



SEASONAL SMARTS DIGEST

AT HOME

Winter 2015/2016



WELCOME TO THE FARMERS INSURANCE SEASONAL SMARTS DIGEST!

The digest uses the previous three years of actual home-related claims from around the country to highlight some of each season's common dangers and provide suggestions to help reduce homeowners' risk¹.

The Farmers Insurance Seasonal Smarts Digest has two missions:

- What to **Look Out** for this season — The insurance industry relies heavily on history to predict the future. The digest captures and ranks seasonal hazards and the states in which those hazards are most likely to occur.
- What to **Think About** in addressing and helping prevent dangers. To help homeowners prepare for the season, we've gathered content from several well-known resources for straightforward and practical application.

Insurance terms you are unsure of?

You will see some common insurance terms used throughout this report. If you're not familiar with these terms, Farmers has an easy-to-use Glossary of Terms at <http://www.farmers.com/glossary.html>.

Did you know?

The [National Weather Service](#) defines a blizzard as a winter storm with sustained winds or frequent gusts of 35 miles per hour or more and snow or blowing snow that reduces visibility to less than one-quarter of a mile for three hours or more.

[Winter weather alerts](#) produced by the National Weather Service, such as warnings or watches, are based on local criteria. This means the amount of snow required to initiate a winter storm warning in Maine or Colorado is much higher than the amount needed to set off a warning in Georgia or Mississippi.

There is a 95 percent chance that El Niño will continue through the United States during the winter of 2015-16, according to the National Weather Service's [Climate Prediction Center](#).



AT HOME

Look Out!

Cold weather, ice and snow can be damaging to your home during the winter months. Many of the claims made between January and March involve frozen pipes, ice dams, heavy buildup of ice and snow, water and power outages².

Think About!

Farmers is committed to helping customers plan for the unexpected. We've highlighted five common dangers and included five important pieces of information related to each to help homeowners stay safer this season.

Top 5 Winter Homeowners Claims



FROZEN PIPES



ICE DAMS



**WEIGHT OF ICE
AND SNOW**



WATER CLAIMS



POWER OUTAGES

Based on Farmers Insurance claims data from January through March 2013-2015. Percentages based on all first quarter homeowners claims nationwide.

El Niño 2016

This winter, according to the [Climate Prediction Center](#), we'll likely see the peak of the latest El Niño cycle. Most areas of the country will experience unusual weather, which can lead to unusual home and auto hazards. Here's what you can expect from El Niño as well as tips on how you can help prepare your home and keep safe in the coming months.

What's El Niño?

El Niño is a weather phenomenon characterized by unusually warm ocean temperatures in the equatorial Pacific Ocean, according to the [National Oceanic and Atmospheric Administration \(NOAA\)](#). The warm temperatures affect weather patterns around the globe, causing some areas to be wetter or drier than usual.

Did You Know?

El Niño means "the little boy" in Spanish and was first recognized by an angler off the South American coast. It tends to arrive during the winter months.

What to Expect This Winter

In the United States, according to the [Climate Prediction Center](#), El Niño will likely lead to wetter-than-average conditions in the South, in central and Southern California, across Texas, throughout Florida and up the East Coast to southern portions of New England. States in the Pacific Northwest and northern Rockies, however, will experience drier-than-average conditions.

Additionally, most of the West and the Northern half of the United States will likely see above-average temperatures, while below-average temperatures are more likely in the southern Plains and the Southeast.

How to Prepare for El Niño

Whether El Niño brings you a drier, warmer winter or a wetter, cooler one, there are steps you can take to help keep your family and your property safe this season. Read on for tips on how to help yourself prepare for common issues homeowners will face in the months ahead.



Frozen Pipes

Freezing temperatures might be a plumber's worst nightmare, causing many pipes to ice up and burst. In fact, 75 percent of home insurance claims linked to frozen pipes occur between January and March¹. A burst pipe can cause significant amounts of water damage and plumbing troubles. Fortunately, there are steps homeowners can take to better protect themselves.

- Insulating all accessible pipes can go a long way toward preventing frozen pipes. You can use piping insulation from your local hardware store to cover exposed pipes in laundry rooms, bathrooms, garages and more.
- Is it frozen? If the flow of water is slowed or fully stopped from any faucets in your house, it's likely you have a frozen pipe. If you can identify the blockage, which usually occurs in the part of the pipe with the most exterior exposure, use a blow dryer to heat the supply line while leaving the faucet open. Continue heating the pipe until a steady flow of water appears.
- If you're escaping the cold by taking a warm-weather vacation, be sure to maintain a sufficient level of heat in your home to prevent the pipes from freezing — consider setting the temperature at a level to prevent pipes from freezing, generally no lower than 55 degrees. The benefits of preventing frozen plumbing while you're away often outweigh the heating bill savings.
- Unhook your garden hose. Water can often remain in the hose and cause the pipe leading to the faucet to burst, which can cause problems the next time you turn the hose on.
- In general, insurance plans cover any pipes that are within the footprint of your property (i.e., up to the property line) but only under specific circumstances. Underground pipe damage caused by wear and tear and roots is not covered under any circumstances, but the freezing of supply pipes may be covered under certain conditions. Talk to your agent to find out what's covered under your plan.



We Know From Experience

A one-eighth-inch crack in a pipe can release up to 250 gallons of water per day.

Make sure everyone in your family knows the plan. A well-meaning spouse or child could turn down the heat to "help"—and actually do the opposite.

Top 5 States for Frozen Pipe Claims



Illinois



Maryland



Virginia



Ohio



Minnesota

Ice Dams

An ice dam is a ridge of ice that forms at the lower edge of a roof, preventing melting snow from draining properly. Water often pools behind the dam and may eventually leak into your home. It's no wonder, then, that 72 percent of ice dam claims occur during the winter months¹. Homeowners should consider the following information to help prevent ice dams — and their resulting damage — this winter.

- Be sure to keep your gutters clean. A blocked gutter prevents proper drainage and can cause snow and ice to build up.
- Fully inspect your attic's insulation or hire a licensed professional to do so. The inspection should ensure there are no gaps or thin spots in the insulation and that there is insulation above all living spaces in your home, including the closets.
- Make sure your home is properly ventilated. Proper ventilation allows cold air into the attic, while the insulation seals heat in your living areas. This prevents warm air from melting ice on the roof, leading to possible damage.
- Prune trees that hang over the roof. This can help prevent the accumulation of tree leaves and branches that can clog or slow roof drainage.
- Most hardware stores sell heating cables that can be added to the base of the roof along the gutter. When turned on, these cables can help prevent any snow or ice from building up.



We Know From Experience

Worried about a possible ice dam? An old pair of pantyhose may help in a pinch. Before a storm, fill a knee-high stocking with rock salt and secure it in the gutter or along a valley on your roof. The salt will help prevent anything from freezing.

Check the insulation around any recessed lighting, too, as insulation packed too close to the recessed lighting can cause a fire.

Top 5 States for Ice Dam Claims



Minnesota



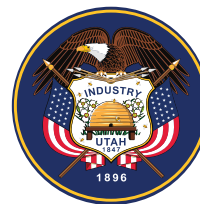
Tennessee



Illinois



Connecticut



Utah

Based on Farmers Insurance claims data from January to March 2014 and 2015. Percentages represent the portion of a state's second quarter homeowners claims resulting from a specific cause of loss.



Weight of Ice and Snow

As winter progresses, ice and snow can build up over time on your roof. The extra weight can stress your roof, upping the potential for leakage and damage. Seventy percent of homeowners claims caused by the build-up of ice and snow occur in the first quarter of the year¹. Homeowners can help avoid problems by taking the following precautions.

- Be sure your gutters are securely screwed into the fascia board along your home. Even a regular ice or snowstorm can cause a gutter to tear off the house.
- Try to keep your roof clear of accumulated snow. Hire a professional or buy a roof rake at your local hardware store. If cleaning the roof yourself, use caution.
- Have a pool? Be sure to keep your pool cover clear of snow. However, always use caution and never get in the pool to clear it during the winter.
- If you're still enjoying your outdoor hot tub during the winter months, watch the cover. Snow and ice can destroy it, causing damage to the tub. Be sure to keep the cover clean to ensure it makes it through the winter.
- In many areas, garages, decks and outbuildings are not built to the same standards as the main dwelling. Be sure to keep those structures clear of accumulating snow as well, to prevent potential damage from ice and snow build-up.

Top 5 States for Weight of Ice and Snow Claims



Massachusetts



South Carolina



New Hampshire



New York



Connecticut

Based on Farmers Insurance claims data from January to March 2014 and 2015. Percentages represent the portion of a state's second quarter homeowners claims resulting from a specific cause of loss.

Water

From snowmelt to burst pipes, the potential for water damage is high during the winter months. Farmers data shows that water claims increase by 80 percent from the fall months and account for one-third of all homeowners claims filed between January and March. Utah, Maryland, Virginia, New Jersey and California report the highest number of water claims this time of year¹. Additionally, this winter's El Niño cycle is expected to bring wetter-than-average conditions to most of California, the South and other portions of the country. Fortunately, there are steps homeowners can take now to help prevent damage down the road.

- Not all water damage is covered by a general homeowner's policy. If you live in an area that may see greater than normal rainfall this winter, be prepared to deal with potential flooding — even if you aren't in a flood zone — and talk to your agent about how you can purchase a flood policy.
- Seal any cracks or gaps in your foundation. Ground frost or frozen soil can prevent snowmelt from seeping into the ground, which increases the risk of flooding.
- Make sure your gutters are clean to ensure proper drainage. Heavy rain can quickly overload gutters that are full of debris, causing the water to travel into your home.
- Check the fences and walls around your property to ensure they are stable and can hold up to high wind gusts. Rain storms often come with severe winds. In California, especially, heavy rainfall from El Niño may combine with the area's Santa Ana winds to create a lot of damage.
- Make plans for any pets you have in the home. If you need to evacuate due to flooding, your evacuation shelter may not allow animals. Check with your local response organizations to find out if accommodations for animals are available and have a back-up plan in place in case you need it.



We Know From Experience

Many communities in Southern California will provide sandbags to residents in case of heavy El Niño-related rainfall, which could cause greater damage due to the region's multi-year drought. Sandbags can go a long way toward preventing rain runoff from entering your home.

Severe winds can also knock over unstable overhead power lines and poles, which can fall on your home and cause property damage or significant injury to you or your family. Alert your power company to any lines or poles that look hazardous.

Need to be at work during the day? Be sure to set up a pet buddy system with family, friends and neighbors to ensure your pets are safe in case a flood occurs while you're not home.

Top 5 States for Water Claims



Utah



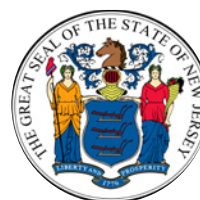
Maryland



California



Arizona



New Jersey

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Power Outages

Aging electrical grid infrastructure means power outages are becoming more common, and high winds associated with El Niño may exacerbate problems this year. More than one-quarter (27 percent) of power outage claims occur during the first three months of the year. Power outages can be inconvenient or — worse — can lead to home damage. Homeowners should remember the following tips during a power outage.

- If your power goes out and you choose to use a generator to provide electricity, never use it indoors, not even in your garage. Be sure to keep the generator away from areas where carbon monoxide might enter the home and harm you or your loved ones.
- Unplug your electronics and major appliances during power outages. Even a power strip for your TV or stereo system may not have protection against the power surge that results when electricity is restored.
- Don't fumble around in the dark. Keep flashlights and back-up chargers for your cell phone in easy-to-access locations throughout the house.
- During an outage, don't open your refrigerator or freezer any more than necessary. This minimizes the loss of cold air from the appliance, keeping your food cooler longer.
- Do you or someone in your household require some type of medical equipment to be in operation at all times? Talk to your insurance agent about what you can do to keep it running in the event of a power outage.



We Know From Experience

An improperly installed generator can be deadly. If your generator is plugged into the main power grid, you are not only supplying your home with power but also sending electricity back down the line, which could wind up shocking power line repair crews. Always make sure your generator is not connected to the main grid.

Check in on the elderly in your neighborhood, especially those who require oxygen or other special equipment. Make sure they are prepared and taken care of while the power is out.

Top 5 States for Power Outage Claims



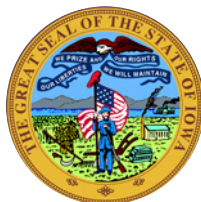
Arkansas



Montana



Wyoming



Iowa



Oregon



¹ This digest is for information purposes only and provides general tips. Always consult with a licensed insurance professional for insurance coverage information and selection.

² Based on Farmers Insurance claims data from January to March 2014 and 2015. Percentages represent the portion of a state's second quarter homeowners claims resulting from a specific cause of loss.