



REWARDING  
RESPONSIBILITY

# Perspective

NEWS AND INSIGHT FROM PEMCO INSURANCE



## YOUR CAR'S BEEN STOLEN. WHAT HAPPENS NOW?

In the time needed to read this newsletter, two cars will be stolen in Washington. That's about 132 a day, or *one every 11 minutes!*

From 1997 to 2005\* auto-theft rates climbed more than 60% in Washington, according to the King County Prosecutor's office. In 2005, two Washington metro areas made America's top-ten list for auto theft: Seattle/Tacoma/Bellevue (No. 6) and Yakima (No. 10).

PEMCO understands how traumatized people feel after their cars have been stolen. During those challenging times, we deliver on the PEMCO Promise to make you glad you insure with us.

Although we hope you'll never need them, here are answers to some of the questions you'll face if your car is ever stolen:

### What will the police ask when I report the theft?

They'll need identifying information about

your car including make, model, and license plate number. They'll also ask what to do with it once it's found. We recommend you have it impounded. That's the safest choice, since victims have had cars stolen a *second* time while they're parked on a side street waiting to be picked up. Also, we can tow your vehicle from an impound lot to any repair shop so you won't have to deal with the mess the thief has left behind.

### How do I let PEMCO know what's happened?

Call 1-800-GO-PEMCO after you've talked with the police. A customer service representative will gather information, including the police report number and location where the theft happened. Then, we assign your claim to a claims specialist who can help you get a rental car. After your car has been missing 48 hours, your Comprehensive coverage provides rental reimbursement of \$20 a day, up to a maximum of \$600. (Higher limits are

*cont. on page 2*

*We'd love your feedback on Perspective! Drop us a note or send your comments via e-mail to perspective@pemco.com*

## SPRING 2007:

*Females & young males likely don't have life insurance. . . . 2*



*Sobering news for tipsy boaters. . . . 3*



*Maintain your smoke alarms. . . . 3*



## CHECK YOUR YARD FOR UNSTABLE TREES

"It sounded like thunder and shook the whole house." That's how one homeowner described the thud of a 100-foot hemlock smashing into her roof.

Similar sounds echoed through the night of December 14, 2006, when the Hanukkah Eve Windstorm ravaged Washington with soaking rains and inland gusts of 70 mph. PEMCO policyholders suffered more than \$20 million in damage, making the storm the single most costly weather event in PEMCO history.

Even if your home escaped harm, you still might wonder just how safe those towering evergreens in your backyard really are.

Although every tree tall enough to hit your home is a potential hazard, arborists say you can watch for these telltale signs:

*cont. on page 4*



## FEMALE? YOUNG MALE? YOU LIKELY DON'T HAVE ANY (OR ENOUGH) LIFE INSURANCE

*PEMCO offers a simple one-page worksheet for calculating how much life insurance you need*

That's the finding of a recent consumer survey by LIMRA International, a research and consulting organization for the insurance industry.

Nearly one-third of Americans age 18 and older have no life insurance. And among those who do, 58% carry an amount less than three times their annual household income.

Leading the pack among the uninsured? Women and young men.

They can be setting up their loved ones for financial tragedy. Premature death has the greatest impact on families of the young – people often carrying high debt loads who expect to spend another 30 years in the workforce.

You'll want to think about buying life insurance if you answer "No" to any of these questions:

- Could my survivors maintain their current lifestyle if they lost my income?
- Could my spouse afford to hire someone to replace the childcare and housekeeping contributions I make to our family?
- Could my elderly parents get by without my financial or caregiving support?
- Will my dependent children have the financial resources to pay college expenses?

PEMCO encourages young people to buy life insurance now for another reason, too. Health-wise, you're much more likely to qualify for low rates, since the maladies that boost premiums (or make people ineligible altogether) tend to occur with age.

Low-cost term insurance, which pays a death benefit during a specific period of time (like 10 years), makes a smart choice for people on a budget. When resources permit, consumers may want to add permanent insurance, which accumulates cash value and continues as long as premiums are paid.

The amount of insurance you need is highly individual. Quickie formulas (like "buy seven times your gross income") can leave you underinsured or insurance poor. You'll get a truer figure using anticipated mortgage obligations, education costs, living expenses, and final expenses. PEMCO offers a simple one-page worksheet on [www.pemco.com](http://www.pemco.com). You'll find it under Consumer Tips, Life Insurance, and "How much life insurance do you need?"

For more help, call a PEMCO life insurance specialist at 1-800-GO-PEMCO (1-800-467-3626) or contact your local PEMCO agent. ■



### STOLEN CARS (continued)

#### FAST FACT

Think you need a hot ride to catch the eye of a car thief? Not so, says the FBI and Seattle Police Department. They estimate the average value of a stolen car is only about \$6,800. In 2005, the No. 1 target was the 1991 Honda Accord, according to the National Insurance Crime Bureau.

available. Talk with a PEMCO representative if you're interested.)

**When my car is found, it likely will need repairs. What are my options?**

With PEMCO, you're free to choose any accredited repair shop to work on your car. We also can recommend a body shop in your area that meets the quality standards of our Timesaver Repair Program. We're so confident



in the workmanship of those shops that we guarantee their work for as long as you own your car and insure it with us.

If your car is missing its stereo (or other covered electronic device), take it to any mobile electronics store. We have direct-billing arrangements with Car Toys and Magnolia Audio Video to simplify the replacement process for you.

**What happens once my car is at the body shop?**

We encourage you to talk with the shop's estimator and point out any new damage to your vehicle. Depending on how long your car's been gone, it also may need a mechanical safety check and interior detailing.

**What if my car is never found?**

Police recover 86% of stolen vehicles. However, if yours is still missing after 25 days, your Claims Department specialist will work with you and our Total Loss Department to help resolve your claim. ■

\*At press time, 2005 is the last year with a full 12 months of data available.

## SOBERING NEWS FOR TIPSY BOATERS

Among male boaters who die in alcohol-related drowning accidents, about half of them fell overboard, apparently while relieving themselves. The victims' intoxication likely impaired their judgment and caused them to lose their balance.

That statistic, reported in the February 2006 *Sea* magazine, underscores the unique dangers of drinking and boating.

Alcohol slows reaction time, which worsens with the hypnotic effects of powerboat noise, prolonged exposure to sun and wind, vibration, and other factors. The added disorientation of falling overboard can cause an intoxicated person to swim *down* instead of up.

The takeaway from this tipsy tale: Always wear your life jacket, and – just like in a car – don't drink and drive. Or, at the very least, cruise with a designated skipper. ■



### FAST FACT

As with drunken driving, drunken boating fatalities are on the decline. The Coast Guard reports that alcohol-related boating fatalities (per 100,000 registered boats) fell 22% between 2002 and 2005.

Source, U.S. Coast Guard Boating Statistics, 2005

## YOU CAN GET PEACE OF MIND FOR YOUR VAN POOL

Do you drive a transit-agency van pool to work or school? If so, you already have liability coverage provided for you. However, coverage amounts can vary among agencies. For example, government-insured vans typically have minimal coverage.

If you're not sure what your coverage offers, take a moment to check the participant agreement you signed. If it's still not clear, give the agency a call.

If you find your van-pool coverage is too limited for your peace of mind, there's an option. It's easy – and inexpensive – to extend the same liability, underinsured motorist, and medical coverages you have for your own car to your van pool (or company car) with PEMCO's "Extended Non-Owner Amendment."

Because van pools may carry up to 15 people, rates are higher than for company cars. For example, in King or Snohomish County, a van pool driver would pay around \$27 a year for coverage limits of 100/300/100 (\$100,000 in bodily injury coverage per person, up to \$300,000 total for the accident, plus \$100,000 in property damage coverage). For a company car, the same coverage would run just under \$14 a year. Your auto policy automatically covers car pools.

To learn more, call 1-800-467-3626 or your local PEMCO agent. ■

## MAINTAIN YOUR SMOKE ALARM

**The good news:** 94% of homes are equipped with smoke detectors.

**The bad news:** When firefighters respond to calls at those homes, they find that *three out of every 10* smoke detectors aren't working.

Could yours be among them?

PEMCO and the National Fire Protection Association remind you to take care of your smoke detectors so they can take care of you:

- Change the batteries in your smoke detectors at least once a year – sooner if you hear them chirping to warn the batteries are weak.
- Test smoke alarms monthly.
- Put smoke alarms outside each bedroom and on each floor of your home, including the basement.
- Replace smoke detectors every 10 years. ■



### FAST FACT

One-half of all home-fire deaths occur in the 6% of homes without smoke alarms.

## QUESTIONS YOU ASKED US

**A year ago, *Perspective* ran some 'preliminary' results on Washington's 2001 graduated licensing law. Is the law working?**

Yes. Accidents involving 16-year-old drivers have dropped 45% since the law took effect, according to statistics from the state Department of Transportation. Currently, the law is set to expire in 2009, pending the results of a 2008 review. A bill submitted to the legislature this session, SB 5036, would remove the law's "sunset" status and make it permanent. At press time, that bill is still under consideration by the Rules Committee. ■



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*For more helpful information, visit Consumer Tips at pemco.com*

*Read current and past issues of Perspective at pemco.com/perspective*

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### IF MY TREE FALLS ON A NEIGHBOR'S HOUSE, WHO PAYS?

Although each circumstance is different, the rule of thumb is that tree owners aren't held responsible for "acts of nature" like windstorms. Your neighbor's insurance most likely would pay. However, if you knew or should have known there was a problem with your tree, you could be liable. The best advice for staying safe and on good terms with your neighbors: check your trees at least once a year and handle concerns promptly.

### UNSTABLE TREES (continued)

**Pushed-up soil at the base of a tree** signals root problems (like rotted anchor roots) and makes it a prime blow-down candidate. Wood shavings (from insect activity) and mushrooms or fungus on or near the trunk also can be tip-offs to rot.

**Leaning or lopsided trees** spell trouble, but they might be saved with expert pruning and cabling.

**Forked trunks** are often weak, particularly if there's bark growing between the trunks. U-shaped connections are stronger than V-shaped connections.

**History of breakage.** Unexplained loss of large branches might signal hidden rot or disease.

**Cracks and hollows.** Cracks that extend into the wood indicate weakness. Hollow trees may or may not be dangerous, since new wood is added to the outside of a tree. If the outer shell is sound, even a hollow tree may be relatively safe.

If you spot any of these signs call a certified arborist to get an inspection. You can find one in the Yellow Pages or search online at [www.isa-arbor.com](http://www.isa-arbor.com) and click "Verify a Certification."

If a tree needs to come down, hire with care. Tree removal is dangerous work, and you'll want to

make sure the company has insurance. Ask to see certificates or other proof of a current policy. Get several estimates, but don't automatically pick the cheapest. Beware of companies that recommend topping trees rather than thinning branches so the wind can blow through. Topping weakens trees and invites rot and insects.

Before cutting any trees, check local ordinances, property covenants, and any restrictions from your homeowners association. Ask your arborist if his or her company will indemnify you for any liability incurred from taking down a tree, and make sure that promise is included in your contract. Circumstances like cutting a tree within 800 feet of a bald eagle's nest or removing trees that turn out to be on a neighbor's property can quickly run you afoul of regulations and result in fines, payment of damages, or even jail time.

Healthy trees are safe trees. Spend a few minutes now to inspect them and save yourself from windstorm hassles and heartache. ■

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## HOW SAFE ARE YOU ON THE ROAD AND AT HOME?

PEMCO has again commissioned a statewide poll to learn about the habits of Washington drivers and homeowners. Conducted by FBK Research, the poll covers topics such as driving distractions, speeding, and condo insurance. Want to know how your answers compare with others? Simply go to [survey.pemco.com](http://survey.pemco.com) and follow the prompts.



## SHARE A GOOD THING WITH A FRIEND!

If you're a proud PEMCO customer, give your friends a chance to enjoy the same great protection and service. *Refer your friends to PEMCO!*



### YOU SHOULD:

1. Tear off one of the cards.
2. Give the card to your friend(s).

### YOUR FRIEND CAN:

1. Call now, *or...*
2. Go online now, *or...*
3. Call or go online later, when it's convenient.



*share a good thing*



*share a good thing*



*share a good thing*

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*Click on "Get a quote" and enter promotion code 77.*

Visit: **Contact your local PEMCO agent**

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