirror, the chances are good that they cannot see you either.

It's better if you don't drive in their blind spot at all, so strategically position your vehicle so that you stay behind or ahead of the truck, if possible. Be careful when merging into a lane next to a truck.

2. Pass with care – As mentioned above, make sure you see the driver in their mirror before passing. Start signaling early and then move into the left lane and accelerate so you can as quickly as safely possible pass them and get out of their blind spot.

When you merge back into the same lane as the truck, make sure you do so only when the truck is visible in your rearview mirror.

Don't pass going downhill or while in the right lane.

3. Give a wide berth – When driving near trucks, be sure to give them a wide berth. Don't tailgate, or linger too long alongside a truck and make slow predictable movements. Do not cut off a commercial truck or bus. They need more time to brake and slow down than passenger vehicles and they are heavy, so if they crash into you the results can be catastrophic.

4. Don't tailgate – Tailgate at your own peril. If the truck or bus in front of you must suddenly stop and you rear-end the vehicle, the chances of severe injury or death are extremely high. Also, don't stop too close behind a truck at a light either. If someone rear-ends you or the truck rolls backwards, there could be serious consequences.

5. Watch for wide turns – Trucks need extra space to make turns, and they will often start a turn from the second lane to the right in order to navigate the corner. If you see a truck with its turn signal on, don't try to squeeze in between the inner lane and the vehicle. Keep your distance. ❖



IF YOU SHOP BASED ON PRICE, YOU MAY REGRET IT LATER

AS NATURAL disasters continue to increase in number and severity, and insurers pay out record amounts of claims for damaged homes in many parts of North America, home insurance rates are on the rise.

In recent years, that's prompted some homeowners to hunt for the lowest possible premium they can find, but that can end up costing them more than they expected.

Dangers of Shopping on Price Alone

- Poor coverage and exclusions that may absolve the insurer from paying all or a portion of the claim.
- Insufficient coverage – or insurance with low payout limits that may not cover all the damage.
- Insurance with a poorly rated carrier that may not be as diligent about paying claims as other insurers.

Many homeowners may be tempted to shop around, as insurers are expected to raise rates in response to paying out increasing sums for natural disasters.

But, some people have learned the hard way that lower premiums can come with a price.

Many people will go underinsured during some catastrophes because they may have focused too much on price in exchange for lower coverage.

Even with an additional 50% cushion that most home insurance policies give, many people are still not able to rebuild their homes after they are destroyed.

The danger here is that price-shopping may leave you short because it forces your agent to cut corners and coverage to get to a premium level that you are looking for.

How to avoid coming up short

When shopping for home insurance, make sure your policy's coverages and limits are adequate and appropriate for your situation.

When working with us, you should focus on these five areas:

Choosing between replacement cost or actual cash value –

Actual cash value is the cost to repair your home or replace your belongings, less a deduction for a decrease in value due to age, wear and tear, and other factors.

Replacement cost is the actual cost to repair or replace your property with items of equivalent quality and kind at current market value.

The total insured value – If you want your home rebuilt as close as possible to the way it was, you need a policy that will cover the full replacement cost of your home – not the property's market value or the amount you paid for it. If the home structure is underinsured, you may not be paid enough to rebuild.

Home contents – Most home policies cover your personal belongings at a percentage (usually 50-70%) of the amount your dwelling is insured for. So if your home is insured for \$200,000, and your policy covers contents at 50%, your contents are insured for \$100,000 if there is a total loss.

Watch out for policies that have only 25% content coverage or none at all. Believe it or not, those policies are floating around in the market.

Water back-up coverage – A standard home insurance policy usually covers damage caused by faulty plumbing, heating or air conditioning.

But you should make sure the policy has water back-up coverage if the damage comes from outside of your property, like if there is a sewer back-up into your home.

Wind and hail deductible – Check to see if the deductible for wind and hail damage differs from your standard deductible.

The takeaway

While you don't want to pay too much for a policy, don't make the mistake of underinsuring your most valuable asset.

Also, don't be swayed by offers of extraordinarily low premiums.

There is usually a catch: being that you will be left holding the bag for a portion of the loss. ❖





DRIVERS EXPECT TOO MUCH FROM CAR SAFETY TECH: STUDY

A NEW STUDY by the AAA Foundation for Traffic Safety has found that too many drivers are unaware of the safety limitations of the advanced driver-assistance systems in their vehicles.

As a result, they are taking for granted that these systems will always warn them or help them take corrective action before a collision occurs.

These systems have a variety of tools to help drivers avoid collisions, including:

Blind-spot monitoring – Some of these systems will sound an alarm if they sense the presence of an object within a blind spot, and others include cameras that can transmit an image to the head unit or another monitor.

Forward collision warning – These systems will sense the proximity of other vehicles, pedestrians, animals and various roadway obstructions, and warn you. Some systems can also take other preventive actions, such as pre-charging the brakes or applying tension to the seat belts.

Lane-keeping assistance – If the system determines that the vehicle is drifting, it will sound an alarm so that you can take a corrective action in time to avoid hitting another car or running off the road.

Adaptive cruise control – This will automatically slow down or speed up the vehicle in response to the actions of the car or truck in front of it.

Automatic braking – This technology is designed to reduce the severity of high-speed collisions in the event of a lapse of driver attention.

GREAT EXPECTATIONS

- 17% drivers didn't know if their car had automatic braking.
- 78% of drivers with blind-spot monitoring incorrectly thought the system could accurately detect vehicles passing at very high speeds or bicycles and pedestrians. In reality, the technology is not well suited to sense fast-moving vehicles, pedestrians or cyclists.
- 40% of drivers incorrectly thought that forward collision warning could apply the brakes in the case of an emergency, when the technology is only designed to deliver a warning signal.
- 25% of drivers using blind-spot monitoring reported feeling comfortable relying solely on the system and not performing visual checks or looking over their shoulder for oncoming traffic.
- 25% of vehicle owners using forward collision warning or lane departure warning systems reported feeling comfortable engaging in other tasks while driving.

The takeaway

If you are purchasing a car, you should read the owner's manual to understand all of the bells and whistles in terms of advanced driver-assistance systems that may be installed. If you are purchasing the vehicle at a dealership, ask the salesman to go over all of the safety features and how to properly use them.

Ask the dealership for an in-vehicle demonstration and test drive to better understand how the systems will engage on the roadway.

And ask plenty of questions about the alerts, functions, capabilities and limitations of the car's safety technologies before leaving the dealership. For example, ask if there are scenarios when a technology will not function properly on the road. ❖