

# Managing Losses

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## What Is Loss Control?

Insurance is just one of many methods for controlling the chance that you'll suffer from accidental losses. Insurance is a method of loss control. Your personal environment is filled with opportunities where losses can occur. Most folks would like to minimize their chance of suffering a significant loss. The process of identifying and acting upon situations that may lead to losses is called "loss control."

Loss control may involve both simple and complex ways to reduce the likelihood of facing a loss. Besides insurance, you can choose to use protective devices, oral or written contracts to shift the responsibility for a loss to someone else, avoid ownership of items that may cause a loss (such as large pets), avoid dangerous hobbies and activities, or change your environment. Let's look at some areas where you might exercise loss control.

### Loss Control - Automobile

- Use a bike or public transportation instead of owning your own car
- Borrow or rent a car only when needed
- Take a course on defensive or advanced driving skills
- Practice defensive driving
- Obey traffic laws
- When appropriate, voluntarily yield right of way
- Adjust driving habits according to driving conditions
- Park or store your car where there is greater security
- Install security alarm and/or other anti-theft devices
- Properly maintain the car in good condition, especially safety devices such as brakes
- Purchase or use cars that have higher safety ratings
- Don't lend your car to inexperienced or inconsiderate drivers
- Have an emergency kit available, including first aid

### Loss Control - Home

- Keep your home and surrounding access ways in good repair
- Carefully store flammable liquids and dangerous chemicals
- Install security alarm and/or other anti-theft devices
- Consider an apartment or condo which avoids certain risks of home ownership
- Warn visitors about any known hazards in your home
- Avoid running a business from your home
- Take precautions when your premises includes attractive nuisances such as playsets and swimming pools
- Keep dangerous objects out of the reach of children
- Carefully scrutinize activities that may create a bigger exposure to loss such as dangerous hobbies or highly visible activities (volunteer work for organizations that may create extra chances for losses)
- If you are involved in high risk hobbies or activities, get the training and/or take precautions to be sure that your participation is as safe and responsible as possible
- Take care with heating and electrical devices and systems (such as portable heaters, loads on electrical circuits, etc.)
- Keep first aid kit available
- Have a fire escape plan, including any needed safety devices (such as escape ladders from second floor exits)

### Loss Control - Miscellaneous

- Store important papers in a secure, fire-resistance box or even in the corner of a freezer.
- Keep all the negatives of photos, so they can be reproduced
- Make videotapes or digital recordings of personal property as documentation of your possessions
- Make copies of personal videos
- Be sure to carefully read contracts or agreements before accepting them

Arrange to exchange and keep important papers and mementos such as copies of videos and photos with friends so they're easier to access and less expensive than storing in a safety deposit box

Of course the help of an expert is invaluable and your insurance agent is a very helpful source for reviewing any actions you're considering to reduce your chances of facing a loss. So contact your agent for his or her expert assistance.

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