



Insurance INSIGHTS

Information and ideas for customers of John F. McBride Insurance Agency • Summer 2015

CONSUMER ALERT

If you use a borrowed car, are you insured if you have an accident? Yes... and no!

We have all had times when we have needed to borrow a car from a relative or friend or neighbor. Or maybe used a loaner provided by a repair shop.

Insurance based on the lender's policy

In most states, insurance coverage follows the vehicle. In a nutshell, when you borrow a car, you are borrowing the owner's auto insurance policy too. But if you use the borrowed vehicle too often, this could be construed as "regular use", and any insurance claim payments could be denied if you have an accident.

What is "regular use?"

Regular use can be using the same vehicle too much in a short period of time. Or it can be a random and recurring pattern of use over a long period of time.

Regular use examples

- If you have a company car at your disposal, this would qualify as regular use. You will not be able to apply your personal auto policy or the policy of anyone else in your household if you have an accident.



- If you use the vehicle of a friend or neighbor or non-household relative once a week or a couple of times a month over a period of years, this could be "regular use."

Non-regular use is okay

If you use a car to go away for a weekend with the owner's permission, that's not a problem. If you borrow the car to go to the grocery store every week for a year, that could be a problem; insurance coverage could be denied.

Solution: Special Endorsement

It is called "Use of Other Auto Endorsement." It allows the removal of the "regular use" exclusion. You gain the protection and security of your own auto policy coverage even though you use a non-owned vehicle "too much!"

If you are interested in this endorsement or have questions about other issues (and there are some) concerning the borrowing and lending of cars, call us.

The Personal Touch

By John McBride, Jr.



- **Live in an area with an aging infrastructure?** If you don't have insurance coverage for sewer backup, you may want to look into it. Contact us.

- **Good time to check your brakes.** We have had a salty winter. Older vehicles are especially vulnerable to rusting of brake systems. According to the National Highway Traffic Safety Administration (NHTSA), a zinc-aluminum alloy was used in the coating of brake systems up to model year 2007. It is more susceptible to rust than the nylon and plastic coatings that have replaced it.

- **Vacation driving money-saver.** Decrease your gas costs by keeping all four tires properly inflated, and keeping in mind that every 5 mph you drive over 60 mph can reduce fuel economy by about 8 percent.

- **Protect your possessions with an inventory.** We encourage you to use your phone camera to do an inventory of your possessions, especially valuables such as antiques and art objects. A photo record will facilitate a claim if you should have one.

- **Two home risks that require special insurance:** valuables such as jewelry, silverware, collections, antiques or art objects which are worth more than the modest amount covered by a standard homeowner policy. Ask us about adding a floater to your policy.

- **Strange, but true.** We can't sell you an Umbrella Policy if you own a vacant home. Please talk to us about this situation if it applies to you.

- **"Spring Cleaning" for your coverages.** We offer a clean sweep of your home, auto or life insurance programs. Times change. There could be a few old cobwebs such as coverages that don't match your needs today; or lack of coverage that you should consider; or ways to save money by bundling coverages. Call or email for a review.

- **Thanks** to everyone who recommends us to relatives, friends and business associates. Your referrals are very much appreciated. They are the highest compliment that we could ever receive.

Test Your Insurance I.Q.

Q. John, are my trees and shrubs covered for damages by my homeowner's policy?

A. Your trees and shrubs are covered for losses by vandalism, theft and fire by standard (HO-3) homeowner policies. But not losses from wind damage. However, if a fallen tree damages your home or blocks access to it, you may be covered for its removal- generally up to a \$500 limit.

We invite you to submit questions for this regular column. Email or call us.

Put life insurance on your side with McBride!



FACTS OF LIFE

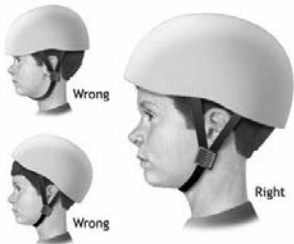
Have all the life insurance you’ll ever need? Before you decide, call McBride.

For more information about how life insurance might work for you and your family, call John McBride. We represent Ohio National Life Insurance Company, national leader in whole life insurance.

SAFETY FIRST

Hitting the road on your bike

Safety officials pass along these “musts” for safe cycling on roadways. Wear your helmet atop your head, not tilted. Make sure it fits snugly and does not block vision. Wear high visibility reflective clothing. Use a bell as well as front and back lights. Know your hand signals, obey traffic rules. If you bike with someone, ride single file except to pass. Never wear headphones. When you pass another rider or pedestrian say, “On your left.”



Graduation Parties and the Social Host Law

Graduation season is right around the corner. It certainly is a time to celebrate for graduates and their parents. In-home and out-of-home parties abound. We love a good party as much as the next person, but as “insurance people” we have a responsibility to remind our customers about the “social host” law (part of Chapter 138, Section 34 of the Massachusetts General

Laws) which also covers selling and serving alcohol to minors. The penalties for violations are severe.

Selling recalled used cars that may not have been repaired is okay

Safety recalls are mandated by federal law for vehicle models cited for situations such as braking or steering problems or faulty air bags or wiring that catches on fire. New model cars with safety recalls cannot be sold to consumers but used cars can be. There is an online source where used car buyers can check for recall notices: Safer-Car.gov, an NHSTA site. The user needs to enter the car’s vehicle ID number (VIN). Also, a potential buyer could insist that the used car dealer or private owner submit proof that a vehicle has not been recalled or has been properly repaired after a recall.



THANK YOU FOR REFERRING US TO A FRIEND!

About 60% of our new customers are the result of referrals from loyal clients like you. When you refer someone, ask him or her to mention your name when they contact us. We’d like to thank you personally!



It is understood that the publisher is not engaged in rendering legal, accounting or other professional service. If legal or other expert advice is required, the services of a professional should be sought. Insurance information is general in nature; for specific coverage provisions, review contractual policy provisions.

NEW MA DRIVER SAFETY LAW

Heads-up about headlight use



Effective April 7th, drivers must turn on their headlights when their windshield wipers are on, and during times of low visibility during the day. The new law calls for mandatory use of headlights when, “due to insufficient light or unfavorable atmospheric conditions”(like rain, snow and fog), visibility is reduced to less than 500 feet. It also requires use of headlights from a half hour after sunset to a half hour before sunrise. There is a \$5 fine for a violation. It is considered a surchargeable minor motor vehicle traffic violation for insurance purposes. For more details go to www.massrmv.com and click on Events and Announcements.

SELF-INSURANCE

Quick Tip Time!



Consider using a low-cost portable, encryption-enabled USB thumb-drive to protect your important financial files and other files from pirates who could hi-jack your computer or block access to its content with ransomware and other malware. USB units start at about \$5.

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