

Fredricksen Information Source

Volume 1, Issue 17

December 2005

'Tis The Season

Welcome to the December '05 issue of the Fredricksen Information Source. All year we've been proud to use this newsletter to bring you information about our programs, and this issue is no different.



This month we've got information on our High-Value Homeowners program, helmet-buying tips that every horse-owner should know, ways to prepare for the coming fire seasons, and much more.

Also, be sure to take a look at page 5, where we're introducing a whole new type of contest for our producers. It's your best chance to win yet.

For a printable version of this newsletter with copies of those past, visit our newsletter archives at www.fredricksenins.com.

In This Issue:

Home Sweet Home 2

- **AIG Private Client Group Spotlight**
- **Prepare for the Next Fire Season Now.**

Straight From the Horse's Mouth 3

- **What Should be Reported as a Claim?**
- **Equine Flu Finding New Hosts**

Stable Times 4

- **How To: Choosing a Helmet.**

A Side of Ranch 4

- **What is Custom Farming?**

The President's Corner 5

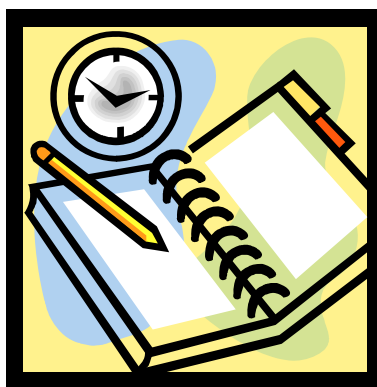
New Contest 5

This Month's Schedule Changes:

This month, our hours will change on a few days to give our employees more time with their families.

The only changes are as follows:

- December 23: 7am-10:30am
- December 26: Closed
- December 30: 9am-3pm
- January 2: Closed



For peace of mind,
we need to resign
as general manager
of the universe.

- Larry Eisenberg

Home Sweet Home

Homeowners Department with Rachel Hindle, Underwriter

AIG Private Client Group Spotlight

As you do business with affluent clientele, you see quickly that insurance policies are not always 'one size fits all'. For the high net-worth client, AIG has formed the Private Client Group, a specialized selection of policies designed for the client with a broad array of insurance needs.

When a client is eligible, he or she will have access to some of the following policies:

- Homeowners
- Excess Liability
- Flood & Excess Flood
- Fine Art
- Jewelry & Valuables
- Auto

- Aircraft & Watercraft
 - Kidnap & Ransom
- Eligible clients will also

If your high net-worth clients don't have all of these products and services, you should check out this excellent program!

have access to the following services:

- Art Collection Management
- Residential Security & Loss Prevention Consultations

- International Personal Security Services
- Free home and article valuations by industry experts

Your client will receive AIG Private Client Group's Concierge-Level service with all transactions, and in the event of a claim, will receive the full replacement cost of the insured home or asset.

Best of all, your client can take advantage of all of these amazing products through one company, on one competitive bill. For more information on AIG Private Client Group, feel free to visit www.fredricksenins.com or contact Cindy or Mark.

Prepare for the next fire season now.

Some of the most important steps toward protecting your clients' homes in the coming fire season can be taken now: Primarily by limiting the volume of brush that can burn in the future.

For example, the use of preemergents during growth seasons will greatly reduce the amount of brush surrounding a residence in the spring. Your client should also clear away any dead wood or brush on their property.

Prevention now is the most efficient way to remove anything that could be fuel for this spring's and summer's fires. For more information, visit www.firewise.org.



Is your client properly insured?

Partly due to low interest rates, hurricanes, and a surge in home renovation, construction costs have begun to soar. As a result, many homes without current appraisals are drastically underinsured.

For information as to whether your client's house requires a new appraisal, please contact Rachel or Mark.

Visit Page 5 for this month's new contest!

Straight from the Horse's Mouth

Livestock Mortality Department with David Hindle, Underwriter

What Should be Reported as a Claim?

Many customers, in hopes of keeping their premiums low, will decline to report minor claims, and instead pay for any medical attention out of pocket. For example, if their horse receives a scratch from running through a fence, if they don't have Major Medical coverage they might opt to call their Vet and call it a day. Unfortunately, if the horse were to become seriously injured as a result of the initial injury (in this case, from infection) not reporting the initial injury put the insured's compensation in jeopardy.

Regardless of whether or not Major Medical is purchased, the insurance company requires full disclosure of all injuries and illnesses. They require all pertinent information so that they can properly verify that the horse

received all of the necessary treatment to avoid death. In general, here is a good rule of thumb: if your client needs to call a veterinarian, they need to call the carrier.

Your client shouldn't worry: this isn't a way for the insurance company to raise rates. In fact, claims will have no bearing on the renewal premium.

The horse will most likely be eligible for Major Medical the following year as well (assuming it was already eligible). Instead, the company may require an exclusion for the preexisting condition on the mortality policy and any endorsements in the following policy term. This includes major Medical.



Call the carrier's claims department to report any injuries/illnesses. It may take some more time than just calling the vet, but your insured has everything to lose by not calling in the claim.

Just in case you did not have them already, here are the claims numbers for all of our mortality carriers:

Diamond States via

National Equine Adjusting Inc:
(800) 783-9418

Great American Ins. Co.:
(800)331-0211

The Hartford:
(800)295-1815

We strongly advise that you notify your insured of their obligation to report all problems to the carrier. After all, it ensures they are not caught unaware, and neither are you.

Call or e-mail David for more information.

Equine Flu Finding New Hosts

In late 2004, a new strain of canine influenza was recognized among greyhounds at a Florida racetrack. While showing symptoms similar to kennel-cough, the dogs were actually playing host to a much different virus: one that has only been seen in horses.

The symptoms shown by the dogs were similar to those exhibited by infected horses: persistent cough, low-grade fever, and nasal discharge.

This virus, while resilient in its



ability to cause infection in different species, is also rare in its ability to be transmitted from dog to dog as well. It is also

possible that a more infectious strain of the virus could emerge from the newly-expanded pool of hosts.

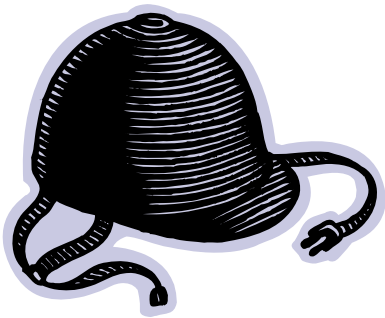
Studies are currently being carried out to determine the infection risks from dogs back to horses, or humans. Until more is known about this new and potentially dangerous virus, it is recommended that any ill horses or dogs are quarantined from each other, and that a vet is contacted immediately.

Farm/Ranch Department with Cindy Melcher, Underwriter

Stable Times

How To: Choosing a Helmet

Common sense and many coverages mandate the use of helmets while riding, especially in the case of a minor, but helmets should be a requirement of all riders due to the safety benefits alone. Recent studies indicate that 17% of horse injuries impact the head, and 60% of those injuries result in a fatality whether the victim was riding at the time or was simply within kicking distance.



The protection afforded by a helmet is severely compromised, however, if it does not fit correctly and does not meet ASTM/SEI standards. These standards generally require that the helmet be made of a hard shell filled with a shock-absorbing liner made from a material similar to Styrofoam. Finding a helmet with a proper fit, can be a bit more complicated. The following are a few steps toward finding the right helmet:

- Make sure the helmet is level.
- Check that the helmet fits snugly and does not slide back and forth on the head.
- Fasten the harness to see that it fits comfortable around the rider's ears.
- The brim of the helmet should rest 0.5" to 1" above the eyebrows for full protection.
- The chin strap should be snug.
- Any minor adjustments can be made by fitting pads to the inside of the helmet.

With these guidelines in mind, your client should be able to find a helmet that will be able to protect them where they are the most vulnerable. For policy helmet requirements, contact Cindy, Rachel, or Mark.

See Page 5 for this month's new contest!

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 current 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.

A
S
i
d
e
o
f
R
a
n
c
h



THE PRESIDENT'S CORNER

As 2005 draws to a close, we'd like to express our appreciation to all of our agency and company partners. We have seen profitable growth in most areas and know 2006 will be another great year for all of us.

I'm reminded of an old saying, to paraphrase: "You shouldn't ask why things are going so poorly, unless you also ask why things are great..."

I know why we are doing so well, we have a wonderful group of employees, all of which have been here for some time now. They've earned a comfort level with the carriers that translates to

underwriting authority and policy production capabilities. This, in turn, allows us to meet your client's needs in a prompt, professional manner.

This all provides you, our production force, with the tools necessary to provide a product

that can be sold. After all, that's what this all boils down to, isn't it? You need products to sell, we hope some of what we have to offer can help!

-Tryptophan-ing
Mark

NEW CONTEST!

This holiday season we wanted to show all of our producers what they mean to us, so we're unveiling our best contest yet:

For every Farm/Ranch and AIG Private Client Group new business policy bound, you get a chance to win gift certificates to: Sees Candy, Chili's, Best Buy, even to the movies!



For every policy bound, you will get another chance in our lottery. Mark will keep pulling names until every prize is given away, and you could win them all.

Good Luck!

Questions or Comments?
Contact Mark at
markf@fredricksenins.com.

Fredricksen Insurance Services, Inc.
Phone: (800) 669-4347, (951) 929-5845, Fax: (951) 929-3574
Open Monday-Friday 7am-4pm PST
www.fredricksenins.com

"Action springs not from thought, but from a readiness for responsibility"
- Dietrich Bonhoeffer



Hope you enjoyed the newsletter, be sure to keep an eye out for the special holiday issue within the next weeks.

If you have any ideas for the newsletter, or you would like to be removed from the mailing list, let me know @ billf@fredricksenins.com.

Fredricksen Insurance Services, Inc.
1600 E. Florida Ave. Suite 208
Hemet, CA 92544

Department	E-mail Address
Administration	markf@fredricksenins.com
Farm/Ranch	cindym@fredricksenins.com
Homeowners	rachel.hindle@fredricksenins.com
Livestock Mortality	davidh@fredricksenins.com
Accounting	deniseu@fredricksenins.com
Marketing	billf@fredricksenins.com