



FALL 2011

## What you should know about kids and gun safety

With roughly half of United States households owning guns, chances are your child will encounter a firearm whether you own one or not. To prepare, safety experts recommend both child-proofing your gun *and* gun-proofing your child:

### Child-proof your gun

- Store unloaded guns and bullets separately.
- Lock up your guns in a gun safe.
- Use trigger locks.
- Consider storing guns elsewhere (like at the shooting range).

### Gun-proof your child

Good advice for all children when encountering a gun:

- Stop.
- Don't touch. (Never touch a gun without a parent or instructor's permission.)
- Get away. (All guns must always be treated as if they're loaded.)
- Tell an adult.

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*Would your children know what to do if they encountered a gun at a friend or relative's home?*

## PEMCO expands to Oregon

On June 9, PEMCO reached beyond Washington's borders to sell its first insurance policy in Oregon. Now, more and more Beaver State residents are discovering the local insurance company Washingtonians have trusted since 1949.

If you have friends or relatives living in Oregon, invite them to get a free PEMCO home and auto rate quotation. PEMCO

has community agents in the greater Portland area and offers 24-hour quotes online at **pemco.com** or at **1-800-GO-PEMCO** weekdays 7 a.m. to 6 p.m., Saturdays 8:30 a.m. to 5:30 p.m., and holidays from 8:30 a.m. to 5 p.m.

Why recommend PEMCO? You're already familiar with its unsurpassed value and service. And PEMCO, now the Northwest's largest locally based auto and home insurer, is also a mutual company, meaning it's owned by its policyholders—and not beholden to the profit pressures of Wall Street. We serve you. ■



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## Rules of the road: stopping for school buses

A big yellow school bus sits in front of you, red lights flashing, stop sign sticking out. So you stop... right?

Well, not always. It depends where you live and where you're traveling. Here's a back-to-school refresher:

### In Washington – RCW 46.61.370.

Red flashing lights and a stop sign mean drivers **MUST STOP** when:

- They're behind the bus, traveling in the same direction, regardless of the number of lanes. Drivers can't use the center turn lane to pass the bus.
- They're on a two-lane road, heading in the opposite direction of the bus.

Red flashing lights and a stop sign mean drivers **DO NOT NEED TO STOP** when:

- They're on a road with three or more lanes, heading in the *opposite* direction of the bus.
- They're on a divided highway, heading in the *opposite* direction of the bus.

### In Oregon – ORS.811.155, Oregon State Police

Red flashing lights and a stop sign mean drivers **MUST STOP** when:

- They're behind the bus or heading in the opposite direction, regardless of the number of lanes.

Red flashing lights and a stop sign mean drivers **DO NOT NEED TO STOP** when:

- They're on a divided highway, **separated by an unpaved median or divider**, heading in the *opposite* direction of the bus.

In both states, drivers must stay stopped until the bus driver turns off the red lights.

Remember: School bus laws vary from state to state. When in doubt, stop. It's the right thing to do for your peace of mind and the children's safety. ■



*Although laws vary from state to state, remember: When in doubt, stop.*

### *Suggest an article*

*Is there an insurance topic you'd like us to cover in Perspective? Whether it's something you'd simply like to know more about or a consumer tip for fellow readers, we'd love to consider it for a future issue! Please e-mail your ideas to [perspective@pemco.com](mailto:perspective@pemco.com).*



*Know what to expect before you sell your car.*

### A TAXING THOUGHT ...

*Before you sell a car yourself, make sure your bottom line is worth it. When you trade in a car at the dealership, the value of your trade is deducted from the price of the new car, meaning you'll pay less in sales tax. Will the price you get from a private sale offset that lost tax savings?*

## Three tips to follow when selling your car yourself

When you sell your car yourself rather than trading it in at the dealership, you'll likely get the retail value of the car instead of the wholesale price that the dealer can offer. However, that chance to put extra money in your pocket comes with a few caveats:

**Test drives.** While the idea of handing over your keys to a complete stranger may seem risky, PEMCO has you covered. As long as that person is driving with your permission, he or she is covered under your PEMCO policy.

**Change of ownership.** In Washington, you must notify the state about vehicle sales within five days; in Oregon, you have up to 10 days. For details, Washingtonians can visit [dol.wa.gov](http://dol.wa.gov) and click "Report the sale of a vehicle" under "Vehicle and Boat Registration." In Oregon, go to [oregon.gov/ODOT/DMV/vehicle/sell.shtml](http://oregon.gov/ODOT/DMV/vehicle/sell.shtml). States consider the car your responsibility (think parking tickets, etc.) until you've notified them of the sale.

From PEMCO's perspective, insurance coverage ends when the car is sold and isn't tied to what or when you report to the state. You'll want to call us right away.

**Insurance.** You'll likely need coverage for a new car immediately after selling your old one. Our best advice: Call us *before* you buy your new vehicle so we can make sure you'll have the right coverage from the moment you drive off the lot. However, when you, your spouse, or your registered domestic partner *don't* call in advance, PEMCO coverage extends only for 30 days to any additional or replacement car you buy, and only if we insure all of your owned vehicles. For replacement cars, that coverage can extend for 30 days or the policy period, whichever is longer, and you'll automatically get the same coverage you had on the vehicle you replaced. ■

## How to spot and tame a dangerous tree

“Oh sure, they’re pretty. Until one lands on the dining room table.”

That’s how one homeowner describes his ambivalence about the towering evergreens in his backyard when winter storms blow.

Now’s the perfect time to check your trees for signs of trouble, including:

- pushed-up soil at the base of a tree
- wood shavings or borings (from insect activity)
- leaning, lopsided, or V-forked trunks
- history of breakage
- cracks and hollows, and
- signs of rot or disease.

If something looks suspicious, a certified arborist (try [isa-arbor.com](http://isa-arbor.com)) can help you assess the risk and discuss options for making trees safer.

### Timberrrrrrr!

If a tree must come down, hire contractors with care. Tree removal is dangerous work, and you’ll want to make sure the company is licensed, bonded, and insured. Ask to see certificates or other proof of a current policy. Get several estimates, but don’t automatically pick the cheapest. Beware of companies that recommend topping trees rather than thinning branches so the wind can blow through. Topping weakens trees and invites rot and insects.

Before cutting, check local ordinances, property covenants, and any restrictions from your homeowners association. A permit may be



required. Ask your contractor if his or her company will indemnify you for any liability incurred from taking down a tree, and make sure that promise is included in your contract. Circumstances like cutting a tree near a bald eagle’s nest or removing trees that turn out to be on a neighbor’s property can quickly run you afoul of regulations and result in fines, payment of damages, or even jail time.

### If my tree falls on a neighbor’s house, who pays?

Likely, your neighbor’s insurance. Although each circumstance is different, the rule of thumb is that tree owners aren’t held responsible for “acts of nature” like windstorms.

However, if you knew or should have known there was a problem with your tree, you could be liable—so it’s best to inspect your trees annually. ■

## Drivers admit they’re getting more aggressive

The next time another driver waves at you without using all his fingers, blame the economy.

That’s a possible explanation behind the latest results in an ongoing PEMCO study that measures how people rate their own driving behavior and that of others. In 2010, drivers’ aggressiveness increased by 6 points over 2009. While most rated their own driving as more polite than others’, women and younger drivers admitted to committing and witnessing more aggressive behaviors than in the past. Eastern Washington drivers reported a greater drop in highway civility than their Western Washington neighbors.

Seattle-based psychologist Wallace Wilkins, Ph.D., says a number of variables can explain how people behave on the road.

“Most people who are angry feel they are entitled to something the world isn’t giving them,” Wilkins said. “On the road, this sense of entitlement boils down to a desire for predictability, control, and respect.

“As stress has increased due to the economic downturn, the desire for predictability has become even greater,” Wilkins said. “It’s common for drivers to feel as if they ‘own’ the 30 feet of pavement ahead of them. When something uncontrollable happens in that space, some drivers are offended by the surprise and respond by acting aggressively.”

For study details, visit [pemco.com](http://pemco.com)’s “News Releases.” ■



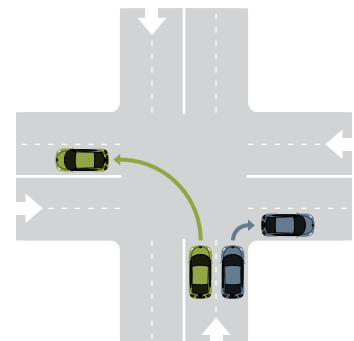
## Questions you asked us

**When turning left onto a four-lane road, isn’t it illegal to turn directly into the outside lane?**

*Judy Davis, PEMCO policyholder, Spokane, Wash.*

You’re right, it’s illegal in both Washington and Oregon—and it’s a mistake drivers often make. Turn from the lane that is closest to the direction you want to go and turn into the lane closest to the one you came from. Once you’ve completed your turn, you can change to another lane if you need to. ■

### Legal Turns



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## 19-year-olds qualify for their own PEMCO policies

Parents: As your children get ready to leave the nest, make sure they take PEMCO's unmatched protection with them for both their auto and renter's insurance.

When they apply for their own policies, your teens automatically continue to receive the discounted rates they accumulated under your policy. They'll also save for good grades, carpooling, and insuring their cars and homes with PEMCO.

Encourage your teen to call your local PEMCO agent, 1-800-GO-PEMCO, or visit [pemco.com](http://pemco.com) to apply. Their non-PEMCO-insured friends age 19 or older can request a quote, too. ■

### Gun safety (continued)

You can reinforce these rules by role-playing with your child how to handle situations where a gun is present.

Young people with no driving experience are best trained to safely operate a vehicle by a certified driver's training instructor. Similarly, if you want your children to learn how to safely use a gun, it's best for them to be trained by a certified gun safety instructor. Your local police or Fish & Wildlife Department can help find a class near you. ■

### A TIP FOR PARENTS FROM THE WASHINGTON STATE PATROL

#### Toy guns aren't child's play

If you choose to buy toy guns for your child, make sure they truly look like toys—bright colors with outlandish shapes and sizes.

Kids accustomed to playing with authentic-looking toy guns may fail to recognize the danger when they encounter the real thing. The lesson to drive home: EVERY gun is loaded and deadly.



## How long (and where) to keep financial documents

This chart can help you determine the safest place to keep some of your most important documents. These are **guidelines only**. If in doubt, consult your legal or tax adviser.

### In a safe deposit box

Type of record	How long to keep
Insurance household inventory (DVDs, photos, receipts for major purchases)	Permanently/until updated
Permanent life insurance policies	Permanently
Term life insurance policies	Until the term expires
Car title	Until you sell the car
Home deed/title	Keep a copy until four years after the house is sold
Passports	Until receipt of renewed passport
Savings bonds	Until maturity
Birth certificates/adoption papers	Permanently
Social Security cards	Permanently
Divorce decrees	Permanently
Military service record	Permanently
Death certificates	Permanently
Wills	Permanently/until updated
Health care proxy	Permanently/until updated
Living will	Permanently/until updated
Power of attorney	Permanently/until updated

**A word about safe deposit boxes:** Always keep a copy at home of everything placed in a safe deposit box. If the box's owner dies, you may need a court order to open a sealed box (particularly in the case of a single signer or lost key). You'll also want to make sure the executor of your estate (or anyone who has power of attorney over your affairs) has access to the box.

over for more tips ➔

### In a fire- and water-resistant container at home

Type of record	How long to keep
Annually renewed insurance policies	Until renewal
Bank statements	One year; seven years if needed to support tax filings
Pay stubs	One year; OK to shred after reconciled with W2 form
Check registers	One year; seven years if needed to support tax filings
Deposit slips	Until you reconcile your statements
Certificates of deposit	Four years after account is closed
IRA/pension documents	Four years after account is closed
Investment statements	Until new one is received; keep annual statements until you sell the investments
Social Security statements	Until new one is received
Receipts	When warranty expires; seven years if needed to support tax filings
Product warranties	Until expired
W2 forms	Permanently as part of your employment records
Federal income tax forms	Seven years
Home appraisal	Until home is sold
Home improvement papers	Until home is sold
Medical bills	Four years for tax purposes
Vehicle maintenance records	Until you sell the car

**A word about keeping documents at home:** Water damage is a leading cause of document loss. Be sure to keep documents up off the floor. And when it's time to destroy outdated documents, be sure to shred them.



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