

Greetings! I'm writing to let you know that I am starting the retirement process and will be retiring as an insurance agent effective February 1, 2018. I know it in my gut. It's time.

I started as an agent in February 1972 and I will be retiring, after 46 years, in February 2018. Here are answers to some of the questions you might have.

**THE BEST NEWS FOR YOU
ABOUT THE CHANGE**

Carol Bechay is not going anywhere! Carol has worked with each of you as an insurance agent/account manager and done a wonderful job every time. She has worked with me closely in the trenches for 14 years and has developed expertise in every type of personal insurance policy. I'm so happy that she is continuing on. If you know Carol at all, I am sure you feel the same.



**INTRODUCING MY
REPLACEMENT,
MICHAEL HOPPE, CIC**

Mike has had over 20 years experience as an insurance agent and has earned the Certified Insurance Counselor designation. He has a great deal of expertise in both business and personal insurance. He also has developed expertise in reading and identifying risks in contracts – a must in order practice risk management. I hand-picked Mike from a plethora of good insurance agents. Not just because of his expertise but also because of his integrity and his commitment to his client's welfare. I flat out like Mike and I'm sure you will too!



**"HOW DOES THIS
CHANGE AFFECT MY
CURRENT INSURANCE
POLICIES?"**

Hopefully, you won't notice any impact at all. The policies that you and I have set up with so much care will renew automatically as long as you continue to pay the premiums. Then over time, as your circumstances change, you will work with either Mike and/or Carol to tweak the coverages appropriately. I've included business cards for both Mike and Carol so you will have their contact information.

**MY JOB DESCRIPTION
BETWEEN NOW AND
FEBRUARY 1, 2018**

I plan to help with the transition. Introducing you to Mike. Sharing thank you's and good-byes. Putting some nice closure on some warm relationships that, in many cases, have lasted decades.

If you would like me to review your insurance one last time, I would love to do so. And for risk management clients, one last annual review with updated decision summaries. Contact Carol to set it up.

**"ARE MIKE AND CAROL
GOING TO CONTINUE TO
OFFER VALUE-ADDED
RISK MANAGEMENT?"**

Mike assures me that, with Carol's help, it is his intent to continue the services that made my agency unique – to provide individuals and small business owners more expertise in every type of insurance policy. With balanced coverage in all the major risk areas. With expertise in contracts and leases. And with optional Risk Management Decision Summary reports updated as your life changes. All provided for the supplemental annual risk management fee like I have done in the past.

TRANSFERRING OWNERSHIP OF PROPERTY TO TRUSTS – JON’S STORY

I just found out that a good friend and client of mine transferred the ownership of his home, all personal property, and two vehicles to two trusts he and his wife had set up for estate planning purposes. The problem is that there is no coverage for liability or property or vehicle damage, for the trusts, under any of Jon’s personal policies. In a good faith effort to protect assets, through the process of setting up trusts, Jon unknowingly exposed all assets in the trusts to uninsured lawsuits and uninsured property damage.

REMINDER IF YOU HAVE TRANSFERRED OWNERSHIP OF YOUR RESIDENCE OR PERSONAL PROPERTY TO ONE OR MORE TRUSTS

Be sure to let us know ASAP. We will need the exact legal name of the trust as shown on the trust documents, including the name of the trustees. We will attempt to add your trust as a co-named insured on all policies including your umbrella policy. [Not all insurance companies will extend coverage to trusts so we may have to rewrite your insurance.]

WHAT ABOUT TRANSFERS TO AN LLC?

Some estate planning attorneys are starting to recommend their clients set up an LLC instead of a trust. I recommend against that because most insurance companies won’t cover an LLC under personal auto or homeowners or umbrella policies. Which usually means setting up more expensive business policies.

FOR MORE INFORMATION ON THE PROBLEMS OF TRUST OWNERSHIP OF PROPERTY

Here’s a link to an article I wrote a few years ago that is still current today:

<https://www.irmi.com/articles/expert-commentary/protecting-assets-when-home-ownership-is-transferred>

TRAIL BIKES: LOOKING AT RISKS AND COVERAGE GAPS

It’s springtime – time to get the 100 cc trail bike out of storage and tuned up. This is a reminder that you almost always have *no* automatic liability coverage for injuries you cause, arising out of the use of the bike. Plus no automatic theft or collision coverage, for damage to the bike, under either your automobile or homeowners policy. We can endorse coverage onto either the automobile or homeowners policy or set up a freestanding policy for typically under \$200 a year premium.

THE MOST IMPORTANT CAVEAT WHEN INSURING A TRAIL BIKE

Make sure that you buy the same liability coverage limit on the trail bike that you buy for your car and home insurance liability. Be sure that the liability limit is high enough to satisfy your umbrella requirements for underlying insurance (i.e. \$500,000).

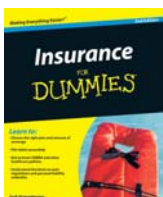
IF YOU PLAN ON BUYING A TRAIL BIKE THIS SPRING . . .

Contact Carol Bechay in my office and we can help you determine the coverages you need and the best place to buy insurance for it. (If you already have a trail bike and don’t have insurance for it, call us ASAP to fix that!)

As I wind things down toward retirement, I feel so grateful to you for your business and warm relationship we have. I have loved being your insurance agent whether you have been with me two years or 40 years!

All the best!

Jack Hungelmann



Insurance for Dummies second edition, authored by Jack Hungelmann. Buy it online at www.dummies.com or www.amazon.com.

