

Fredricksen Information Source

Volume 1, Issue 2

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Welcome Back to FIS

Welcome back to the FIS newsletter. This time around instead of focusing on a general overview, we are going into the specifics of Fredricksen Insurance. In this issue we will highlight the new services here at FIS and answer some of the specific questions we've received from you.

We are currently evaluating the possibility of a seminar for our agents who would like to learn more about Farm, Ranch, and Livestock Mortality insurance. The seminar, spanning one day, may provide continuing education credits. If you are interested, e-mail Mark at markf@fredricksenins.com.

For a version of this newsletter that is easier to print, as well as the last newsletter and more information on all of our services, visit FIS online at www.fredricksenins.com. We hope you find this issue as informative as the last. Enjoy.



In This Issue:

On The Home Front:

- Completed Application = Lower Premium 2
- New Market Update: Fine Arts
- Who Should I Call?

Straight From the Horse's Mouth

- Introduction to The Hartford Cattle Coverage 3
- Does The Horse Like to Travel?
- Livestock Mortality FAQ's

Stable Times

- What is an Equine Activity Law? Part I 4

A Side of Ranch

- What is Custom Farming? 4
- Which App Do I Use?

The President's Corner

- A Message From Mark Fredricksen 5

Underwriter Spotlight 5

Please note that on July 1st our area code will change from 909 to 951.

Opportunity:

Opportunity is frequently overlooked because it disguises itself as work.

-Unknown

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On the Home Front

Homeowners Department with Rachel Hindle, Underwriter

Completed Application = Lower Premium?

Have you ever heard an insured complain that a premium was too low? Neither have we, but that doesn't mean we shouldn't try. We would like to provide the insured with every possible credit and discount, and the first step toward these credits is a completed application.

While some discounts involve changing things such as the deductible on the policy, others are attainable by simply remembering to ask the appropriate questions when filling out an application.

The best credit we can put toward lowering your premium involves raising your insured's deductible. By raising the deductible from \$500 to \$1,000 or \$2,500, we can offer your insured up to a \$100 or \$400 discount on their annual premium.

A house's construction can also make it eligible for discounts. When was the home built or last updated with new piping/wiring?

Does the home have a flame-resistant roof?

Other discounts can be received for homes equipped with burglar alarms, smoke/fire alarms, sprinklers, fire extinguishers, and even deadbolted doors.

For more information on how to give your client the most competitive quote possible, contact Rachel.

Having a hard time getting the premium low enough for your insured? Call Rachel and make sure you get every discount available.

New Market Update: Fine Arts

We are proud to announce our new appointment with the Insurance Corporation of Hannover (ICH). ICH has earned an "A" rating from A.M. Best, and has offices from Los Angeles, CA to Charlotte, NC.

ICH's Fine Arts program is

insurance corporation of
hannover

the perfect compliment to any HO or FO program, rounding out the portfolio of coverages you can provide to your clients.

Our new Fine Arts program provides policies specifically designed with your VIP clients in mind.

Coverages include:

- Galleries/Dealers
- Jewelry
- Antiques & More

Contact Rachel for more info.

Who Should I Call?

Ever wonder who to call with questions regarding billing or making a claim?

Here are all of the numbers you will need for the homeowners department.

AIG Private Client Group

- Claims (888)760-9195
- For billing questions, call Rachel

First American Specialty Insurance Co.

- Claims (800)348-3782
- Billing (888)474-7500



Geovera Insurance Co.

- Claims and Billing (800)324-6020

Pacific Select Insurance Co.

- Claims and Billing (800)774-1012

Straight From The Horse's Mouth

Livestock Mortality Department with David Hindle, Underwriter

Introduction to The Hartford Cattle Market

Fredricksen Insurance is now appointed with The Hartford to provide you with a cattle market. We are now offering transit and feedlot/pasture coverage to satisfy all of your insured's cattle needs.

The Hartford Financial Services Group, Inc was founded in 1810, and has been offering livestock insurance since 1916. Rated "A+" by A.M. Best, The Hartford is an acknowledged industry leader.

The Feedlot/Pasture coverage protects against a variety of perils including, but not limited to:



- Lightning and Fire/Smoke
- Windstorm/Tornado/Hail
- Accidental Shooting
- Smothering
- Building Collapse
- Drowning/Electrocution
- Collision with a Vehicle

While the Feedlot/Pasture coverage provides protection for your insured's cattle, The Hartford's transit coverage will insure that your insured's cattle get to their final destination in proper condition. In addition to the standard coverage, endorsements are available for shipment refusal, theft, and free debris removal.

The Hartford's cattle coverage will make a great addition to your farm account. It also provides you with an additional revenue source.

Does The Horse Like to Travel?

If your insured plans to show or race their horse overseas, they will need mortality and trip transit coverage to insure that they are protected.

If the horse does not currently have a mortality policy, and a standard annual policy is not desired, we can offer short-term coverage. We offer 30 to 60 day policies that offer the same



protection that you can find in our standard mortality policies. Minimum premiums may apply.

Trip Transit Coverage can be added to annual or short term mortality policies to safeguard against most of the risks involved with travel.

Call David for acceptable locations and program exclusions.

Livestock Mortality FAQ's

Does my mortality policy cover gelding surgery?

Gelding surgeries are not considered life saving procedures, so they are not covered under the mortality or medical coverages. Death as a result of the surgery, however, can be added to your policy for an additional fee. In the event that a surgery is necessary for the survival of the horse, the surgery is covered.

Under what circumstances can you use a Statement of Health instead of a vet exam?

You can use a Statement of Health so long as the horse meets some minimum criteria:

- The horse is more than 30 days, and less than 15 years old.
- It is not a race horse
- There are no preexisting ailments.
- Is under \$50,000 in Value

Can a Major Medical endorsement be added mid-term?

Yes, the endorsement can be added mid-term, but a current and clean vet exam will be needed. All costs will be prorated and the endorsement will expire with the mortality policy.

Farm/Ranch Department with Lauren Jordan, Underwriter

Stable Times

What is an Equine Activity Law?

Part I

In order to combat frivolous lawsuits resulting from the “inherent risks” of equine operation, 44 states have enacted Equine Activity Laws. Such laws stipulate that a person may not file a lawsuit if an accident occurs resulting from the inherent risks associated with equine activities. They also spell out what risks - such as providing defective tack or failing to appropriately match horse with rider - are not inherent and therefore fair game for lawsuits.

Rather than list all 44 states that have enacted Equine Activity Statutes, the only states that have not done so are California, Alaska, Pennsylvania, New York, Nevada, and Maryland.

The activities covered under most laws include shows, competitions, training activities, equine boarding, hunts, trail rides, riding lessons, rodeos, replacing horseshoes, and many more exposures. Depending on the individual state, warning signs or written waivers may also be required to be protected by the statute.

Since Equine Activity Laws protect against “inherent risks”, it is important to find your state’s definition for what those risks include. Tennessee’s definition, which is typical, includes but is not limited to:

- A.** The propensity for an equine’s behavior to result in injury, harm, or death to persons around them.
- B.** The unpredictability of an equine’s reaction to such things as sounds, sudden movements and unfamiliar persons.
- C.** Environmental hazards such as land conditions.
- D.** Collisions with other equines or objects.
- E.** The potential of a participant to act in a negligent manner.

See the next **Stable Times** for the conclusion of this article.

A What is Custom Farming?

Custom farming is an arrangement between a farm owner and a private contractor who is paid to plant, service, and harvest a crop. In general, the custom operator agrees to perform all of the machine operations on the farm owner’s land for a set fee or a percentage of the crop. Similar arrangements are common when a farmer’s machining capacity is significantly greater or lesser than the amount of land he farms.

A large financial investment is generally required of the farmer since they are responsible for buying the seed, fertilizer and other production necessities. However, these up-front costs would be assumed by the farmer even if he was to raise the crop himself.

The primary disadvantage of a custom farming operation is that the farm owner may have difficulty in dictating the timeframe under which the work will be done. In general, the operator will work multiple crops, and whichever he has the largest interest share in will be worked first.

In order to simplify liability, the custom farming contract can clarify that the operator is an independent contractor, not an employee or tenant of the owner. However, the custom farm owner and operator should both check with their insurance agents to verify that their exposures are covered.

At this time, we have a market for custom farm owners and incidental custom farming operators only.



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Which App Do I Use?

When addressing the need for liability coverage, the amount of equine exposure is an important element. If your account has non-incidental equine coverages, you will need an application from GA, AEIG, or ABIC.

If there is no significant equine coverage, depending on state



availability, you can use GA or ARIC.

Pony, trail, or hay ride liability can not be covered on any policy, though some incidental activity is possible.

Hold Harmless Agreements should be used in conjunction with liability coverages. More info to follow next issue. For more details call or e-mail Lauren.



THE PRESIDENT'S CORNER

I'd like to thank those of you who have contacted us regarding our revised newsletter. I'm sure in coming issues we will be able to provide even more exciting information to assist in your agency's success.

In order to provide your agency additional sales opportunities, this summer we will be working to add more carriers and coverages to our "stable". We will be bringing you more news in the near future concerning homeowners, dwelling fire among others.

Our website is continually updated, so I recommend visiting it once a week. On the site you will find additional product information along side new carrier info, state availability spreadsheets, and all of our applications. Our web address is www.fredricksenins.com.

If you would like sales aids, simply send us a fax or e-mail with your request and we'll get them right out.

I want Fredricksen Insurance to be the first name that comes to

mind when you are faced with a Farm/Ranch exposure. If you can think of anything we can do better, e-mail me at markf@fredricksenins.com. Any comments would be appreciated.

TALK TO THE PRESIDENT

Here is your chance to tell Mark what you think about the newsletter and our services. Please fax your response. Anonymous responses will be accepted.

How would you rate this newsletter?

- Very Helpful
- Somewhat Helpful
- Not Helpful

How would you rate the competitiveness of our quotes?

- Superior
- Generally Competitive
- Generally Too High

How Likely are you to use our new cattle coverage?

- Very Likely
- Somewhat Likely
- Not Likely

How Likely are you to use our new fine arts coverage?

- Very Likely
- Somewhat Likely
- Not Likely

Name _____

Agency _____

E-mail Address _____

If you have any questions that you would like to have answered in the next issue, e-mail Mark at markf@fredricksenins.com. All questions will remain anonymous.

Underwriter Spotlight: David Hindle - Mortality

David has worked within the insurance industry for eight years, the past six exclusively underwriting livestock mortality. Having experience in writing with five major markets, David is knowledgeable and aware of each carrier and knows how to find the best fit for your insured's coverage needs.

David has also attended specific courses on equine related subjects in order to better provide a higher caliber of service. He welcomes your calls.



Here we are at the end of the second newsletter, I hope you enjoyed it.

If you can think of anyone who should be added to the mailing list, or if you would like to be removed, e-mail me at billf@fredricksenins.com.

Also, let me know if you can think of a specific topic you'd like to see in the next issue. Thanks for Reading.



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