

WE'RE A LOT LIKE YOU.
A LITTLE DIFFERENT.



Perspective

NEWS AND INSIGHT FROM PEMCO INSURANCE



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

UNINSPECTED ELECTRICAL WORK PUTS FAMILIES AT RISK

Years later, her story still haunts the inspectors at the Washington State Department of Labor and Industries (L&I).

A Skagit County toddler's curiosity led to tragedy when she wriggled behind the family's washer and dryer. Unknown to anyone in the home, the machines hid a metal water pipe that was pulsing with electrical current—a byproduct of faulty wiring done years earlier. When the little girl touched it, the pipe delivered a devastating fatal jolt.

"Often, no one knows anything is wrong until a fire erupts or someone gets shocked," said Ron Fuller, chief of L&I's electrical program. "Most

improperly installed equipment will appear to work fine, sometimes for years."

With the springtime remodeling season in full swing, PEMCO urges you to make sure all electrical work is permitted and inspected for your family's safety. That's especially important now in tight-budget times, when more homeowners may be doing electrical work themselves rather than hiring a professional.

What needs a permit? You'd be surprised

Although there's no way to know the exact count, electrical inspector Doug Erickson says the number

cont. on page 3

SPRING 2010:

Protect yourself when using e-mail on the road 2



Beware those oh-so-quiet hybrids 3



Many retirees still need life insurance 4



EVEN KIDS FACE IDENTITY-THEFT RISKS

Imagine being 16 years old and getting turned down for your driver's license. Not because you blew through a stop sign on your driver's test. And not because you flunked the written exam. You can't get your driver's license because *someone else* has already claimed it using *your* Social Security number.

Each year, 500,000 people under age 18 fall victim to identity theft. Kids make easy targets since they have no debt history and no reason to check their credit reports for years.

Parents can shield their kids from ID theft heartbreak by keeping their personal information

private. Businesses from doctor's offices to preschools routinely ask for kids' Social Security numbers, and that vital information can stay on file for years. Find out whether another form of ID will do. Often, the answer is yes.

You also can take steps now to make sure fraud hasn't already occurred. As a PEMCO policyholder, you can take advantage of our free PEMCO ID Smart™ program, where we link you to an experienced identity fraud specialist. He or she can verify whether a credit file exists in your child's name. And if it does, the specialist will get a copy

cont. on page 2

PROTECT YOURSELF WHEN USING E-MAIL ON THE ROAD

It's 8 p.m. in Boston—too early to turn in or call home—and you can't stand another minute of channel surfing in your hotel room. Why not head down to the lobby and log on to one of the complimentary guest computers? Check e-mail, do a little birthday shopping for the kids....

And maybe extend a red-carpet invitation to hackers, fraudsters, and scam artists.

"The free Wi-Fi landscape has really changed in the past five years," warns Kip Boyle, chief information security officer at PEMCO. "You no longer can assume any hotspot or public computer is safe."

The problem lies in a proliferation of "malware"—insidious programs and techniques that enable online fraudsters to tap into e-mail accounts, capturing keystrokes, login IDs, and old e-mail messages with "password reset" or other sensitive information. That data can be sold, traded, and used to clean out your accounts or create a bogus alter ego from anywhere around the globe.

To stay safe when using technology on the road, Boyle recommends you:

Carry your own computer or use one from your employer's worksite. Ensure that your security programs and firewall are up to date, and disable Bluetooth, printer sharing, and ad hoc network connections.

Choose your e-mail provider carefully. Some, like Google's gmail, automatically encrypt every keystroke from the moment you pull up the site. (Look for "https" in the URL.) Others encrypt only during password entry, and some not at all. If your e-mail doesn't show https



in the URL, look under Preferences or Settings to see if it's possible to change your default settings.

Separate e-mail accounts into business and casual. Use one account for online banking, bill paying, and online shopping. Choose ruthlessly tough-to-crack passwords and change them quarterly. Create a separate account for e-mailing the folks back home, sharing photos, and socializing.

Don't use Wi-Fi hotspots for financial transactions.

Check e-mail from a public computer only as a last resort. As soon as you get to a trusted computer, change passwords immediately.

For more ongoing security tips, Boyle recommends you check out krebsonsecurity.com. And, if a fraudster still manages to find you, take comfort knowing help is available through PEMCO ID Smart. See page 1 for details. ■

READY TO FIRE UP THE GRILL? FOLLOW THESE SAFETY TIPS

Nothing says summer like the satisfying sizzle of a steak hitting the grill. But before you break out the secret sauce and all the fixings, give your grill a safety once-over to make sure your food's the only thing that gets cooked. Each year, the nation's firefighters respond to about 8,000 grill-sparked blazes—one-third of which start on balconies or porches.

The National Fire Protection Association reminds homeowners:

Check your gas grill's hose for leaks before using it for the first time each season. Turn on the gas and apply soapy water to hoses and connections. If you see bubbles, turn off the gas and get your grill serviced by a professional.

For charcoal grills, make sure the coals are cool before throwing them away (always use a metal container). Live embers can linger for hours and account for most of the barbecue-fire claims that PEMCO adjusters see.

Keep grills well away from combustibles including the outside of your home, deck railings, eaves, air conditioning intakes, and overhanging branches. Often, apartment buildings and condominium complexes ban the use of grills on patios.

Make the grill area a no-kids zone. Nearly 20,000 people land in emergency rooms each year as a result of grilling accidents. Since barbecues and backyard soccer, football, and Frisbee® games go together, an errant kick, pass, or dive increases the odds of a burn injury. Don't leave the grill unattended.

Never add lighter fluid once you've ignited the coals (for charcoal grills).

Keep your grill clean (particularly the trays below the grill) to avoid grease flare-ups.

Never store propane cylinders in buildings or garages. Instead, disconnect the cylinder and leave it outside when you pack away your grill for the season. ■



IDENTITY-THEFT RISKS (continued)

of your child's credit report, work to remove fraudulent entries, and give you the option to freeze the credit file until your child turns 18. That's important since a scarred credit record could scuttle your child's eligibility for student loans when he or she heads off for college.

PEMCO ID Smart is a value-added benefit, yours automatically because you're a PEMCO policyholder. It can help with everything from getting to the bottom of an unexplained charge on your credit card to replacing key documents if they're ever destroyed or stolen. If you'd like to talk with an identity fraud expert, call 1-800-GO-PEMCO 24 hours a day. Or, to learn more about keeping your good name safe, visit pemco-idsmart.com. ■

PEMCO ID Smart is powered by Identity Theft 911® the nation's leader in identity theft management and fraud education.



BEWARE THOSE OH-SO-QUIET HYBRIDS

For all our complaints about traffic noise, a little vroom-vroom can be a good thing.

So says the National Highway Traffic Safety Administration after a 12-state study revealed that hybrid cars crashed into bicyclists and pedestrians 40% more often than their conventional gas-fueled counterparts. The victims simply never heard them coming.

The problem typically occurred in parking lots, when the cars were running silently on electricity alone.

Automakers are looking to address the problem in future models by adding sounds when the cars are moving at low speed—everything from a gas-engine rumble to futuristic “science fiction” tones. Some electronics manufacturers have already jumped in with aftermarket solutions, including a \$140 device that gives car owners the choice of 16 different sounds ranging from a cat’s meow to a voice saying, “Excuse me.”

For now, the study’s big takeaway for hybrid owners and pedestrians alike seems to be “Look right, look left ... then look again.” ■

QUESTIONS YOU ASKED US

What are the rules when it comes to left turns at roundabouts and traffic circles?

You can never go wrong when you stay right. Move around the circle in a counterclockwise direction until you reach your intersection, then make the turn.

Washington laws don’t distinguish between full-scale **roundabouts** and those smaller **traffic-calming circles** on neighborhood streets, and all the usual rules of the road apply. However, it’s at those smaller devices where drivers are often tempted to turn in front of the circle to make a left. Right-of-way issues also pop up at the circles. Treat them as an uncontrolled intersection, with the first driver to arrive having right-of-way.

Another important rule to keep in mind: When entering a roundabout, always yield to traffic already in the circle, then keep moving (don’t try to take turns, like at a four-way stop).

You can read Washington’s traffic circle law online by searching “RCW 46.61.135.” ■

UNINSPECTED ELECTRICAL WORK (continued)

of unpermitted, uninspected electrical jobs in Washington “is probably massive.”

“People don’t realize that most electrical installations, except for small jobs like replacing broken switches, require inspections,” he said.

That includes seemingly simple improvements like adding a hot tub. (For a list of such projects, visit L&I’s website at www.lni.wa.gov and search “Electrical Work on Residential Property.”)

While many homeowners don’t know what the law requires, others don’t want to pay the \$45 permit fee (typical for a small project) or leave work to meet the inspector.

“Sure, it takes some time,” said Erickson, “but compared with a problem that could injure your family or cause a fire, the investment in an inspection is insignificant.”

How to get a permit and inspection

If you’re hiring a licensed contractor, he or she must buy a permit and arrange for inspection of the work. However, if you have the expertise and plan to do the work yourself, you have several options for getting a permit.

Cities vary in their permitting requirements. Some mandate you buy it from them (search “city electrical inspectors” on www.lni.wa.gov for a list). Others allow you to contact the L&I office in your area or buy it online at www.ElectricalPermitsInspections.Lni.wa.gov. L&I completes 93% of inspections within 48 hours of the request.

Be sure to hang onto the paperwork, since you’ll need it when you sell your home someday.

Wondering about an old project?

It’s never too late to do the right thing. If you suspect your home harbors uninspected wiring, call your local L&I office and ask for a permit to inspect existing electrical work. Whether you get the all-clear or your inspector provides a list of items to fix, you’ll feel good knowing you’ve done all you can to keep your home and family safe. ■

THREE SIMPLE STEPS TO THWART INJURY AND ELECTRICAL FIRES

Be honest with yourself about your qualifications

to do electrical work. If in doubt, spend the money to hire a licensed electrical contractor.

Never overload outlets, extension cords, and electrical circuits. If your breakers trip repeatedly, something’s wrong. Get them inspected by a professional.

Get the required permits and inspections for all electrical work.

WE’RE A LOT LIKE YOU.
A LITTLE DIFFERENT.



WE'RE A LOT LIKE YOU.
A LITTLE DIFFERENT.



Perspective

NEWS AND INSIGHT FROM PEMCO INSURANCE

SPRING 2010:

Protect yourself when using e-mail on the road 2

Ready to fire up the grill? Follow these safety tips 2

Beware those oh-so-quiet hybrids 3

For more helpful information, visit *Consumer Tips* at pemco.com
Read current and past issues of *Perspective* at pemco.com/perspective

PEMCO INSURANCE CO.
PEMCO MUTUAL INSURANCE CO.
PEMCO LIFE INSURANCE CO.
325 EASTLAKE AVENUE EAST
SEATTLE, WASHINGTON 98109
1-800-GO-PEMCO
(1-800-467-3626)
pemco.com
©2010 PEMCO INSURANCE

PEMCO Insurance
325 Eastlake Avenue East
Seattle, Washington 98109

PRSR STD
U.S. Postage
PAID
Seattle, WA
Permit No. 2400



MANY RETIREES STILL NEED LIFE INSURANCE

To twist the classic line from Oldsmobile, “This is not your father’s retirement.”

Kiplinger.com reports that in 2009, only 20% of retirees surveyed felt “very confident” about having a secure retirement—down from 41% in 2007. Seventy-two percent said they expect to work after they retire.

Add social changes to recessionary angst, and the retirement landscape looks even more different. According to MSN Money, among people age 45 and older, about one-third pay rent or provide housing for a grown child over 25. Twenty percent support a parent.

A new breed of retiree

Owing to those financial obligations, the nonprofit Life and Health Insurance Foundation for Education identifies **people age 60 and older as one of the fastest-growing markets for life insurance**. To find out if you’re among them, ask yourself:

- Would a loved one experience financial loss if I were to pass away?
- Do I want to leave a financial legacy to a child or favorite charity?
- Will Uncle Sam take a healthy bite out of my estate?
- Does my spouse lack liquid assets to pay for final expenses?

If you answered “yes” to any question, you’ll want to explore your life insurance options.

Get help from a professional you trust

A PEMCO Life Insurance specialist would be happy to talk with you about how life insurance can strengthen your financial plan regardless of life stage or budget. A term life policy may be more affordable than you think. Premiums for a 20-year \$100,000 term policy for a very healthy, non-smoking 50-year-old man could run as low as \$26.52 per month.*

To learn more, please call 1-800-GO-PEMCO, ext. 2303; your local PEMCO agent; or visit pemco.com/life. ■

*Rate shown is for illustrative purposes only. The example features PEMCO’s Promise Term policy and assumes underwriting qualification for the ultra-preferred rate class. Premiums for other rate classes will vary, and application approval is required. Example also assumes PEMCO Life Plus discount for current customers.

Suggest an article for *Perspective*

Is there an insurance topic you’d like us to cover in *Perspective*? Whether it’s something you’d simply like to know more about or a consumer tip for fellow readers, we’d love to consider it for a future issue! Please e-mail your ideas to perspective@pemco.com.



FIVE TIPS TO GET YOUR BOAT READY FOR SPRING

Before you head out on the water, make sure your boat's as ready for fun as you are:

1. Inspect your safety equipment. Check your life jackets (number? size? condition?), flares (expired?), and fire extinguishers (properly charged?). Consider scheduling a Coast Guard Auxiliary safety check.

2. Check oils and fluids. Depending on your power unit, that might include engine oil, transmission fluid, gearbox or lower-unit grease, steering fluid, and hydraulic fluids. Make sure all cooling system drain plugs (that were opened during winterization) are secured.

3. Inspect your trailer. If you tow your boat on a trailer, see if your wheel bearings need repacking, especially if you launch in salt water, and test the trailer's tail, turn, and brake lights. Check the rope on your hand crank to ensure it hasn't deteriorated over the winter, and check your tie-down straps for fraying.

4. Test the engine and electronics. Replace batteries if needed and test the radio, GPS, compass, depth finder, and other marine electronics.

5. Inspect the hull, canvas, and vinyl. Check the hull for blisters and chips. Make repairs as needed and maintain the boat's gelcoat to prevent heavy oxidation. Fix any tears in vinyl and canvas.

continued on back

We strive to deliver timely information that's relevant to you, and e-mail is the quickest way to do that. That's why we offer an electronic version of *Perspective*. To subscribe, simply go to <http://perspective.pemco.com>.



Fill out the first part of the form (with information that won't change), then photocopy enough for the season. Complete "Trip Plan" each time you go out.

FLOAT PLAN

In case of a breakdown, stranding, or weather emergency, a float plan left with family members or friends will save valuable time for rescuers.

Coast Guard emergency number

OPERATOR AND VESSEL

Operator _____

Phone _____ Age _____

Address _____

Boat name _____

Type _____ Model year _____

Make _____ Length _____

Color, distinguishing features _____

Raft _____ Size _____ Color _____

Radio (type) _____ Frequencies monitored _____

Cell phone _____

TRIP PLAN

Depart from _____

Date of departure _____ / _____ / _____ Time _____

Expected return time _____ or no later than _____

Vehicle/trailer parked at _____

Make _____ Model/color _____ License _____

Destination _____

Possible stopover port(s) _____

Additional people on board

Name _____

Phone _____ Age _____

Address _____

Name _____

Phone _____ Age _____

Address _____

WE'RE A LOT LIKE YOU.
A LITTLE DIFFERENT.

