

Prepare for Mandatory License Testing of Seniors



A message from Alan R. Long, President

In recent months we have seen accidents involving elderly drivers being reported with increasing frequency by the news media, both

locally and nationally. America's population is aging and as we age, we face the challenge of operating our vehicles as our physical and/or mental health deteriorates.

In many states mandatory license testing of seniors already is law. In Massachusetts, the recent frequency and severity of accidents involving older drivers has not gone without notice by the state legislature. As a result, a new safe driving bill is currently under consideration at the State House. Although I am not sure what the specifics of the law will ultimately contain, as currently proposed people 75 or older would be required to pass an exam when applying for renewal of their driver's license. In addition, doctors and law enforcement officers would be empowered to sideline unsafe drivers of all ages in the event an operator had three or

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Change in Drivers on your Policy? Please Let Us Know!

Anyone who has a driver's license and lives in your home or uses your vehicle on a regular basis, **must be listed on your auto policy**. If they live in the same house and never use your vehicle, they still must be listed on your auto policy.

Auto companies are within their legal rights to deny a claim (and they have) if an operator has not been listed on an auto policy – no matter how innocent the oversight was. Some recent situations that have caused claim denials include:

- A son lost his job and moved back into the parents' home. He had his own vehicle, but took the last car parked in the driveway to the store...
- To help with the rent, a customer took in a roommate who borrowed the car...
- A new driver just got his license, and he was driving to school...
- A daughter came for an extended visit to help her parent recover from a broken hip, and she was driving to physical therapy...

So please, **contact us right away with any change in drivers**. We will have to know the person's license number and, if the person has an auto policy of his/her own, the name of their insurance company and the policy number. If they have their own auto policy, they will be considered a *deferred* driver meaning their driving classification and record will be charged to their policy not yours. Please call 800 945-1840.

Are you covered for Volunteer Work?

So you've retired and spend some of your spare time volunteering for a non-profit organization in the community. Or you're still working but "give back" some of your time and expertise to a worthy organization. If so, you are one of an estimated 90 million Americans who perform some sort of volunteer service each year, according to the Non-Profit Risk Management Center. However, these numbers have been declining as people become more fearful of the litigious atmosphere in our society.

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For additional information on the topics in this newsletter go online to ELInsurance.com

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CUSTOMER PROFILE

The Hearle Gallery – Fine Art, Fine People

From the pristine white awnings and the window boxes at the entrance to the explosion of color and light inside, the Hearle Gallery is one of downtown Chatham's most inviting destinations. It has been a magnet for art-loving visitors and locals since 1985, the year Debbie and Ron Hearle chose Chatham as the perfect place to raise their two young sons, and 488 Main Street as the ideal location to showcase Debbie's award-winning marine paintings, landscapes and portraits. Today the gallery also represents the work of about 20 other top-rated artists.

Debbie has been a serious painter for most of her life, and a serious sailor as well. Her love of boats is evident in her many paintings of classic sailing yachts. She and Ron sail their Marshall cat boat *Kue Ipo* on Pleasant Bay and Nantucket Sound. Sparkling Boston cityscapes are another favorite theme of Debbie's, painted from her winter studio overlooking Charles Street.

Before settling in Chatham, Ron worked for many years as a detective sergeant with the New York City Police Department. Today he solves the complex logistical challenges of running a successful art business. "We're a team," says Debbie, who credits Ron with making it possible for her to give her talents free reign. Her paintings are represented in over 3,500 private and corporate collections worldwide. The Hearle Gallery has been featured in numerous publications, most recently in the August 2009 issue of *Cape Cod Life*.

A building filled with irreplaceable original artworks creates one-of-a-kind insurance requirements, explains Ron. Eldredge & Lumpkin is proud to have met the Hearle Gallery's special insurance needs for almost a quarter of a century.



488 Main Street, Chatham

Fall Steps for Winter Protection

Frost on the pumpkin? October on Cape Cod can bring pleasant harvest days. It can also signal the advance of winter cold and the annual threat to the well-being of your home.

If you plan to head south later in the year or be away from your home for an extended time, October is a perfect time to take precautionary steps against frozen pipes and ice dams.

Take the smart home owner's pledge to keep your furnace thermostat set at **NO LOWER THAN 60 DEGREES** while you are away.

Fit exposed water pipes with insulation; seal cracks and holes in outside walls and your foundation; keep cabinet doors open during cold spells. And if you intend to turn off your furnace, ask a plumber to help drain your water system

To protect against ice build-up in drains and gutters that could force water back under your roof, ensure that your attic is well ventilated, and make sure the attic floor is well insulated.

A few preventative steps now could avert a winter freeze-up costing potentially hundreds of thousands of dollars and untold aggravation.

Volunteer Work continued from front page

Your homeowner's insurance policy provides you with *personal liability* protection which may or may not cover you for a claim arising out of your volunteer activities. It depends on the nature of the claim. If you cause injury to a person or damage to their property while acting as a volunteer for a non-profit organization, your homeowner's insurance carrier will, in most cases, defend you against that.

Coverage for claims involving libel, slander or defamation of character will only be covered if you have purchased optional *personal injury* coverage for your policy.

However, if you are a board of directors member who is targeted for wrongful practice or breach of fiduciary duty, or if you are a service provider accused of negligence in caring for a client, you cannot rely upon your own *personal liability* coverage to protect you.

It's always best to **ask your organization if it has insurance coverage that would protect you.** If the group has no coverage, encourage its leaders to get some protection for its volunteers by adding coverage to their liability and Workers' Compensation policies. If you are a board member, having a *Directors & Officers Liability* policy would be safe practice.

Be aware - your auto policy excludes *private livery* so if you are using your vehicle for the benefit of a non-profit organization - particularly if you are transporting people as a volunteer - make sure you do not receive any fees for your service. An insurance company may try to deny a claim in the event of an accident while you are transporting others for a fee.

E&L can answer your questions about volunteer liability coverage. Call us at 800 945-1840.

Registry Hikes Some Fees

The Massachusetts Registry of Motor hiked certain fees for registering non-auto vehicles effective October 3:

Vehicle Type	New Fee	Increase
Campers	\$50	100%
Trailers	\$20 per 1,000 lbs. \$20 minimum fee	67%
Commercial Vehicles	\$40 per 1,000 lbs. up to 5,000 lbs. \$20 per 1,000 lbs. above 5,000 lbs.	67% 33%

Avoid Auto Accidents – Here's How

These common-sense suggestions could significantly reduce your risk of having a collision.

Stay off the phone!

Drivers who use cell phones—hand-held or hands-free—are four times as likely to get into crashes serious enough to injure themselves, say the experts at the National Highway Transportation Safety Administration. Cell phone use accounts for 2,600 vehicle fatalities and 300,000 collisions annually. Texting can be even more distracting; it is already banned in several states. The Massachusetts legislature is now considering a ban on texting while driving.

Turn Right to Avoid Left Turns

Crashes at intersections account for about one in four fatalities and almost half of all injuries, according to federal statistics. Making a left turn is particularly dangerous, requiring multiple quick decisions about right of way, the speed of oncoming vehicles and other variables. Planning your route so you make only right turns is not only safer, it also saves fuel and protects the air we breathe. Since UPS instituted a no-left-turn policy for its drivers two years ago, the company has saved an estimated three million gallons of fuel, preventing approximately 332,000 tons of CO₂ from polluting the atmosphere. Significantly fewer accidents have been reported as well.

Back into your Parking Spot

Parking lot accidents are the most common accidents we see at our agency. If your insurance company and/or the Division of Insurance Board of Appeals determines you to be more than 50 percent at fault, you will be assessed a surcharge on your policy. Fault can be determined by a citation from the police or, if the police were not present, determined by standardized situations in which you would be considered more than 50 percent at fault. A "Collision While in the Process of Backing Up" incident is considered one of these. So if you have an opportunity to safely *back into* a parking space, you will cut down on the chance of an at-fault accident when you leave.

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Senior License Testing on the Horizon *continued from front page*

more at-fault accidents or moving violations in the previous year.

Voluntarily giving up one's license to drive may be one of the most difficult decisions to face as we get older. Even if we recognize our driving ability has deteriorated, relinquishing the independence of operating a vehicle means depending on friends, relatives and/or public transportation to help us do the things we need or want to do on a daily basis. It appears to be only a matter of time before the mandatory testing requirement forces many of our clients to make this difficult decision.

We anticipate the legislature will act on this pending bill by January and if it is enacted, it could become law 90 days from the time it is signed by the governor. We expect to have more details by winter and will keep you posted in our next newsletter.

Cost of Building Material Offsets Lower Home Valuations

The market value of your home is probably in a tailspin because of the current real estate downturn on the Cape & Islands. If so, you may benefit from lower real estate taxes in some towns. But don't count on lower homeowner's replacement costs. Unfortunately as home values plunge, the cost to replace your home in the event of a covered loss continues to climb. According to an analysis by AIU Holdings for its Private Client Group, the cost of residential building materials and their delivery continue to fluctuate based on global supply and demand.

AIU says even though the cost of lumber has decreased 7% over the last year, the main drivers increasing costs are roofing and paving (up 51% in 2008); cabinetry and hardware (up 13%) and heating and ventilation (up 8.4%). In addition, construction wages increased 4.5% last year despite a drop in construction jobs.

The inflation guard built into your homeowner's policy should keep up with this trend unless your home has not been revalued recently. Your customer service representative at Eldredge & Lumpkin can assist. Call 800 945-1840.



*Look Inside:
License Testing for seniors*

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