

At Your SERVICE

Frye Insurance Associates, Inc.

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It's Newsletter time! Just when you thought there was plenty of year left in ole' 2005, the leaves are falling and our Newsletter arrives. As in past issues, we've mixed in some really important stuff along with the usual collection of tidbits inserted to help hold your attention.

For as exciting as it is to us, we understand that some people actually find insurance boring. This may cause your mind to wonder off to exotic locales . . . warm sand, beaches, soft breezes, the sun setting behind the truck stop in Breezewood, Pennsylvania. Life is good.

The Outrageous Cost of Gas!!!

"The price of gasoline has, in fact, advanced considerably in the past half dozen years and the prospective effect of the increasing demand upon its price is one which is causing manufacturers and users a feeling of uneasiness....."



The Frederick Post, September 12, 1905

Even More Facts and Oily Predictions

In the 1860's the U. S. Geological Survey predicted . . . "little or no chance that oil would be found in Texas or California". In 1914 the Interior Department predicted there was only a 10 year supply of oil left.



In 1939 the same folks predicted that there was only a 13 year supply left. In 1951 the prediction was that wells would surely run dry by the 1960's. And of course, some of us may recall that Jimmy Carter predicted the end of oil by 1980. But then of course, President Carter was also attacked in his fishing boat by a fast swimming wild rabbit.

Yet a New Threat . . . Killer Lava Lamps

Reuters reported that a Washington state man was killed when his lava lamp exploded. The fact that he was heating the lamp on a stove at the time may have contributed. There will no doubt be litigation since lava lamps probably don't have a warning about putting them on stoves or in fires, common sense aside.

Katrina.

Rita.

Wilma.



They Just Keep Coming....

Needless to say, our industry is taking a major financial hit from the active hurricane season this year. And, while a good bit of the damage will be excluded as "flood", the numbers are still staggering. The current insured loss amount is over \$60 billion! Even after my 30+ years in the business, I am still amazed at the sums our industry can pay and remain solvent. It's nearly as amazing as living several feet below sea level without flood insurance. And by the way, in spite of what you may hear in the press, it isn't that expensive. Personal responsibility is often quite affordable. If does however, often require a realignment of priorities.

Speaking of Storms....

Ever considered getting a generator? The prices have come steadily down and even a small one can make all the difference. After a day or two stumbling around in the dark, they're worth every dime! Furthermore, they help reduce the use of candles which tend to burn down houses. We have one here in the office and managed to stay open through Isabella while the entire area was without power for several days. Think about it.!

Higher Limits Needed

A few months ago, a local newspaper printed a letter that I wrote concerning the required limits of auto liability coverage in Maryland. I'll spare you the complete tirade. Essentially, **it is my position that the limits in Maryland at 20/40/15 are absurdly low.** This places you and your family at risk and serves to drive up the cost of your policy. If the other guy in the accident doesn't have enough coverage, guess whose policy is going to pay. It's worth a call to your legislator.

An Erie Change

For years Erie and some other companies charged for young drivers when they obtained a learner's permit. That is no longer the case. Erie now charges only after the



regular license is secured. As agents, we've been requesting this for quite sometime.

You Get What You Pay For...

Did you ever notice how some companies spend a great deal of ad money yelling "cheap, cheap, cheap". But only a few emphasize "service, service, service". We're in the latter category. Our prices will always be competitive and our quest for service perfection will never end.

Attention Erie Life Policyholders..

Very important! If you have an Erie Target Term Life Policy, you have ONLY five (5) years from the date of the policy to convert it to a permanent policy regardless of your health! If you have doubts about the date or if you would like to discuss your situation be sure to give us a call. By the way, Erie now offers GUARANTEED TWENTY & THIRTY YEAR TERM RATES! One of these may be a better option for you. Give us a call and ask for John Frye, our "in house" life specialist.

Emergency Contacts...

Here's something to consider. Over the years we have found that when someone has a serious claim, particularly involving their home, we are instructed to contact them at a neighbor's phone or through a relative. If you wish, we can store a name and phone number on your account for contact in an emergency situation. Considering what seems to be happening in terms of weather and other situations in the world, this is probably a good idea. Even when you're away on business or vacation, it's a good idea to have someone who can check on your home preferably on a daily basis. We have seen potentially serious damage, such as water leaks, avoided simply by having a neighbor look in on a house and know where to call to report the claim or other problem.

Water Damage...

There are far more serious water damage claims than fires. An easy way to prevent or at least minimize them is to make certain that EVERYONE knows where to shut off the main water supply to your home. So, why not take a minute to find yours, tell the family and maybe even stick a note under one of our magnets on the refrigerator. Water claims occur without notice and can do very serious damage!



HONK!



THE AUTO CORNER

Always review your policy to make sure that the vehicles listed are up to date. Do not rely upon the salesperson to notify us of a new vehicle as they often fail to do so.

Liability Limits: We believe that EVERYONE should have at least one million dollars in liability protection! This is best accomplished with a Personal Catastrophe Policy however, we will be happy to discuss increasing the limits on your auto policy. Please call us! Remember, a claim that exceeds your limits can result in financial disaster!

Deductibles: Higher deductibles save money! Be prepared, however, to pay in the event of a claim. We will be happy to provide you with alternative deductible rates.

PIP(Personal Injury Protection) - This coverage, which is mandated in Maryland, provides you with medical expenses and lost wages. The minimum required is \$2500 or you may carry as much as \$10,000. There is also a provision for waiving it completely for yourself. Let us know if you wish to make changes.

Your Uninsured/Underinsured Motorist Coverage is extremely important. When you receive your auto policy at renewal, make certain that the limits for this coverage are the same as the limits for your Bodily Injury Liability Coverage. Call us if you have any questions or if you detect a discrepancy.

Loss of Use or Rental Expense: Make sure that you have enough coverage to rent a car that suits your needs. We suggest at least \$30 per day but locally, \$40 or even \$50 per day may be more appropriate. Please be sure to review your policy to make certain you have the coverage you requested and that is required to meet your needs. Call us if you have any questions or concerns.

Loaning Vehicles: Lending your car to someone is very risky. The problem is that YOUR COVERAGE is primary! There is a wide spread misconception that auto insurance follows the driver. This is incorrect! The insurance follows the vehicle, therefore, an accident with someone else driving your vehicle with your permission is charged under your policy.

Carry a Camera . . .

The adage that a picture is worth a thousand words is truly applicable when it comes to accidents. Now that disposable cameras are so inexpensive, we encourage you to carry one in your car. Having a photo of the accident scene speaks volumes when trying to sort out who did what to whom. By the way, get one with a flash.



Life Insurance Lapses...

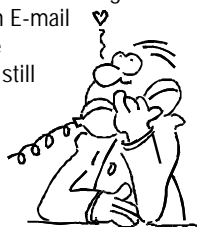
Be careful. When a life insurance policy is allowed to lapse for non payment of premium, the company can request a "good health statement". Now in most cases, this simply involves paying the back premium to have the policy reinstated. The potential problem however, and we've seen this occur, is that a health issue may have arisen since the policy was originally issued. The result could range from a premium increase all the way to a refusal to insure! So, keep those payments up to date. Remember, once the policy is issued your health is never again considered, as long as the premiums are paid. Which again, supports our standard advice with life insurance:

**Buy Healthy,
Buy Young, and
Buy from Us!**



Some Things are best done in person

We've mentioned this before but here goes again. Please do not rely on E-mail or phone messages to make changes in your policy. We still believe that nothing beats a person to person, live phone call to discuss these issues.



Can Nissan Make Backing Up...Obsolete?

Nissan has a concept car called the Pivo. Aside from being electric, one of the more unique features is that the passenger compartment is a bubble which will rotate 360 degrees, much like a gun turret on a B-17. So, no more backing up. Pull into a parking space, rotate the cabin and drive out. Apparently, you can also drive while facing the side of the vehicle which frankly, sounds a bit scary.

By The Way Hablamos Español

Si usted prefiere que le expliquemos alguna parte de esta carta en español, danos una llamada aqui a la oficina.

If you have friends who prefer to speak Spanish, have them give us a call!

New Rules for New Drivers...

As of October 1, 2005 a number of new laws went into effect with respect to young drivers in Maryland. We have summaries here in our office. Let us know if you would like to have a copy. These are all positive steps that will hopefully save a few lives.

Flood, flood, flood.....

FLOOD IS NOT COVERED UNDER YOUR HOMEOWNER POLICY! We can provide coverage through the Federal Flood Program however, there is no endorsement that will provide coverage under your homeowner policy. So, if you can look out your window and see the ocean at eye level or if you have to look up to see it, you need flood coverage. You may need it if you're not even close to the sea or the bay.

Water losses which arise from the plumbing in your home are covered however, the actual repair is not. This simply means that we will pay for the water damage but not to fix the pipe. If you have questions be sure to give us a call. And remember, there are serious binding restrictions on flood insurance. We need at least thirty days notice unless the coverage is required for settlement. Bottom line, don't wait until the storm is coming up the bay!



Flooded Car Syndrome...

Quite a few cars ended up under water or something worse as a result of Katrina & Rita. So, if you're buying a used car be sure to have someone check it out thoroughly.

Multi-Policy Discounts...Save Money!

If you're one of the few who have only one type of insurance with our agency, give us a call! Having your auto and home with the Erie will save money on . . . **Let Us Be The ONE** Besides, it just makes life a bit easier. **ONE AGENT, ONE PHONE CALL, ONE LESS WORRY!**

**1 Agent
Phone Call
Less Worry**

Just a friendly reminder.

CANDLES BURN DOWN HOUSES!

Candle related fires are on the increase across the nation. So, on birthday cakes, okay, anniversary cakes, okay.



Left burning anywhere in your house while you're asleep or away, on in the kids room, **UNDER ANY CIRCUMSTANCES**, bad idea!

The Holidays Are Coming . .

The Holiday Season will be here before you know it. So here's the annual reminder list that will help keep your family safe and your house standing after the festivities:

Light Strings: They're cheap! Don't use the old ones!

Extension Cords: Also cheap! Please, no tape.

Candles: Cheap but dangerous! Please, please, don't go out or to bed with them burning. **THEY DO CAUSE FIRES!**

Cut Trees: Keep them watered and away from any flame! Remember, "When the needles turn brown, take them down".

Don't Have a Personal Catastrophe Policy?... You Should!

There are very few absolutes in the world but here is one. Feel free to have it laminated for your wallet. Everyone should have a Personal Catastrophe Liability Policy . . . PERIOD! Not only is this an excellent value in terms of cost, but the additional level of protection is vital in today's litigious climate. In brief, the policy adds an additional \$1,000,000 in liability protection over and above your other liability exposures including your auto, home, rental properties, seasonal properties and, if you have one, your boat. Call us.



Protecting Your Home

If you are like most of us, your home is one of your largest investments. Listed below are some available endorsements which can add valuable features to your policy. In the event of a loss, these may often determine whether the claim is paid and the amount of coverage available:

The enhancement endorsement: For a charge of \$37 per year, this form will expand your coverage to include theft of jewelry to \$5000, (your current policy includes only \$3000) sewer & drain backup and a varied range of other enhancements. Call us for details.

Insure your home and all property at 100% of its full value! Not 80%, not 90% but 100%. If you have a serious fire or some other type of loss which causes severe damage to your home, believe me, your premium will become one of the most insignificant issues in your life. We have stood in the ashes of \$200,000+ homes and can assure you that the cost of the policy is never discussed. **IF YOU HAVE DOUBTS ABOUT YOUR CURRENT COVERAGE, GIVE US A CALL.** We'll be happy to help you make certain that you are fully insured.

Keep the value of your jewelry updated. We suggest having the more expensive items reappraised at least every three years. But, be sure to review everything each year when you receive your renewal policy to make certain that we're up to date. We suggest that you speak with your jeweler.

The ordinance or law endorsement! Have you ever given any thought to the following situation? Your house is destroyed or even partially destroyed by fire. You have sufficient coverage to rebuild, however, guess what? Local zoning laws now require that you add a sprinkler system to the house or perhaps the new zoning requirement mandates that your house cannot be reconstructed on the same foundation but must be moved a few feet from its original location. Who pays? You do unless you have "ordinance or law coverage." The cost of this coverage is about 10% of your basic premium. A good value! By the way, this is included in the above mentioned enhancement endorsement. Please be sure to review your policy to make certain you have the coverage you requested and that is required to meet your needs. Call us if you have any questions or concerns.

If you add to your home or if you construct an outbuilding or garage, be sure to let us know. Remember, while the policy provides full replacement cost you must notify us within 90 days of the start of any such improvements.

ONE FINAL WORD. DON'T BE FOOLED! Homeowner policies are not all alike. Some would tell you otherwise but the fact of the matter is that trying to save a few dollars in cost may result in a claim that is NOT COVERED! If you're tempted to shop, check with us before you go elsewhere. If you've found a better deal, we'll tell you. Recently, we've heard some outrageous stories about some insurance folks who either don't know their product or perhaps are simply desperate to make a sale at the consumer's expense.



Other Things You Should Consider

You may increase or add a floater for the items listed below. While your policy already provides some coverage; you may wish to increase the amounts.

- | | |
|---------------|---------------------------------|
| 1. Jewelry | 6. Musical Instruments |
| 2. Furs | 7. Coin Collections |
| 3. Silverware | 8. Stamp Collections |
| 4. Guns | 9. Collectors items |
| 5. Fine Arts | (Hummels, Dickens houses, etc.) |

If you have items scheduled you should **review the value at least annually.** They do not increase automatically.

Miscellaneous & Other Coverages Available

1. Earthquakes do happen here and coverage is available. Of considerable significance is the fact that we are prohibited from providing this coverage for seven days after an occurrence, an indicator of how seriously our industry considers this exposure. So, if you're concerned, don't wait. Call and add the coverage now.
2. Dwelling replacement guarantee. We'll rebuild your home regardless of cost!
3. Replacement cost on personal property. Guarantees no depreciation. Old is replaced with new!
4. Sewer & drain. Don't depend on WSSC.



Frye Insurance Associates, Inc.
 P. O. Box 5123
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**1 Agent
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 Less Worry**

... Let Us Be The ONE

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**IMPORTANT INSURANCE
 INFORMATION!!**

Always remember ...

"Friends come and go,
 enemies accumulate"

-Thomas Jones

And now a few words about us...

The core remains; Tom, Patti, John, Ellen, Ginger, Marcello, Tracie and Mindi. There's another granddaughter! Daughter (and still licensed agent) Lori gave birth to Alyssa (Aly) on March 11, 2005. She is already visiting the office with sister Katelyn who is now considered a veteran at age five. The third generation enters kindergarten in 06'. Otherwise, all is well. We continue on in our never ending pursuit of service excellence from our headquarters in beautiful downtown Laytonsville. Always keep in mind that we are here to answer questions, discuss your policies and in general, do all that we can do to help protect what you hold dear. We often hear the phrase "I hate to call you with this question but . . ." Please never, never feel that your question is without merit. In fact, even after all these years, you'd be surprised how much we often learn from your questions.

And so for yet another year, we take this opportunity to thank you for your loyal patronage and on behalf of the entire staff, extend warmest wishes for a Joyous Holiday Season!

Best regards,

Frye Insurance Associates, Inc.

Seasons Greetings

Still... Proud!

No voice mail . . .

No "Music to hold by" . . .

No multiple phone options . . .

Just REAL PEOPLE, WHO ANSWER THE PHONE

