



## ‘Tis the Season for Holiday Mishaps

By John D. Doak, Oklahoma Insurance Commissioner

The holiday season is a time to focus on friends and family, not worry about whether your insurance coverage is adequate. As you prepare to celebrate the season, consider reviewing your insurance policies to avoid these nightmare scenarios.

### **Auto Insurance**

**A family member borrows your car and has an accident:** Your auto insurance policy would usually provide the same coverage for your relative as if you were driving, however, some policies may reduce coverage to the minimum limits if the driver is not listed on the policy. This is not common, but check with your company to make sure your liability does not drop down to the minimum limits. Also, if an at-fault accident occurs while they are driving the vehicle, your policy is considered primary and your policy will pay the claim. This would likely cause your insurance rates to increase.

**You borrow someone else's car and get into an accident:** The auto policy on the borrowed vehicle provides primary coverage. If no coverage exists, your auto policy might provide coverage but it depends on the reason for driving the car. In each case, individual circumstances and state law will factor into the outcome. When you borrow a car from a friend, your liability coverage usually steps in only when the insured's policy limits are exceeded. Talk with your agent or insurance company to find out if your auto coverage extends to a friend or family member's car and explain the likely scenarios you would need to borrow a vehicle.

**You have plans to drive to Canada or Mexico:** Make sure you have coverage outside of the U.S. All policies provide coverage while driving in Canada, but your policy will not provide coverage when you are in Mexico. If you plan to drive in Mexico, it is recommended that you purchase insurance in Mexico for your vehicle.

**Someone breaks your car's window and steals gifts from the back seat:** Most standard homeowners and rental insurance policies provide coverage; however you are responsible for the policy deductible and there are limits. Some auto policies provide coverage for this situation. Talk with your agent or company on both policies

(homeowners/renters and auto) to find out under which policy you should report your claim.

## **Homeowners Insurance**

**Someone steals the holiday decorations from your front yard:** A standard homeowners policy typically provides coverage, subject to policy deductible and coverage limits. These items are also generally covered if you have a condominium or renter's insurance policy. Please keep in mind that if the loss is around or below the deductible, it is best to pay the claim out of your own pocket. A company cannot cancel, up rate or non-renew you for filing a first claim, but they can after two claims.

**Presents are stolen from your home:** Standard homeowners insurance policies provide coverage with special limits for certain goods, such as guns, furs, silverware and jewelry. Standard condominium and rental insurance policies provide similar coverage. Check your policy for specific item limits and be sure to add new items to your policy as soon as possible to ensure you are covered. Motorized vehicles like four wheelers and motorcycles are not usually covered by homeowners policies either so look to your auto insurance policy to add these for liability, collision and other than collision losses.

**An ice or snow storm causes a tree to fall through the front window of your house:** Home damage and tree removal (if the tree fell on your house or driveway due to the weight of ice or snow) is generally covered by a standard homeowners insurance policy minus deductible. Check your policy to find out what coverage you have. An HO-02 policy does not provide coverage for weight of ice and snow so when you are shopping for homeowner's coverage, ask for an HO3 or HO5 equivalent policy.

**A candle falls over and lights a curtain, causing a house fire:** A standard homeowner's insurance policy will cover your home and belongings destroyed by a fire, up to the policy limits. Standard policies typically provide additional living expenses if you are unable to live in your home due to damage from a fire or other disaster.

## **Home Inventory**

This time of year you may be purchasing a lot of new items for your house. That makes now a great time to complete or update your home inventory. A home inventory is very helpful to you and your adjuster after a loss. If items are stolen, blown away or burned beyond recognition, there is no way to determine what you had at the time of the loss. Complete the inventory list on your smart phone app and, if a loss occurs, you can show what you had in the house and make filing the contents claim go a lot faster and easier. Here is a link to our app [http://www.ok.gov/oid/home\\_inventory.html](http://www.ok.gov/oid/home_inventory.html).

Remember, if you have any insurance questions, don't hesitate to contact the Oklahoma Insurance Department at 1-800-522-0071.