

Herlihy Insight

News from Herlihy Insurance Group • June, 2010

President's Letter

It's a great time of year. The days are getting longer and the weather is warmer every day. Spring brings a feeling of a fresh, new start every year.

As good as the spring and summer make us feel, we still have to deal with the reality of the tough economic times we are in. Individuals and businesses are still dealing with high unemployment, lower revenues and extremely uncertain futures. For many of us, this is the first recession we've ever gone through. Yet with all this, I still find it hard to get discouraged. After seeing the devastation in Haiti, Chile & China, our issues here don't seem so bad. So we get up every day, work hard and are thankful for all the good things we have.

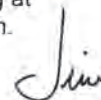
The Herlihy Insurance Group will continue to provide competitive insurance products, sound advice and great service to our clients. We have the companies and employees to get the job done. We realize families and businesses need to make every dollar count, so we'll make sure you get the best deal without sacrificing the protection you need. And if you find a company that has a program that's better for you than one we can offer, we'll let you know that too!

In addition to this, Team Herlihy will continue to donate its time and money to support local charities like the Worcester Boys & Girls Club, Worcester County Food Bank, Kids Café, Molly Bish Organization

and others.

Helping our clients during these difficult times and continuing our charitable work is why people like local agents. It's what makes us different from national companies and it's what our agency has been doing for three generations. There's a line in one of my favorite movies, *Shawshank Redemption*, "Get busy living or get busy dying". Good advice for these tough times!

I welcome your comments or suggestions, let me know how we're doing at jimherlihy@herlihygroup.com.



Water, Water Everywhere...

Ray Andree, ACME Adjusting Company

The heavy rains New England have received so far this year has caused some confusion over what types of water losses to your home are covered. When it comes to ground water flooding and the back up of sewers and drains, there are two sources of water that can damage your home and each is looked at differently with respect to coverage under your homeowner's insurance policy. They are natural water and plumbing water.

Continued on Page 3



Team Herlihy in Action

March 24th marked the final day of Team Herlihy's support of the Hunger Hurts! Food Drive sponsored by the Worcester Local First organization. Team Herlihy was very pleased to contribute over 200 pounds of food and cash donations totaling \$450. Thank you to everyone who helped make Team Herlihy's role so successful.

Our 4th Annual "Girls Night Out" at the Worcester Boys & Girls Club was a huge success thanks to the generous support of Vendors Unlimited of Spencer and The Women's Center for UMass Memorial Hospital.

During April vacation week, 40 girls from the Boys & Girls Club enjoyed an Italian food dinner and entertainment by Jim Spinnato. Jim is a very popular entertainer of sensational shows that meld hypnosis and comedy with audience participation. The food was excellent and for those that were not "under Jim's spell", the laughter came all night. We are already looking forward and planning for next year's event.

We are always looking for volunteers to join Team Herlihy. If you would like more information on up coming Team Herlihy events, please give John Herlihy a call.

INSIDE

Calling All Contractors & Residential Property Managers

Homeowner Oil Heating System Upgrade and Insurance Law

Roth IRA Unique Opportunity for 2010

About Britney Gengel

Referral Rewards Winner



Worcester
Rutland
Sutton



Calling All Contractors & Residential Property Owners-Managers

EPA's Lead-Based Paint Rules Changes

New EPA Renovation Program, Big Changes

The U.S. Environmental Protection Agency (EPA) has rolled out new requirements under the EPA's Lead-Based Paint Renovation, Repair and Painting Program Rule, aimed at protecting against lead-based paint hazards associated with renovation, repair and painting activities. The rule requires workers to be trained to use lead-safe work practices and requires renovation firms to be EPA-certified. The requirements are effective April 22, 2010.

Who do the new rules apply to?

- 1) Anyone who owns or manages housing or child-occupied facilities built before 1978
- 2) Contractors who perform activities that disturb painted surfaces in homes and child-occupied facilities built before 1978

(Home Improvement/Renovation Contractors; Residential Rental Property Owners/Managers; Remodelers/Carpenters; Painters; Plumbers; Electricians; Maintenance Personnel)

- 3) Anyone disturbing more than 6 sq.ft. (Interior) or 20 sq.ft. (Exterior) of lead paint



Renovation is broadly defined as any activity that disturbs painted surfaces and includes most repair, remodeling, and maintenance activities, including window replacement. Firms or individuals who knowingly violate the EPA regulation may be fined up to \$32,500 for EACH violation.

Special attention should be paid by property owners who conduct work on their own rental properties or use employees the owner may employ under a different business. In both cases the individual property owner or business entity may be subject to fines for non-certification.

More information and details on EPA's Renovation, Repair and Painting Final Rule 40 CFR 745 can be found at www.IEEtrains.com or contact Mark Herlihy at mherlihy@herlihygroup.com or 508-471-9660.



Referral Rewards Winner

A BIG CONGRATULATIONS to Alison Zorovich of Shrewsbury for being chosen the first quarterly winner of 2010 in our Referral Rewards Thank-You program. Alison has won an Apple i-Pod and will remain in the running for the HD Flat Panel Television to be given away at the end of this year.

As a recap, our Referral Rewards Thank-You program was developed to thank and reward you for introducing our agency to your friends and family. We appreciate the opportunity to work with our new clients, 80% of which are direct referrals from current clients. For each referral you pass along, you will be included in a designated drawing (see adjacent chart).

REFER a friend

Monthly	Quarterly	Yearly
\$50 American Express Gift Card or Donation to Charity in Your Name	Apple iPod	Grand Prize: High Definition Flat Panel Television

For more information on how you can get involved, give us a call or send us a note at referrals@herlihygroup.com.



Water, Water Everywhere . . .

Ray Andree, ACME Adjusting Company

Continued from Cover

When there is a storm that brings days upon days of rain, coupled with melting snow and strong winds, the water that saturates the ground and then seeps inside your home, especially into a basement, is natural water. This is water from a rain event and not from your home's plumbing / heating system or leaking appliance. Natural water damage is generally not covered by your homeowner's policy. Only a separate flood policy or subsidized emergency assistance through programs with the federal (FEMA) or state (MEMA) governments can provide some relief to the damages brought on by natural water entering your home.

A second source of water damage is plumbing water. Water that is normally contained in a pipe or within your plumbing / heating system and then escapes suddenly is generally considered a covered loss. Most policies provide coverage when plumbing water escapes the confines of a pipe, and there is coverage for the extraction and drying out of this escaped water and the damage it causes to your home.

There is one exception the standard homeowner's policy does not cover without an endorsement and that is for water that backs up from a sewer or drain. This is because natural water is usually the cause or there is a problem away from the property that causes the municipal sewer and storm drains to overflow and flooding to occur. Sump pumps are a good way to help remove the underground water that leaks into your basement, and there are policy endorsements that provide some coverage if your sump pump fails. If you have a sump pump or are not sure if your homeowners policy includes backup of sewer and drain coverage, please give us a call to review your homeowners policy.

Reduce Your Flood & Water Damage Risk

- Check home's drainage system to verify proper water drainage, gutter downspouts should extend proper distance from foundation
- Your yard should be properly graded to take surface water away from your home, French drains are often excellent solutions
- Consider adding a sump pump system to keep unwanted water out of your basement
- Periodic check of washing machine hoses since hose failures account for millions of dollars in water claims each year. Consider heavy-duty wire mesh or stainless steel replacements
- Know the location of the home's main water shut off valve. Water shut-off valves should be installed on water lines under toilets, sinks, and outside faucets

News to Know

Homeowner Oil Heating System Upgrade and Insurance Law

Massachusetts has a new law to address oil leaks from home heating systems (see Chapter 453 of the Acts of 2008). This law has two major provisions that require:

- 1) the installation of either an oil safety valve or an oil supply line with protective sleeve; and
- 2) homeowner insurance companies to offer coverage for heating oil damage

Most homeowner policies do not currently include such coverage. Although it's mandatory for insurance companies to offer the additional protection, you will decide if you want to purchase the coverage.

The law is effective July 1, 2010. We will keep you up to date as more information is released.



Roth IRA Unique Opportunity for 2010

Effective 2010, you are eligible to look at converting your traditional IRA to a Roth IRA, which is funded with after-tax contributions and grows tax-free and generally incurs no income taxes at distribution. Other benefits of converting to a Roth this year,

- 1) Most IRA accounts are down value from past years, tax bill would be less
- 2) Gross income subject to tax can be spread out over two years, 2011 – 2012
- 3) Funds from Roth can be left to grow beyond 70 ½, traditional IRA's require withdrawals

Conversion to a Roth IRA may not be beneficial for everyone, there are many factors to consider. Please give us a call if you would like assistance assessing your retirement options.



About Britney Gengel

In January of 2010, Britney Gengel went to Haiti on a Journey of Hope with 11 other students and 2 faculty members from Lynn University. Her hope was to make a difference in Haiti by feeding the poor and visiting children in orphanages.

Moments before the earthquake struck, Brit emailed her family with her thoughts and observations... "I want to move here and start an orphanage myself". Britney made the "Ultimate Sacrifice" that day when the earthquake struck leaving thousands of victims in it's path, including Brit, three

Be ^{LIKE} BRIT

other Lynn University students and two faculty members.

For the poorest of the poor, Be Like Brit is a nonprofit organization dedicated to serving the children of Haiti. Be Like Brit

will continue the compassionate life and legacy of Britney Gengel by establishing a safe, nurturing and sustainable orphanage in an environment where children can grow, learn and thrive.

Please join us in honoring Brit's dream to help the poor for many years to come by being an active member of the "Be Like Brit Foundation".

Learn more about the foundation, future plans and how to become an active participant at www.BeLikeBrit.org

Portrait of an Achiever

His life story at a glance:

- Failed in Business – Bankruptcy, 1831
- Defeated for Legislature, 1832
- Sweetheart / Fiancee Dies, 1835
- Nervous Breakdown, 1836
- Defeated in Election, 1836
- Defeated for U.S. Congress, 1843
- Defeated again for U.S. Congress, 1846
- Defeated once again for Congress, 1848
- Defeated for U.S. Senate, 1855
- Defeated for U.S. Vice President, 1856
- Defeated again for U.S. Senate, 1858

Who is he ?



ANSWER: Abraham Lincoln, elected president of the United States 1860



51 Pullman Street
Worcester, MA 01606
(508) 756-5159

83 Main Street
Rutland, MA 01543
(508) 886-2242

176 Worcester-Providence Turnpike
Sutton, MA 01590
(508) 865-6608



Award of Distinction

Herlihy 24/7
CUSTOMER SERVICE

Herlihy Insight

News from Herlihy Insurance Group - June, 2010

PRSR STANDARD
U.S. POSTAGE
PAID
PERMIT NO. 7
ASHLAND MA