



New Logo. Same Vision.

As a premier insurance agency, our vision is to be the area's most dynamic company, committed to the growth, prosperity, and enrichment of our clients, employees, and community. Our new, contemporary logo reflects the forward-thinking, professional tradition of our agency.

New Law Requires Carbon Monoxide Detectors

Under new legislation signed into law by Governor Mitt Romney, Massachusetts has become the ninth state in the U.S. to require carbon monoxide detectors for residential dwellings. The measure, which was supported by the Massachusetts Association of REALTORS®, took effect in early 2006 and applies to single and multi-family housing units, as well as large complexes like hotels, motels and college dormitories.

As stipulated by law, housing units that have enclosed parking or equipment such as boilers, furnaces or hot water heaters powered by gas, coal, oil or wood will be required to have a working CO detector as of March 31, 2006. In most residences, compliance with the law will simply require installation of a battery-powered or plug-in detector. However, hard-wired detectors will be mandated for large buildings with multiple units and other special cases. These properties will have until January 1, 2007 to comply with the law.

Enforcement of the carbon monoxide detector law, like the state's smoke detector law, will be carried out by local fire departments during home inspections prior to the sale or transfer of property.

For complete information regarding your responsibilities, enforcement, provisions and additional assistance regarding this new law, visit <http://www.mass.gov/dfs/index.shtm>. The site has valuable reference material to help you comply with this important regulation. You can also contact your local fire department for more information.

Furlong and Petronelli Join the Sylvia Group.

The Sylvia Group is pleased to announce two recent appointments:

John J. Furlong has joined the Commercial Lines Department of the Sylvia Group as an Account Executive. His expertise will be used to enhance client services and risk management.

John is a graduate of Villanova University in Pennsylvania where he received his Bachelor of Arts Degree. His prior experience includes specializing in sales, marketing and underwriting for the Corporate Professional

Liability and Commercial Package Divisions of Philadelphia Insurance Companies.

John resides in South Dartmouth with his wife, Sara and their daughter. He enjoys outdoor sports and particularly enjoys boating and fishing on Buzzards Bay.

Paul Nicholas Petronelli has joined the Financial Services and Benefits Department of the Sylvia Group to provide individuals and businesses with advice on retirement, investment, tax and estate planning.

Nick is a graduate of the University of Massachusetts Boston. Prior to joining the agency, Nick worked for Citistreet Advisors (formerly State Street Global Advisors) in various capacities; most recently as a Managing Investment Advisor / Operations Officer. Nick holds his Series 6, 63 and 65 licenses and is a Licensed Life Insurance Producer, a Chartered Retirement Plan Counselor Designee as well as a Chartered Mutual Fund Counselor Designee.

A Duxbury native, Nick resides in Wareham with his wife, Jennifer, and two children. Nick is a sports enthusiast, collects various sporting memorabilia and volunteers his time with the Wareham Community Associates and the Dick Melloni Youth Foundation.

This Issue:

Carbon Monoxide Law	1
New Additions to Our Team	1
MA Auto Changes	2
Landmark Legislation Passed	3
Advanced Driver Training	4

A Tip You Can Use

Vacation Car Rental

As we look forward to family vacations and summer travel, it is important to consider adequate protection when you rent a vehicle. Your MA auto policy will provide the same coverage for your rental car as it does for your own vehicle while renting in the U.S., Canada and its possessions and Puerto Rico, but that may not be enough.

There are some expenditures that you may incur for which your policy does not provide coverage. For example, your policy does not provide coverage if the rental vehicle is damaged and cannot be used. The rental company is losing income for the time the vehicle is not able to be rented. The rental company, as part of their contract, may require you to be responsible for this lost income and for administration fees that are not covered on your Mass Auto Policy.

Another provision of your policy, that may cause concern when you rent a vehicle, is that your policy will repair or replace an automobile on an Actual Cash Value basis, not Replacement Cost. Actual Cash Value takes into account depreciation for the age of the vehicle, while Replacement Cost is the amount it would cost to purchase the vehicle today. The rental contract may require you to be responsible for replacing or fixing the vehicle at the full retail value.

The best way to protect yourself is to purchase the insurance being offered through the rental company. If you have any questions, please contact your Customer Service Representative at (508) 995-4553.

Massachusetts SDIP Changes

The Commonwealth of Massachusetts has adopted a new Safe Driver Insurance Plan (SDIP). The new SDIP, which became effective on January 1, 2006, is based on the points assessed for at-fault accidents and conviction of certain traffic violations, as opposed to the old "step-based" system.

Under the new SDIP, accidents and convictions of traffic violations are tracked by the Merit Rating Board and used by insurance companies to determine a surcharge or discount "factor" to be applied to the policy premium when a policy is initially written and at each policy renewal. The new SDIP will feature a range of surcharges from 0 to 45 points. Experienced drivers (those with six or more years of driving experience) will be charged 15% of the premium, per point, for accidents and moving violations. Inexperienced drivers will be charged 7.5% of the premium, per point, for accidents and moving violations. The reduced surcharges for inexperienced drivers recognizes that they already pay a higher rate based on the assumption that, as new drivers, they are more likely to have accidents or violations.

The point values assigned to at-fault accidents and conviction of moving violations are:

- Major Moving Violation: 5 points
- Major Accident: 4 points (*A claim payment of more than \$2,000, exclusive of any deductible, under Collision, Property Damage, Liability or Bodily Injury.*)
- Minor Accident: 3 points (*A claims payment of more than \$500, exclusive of any deductible, under Collision, Property Damage Liability or Bodily Injury.*)
- Minor Moving Violation:* 2 points (**If the first incident on a driver's record is a minor moving violation, no points will be assessed for that violation; however, it will not be counted as an incident-free year.*)

As an incentive, the new SDIP offers two excellent driver awards:

- A driver with no accidents or violations in the six years preceding the effective date of the policy will earn the "Excellent Driver Discount Plus" which provides a discount of 17% from the published rates for Parts 1, 2, 4 and 7 of your policy.
- A driver with no accidents or violations in the five years preceding the effective date of the policy will earn the "Excellent Driver Discount" which provides a discount of 7% from the published rates for Parts 1, 2, 4 and 7. In addition, an experienced operator (six or more years) with exactly one incident in the past five years (which is a noncriminal traffic violation) and is more than three years old will be awarded the "Excellent Driver Discount."
- As an additional incentive to drive safely, the new SDIP will allow the "aging" of incidents. When a driver has three or fewer accidents or violations in the past five years, and the most recent accident or violation is more than three years old, the number of points for each accident or violation will be reduced by one. Accidents or violations may only be "aged" once.

For more information, or to ask questions, contact your customer service representative at The Sylvia Group.

It's Hurricane Season

Hurricane Season has officially begun - running from June 1 through November 30 with peak months in August and September. Don't get caught off guard. Hurricanes are dangerous and can result in devastating losses. Proper preparation and action steps can help to drastically reduce damage.

- Protect windows, sliding glass doors, and skylights with shutters or plywood.
- Put your car in a garage or other shelter. Secure boats and trailers. Secure outdoor furniture and any other loose material outside.
- If possible, trim back any dead wood from trees. This will reduce the amount of wind stress on trees and eliminate potential damage from falling limbs.
- Move valuables away from windows and, if possible, to an upper floor.
- Bring pets indoors or make other arrangements for their safety.
- If you are leaving your home, lock and secure the premises. Take small valuables and important documents with you.

Flood insurance is available even if you do not live in a flood zone, but less than 1% of property owners in Massachusetts have flood insurance. Don't go without this very important coverage.

Identity Theft Coverage

Identity theft is one of the fastest growing crimes in the country, impacting several million people each year. The Federal Trade Commission released a report in 2003 stating that, in the last five years, over 27 million Americans had been victims of identity theft. They also reported that identity theft losses to businesses and financial institutions totaled nearly \$48 billion in the last year alone.

Additionally, individual victims reported \$5 billion in out-of-pocket expenses. Many individuals believe that their bank or credit card company will bear the burden of their loss with no consequences to themselves. However, you should be aware that you will not be reimbursed for the hundreds of hours and thousands of dollars in out-of-pocket expenses you may incur to re-establish your credit and clear your name.

You can protect your employees by offering Identity Theft Protection as an employee benefit. This coverage could reimburse your employees for the following:

- I Lost wages as a result of time taken off from work to deal with fraud - including wrongful incarceration - up to \$500 for four weeks
- I Notary and certified mailing charges for completing and delivering fraud documents
- I Long distance telephone charges to discuss an actual identity theft
- I Fees to reapply for loans that were denied due to erroneous credit information due to the identity theft
- I Attorney fees

People want to know that their employer is concerned with their financial security and well-being. By providing your employees with Identity Fraud Expense Coverage, you show your commitment to your relationship with them. For additional information regarding this affordable and important coverage, contact your service representative at the Sylvia Group.

Know the Difference WATCH vs. WARNING

A **Hurricane Watch** indicates the possibility of hurricane conditions within 36 hours. This watch should trigger your protective measures. *Please note that most insurance companies will not bind coverage once a watch has been issued.*

A **Hurricane Warning** indicates that sustained winds of at least 74 mph are expected in 24 hours or less. By the time a warning is issued, your protective actions should be nearly complete.

Landmark Legislation Passed

After months of debate, Massachusetts legislators passed H4850, a bill to provide health coverage to all Massachusetts residents through a combination of programs. Most notably, is the creation of affordable health insurance through the 'Connector', increased assistance and subsidies to lower income families, assessments to employers who do not provide insurance to their employees, and individual mandates to maintain insurance.

There is much work to be done if this will all be in place by July 1, 2007. We will be sure to keep our business clients informed of changes in the group health market and welcome any inquiries concerning the availability of individual and group insurance through the Connector. Meanwhile, we will continue to promote the need for legislative reform addressing the cost of health care as the most important key to controlling the cost of health insurance.

For more information on H4850, visit www.mass.gov/legis/

Have You Done Everything to Keep your Child Safe?

Did you know that driving is the most dangerous activity your child will ever participate in? In Massachusetts alone, there are 47,000 teen car crashes a year. Even with traditional driver's education classes, odds are that your new driver will have an accident in the first two years of driving. In addition, driving accidents are the number one killer of teens...the rest of the top-ten killers combined don't kill as many teens. Of these accidents involving teenagers, 93% are caused by driver error. The majority of fatal teen accidents didn't even involve alcohol or speeding.

In Control Advanced Driver Training is a program that has been shown to reduce crashes among teens by 70%, as well as reduce crash severity by 50%. It is a four and half hour direct experience program that gives participants the skills they need to avoid the most common and serious accidents. This all takes place in a safe and controlled environment.

If your new driver has not learned and practiced how to do a panic stop, how to use ABS brakes, the effect of speed on control, the dangers of tailgating and distractions, or how to handle a highway emergency, they could significantly benefit from Advanced Driver Training. Call 1-888-301-SAFE or visit www.InControlADT.com.

How Well do You Know the Company Retirement Plan You Have Chosen?

How well do you know the company sponsored retirement program that you selected for your employees?
Can you answer the following questions?

- Are you 404(c) compliant?
- Do you have an Investment Policy Statement?
- Are you following your Investment Policy Statement?
- Do you know what the total plan costs are to your company?
- How do the funds in your plan match up with their peers?
- What can you do right away to make sure you're okay?

Your company, as the plan sponsor, assumes the duty to act in good faith with care, candor, and loyalty in fulfilling the obligation of providing a well monitored retirement program. That's where we can help. Our job is to protect your company and your employees by identifying issues that may not be in the best interest of your company or your plan participants and provide solutions.

If you do not know the answers to any of the above questions, the Sylvania & Company benefits team would like to provide you with a comprehensive review of your retirement plan at no cost. Call our Financial Services Professionals at (508) 995-4553.



PRST STD U.S. Postage Paid NEW BEDFORD, MA Permit No. 398
--

Sylvia & Company Insurance Agency, Inc.

500 Faunce Corner Road
Building 100, Suite 120
Dartmouth, Massachusetts 02747

Phone: 508-995-4553
Toll Free: 1-800-466-5939

www.sylviainsurance.com

Trusted Advisors Dedicated to Our Clients and Community