



"Insuring Your World" is a Lackner McLennan Insurance Ltd. publication providing information you need to make informed insurance choices.

4 Important Changes to Your Auto Policy

Effective October 1, 2003, the Ontario Government amended the Ontario Automobile Policy under Bill 198. As you know, insurance premiums have been climbing across Canada, and automobile insurance is no exception. The recent changes are intended to improve access to benefits for the most seriously injured and at the same time reduce the cost of red tape, fraud and abuse. This will benefit all policyholders by helping to reduce premiums and make insurance coverage more affordable for everyone.

Replacement Parts

As of October 1, 2003, if you are involved in an accident your insurance company has the authority to request that the body shop repair, rebuild, or replace the property with either new parts provided by the original equipment manufacturer or with non-original or rebuilt parts of like kind and quality.

Is Your Nanny Safe?

When considering hiring people to work in your home such as full-time housekeepers, nannies or other contractors, it is important to know what your homeowner's insurance policy does and doesn't cover with regard to employee liability laws.

Homeowner's insurance policies cover only casual domestic employees working fewer than 24 hours per week, such as a babysitter. It is usually safe to say that your homeowner's, personal liability, or umbrella policies will not provide coverage for employees for whom you are required by law to carry workers' compensation.

When the time comes for you to think about hiring people to work in your home, you should keep the following guidelines in mind:

- Use bonded people wherever possible
- Check out qualifications, licenses, and references
- Confirm a person's driving record before allowing them to drive your car
- Review their tasks with them and assess any safety issues
- Put all agreements and instructions in writing
- Take precautions to protect your property and prevent liability claims
- Always hire professionals such as contractors, construction workers, and landscapers who have their own workers' compensation and liability insurance.

Disclosure

When an accident occurs, you have up to 7 days to notify your insurance carrier. If additional information is required in connection with a claim, you will be required to provide it – this could include attending an examination under oath.

Income Replacement

The basic weekly income replacement of \$400 per week has been reduced to \$300 per week. This change is effective for policies issued or renewed on or after January 1, 2004. Policyholders can purchase additional weekly income replacement coverage up to \$400, \$600, \$800 or \$1,000 per week if they wish.

Deductible for Pain and Suffering

For accidents that occur from October 1, 2003 forward, the deductible that applies to pain and suffering claims will significantly increase, doubling the current \$15,000 to \$30,000. The deductible for dependants' claims will increase from \$7,500 to \$15,000.

If you have any questions regarding these changes, please contact us. We'll be happy to explain the new legislation and how it will impact your specific situation and coverage requirements.

Do you have topic requests or suggestions for "Insuring Your World"? Please email them to info@lacknermclennan.com

Renting For The First Time? *What You Need To Know*

When you rent property from someone else, whether you are renting an apartment close to your university campus or your first home, it is important to recognize that you are not protected under your landlord's insurance policy. Without the proper coverage and compensation for losses, tenants can be left with no assistance to rebuild their lives after a tragic mishap such as fire or theft.

A tenant's insurance policy is designed for residents of houses, townhouses or apartments who do not own the building in which they reside. The policy provides coverage for personal belongings, additional living expenses and personal liability.

- **Personal Belongings**

Most policies today provide coverage for items that are owned, worn or used by you at replacement cost so that you can purchase a replacement of similar kind and quality.

- **Additional Living Expenses**

If a serious loss requires you to move out of your rental unit while repairs are being made, your living expenses will be covered if the loss is insured under your tenant's policy. This coverage also guarantees that you will be compensated sufficiently to cover additional living expenses you may incur.

- **Comprehensive Personal Liability**

If you or a member of your family accidentally started a fire in your rented unit, you would be covered under the Fire Legal Liability section of your policy. Should you be found to have been negligent in causing the fire, the Comprehensive Personal Liability coverage would extend to legal defence costs over and above the limit of liability insurance stated on your policy.

- **Additional Tenant's Package Coverage**

Tenant's Insurance Policies can also cover:

- Fraudulent use of your credit card or bankcard
- Spoilage of frozen food in the freezer caused by an outside power outage or mechanical failure
- Water damage due to an appliance malfunction.

Some items, such as furs, jewellery, fine arts, sports equipment and watercraft are subject to limits on the coverage that an insurance company will pay. If you require more coverage on any limited item, you should consider acquiring additional insurance to ensure that your valuables are protected. Talk to your **Lackner McLennan Insurance professional** – we'll work with you to design the tenant's insurance package that best suits your needs.

***For more information contact your Lackner
McLennan Insurance professional today!***

Prevent Water Damage

Water damage can occur at any time, but winter freezes and thawing can be particularly dangerous. You can protect your home inside and out, year round, by taking a few simple, preventative steps.

Inside Your Home

Checking the hose connection to the water supply line to your dishwasher (and refrigerator if your model contains an icemaker) for leaks and paying attention to slow draining pipes in your sinks could mean the difference between a simple mop-up job and a costly repair.

Outside Your Home

Inspect your roof valleys, eaves troughs and downspouts to ensure they are free from a buildup of leaves, twigs and other debris to allow proper drainage. Before winter, disconnect all garden hoses and shut off water to outdoor taps. Inspect caulking around windows and doors to ensure they are properly sealed.

Finally, be sure your homeowner's insurance is up to date and the appropriate coverage is in place and if you have questions, contact your **Lackner McLennan Insurance professional**.



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