


RAI GRANT INSURANCE BROKERS

BETTER COVERAGE, BETTER PRICE™

NEWSALERT

HOW TO TRAVEL SAFELY WITH YOUR PET

IF YOU are transporting a pet to the veterinarian, or bringing your critter on a road trip or to the dog park, you know that cars are not really designed for conveniently carrying them.

Also, if you are in an accident and your pet is injured, your auto policy will not cover their injuries, so it's important that you physically secure your pets before you drive. If your pet

is not secured, it can suffer serious injuries or death if you suddenly stop or are in an accident.

Some carmakers, including Subaru and Volvo, cater to animal lovers with special equipment packages. These save you the trouble of locating components separately, can be included in your financing, and are covered by the manufacturer warranty.



Precautions before hitting the road with your furry friend

- Don't let your pet sit on your lap while you drive. It's distracting, and unsafe in case you have to stop suddenly.
- Do not leave your pet in a locked car when it's hot outside. Even warmer temperatures in the mid 80s can turn the inside of your car into an oven.
- Bring water. You can buy collapsible and spill-proof containers.
- Purchase mats and liners to protect carpets and make clean-up easier if they make a mess.
- Don't let your dog stick its face out the window as you drive.
- If you are planning a long trip, take your pet on a series of short drives first.
- Consider transporting your pet in a well-ventilated carrier. You can secure the crate so your pet is not thrown around if you stop suddenly.
- Use a safety harness. These have become popular in recent years.
- Stop every couple of hours to let your pet take a break and have some water if you are on a long trip. ❖

WELCOME TO OUR SUMMER NEWSLETTER!



Paul Rai

Please enjoy our Summer 2019 edition of the Rai Grant Insurance Brokers Newsletter!

We hope that you find these articles of interest. If you have a topic for future discussion, do let us know. Please call us anytime and we can answer questions or be of help with your business or personal insurance needs.

CONTACT US


RAI GRANT INSURANCE BROKERS

BETTER COVERAGE, BETTER PRICE™

140 Renfrew Drive, Suite 230
Markham, ON L3R 6B3

Tel: 905-475-5800

Toll free: 1-800-561-6195

raigrantinsurance.com

If you have questions about information in this newsletter, e-mail us at: socialmedia@rgins.ca

HOW TO PREPARE FOR MORE SEVERE WEATHER

IT'S NO SECRET that climate change is leading to more frequent and more severe weather events and catastrophes around the world. Here in Canada, some of the most obvious examples include an increase in wildfires, more extreme heatwaves, and flooding. Consider these tips to make sure you're prepared to protect your home in case of a major weather event in your neighborhood.

Get the coverage you need before you need it

Insurance, in a nutshell, is planning for the worst and hoping that it never happens. When clear skies are in the forecast, reviewing your insurance policy might not be top of mind, but it's essential that you have the right coverage in place before the worst happens. This means reviewing your policy to make sure it covers as many perils as possible and that your coverage limits still make sense for your situation — especially if you've recently acquired new specialty items that might not be covered by your typical policy.

It's worth noting that, during extreme weather events, some insurance companies may put a hold on new coverage so they can dedicate their resources to existing customers. This means your broker may not be able to update your existing coverage or sell you a new policy, even if they want to. It's best not to wait until you see storm clouds rolling in to make sure you have the coverage you need.

Before a storm hits, review your home insurance policy to make sure it covers as many perils as possible and that your coverage limits still make sense.

Find out if you need additional coverage

Most basic home insurance policies include coverage for damage caused by fires, windstorms, hurricanes, tornadoes, and other common weather events. However, there are a few types of damage that are becoming more and more common but aren't always automatically included, like damage caused by overland water or sewer backup, for example. Review your policy, and then consider asking your broker if you qualify for these coverages if you don't already have them:

Overland water coverage

Overland water coverage is designed for damage caused by excessive rain, overflowing rivers, spring run-off, and melting snow. It usually excludes damage caused by saltwater, including tidal waves and tsunamis.

Sewer backup coverage

Sewer backup coverage is generally set up to protect you from loss or damage to your property when caused by the backing up or escape of water from a sewer, drain, sump pump, or septic system.

Overland water coverage is designed for damage caused by excessive rain, overflowing rivers, spring run-off, and melting snow. Check your policy to find out if you're covered. ❖



HOMEOWNER'S POLICY WON'T COVER VACATION RENTAL

IF YOU'VE been insuring your vacation rental with a standard homeowner's policy, it likely won't be enough to cover the various types of damage that are inherent when renting out property.

And it also won't cover any injuries that your guests sustain on your property, or lost income should it be rendered un-rentable for a period. What you need is vacation rental property insurance, which is like a homeowner's policy with added protection.

Even if you have a contract that requires guests to pay for damages, plus a deposit, if someone can't pay for damage, you may never be able to fully collect and you're on the hook.

What you need to know

A standard homeowner's insurance policy will not provide coverage for business activities. Also, policy language will vary from insurance company to insurance company. So, it's wise to give us a call about your options.

Usually, there are two alternatives:

- If the property is used mostly for short-term rentals of less than 30 days, then you may be able to purchase a special endorsement for your homeowner's policy from your insurer.
- If you rent on a more frequent basis, you may need to buy a business insurance policy for short-term vacation rentals.

The three main areas you'll want to insure are:

Liability – The biggest liability you'll face with a vacation

rental is injury to your guests or damage to their property due to your alleged "negligence." Insurance would provide coverage for any injuries sustained by guests on your property that they blame you for, and for costs if they file suit against you.

Building and contents – If one of your guests starts a kitchen fire that burns half the property down, this part of a policy will cover rebuilding of the structure and replacement and installation costs of contents damaged or destroyed.

Rental income – If your property is damaged and rendered un-rentable for a period, a proper policy can also reimburse you for lost income during that time.

Before securing a policy

Before you decide on a policy, take stock of your rental:

- Do you provide recreational items like bikes or a swimming pool? This increases your chances of a claim.
- What are the conditions around the property? Is the area prone to wildfires or other natural disasters?
- Hire an inspector to check piping and wiring to bird-dog any signs of wear that could lead to a leak or fire.

If you also stay in your rental

If you insure your short-term rental as a business, you can also stay there since there are no standard occupancy restrictions on a business policy. This means the property is insured while you, your friends or family, and of course paying guests stay there.❖



ANNUAL REVIEW IS CRUCIAL TO YOUR GROWING BUSINESS

ONE OF THE biggest mistakes owners of growing businesses make is not keeping up their insurance coverage to account for the expanding assets and potential liabilities.

Let's say you started your business 10 years ago with just a small space and computer desk. Today, you have an office full of employees and equipment. If you still have the same insurance coverage as you did a decade ago, or even three years ago, the chances are high that you are underinsured.

To make sure you have all of your assets covered, you should review your business insurance program annually. Circumstances change, and without a yearly review, you could be faced with substantial expenses if you suffer a loss.

It's common for small businesses to start out with basic insurances, such as commercial property and general liability policies. However, as they grow, most owners need other types of insurance.

COVERAGES YOU MAY NEED

Excess liability or umbrella – This covers claims exceeding your standard policy's limits.

Professional liability – This form of insurance covers your service-provided mistakes, and usually your attorney fees.

Auto, hired and non-owned – This protects your business should an employee cause a vehicle accident in their personal or rented auto.

Commercial auto – This provides coverage for vehicles that are owned or leased by the business that are used for commercial purposes.

Employment practices liability – Coverage for HR issues, such as those related to termination, harassment and discrimination laws.

Directors and officers liability – Financial protection for directors and officers should they be sued for wrongful acts stemming from performance of their duties.

Getting started on a review

Depending on your business, many of the coverages in the box may be essential to protect your firm. An annual insurance review is an ideal time to discuss your needs with us.

Ensure the following elements are considered as you begin the review:

- **Revenue** – More business is good, but it also means a greater potential for liability. Have your annual sales changed?
- **Property** – Have you added equipment, computers and such that would create a need to increase your commercial property policy's limits?
- **Location** – Your business owner's or general liability policy could be affected if you've added, closed or moved locations.
- **Travel** – A hired and non-owned auto policy may be needed if your employees are frequently driving rented vehicles.
- **Employees** – Have you had an increase in your workforce, turnover rate, or use of contractors? Consider employment practices liability insurance for high turnover rates.
- **Services** – Are you offering additional services? For certain types of work, you may need additional endorsements to your general liability policy.
- **Customers** – Are you serving new clients or industries? This may cause problems with your professional liability policy if you're servicing high concentrations of high-risk clients/industries.

The takeaway

The answers for each of the above won't remain the same over a business's life, and that's why insurance isn't a one-size-fits-all, unchangeable product.

Annually review your business for exposures and insurance needs. Insurance may not cover everything, but it can certainly mitigate your risks.

Start your annual business insurance review today by setting up a meeting with us to discuss the above issues and how they relate to your current insurance needs. ❖

