



## Ice Coverage: Snowmobiles and ATVs

Have you ever heard the phrase, “my insurance ends at the shoreline”? Many believe that if their ATV, snowmobile, or even the 4x4 truck, is driven on the ice and falls through there is no coverage. Not entirely true. Unless specifically excluded, when you carry Comprehensive or All Perils coverage there is indeed indemnity for recovery and repairs to the vehicle. Depending upon the circumstances, if some of the damage was due to impact, Collision coverage may also be required. So, if you have full coverage including Collision and Comprehensive, you are insured for everything, right? Wrong! It isn’t uncommon to get the

ATV stuck on a muddy trail. Sometimes mechanical breakdowns can occur while trying to free yourself (e.g. overheating the engine). Unless the damage to the machine is due to fire, collision or similar peril, repairs for mechanical breakdown are excluded. So far we have dealt with inadvertent acts. What about deliberate ones? Ontario insurance policies do not provide coverage for those involved in a race or speed test. Deliberately traversing open waters may fall under this exclusion. The safest course of action is to disclose to us your intended area and use for all your vehicles so we can properly advise the best coverage.

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## Ontario Auto Reform: September 1, 2010

The Financial Services Commission of Ontario enacted auto insurance reform on policies renewing after September 1st of this year. Since the last revision, the accident benefits portion of the policy had been paying out claims far beyond collected dollars thereby causing larger than average premium increases. The mandated government changes are designed to:

- provide more choice and to allow you more opportunity to customize your policy

- speed up the medical assessment process when dealing with accident benefits claims
  - reduce the claims costs and stabilize the auto insurance premiums in Ontario
- Each individual insurer has their own unique way of calculating the costs to increase your Accident Benefits. For this reason, none of our literature contains pricing estimates. The changes to your insurance program will take place as of your renewal. Until that time, the same cover-

age that was in place prior will apply.

Currently only 3% of Ontario motorists alter their Accident Benefits. Now, with more limited coverage, there could be areas you wish to change. For example a stay at home parent may require higher care giver benefits in the event of an accident.

We ask that you take a moment to review the enclosed pamphlet and contact us with your questions.

***mbcfinancial.ca website:*** some past topics you may have missed:

**2009:**

- Water Damage in the Home
- Ahoy Boaters
- Pension & Severance Issues
- 20% return on your money
- Dangerous Drivers

**2008:**

- Drug Operations void your insurance
- Earthquake Options
- Burglary at your Seasonal
- Buying Mortgage Insurance

**2007:**

- RESP Changes
- Acts of God
- Auto liability limits
- Changes when renting or leasing an automobile

## ***Homeowner Policies: Property away from premises***

As people buy more “toys” and use the space in their basements for living many have run out of storage space. This has led to a boom in the mini-storage business where people find a place for everything from antique cars & lawn furniture to boats & bicycles. So how does your insurance deal with these items?

The answer is, “it depends”. For items that are insured on a floater or policy separately from the home policy, there may not be an issue. Unscheduled personal property (PP) may be a different answer. A typical Comprehensive Property Policy will not insure your PP at another location owned by you unless that location is

listed. Further property temporarily stored at non-owned locations is fine for short periods of time but after 30 days, coverage is reduced to theft and attempted theft only.

It is best to check with us so we can examine the circumstance and advise you of your options advise you of your options.

## ***Homeowner Policies: Earthquake Insurance***

It is generally agreed that Ontario is not as susceptible to earthquakes as some other parts of the world or even in Canada but this past June 23rd one did occur. Centred north of Ottawa,

an earthquake measuring 5.5 was felt in much of southern Ontario. We are located on a minor fault and it should be noted that standard insurance policies specifically exclude damage

from earthquakes. In most cases the coverage can be added to your policy for an additional premium and cost varies according to location and type of construction.

## ***Homeowner Policies: Travel Insurance***

People use many different types of travel insurance to ensure their finances aren't compromised due to a health issue while out of province. While we have many options for our clients one of the more convenient ones comes from Intact Insurance

with an option to add to your home policy. Trips up to 30 days plus 24 hour coverage up to \$5 million makes it a convenient plan for:

- Frequent travelers or days visits to the USA
- Simple endorsement onto your

property policy

- Monthly payments
- Underage grandchildren are covered while travelling with you
- Hassle-free enrolment with no medical questions

## ***Tax Free Savings Accounts: Update***

The TFSA became available on January 1, 2009. Individuals 18 years of age and older can contribute up to \$5,000 per year regardless of their earnings. Contributions to the TFSA are made from after-tax-dollars so

withdrawals are not subject to tax. The TFSA is not like a bank account, however. If a withdrawal is made the contribution room is restored but it may not be replaced in the same year of the withdrawal.

We recommend the TFSA be managed in conjunction with your RRSP. Our advisors would be happy to show you the many options.



## “STAND-ALONE” LIFESTYLE POLICIES

**Antique and Collector Cars** plans that provide a tailored solution to meet your needs with:

- Agreed Value Coverage
  - No depreciation
  - Multiple Discounts
  - Year your policies
  - Low Prices
  - Appraisal Free (most cases)
  - Flexible usage
  - Repair shop options
  - Deductible options
- 

**Nautimax Watercraft Insurance** helps you enjoy your time on the water with family and friends featuring best-in-class coverage:

- Agreed value coverage
  - Available replacement cost
  - Unlimited trailering
  - Expanded navigation limits
  - Liability up to \$2 million
  - Claims free discount
- 

**Recreational Vehicle Insurance** solution that include everything from motor homes and Park Models through to Tent Trailers and all kinds of Campers that includes:

- Flexible deductibles
  - Guaranteed replacement cost available
  - Contents coverage
  - Claims status protection
  - Extended coverage for full-time occupancy
  - Detached structures
  - Emergency expenses
- 

**Mobile and Manufactured Home** programs designed for owner occupied, tenants, summer/seasonal and rented to others. Includes many optional coverages with a wide range of discounts.

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**Cottage Insurance** protection allowing full comfort and piece of mind featuring:

- Replacement cost of building and contents
- Seasonal and secondary
- Single policy limit with rental coverage included
- Theft & vandalism
- Competitive pricing for island and log homes
- Docks and wet boathouses

## *Investing Corner*

### ***Guaranteed retirement income for life: CLASS PLUS***

With stock market uncertainties and low interest rates, we are please to feature an investment and income product exclusively for retirement years known as Class Plus. For use with registered or non-registered investments, the Class Plus provides the opportunity to support a retiree lifestyle by combining market performance plus a guaranteed supplement!

Some of the benefits are:

- Annual 5% bonus regardless of market performance
- Ability to lock in investment growth
- Lifetime withdrawal amount after age 65
- 100% Death Benefit Guarantee
- 75% Maturity Guarantee
- Wide range of Funds available

Call to speak with one of our Financial Planners to see how the Class Plus can work for you!

**McAvoy, Belan & Campbell  
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## ***Tidbits***

**DID YOU KNOW?  
IN THE HOOPLA OF  
BRINGING IN THE  
HST, A QUIRK IN-  
VOLVING INSURANCE  
WAS OVERLOOKED.  
THE ONTARIO  
GOVERNMENT CHOSE  
TO KEEP A PROVINCIAL  
TAX OF 8% ON  
“NON-AUTO” INSURANCE  
POLICIES (E.G. HOME  
INSURANCE).  
IN ADDITION EACH  
POLICY WRITTEN IN  
THE PROVINCE STILL  
HAS A BUILT IN TAX  
OF 3%.**

Unlike T4 slips, which are due from your employer by the end of each February, T3 slips, recording interest or investment gains and losses are, by law, not required to be sent until the end of March.

***Under Ontario auto policies, coverage for vehicle electronics is limited to \$1,500 unless factory installed.***

After years of steering people to the internet, some financial institutions have begun to charge us fees to take delivery of your money. If we are unable to deal with your institution, we apologize and will work out alternate methods that may benefit you more.

Don't wait to call us when buying a new home. Often we have access to information that may help you save on home insurance costs.

## ***MBC Corporate Directory***

***Direct Line: 905-834-3668***

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**Phone: 905-834-3666**

**Toll Free: 1-888-880-8683**

**Facsimile: 905-834-6023**

**After Hours Emergency Claims Service: 1-800-235-8784**