

Fredricksen Information Source

Volume 1, Issue 6

September 2004

Homegrown at FIS

Salutations, and welcome to the newest installment of the FIS newsletter.

Many of our agents have expressed a frustration with typing www.fredricksenins.com every time they visit our website. The easiest way to come back to our site, is to add us to your "Favorites" list. In order to add us to your list (in Internet Explorer) there are 3 steps: First, click on the "Favorites" item in the toolbar at the top of your page. Next, click "Add to Favorites", then all you have to do is click "Ok" and you're done. Whenever you want to return our website, click on "Favorites" and then click on "Fredricksen Insurance". It's really a lot more simple than I made it sound.

After you add us to your favorites list, take a look at the printable versions of current and past issues of our newsletter on our website.

Enjoy...



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Please note that our area code has changed from 909 to 951.

CONTEST!

In case you missed it last month, we've got a contest for the month of September that should not be missed. To get your part of the winnings while you still can, here are the details:

A \$50 gift certificate for Best Buy or Barnes & Noble to any broker who binds 5 policies with Insurance Corporation of Hannover throughout the month of September.



Good Judgment
comes from
experience, and
experience comes from
bad judgment.

Barry LePatner

On the Home Front

Homeowners Department with Rachel Hindle, Underwriter

Homeowners FAQ's

How do I get a homeowners quote?

Fax us a completed application, and it will be underwritten for approval. Once approved, the application will be quoted in-house and faxed back to you.

What application do I use to get a homeowners quote?

An acord application is sufficient for FAISC and ARIC. For a dwelling fire quote, a rental supplement is needed in addition to the acord app.

What is the turn-around time for homeowners quotes?

As long as the application is complete and does not need to be submitted for approval, all quotes are generated in-house and you will generally receive them within about 24 hours or the same day.

What risks need to be submitted for approval?

All homes with a prior loss, more than \$500,000 in coverage "A", or homes with any schedule.

How do I get an earthquake quote?

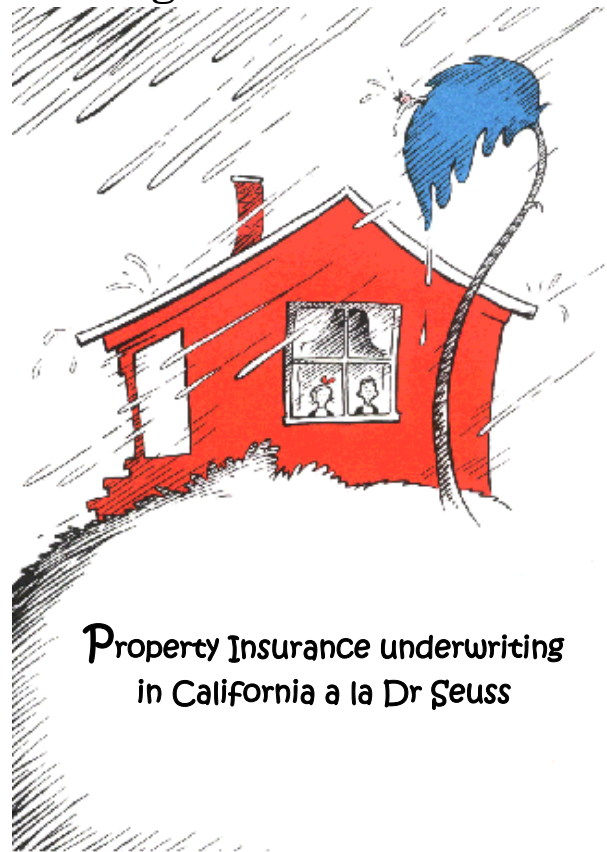
Complete a Pacific Select or Geovera application, and the quote will be issued in-house with binding instructions.

How do I report a claim?

Fax a loss notice to the carrier and to FIS. You may also call the carrier's claims department. All contact numbers can be found at www.fredricksenins.com.

All applications can be found on www.fredricksenins.com.

The Lighter Side of Homeowners Insurance:



Property Insurance underwriting
in California a la Dr Seuss

I do not like wood roofs or mold
I do not like a house too old
I do not like a trampoline
I do not like a dog that's mean
I do not like an unfenced pool
You're stuck with me, I make the rules!
Poor credit makes me slam the door
So please don't send me any more!
And since earthquake is a certainty
It's where you live that worries me!
Keep your house up, along with your land
What part of "Pride of Ownership" don't you understand?
Water damage is extremely vile
And may result in a claim denial
If a new home purchase is what you seek,
First make sure there's been no leak
And if your home's too near a tree
Don't even bother coming to me!
I will not insure your property,
And the DOI agrees with me!
So stop your whining, it hurts my head,
You should have moved to Nevada instead!

- Unknown

Straight From The Horse's Mouth

Livestock Mortality Department with David Hindle, Underwriter

ICH's Guaranteed Extension Clause

Insurance Corporation of Hanover's Guaranteed Extension Clause is a welcome addition to FIS's selection of coverages. As the name implies, the clause stipulates that renewal after a claim is guaranteed to be offered upon request. What is not immediately evident, is how inexpensive and essential this addition is to a mortality policy.

Insurance Corporation of Hanover's Guaranteed Extension Clause only costs \$25, but can offer a great deal of peace of mind. The clause states that if a horse becomes ill or injured during the stated policy term, that coverage will be offered for the following 12 months without any additional exclusions.

Coverage will continue for up to twelve months or until the completion of treatment, whichever is less.

While only costing \$25, the Guaranteed Extension Clause is one of the safest bets that your client can make. For policy and clause details, contact David.

Major Medical Highlight - By David Hindle

Two questions that many brokers ask when applying for mortality coverage are "Does my prospective client need medical coverage" and "What company offers the best coverage". This is not an easy question to answer. With all of the equine markets available it can be a little difficult making the decision for your client.

The first thing that should be taken into consideration is the value of the horse. Most companies offer a medical endorsement that shows a limit of \$7,500. If the horse's value is under \$7,500, however, some companies opt to lower the amount of coverage to the value of the horse, and no more. Other companies offer the \$7,500 limit at the same premium without the restriction to the value of the horse.

For the few companies that

offer a \$10,000 limit there are no value restrictions, but the cost understandably goes up. This endorsement should be considered for most higher-valued horses. Aside from value, other factors that should be taken into consideration include the horse's age and health history.

Age plays a major factor, as most companies will not offer any medical coverage to horses over 15 years of age. In this case, surgical coverage might be the proper solution.

Horses with major health concerns may not qualify for medical coverage, or may have exclusions for any preexisting conditions. In these situations, a complete vet exam with details of the injury or illness would be required to determine

eligibility.

Our underwriting staff has the experience to aid all brokers in finding the package best suited for their clients. All questions are welcome at any time, so don't hesitate to call.

Attention Oregon Agents:

Under a new law passed in Oregon, insurers are required to add a 1.38% surcharge to all policies (equine mortality included) with effective dates of September 2, 2004. This surcharge will continue through March 31, 2005 at which time the surcharge will be reviewed and adjusted based on the new assessment from the state.

The surcharge is 1.38% and applicable to all Oregon premium for Livestock Mortality, Farm/Ranch, Property and Liability (including umbrella) coverages.

Farm/Ranch Department with Lauren Jordan, Underwriter

Stable Times

The Many Sides of Liability Insurance.

FIS offers an expanse of coverages that protect your client from the liabilities associated with the operation of equine business. We carry a variety of programs specialized for many facets of the equine industry. Some of them include:

Boarding - Professional and incidental boarding facilities and staff are covered.

Training - Coverages are available for small and large operations.

Breeding - Risks that can be covered include, but are not limited to Live Cover, AI, Pasture Breeding, Embryo Transplant, and semen shipments.

Riding Instruction - Coverages available for any level and any style.

Club Liability - Coverages include meetings, and trail rides among others.

Personal Horse Owner Liability - Protects against any personal or property damage caused by the horse on or off the designated property.

On & Off Premises Shows - Bound on a per-show basis, this coverage will provide general liability coverage for most risks associated with shows or competitions.

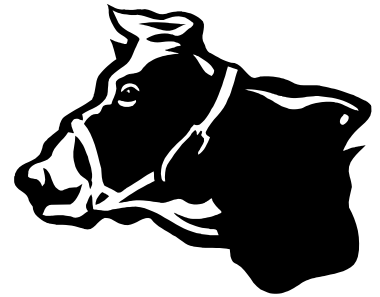
Incidental Horse Transportation - Covers noncommercial transportation. Limits of frequency and distance apply.

Care, Custody, or Control is specialized for those who are responsible for the well being of horses they do not own. For more information on CCC coverage, see the August, 2004 issue of our newsletter on www.fredricksenins.com.

All Liability coverages contain restrictions and exclusions within the policy. For more information on which product is appropriate for your client, contact any one of our Farm/Ranch underwriters.

Special Edition: A Side of Beef

A Through our select group of carriers, we offer a variety of specialized coverages designed for those in the dairy and cattle industries. While property and liability coverages are still necessary, these packages ensure that your client's individual needs are met.



S Both cattle ranches and dairies can benefit from coverages not included with standard property and liability. One such coverage is protection for loading cargo, transit, and coverage for the cargo itself.

i Specifically for dairies, milk contamination coverage ensures that your client will not be forced to suffer the consequences of losing a tank due to electrical or mechanical breakdown.

d Animal Collision is a coverage that is needed by many customers, is inexpensive, yet is often overlooked. If a cow or bull escapes the pasture and strikes a car, the ranch's liability insurance will fix the car, but will not replace the lost animal. If the Animal Collision coverage is purchased, your client will be promptly reimbursed (subject to limits).

e We can write various sizes and types of cattle ranches, but for feedlot and individual animal coverages, contact David in our livestock mortality department.

f



THE PRESIDENT'S CORNER

Over the past few months, we've made an effort to provide an informative yet enjoyable newsletter for your review. Nearly all of the comments we've received have been very positive and encouraging. Those that are not complementary, well, we've used them to push us towards our goal of 100% satisfaction. Of course, we know we can't completely satisfy everyone, but we're working on it!

Isn't that the way we all are? Striving to be better and focus on the slight imperfections, rather than the enormity of our accomplishments?

Our quote letters and requirement to sign an

acceptance is our attempt to help both eliminate errors and to make sure coverage is requested, quoted, and bound in a manner that is acceptable to you and your client.

In the days and months ahead, we will be working to streamline our forms so they are more complete and easier to use. If you have a sample form that your other carriers use, and you like it, send it along to me. If we use it, I'll send a gift certificate back to you!

Many of the topics used throughout these newsletters have been suggestions that we have received from our readers. Keep them coming, and we'll filter them out (some can't be printed, as children

may see this newsletter) and address the subjects as they become topical.

The seminar that we were hoping to have this fall, has been shelved until the spring of '05. Too much red tape, need I say more? Details to follow when all the final touches are in place.

Thanks for your support!

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

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Ah yes, the end of another completed newsletter, and it's the sixth to boot.

I want to send out a special thanks to Krista for sending the Dr. Seuss. We all got a good laugh out of it, and I couldn't resist putting it in this issue.

I'd also like to thank all of you for your interest and support of the newsletter.

As always, if you would like to be removed from our mailing list, or if you can think of anything that you would like to see in the next issue, let me know at billf@fredricksenins.com.

Thanks for reading, I hope you enjoyed it.



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