

NORTHEAST NEWS

Our Mass Auto and Property Insurance Carriers:

- Commerce
- Safety
- Fireman's Fund
- Hanover
- Quincy Mutual
- Norfolk and Dedham Mutual
- Encompass
- Cambridge Mutual
- Chubb Companies
- Merrimack Mutual
- Merchants Insurance
- Fidelity National
- Peerless
- Hingham Mutual
- Holyoke/Middlesex Mutual
- NLC Mutual
- Preferred Mutual
- Safeco
- Travelers
- Union Mutual
- Vermont Mutual
- Zurich

YOUR INSURANCE COMPANY'S FINANCIAL RATING IS IMPORTANT

By Douglas Wacek, CPA

These are very interesting times. Over the past several months we've elected a new President and Congress that are grappling with a very serious economic recession. We've witnessed a virtual melt-down in the financial markets and learned some new and mysterious terms such as "sub-prime" and "collateralized mortgage obligation." The Federal government is spending billions to prop up different companies and whole industries, with billions more promised to stimulate an economy that continues to hemorrhage thousands of jobs with no end in sight. Indeed, these are historic times.

**Insuring both your Home and Auto with us
can save you 5% - 20% on your
Home Insurance Policy
And
Up to 15%
On your Auto Insurance Policy**

As we consider these very important events, how concerned should we be about our property insurance company? For most of us, our homes remain our most significant asset and while we understand an insurance policy is not intended to provide protection against an overall decline in market value, it remains a very important component in providing peace of mind in the event of a fire, windstorm or similar devastating event. So, how's the insurance company that provides you protection for your most valuable asset doing in the midst of all this turmoil?

Overall, the Property Insurance Industry has fared relatively well during this economic and financial crisis. Natural disasters that cause substantial losses from claims have been relatively modest and while there are a few big name insurance companies in the headlines, generally it is not their property insurance operations causing the problem. (Continued on Page 2)

WHEN WOULD A PERSONAL ARTICLES POLICY BE NEEDED?

The protection provided for personal property under the typical homeowners' policy includes coverage for your furniture, clothing, and appliances. In addition, it provides limited coverage for such items as jewelry, silverware, furs, and firearms. However, it may not cover some types of losses that may be important to you, such as the stone falling out of your diamond ring, or your antique statue that is accidentally broken. In fact, most homeowners policies set dollar limits on the amount of protection offered to cover the theft of items such as jewelry or furs (usually only up to \$1,000), firearms (up to \$2,000), or silverware (up to \$2,500).

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FINANCIAL STABILITY

FROM PAGE 1

If you have trusted us in the past, trust us now and in the future to ensure you have the proper coverage in place with the best value for your Insurance dollar.

If it sounds too good to be true it probably is! Many changes in the marketplace have prompted some misleading information to be published. Take a moment to evaluate any information you receive and give us the opportunity to discuss it with you.

Certainly, the industry has sustained losses on their investment portfolios similar to declines in 401k's and pension plans. However, most insurance company investment portfolios are more heavily weighted

ratings are split between "secure" and "vulnerable," with further letter grades assigned (A, B, C, etc.) to further distinguish the strong from the weak. Most experts would suggest you stay with a "secure" rated company.

companies he or she represents to ensure they are "right" for your situation. As a licensed representative of each company with whom they do business, your Independent Agent is very cognizant of the financial strength of the companies he or she has chosen to represent.

When was the last time you reviewed your

Auto Insurance?

Home Insurance?

Call us

The industry is also very heavily regulated by a State regulatory framework with stringent licensing and financial monitoring requirements. Furthermore, as an important backstop, the industry has a structure similar to the banking industry's (FDIC) deposit insurance program. This important state-based "Guaranty Fund" Program protects most individual

So, between monitoring by your Independent Agent, reviews and examinations by rating agencies and state insurance departments, and the backstop provided by the State Guaranty Funds, overall you should feel quite secure in knowing that your property insurance carrier will be able to meet its demands should the need arise. Perhaps this is one less thing to worry about as we grapple with the multitude of changes in today's fast-moving world.

towards bonds (vs. stocks), which has tempered their losses from the recent financial meltdown.

policyholders should an insurance company run into difficulties paying its claims. Each Insurance company is required to participate, and State Guaranty Funds essentially assure policyholder payments up to specified amounts (which may vary by state) for a covered loss on an insurance policy. Funds for this program are provided by assessments on insurance carriers licensed in each state, so the industry essentially covers for those companies that run into financial difficulties.

Douglas J Wacek, CPA is the retired President & CEO of a New England Regional Property & Casualty Insurance Company.

Moreover, the insurance industry is continuously monitored and measured for its overall financial health. Independent rating agencies dig deep into an insurance company's operations and assess the level of risk taken by company management. These rating firms perform stress tests on the company's operations and publish a rating on the company's relative strength and its ability to meet its financial obligations to pay claims. AM Best is perhaps the most widely-known rating agency in the insurance industry and their

Finally, your Independent Insurance Agent is continuously assessing and evaluating the insurance

REGISTRY OF MOTOR VEHICLES CHANGES

Is your license up for renewal?

Be Sure to Check Your License Expiration Date!

The Massachusetts Registry of Motor Vehicles will no longer mail out renewal notices. Be sure to renew at least seven days before your birthday to ensure that you receive your new license before your old license expires.

You may be able to [renew online](#) instead of in line. The RMV express lane is always open.

PERSONAL ARTICLES

FROM PAGE 1

Many different types of possessions can be accommodated by the Personal Articles policy. Here's a quick listing of some of the items typically covered:

- cameras (video or still) and related equipment
- china and crystal
- bicycles
- firearms
- furs
- wine collections
- golfer's equipment
- sporting equipment
- rare coins
- jewelry
- musical instruments
- personal computers
- Silverware
- Fine Arts
- Other miscellaneous items

A Personal Articles policy allows you to purchase better protection for your special property than

would be available under the typical homeowners policy. In addition to being able to purchase higher limits of coverage, more perils are covered, and in most cases you receive worldwide coverage, including protection against mysterious disappearance. The policy also may be expanded to include loss due to breakage, something that is not available under the terms of a homeowners policy. That means, if you accidentally break something of a delicate or fragile nature, you're automatically covered! Although no deductibles apply to many types of losses, a \$100 deductible may be applied to breakage caused by certain perils.

Your Personal Articles policy automatically insures most newly purchased possessions up to 25% of the total amount of insurance already insured (or \$10,000, whichever is less) for up to 30 days from the date of acquisition. In the case of fine

arts, you have up to 30 days to notify your agent. The benefit: you don't have to worry about insuring your new item the moment you receive it. However, because this jewelry automatic coverage is only for a short time, don't wait too long, you might forget later. Let's say that you purchase an expensive new lens to add to your currently insured camera collection. One day later, and before you have had a chance to ask your agent to add it to your policy, your camera and new lens are stolen. With a Personal Articles policy, both items are covered.

Getting the correct coverage for your valuable possessions is easy. To inquire what type of valuable items may be covered under a personal articles policy and pricing contact one of our customer service specialists.

Ask for Help

According to Marshall and Swift, recognized consultants to the insurance industry:

70% of Americans under-insure their homes by an average of 29%

17% of homeowners made improvements to their property in the last twelve months and forgot to call their insurance representative.

NORTHEAST METRO WEST EMPLOYEES

Our company is built on a reputation of caring for our clients and the needs of their families. This spirit of caring extends beyond our business operations. As a company our employees contribute their personal time to efforts that promote community and social awareness for a variety of causes. Our two most notable contributions have been to the American Cancer Society Relay for Life Campaign and the Wounded Warrior Project Holiday Campaign.

With our support as a lead sponsor, our associate Ms. Adrienne Frazee led an innovative effort to raise money in support of the American Cancer



Society Relay for Life Campaign. With the assistance of her co-workers, Ms. Frazee hosted a first of its kind car show at the Larz Anderson Mu-

seum. The event was a huge success and contributed to the over \$7,000 raised for the American Cancer Society!

The holidays were made extra special this year with our commitment to help others. The staff contributed to a financial donation to the Wounded Warrior Project of \$1,000 to support efforts to get services and support for severely injured ser-

vice members. Instead of the traditional office "Yankee" swap, our employees contributed needed items that were distributed to four Department of Defense medical facilities such as the Army's Walter Reed Medical

Center. We pride ourselves in creating a caring supportive family environment in the workplace. Our workers' recently rallied around a co-worker and provided well wishes for his young son who is struggling with an illness and was granted a trip to Disney World from the make a wish foundation.

Our employees generously contributed over \$1,000 to support

the Make a Wish Foundation in his name.

In addition to all of the individual contributions from the employees, Northeast continually supports local community groups like the Boy Scouts of America, Girl Scouts, Youth sports leagues, local Fire and Police organizations.

For more information regarding these worthwhile causes please visit;

www.relayforlife.org

www.woundedwarriorproject.org

www.wish.org



Holiday Schedule

Thursday	January 1, 2009	New Years Day
Friday	January 2, 2009	Day After New Year
Monday	February 16, 2009	Presidents Day
Monday	May 25, 2009	Memorial Day
Friday	July 3, 2009	Independence Day
Monday	September 7, 2009	Labor Day
Monday	October 12, 2009	Columbus Day
Thursday	November 26, 2009	Thanksgiving Day
Friday	November 27, 2009	Day After Thanksgiving
Friday	December 25, 2009	Christmas Day

If you have a claim emergency after hours:

Cambridge/Merrimack Mutual	800-225-0770
Commerce Insurance	800-221-1605
Fireman's Fund	888-347-3428
Fitchburg/Norfolk and Dedham	800-688-1825
Hanover Insurance	800-628-0250
Hingham Mutual	800-341-8200
Holyoke/Middlesex Mutual	800-344-3454
Mass Fair Plan	800-392-6108
Peerless Insurance	800-522-7152
Preferred Mutual	800-333-7642
Quincy Mutual	800-899-1116
Safety Insurance	800-951-2100
Travelers Insurance	800-252-4684
Union Mutual	800-671-8550
Vermont Mutual	800-451-5000
Zurich	800-987-3373

Five convenient locations;

40+ Dedicated Professionals;

20+ Top Rated Insurance Companies

We're on the web
www.neinsure.com

Metro West Insurance Agency	648 Highland Ave., Needham, MA 02494	781-444-6790
Northeast Insurance Agency, Inc.	567 Southbridge St., Auburn, MA 01501	508-832-0404
Northeast Insurance Agency, Inc.	922 Waltham St., Lexington, MA 02421	781-863-2054
Northeast Insurance Agency, Inc.	182 Turnpike Rd., Westboro, MA 01581	508-898-2902
Northeast Insurance Agency, Inc.	194 Worcester Ct., Falmouth, MA 02540	508-548-1148

If you answer yes to any of the following questions you should contact us:

1. Have you invested more than \$25,000 renovating or improving your property?
2. Are you planning to sell, move to, purchase, or rent additional properties?
3. Have you invested in any new security devices or systems on your premises?
4. Are you at risk from damage caused by flood or surface water?
5. Have you built a pool or other recreational structure on your property?
6. Do you own jewelry, silverware, fine arts, or firearms valued in excess of \$1,000?
7. Do you keep any belongings in your home that are used in any manner for business?
8. Do you own additional residences or business properties we do not insure?
9. Do you own a snowmobile or other recreational vehicle?
10. Do you rent any structure on your property?