

Additional Homeowners Insurance Coverages

A variety of endorsements is readily available by insurers and can be added to a policy for additional charges. Policy endorsements modify or extend certain coverages provided by the policy under certain conditions. Earthquake insurance and backup of sewers or drains are just two of the many homeowners endorsements available.

■ Earthquake Insurance

Earthquake protection is not automatically provided under homeowners policies, but may be added by an endorsement if offered by your insurer. Property owners concerned about damage to home or personal property from an earthquake may obtain the earthquake endorsement for an additional premium. Owners of frame structures pay lower rates than those in masonry buildings, since frame buildings are better able to withstand earth tremors. Nevada is at higher risk for earthquakes than most people think. Surprisingly, Nevada ranks third behind California and Alaska as the state most likely to experience an earthquake.

■ Backup of sewers and drains

Many insurance companies offer an endorsement that provides coverage for the backup of sewers and drains. Some “preferred” policies may automatically provide this coverage under the homeowners policy. Check coverage limits with your insurance agent or company representative, as they will vary.

■ Flood Insurance

Flood insurance is excluded under standard homeowners and renters policies. Flood insurance is available for purchase, however as a separate policy. If you are moving into a new home, apartment or business location, make sure you have adequate insurance coverage. Contact your insurance agent for information on the flood risk to your property. Homeowners need to be aware that there is a 30 day waiting period required for flood insurance to take effect. Should your home fall victim to a flood, remember to inspect it for damage, especially for cracks in foundations. Take pictures of damaged property and keep notes. Also make an inventory of your possessions and store it off the premises. Use pictures and inventory lists to help your insurance company determine the extent of the damages and to facilitate the insurance claim process. Although flood insurance is available through insurance companies, policies are underwritten and issued by the National Flood Insurance Program (NFIP) as part of the Federal Emergency Management Agency. Contacts for flood safety and insurance information include:

- National Flood Insurance Program (888)CALL-FLOOD
- National Flood Insurance Program Agent Referral (800) 427-4661
- National Flood insurance Program Web site: <http://www.fema.gov>
 - Residents of Clark County can visit the Clark County Regional Flood Control District’s website at www.ccfcd.org to determine if their home is in a flood zone.

■ Major Catastrophes

Catastrophes such as fires, riots, floods and hurricanes cause millions in property damage and affect multiple insurers. In the insurance industry, a catastrophe is defined as an event that causes \$25 million or more in insured property losses and affects a significant number of policy holders.

■ Fire

According to the National Fire Protection Association, on average, a fire department responds to a fire every 20 seconds in the United States. A structure fire occurs every 61 seconds; a residential fire occurs every 79 seconds; vehicle fires occur every 101 seconds.

Homeowners insurance policies will provide compensation for loss due to fire, based on the limits set in the individual policy. It is important, though, to make sure you have replacement cost limits that are up-to-date for your home. Payment is not automatic. You must provide documentation of your home's contents to receive compensation for the loss of the property. Keep a home inventory of your personal property. Take still or video photos of each room and make a comprehensive list of contents. Keep receipts on major purchases. Put all of this documentation in a safe place, away from your home, such as a safe deposit box.

Wildfires continue to be a major concern in Nevada. For example, the Waterfall Fire in Northern Nevada and the Mt. Charleston wildfire in Southern Nevada in 2004 were both large fires with property damages. To help educate and protect Nevadans living in forest areas, the Nevada Insurance Council is a sponsor of the Nevada Fire Safe Council, a nonprofit organization whose mission is to help Nevada's high fire hazard communities reduce wildfire threat. The Nevada Fire Safe Council assists communities by funding wildfire reduction plans for neighborhoods, fuel breaks, removal of flammable vegetation from around homes, and related projects.

■ Commercial

Commercial insurance generally provides insurance products for businesses, such as workers compensation, general liability, fire, ocean marine, surety and fidelity, crop and machinery insurance.

■ Terrorism

The worst terrorist attack on record in terms of insured property loss and fatalities were the September 11, 2001 attacks on the World Trade Center and the Pentagon, which resulted in \$18.8 billion in insured property losses and 2,976 deaths, according to official government reports.