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No, Earthquakes Are Not Covered Under Traditional Insurance

When we think about natural disasters in New England, we tend to focus on hurricanes and blizzards. Earthquakes? Not so much.

Yet, according to EarthquakeTrack.com, we have had four earthquakes in the past 365 days. Not all of these are gentle earthquakes. On November 8th, 2020 just after 9 in the morning there was a 3.6 magnitude earthquake in Buzzards Bay, Massachusetts that could be felt throughout Rhode Island, Connecticut, and Long Island. About 14,000 people reported the earthquake, which caused minor damage and made the local news. In some places, the damage was serious: some homes in New Bedford close to the epicenter experienced structural damage.

According to the Northeast States Emergency Consortium, a regional tracking system has estimated that there are 10 to 20 earthquakes a month somewhere in the northeastern United States and southeastern Canada.

The region is not a stranger to higher magnitude events either. In 1929, a 7.2 magnitude earthquake triggered a tsunami off the Grand Banks of Newfoundland, which wiped out hundreds of homes and killed 28 people. A 5.0 magnitude event struck Ontario and Quebec in 2010, forcing evacuations of schools and office buildings and a declaration of emergency in one town.

There is one more unpleasant surprise: Earthquakes are not covered under traditional homeowners' insurance policies. Fortunately, there is something you may be able to do about this. Coverage for earthquakes may be able to be added to your current policy. **Keep in mind:** It doesn't have to be a serious earthquake to do damage. Even cracked foundations and chimneys can prove expensive to repair. Now might be a good time to consider purchasing earthquake insurance.

How to Protect Yourself from Identity Theft

As help for the unemployed has increased, so too, unfortunately, has fraud and identity theft.

Since unemployment benefits were increased in March 2020, Rhode Island has seen in excess $21.1 million in unemployment fraud, the Providence Journal reported this month. According to USA Today, such fraud totaled a staggering $36 billion across the nation last year. Fraud not only drains government coffers; it also hurts those who need help the most—the unemployed whose checks could end up going to someone else.

What can you do to protect yourself from being a victim of identity theft? Here are some tips that apply not just to unemployment insurance but other scenarios where it could affect you.

1. **Watch out for scam calls, emails, or letters.** Any messages that ask for you to provide sensitive personal information, like your Social Security number, should be treated with suspicion.

2. **Monitor your bank account**. Keep an eye out for any suspicious activity—like transactions you never authorized—and immediately report them to your bank. Do the same with your credit report once a year.

3. **Guard your wallet.** Keep as little personal information as possible in your wallet. Take out your credit card only when you need it. Hold on to receipts.

4. **Be careful about online shopping.** Only shop online with credible businesses. Tip: if the URL begins with https:// instead of http:// that's a sign that it has added security.

5. **Install a security program.** Make sure your computer's firewall, anti-spyware, and anti-virus programs are up to date.

6. **Get identity theft insurance.** Identity theft insurance will provide you with another layer of protection. This type of insurance could cover lost wages, attorney fees, other administrative fees, and expenses, and provide restitution services to help you get your credit and identity back.

If you believe that your identity or personal information has been stolen, here's what you should do:

1. **Contact credit agencies.** If you have been a victim of identity theft, you also need to reach out to the three major credit bureaus and request a credit freeze. Go to identitytheft.gov/creditbureaucontacts for their contact information.

2. **Notify state and federal authorities.** If you receive a letter from the Department of Labor and Training that you have been awarded unemployment benefits you never applied for, that's a definite red flag. Fill out a fraud claim form available on the state police website and file an identity theft claim with the Federal Trade Commission, which will ensure that credit agencies are aware of the situation. Also, let your employer know what happened.

3. **Change your password.** A password should have 8 to 10 characters, uppercase and lowercase letters, and other characters in addition to letters.

4. **Update the IRS.** Don't forget to also contact the IRS. If something happens, you should fill out an Identity Theft Affidavit (IRS Form 14039). The form can be found at irs.gov or identitytheft.gov.

Sources: FBI.gov, WPRI.com, the Federal Trade Commission, and the Insurance Information Institute.

Roof Damage and Your Insurance Coverage

Roofs are one of the most important components of your building.

All insurance policies are not created equal! Your roofs material, pitch and age often play a big part in 1, the cost of your coverage and 2, the type of coverage your policy will afford for your roof.

Here are some things to consider when it comes to Insurance coverage for a damaged roof:

- Insurance typically helps protect your buildings structure, including the roof, from certain causes of damage, also called perils. Commonly covered perils include fire, wind and hail damage. So, if your roof needs repairs after it is damaged by one of these perils, you may find that your coverage helps cover the cost.
- It is important to keep in mind that you will likely be subject to your deductible before Insurance will kick in and help pay to repair your damaged roof. Some Insurance policies may have windstorm and hail exclusions, which means damage caused by those perils would not be covered.
- Insurance generally does not cover damage resulting from lack of maintenance or wear and tear. Instead, it helps pay to repair sudden and accidental damage. Therefore, if the age of the roof or an unresolved maintenance issue is to blame for your leaking roof, Insurance likely will not pay to repair the leak. It is highly recommended that you have regular roof inspections as your home ages.

Please contact your account manager should you wish to discuss this matter further.

Wear and Tear Exclusion

A wear and tear exclusion is a provision in an insurance contract that states that the policy does not cover degradation from every day, normal use. Because every piece of property deteriorates over time, Insurance only covers losses due to unexpected events. Normal wear and tear cannot be avoided, and therefore, insurance policies do not cover it.

If insurers did not exclude wear and tear, they would essentially have to, over time, pay for replacement or repairs to every car, house, and other property they insure. This would mean dramatically raising the premiums to pay for these expenses. Auto insurance, for example, only covers unforeseen events, such as accidents, and does not cover replacements of car parts that wear down over time, such as filters, hoses, and brake.

Source: Insuranceopedia

Commercial Umbrella Policy

The reasons to purchase insurance are well known BUT what about an Umbrella Policy? It is not just for catastrophes anymore. We have illustrated below why we recommend our clients' purchase an Umbrella Policy.

- **Protection for what is most valuable to you:** Your assets, hard work, reputation, and peace of mind.
- **A million dollars is not what it used to be:** A Commercial Umbrella Policy is of significant value at an equitable price.
- **Regardless of the business type:** Companies of all sizes can experience losses that call for an Umbrella Policy.
- **Losses are increasing:** Multimillion-dollar settlements are becoming more common.
- **It safeguards against automobile exposure:** Automobile accidents are the leading target of umbrella claims. Driver distractions are increasing due to texting, calling and enhanced vehicle technology.
- **The worst can happen:** EVERY business has a severity exposure: Retail, Restaurants, Manufacturers, Contractors, Warehouses, Hotels, etc.

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LENTIL & SAUSAGE SOUP

Ingredients

½ pound sweet or hot sausage
1 large onion, chopped
1 stalk celery, finely chopped
1 tablespoon chopped garlic
1 (16 oz) package dry lentils, rinsed
1 cup shredded carrot
8 cups water
2 (14.5 oz) cans of chicken broth
1 (28 oz) can diced tomatoes
1 tablespoon garlic powder
1 tablespoon chopped fresh parsley
2 bay leaves
½ teaspoon dried oregano
¼ teaspoon dried thyme
¼ teaspoon dried basil
Salt & Pepper to taste
½ lb. ditalini pasta (optional)

Directions

Place sausage in a large pot. Cook over medium high heat until evenly brown. Add onion, celery and chopped garlic, and sauté until tender and translucent. Stir in lentils, carrot, water, chicken broth and tomatoes. Season with garlic powder, parsley, bay leaves, oregano, thyme, basil, salt & pepper. Bring to a boil, then reduce heat. Cover and simmer for 2 ½ to 3 hours, or until lentils are tender. Stir in pasta, and cook 15 or 20 minutes, or until pasta is tender.