

# Insights & Updates

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## I do ... want the ring back

Marriage is a union of two individuals. It serves as an expression of love and devotion. However, marriage also is a legal contract that binds the individuals together under the law. Whether talking about love or the law, an engagement proposal is the start of that union. Conveniently, a marriage proposal contains all the necessary elements of a contract: offer, acceptance, and consideration. One person makes an offer of marriage, the other either accepts or rejects the offer and an engagement ring is given as a means for consideration.

But, what if the marriage doesn't happen? Or the marriage ends in divorce? What happens to the ring?

When we think of gifts, we usually think of birthdays and holidays. Gifts given on those occasions are unconditional gifts. When people receive unconditional gifts, they are not required to do anything.

Conditional gifts are different, though. When someone receives a conditional gift, some condition must be met before they can take complete ownership of the gift. Engagement rings are, perhaps, the best example of a conditional gift. The ring is given in exchange for a promise of marriage. Getting married is the condition that must be met in order for the person who received the ring to own it.

Under New Jersey law, an engagement ring is considered a conditional gift. If the marriage occurs, ownership of the ring transfers to the person who is wearing it. This is true, even if the marriage later ends in divorce. Regardless of the long-term fate of the relationship, the condition to marry was met. If the marriage does not happen and the condition is not met, possession of the ring would transfer back to the person who gave it. And, this is true, regardless of who is at-fault for the failed nuptials. New Jersey is a no-fault state, which means that courts do not take into consideration the motives or reasons that an engagement ended, only that it ended. The ring belongs legally to the person who proposed the engagement.

Regarding insurance, the proposer would purchase a standalone policy on the engagement ring, or as an endorsement on an existing renters or homeowners policy. However, after the marriage takes place, the person wearing the ring would report the ring on their own policy—but it's likely, at that point, that there would be a renters or homeowners policy covering both people.

Are you engaged to be married? Many aspects of your insurance can change when you tie the knot—and you can even insure your new ring. Give our office a call today or visit us so we can discuss how your insurance could change when you get married.



# Tips to prevent clothes dryer fires

**2,900**  
clothes dryer fires are  
reported annually

They cause  
an average of  
**five deaths**  
and **100**  
**injuries**  
every year, and cost  
**\$35 million in**  
**property loss**  
each year

Clothes dryer fires  
happen more in the  
**fall and winter**  
**months.**

**34%**  
of clothes dryer fires  
happen because  
homeowners fail to  
clean out the lint tray,  
duct or vent.



Did you know that your clothes dryer potentially could be a fire hazard to your home? It's important to make sure that you aren't accidentally putting your livelihood—including you, your family and your pets—at risk.

Read these tips to make sure you are safe from a dryer fire:

1. Built-up lint from your clothes and linens could ignite when your dryer is running. Clean out your lint tray after each time you use your dryer. Lint trays usually are at the front of the dryer, right inside the door. But, in older models, they could be on top of the dryer.
2. Clean the dryer duct, too—the part that connects the dryer to the vent behind it, and the duct that runs to the outside of your house. This should be done at least once a year. And, if the duct that connects to the vent is an accordion-style duct, you should consider replacing it with a solid duct that's made of metal. Lint can get trapped in accordion-style ducts because they tend to sag.

3. Don't dry clothes in your dryer if they've been contaminated with flammable substances, like gasoline or oil. Consider hang-drying these clothes instead.
4. Don't store dangerous chemicals near your dryer.
5. Don't leave your dryer on while you aren't at home or when you're asleep.
6. Pay attention to your clothes—if they're still damp when you pull them out of the dryer, or if they're super hot to the touch when you pull them out, that could be a sign that your vent is plugged or blocked.
7. And, don't overload the dryer with too much clothing or linens.
8. If you get a new dryer, have a professional install it for you.

Dryers are handy tools for everyday chores—be sure to follow these safety tips to keep you, your family and your pets safe from a potential house fire. And, give our agency a call or pay us a visit so we can talk about how your homeowners insurance policy will cover you in the event of a clothes dryer fire. We look forward to hearing from you.

# The NFIP: What homeowners should know



The National Flood Insurance Program makes flood insurance available to homeowners. Mortgage lenders require many homeowners to purchase the flood coverage. Even if you are not required to purchase flood coverage, it still is worth talking to your local, independent insurance agent about covering your property against flood. Here are some key facts to keep in mind:

1. No homeowners policy covers damage that results from flood—you always will need a separate policy.
2. Premiums are based on the risk of flood—the lower the risk, the lower the premium.
3. Many insurance companies write NFIP policies that work in conjunction with your homeowners insurance policy, and reduce the risk of a gap in coverage.
4. According to the Federal Emergency Management Agency, 40% of all NFIP claims from 2015-2019 came from outside high-risk flood areas.
5. The NFIP pays flood claims regardless of state disaster declarations.

While the NFIP makes flood insurance widely available to homeowners across the country, it does have some important limitations to consider before a flood happens:

1. The maximum coverage for a residential structure is \$250,000, with an additional \$100,000, for contents.
2. Coverage does not extend to contents in a basement, which is defined as any part of the building below grade on all four sides.
3. Condominium policies have specific limits and considerations.
4. Coverage may not take effect immediately—you must purchase flood coverage before a hurricane, tropical storm or flood happens. Typically, there is a 30-day waiting period for flood insurance to take effect.

Even if you already have an NFIP policy, there are changes to the methodology to set premiums—which go into effect **Friday, Oct. 1, 2021**—that likely will impact your policy when you renew it:

1. Each house will be rated individually, allowing the premium to reflect the

flood risk to the actual structure.

2. While some premiums may go down, others may increase to reflect the risk. Federal law still will cap premium increases and maximums.
3. The actuarial sound rate on your declaration page will not necessarily reflect your premium—you need to pay only the premium. Premium increases have an annual limit of 18% for primary homeowners.
4. The methodology does not change the maps dictating who must purchase NFIP or similar flood insurance coverage.
5. The new methodology will impact all new policies starting on **Friday, Oct. 1, 2021**, and all renewal policies starting on **April 1, 2022**.

The NFIP makes it feasible for every homeowner in the country to obtain flood insurance from a reliable company (backed by the federal government), but it may not be the best option for every home.

To discuss your flood insurance options and how you can best protect your home if a flood hits your community, give us a call or visit our office today.

# Claims happen—and sometimes, they're bizarre

Insurance may seem boring to some—but we need it to protect our homes, cars, boats, property—and even our life and health. When we purchase insurance, we assume we're protecting our livelihood from typical encounters—a falling tree, a flood after a hurricane, a fire, theft. But, some U.S. insurance customers have needed coverage for some bizarre events:

1. Turns out, cars and goats both have horns! A man honked the horn of his sports car at a pack of goats that were in his way. Unfortunately, the goats used their horns against the side of his car. Luckily, his comprehensive auto insurance covered the damage.

2. Do you forgo coverage on your expensive jewelry? You might reconsider when you hear about the goose that swallowed a U.S. woman's diamond ring

and then flew away. Jewelry insurance can cover even that.

3. Are you getting married soon? Wedding coverage might seem silly ... but at one wedding, a bride's wedding gown caught fire—and then her groom threw her into the water to extinguish the flames. Wedding dresses are expensive, and a simple wedding policy could come in handy.

4. A motivational speaker invited an audience member up to the stage for an exercise that involved the audience member breaking a wooden board with their bare hands. Unfortunately, the audience member injured their hand. But, the speaker's insurance was able to cover the injury.

Accidents—and encounters with wildlife—just happen. And, it never can



hurt to see if your insurance policies cover you if something bizarre (and costly) happens.

Give our office a call or pay us a visit so we can talk about how your coverage can take care of you.

## News from our agency

Before, during and after—  
We are here for you

We want you to know that your independent insurance agent is here for you, just like always.

We know that things are still challenging—and those challenges might still be coming. But, it's important that you know you're not alone. Your independent agent can help you through the thick—you don't have to worry when we've got you covered.

Give our office a call any time. We look forward to hearing from you.

