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Our Passion is Justice

SPRING 2008

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Big changes to Colorado Insurance law means consumers finally get the coverage they pay for when they are injured by uninsured or under-insured drivers

Colorado Revised Statute 10-4-609, effective January 1, 2008, closes the loopholes that prevented consumers from receiving the full benefits they thought they were getting when purchasing their Uninsured Motorist (UM) and Under-Insured Motorist (UIM) insurance coverage.

Liability Insurance. Property damage liability coverage pays for the physical damage to the car damaged in the accident by the at-fault driver.

Bodily injury liability coverage pays for bodily injuries sustained in a motor vehicle collision. The State of Colorado requires that every owner of an automobile have at least \$25,000.00 in bodily injury liability insurance coverage.

Uninsured (UM) and Under-Insured (UIM) Insurance. Although Colorado law requires every car owner to maintain insurance on their vehicle, many who cause accidents do not and are therefore "uninsured motorists." Or, the driver who causes an accident may be insured but may not have enough coverage to pay for all of the injuries and therefore is "under-insured." We are frequently asked "What happens to my case if the person who caused the accident is uninsured or doesn't have enough insurance?"

If the at-fault driver does not have insurance, or does not have enough insurance, we look to your own automobile insurance policy for compensation. Under Colorado law, insurance companies are required to sell UM/UIM coverage as part of every policy unless it is specifically refused in writing. This coverage "steps into the shoes" of the at-fault driver and pays you the same amount as if the at fault driver's had been insured. Your UM insurance may also pay if anyone in your household owns a car that has UM coverage regardless of whether you were in the car at the time of the accident or if you are a pedestrian hit by an uninsured driver.

"Setoff". Prior to January 1, 2008, your insurance company would be able to "setoff" or reduce the amount of UM coverage they would have to pay you by the amount of liability insurance available from the at fault driver.

Example: Kendra was driving home from work and was hit by Josh after a night out drinking with his buddies. He was cited for driving under the influence. Kendra was severely injured and spent many months in the hospital and in rehab. She was unable to work during her recovery and her medical expenses and lost wages totaled \$250,000. Josh had insurance but his bodily injury liability policy limit was only \$50,000. Kendra had purchased \$200,000 in UM/UIM coverage on her own policy.

(cont'd on page 3)

Bachus & Schanker Sponsors Walk Like MADD

Bachus & Schanker, LLC is an avid supporter of MADD and is pleased announce its sponsorship in Mothers Against Drink Driving's 3rd annual fund raising event, 2008 Walk Like MADD Non-Competitive 5k Walk and Family Event to be held Saturday, August 2, 2008 at Denver's Sloan's Lake.

Drunk Driving is one of the leading causes of traffic fatalities in the United States and according to a report released by the National Highway Traffic Safety Administration (NHTSA), there were 13,478 drunk driving fatalities nationwide in 2006.

MADD is an organization of victims and non-victims, trying to make a difference in the fight against drunk driving. The mission of MADD is to stop drunk driving, support the victims of this violent crime and prevent underage drinking.



Let's **ELIMINATE** Drunk Driving

Yamaha Rhino ATV Injury Alert

Rhino Design Defects Causes Rollovers

Due to the top heavy design and small tires, the Yamaha Rhino is unstable and prone to rollovers at slow speeds and on flat, smooth surfaces. Additionally, most Rhinos are sold without doors.

The Yamaha Rhino was introduced in 2003 and despite the reports hundreds of injuries and even deaths due to rollover accidents, Yamaha Motor Corporation, USA refuses to issue a recall.

Lack of Safety Features Causes Injuries

Contact us if you or a family member has suffered from the following injuries: Broken or crushed arms, wrist or hands, broken or crushed legs, feet or ankles, or amputation

Warning Issued

In 2006 Yamaha issued a warning letter to owners that warned the Rhino was prone to rollovers when taking sharp turns. However, the tone of the letter blamed the rollovers on the drivers and passengers of the vehicles. The warning that Yamaha provided in the

letter was that passengers needed to use their seatbelts and keep their arms and legs inside of the vehicle. Accidents while driving the Yamaha Rhino ATV have not decreased since the letter was distributed.

In 2007, Yamaha finally responded to the safety issues by offering free modifications, including adding handholds and doors on the vehicles in order to make them safer. As of February 2008, there has yet to be a recall issued by Yamaha or offers of refunds issued to Rhino owners.

Contact the attorneys at Bachus & Schanker immediately. We'll fight to ensure that you are compensated for your pain and suffering.

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Permanent Vision Loss and Injury Can be Caused by Bungee Cords

They're inexpensive, easy to use and they are everywhere. This common everyday device can be found in almost every home and many businesses. They're used to tie down or secure items, act as barriers, hold items in place and restrain cargo. They are easy to use, even with one hand. But the potential for injury and permanent vision loss is virtually unknown to most consumers.

A Seemingly Harmless Everyday Household Device has the Potential for Catastrophic Injuries

Because a bungee cord is usually stretched under tremendous tension, the sudden, unexpected release discharges massive force and has the potential to cause grave injuries, particularly to the eyes. When released, this everyday household item becomes a lethal projectile.



Ways That Breakage Can Occur

- The hook slips from your hand as it's being stretched into place
- The hook disengages from the attachment point
- The attachment structure fails
- The hook straightens out
- The cord breaks
- The hook detaches from the cord

How to Prevent Bungee Cord Injuries

The American Medical Association has called for warning labels to be placed on bungee cords, including information about the deterioration of the cords, which can cause them to snap unexpectedly. Cracks in the cords significantly increase the failure risks of the bungee cord.

If possible, replace bungee cords with other restraining devices such as buckled nylon bands or industrial shrink-wrap. If you continue to use bungee cords, eye protection must be used, even for the few seconds it takes to attach the bungee cord.

Other Suggestions Include:

- Always use extreme caution when stretching the bungee cord over a load
- Ensure the hook ends are securely fastened never extending the cord beyond its capacity of length or load
- Keeping your face and other vulnerable body parts out of the cord's rebound path
- Never use bungee cords to hold an item which is susceptible to air movement or wind
- Ensure that the victim of an accident involving a bungee cord is seen by an eye care specialist or medical professional

Bungee Cord Injury Alert



Six-year-old Abigail Taylor died last month from injuries she sustained in June 2007 when she sat on a wading pool drain at the Minneapolis Golf Club. Abigail's family and attorney maintain she was seriously wounded because the cover of the drain had been removed.

Suction from a pool drain can be so powerful that it can hold an adult under water, but most entrapment incidents involve children. From 1985 to 2004, at least 33 children ages 14 and under died as a result of pool and spa entrapment, and nearly 100 children were seriously injured. But according to the U.S. Consumer Product Safety Commission and Safe Kids Worldwide, the number of entrapment deaths could be much higher than reported. Because entrapment is generally a little-known risk, it is possible that many drowning deaths have not been classified as entrapment.

In December 2007, the Virginia Graeme Baker Pool and Spa Safety Act was signed into law. This act is named after the granddaughter of former Secretary of State James Baker who died in a tragic incident in June 2002 after the suction from a spa drain trapped her under the water.

The new law focuses on making pools and spas safer, securing the area around the pool or spa, and educating consumers and industry on pool safety in order to reduce the 260 yearly pool and spa drownings involving children and suction entrapment deaths and injuries. By December 19, 2008, swimming pool and spa drain covers available for purchase in the U.S. are required to meet specific requirements. Public swimming pools, wading pools, spas and hot tubs must meet certain requirements for installation of compliant drain covers and in certain circumstances, mandatory installation of additional devices or systems designed to prevent suction entrapment.

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Compensation Before: After Josh's insurance company paid Kendra the \$50,000 per Josh's policy limits, her insurance company then deducted or "setoff" that \$50,000 from her UM/UIM coverage, leaving her with only an additional \$150,000 in coverage. Her total compensation was \$200,000 and was left to pay the remaining \$50,000 out of her own pocket.

Compensation After: Josh's insurance company paid Kendra the \$50,000 per Josh's policy limits. Kendra's insurance company was legally obligated to pay her the total of her UM/UIM policy limits of \$200,000. Her total compensation was \$250,000.

"Anti-Stacking" Another change in the law stops insurance companies from using "anti-stacking" language when writing a policy. Prior to the new law, insurance companies could collect premiums for UM/UIM coverage on multiple policies covering multiple cars in the same household. However, they would not allow the policy holder to use these multiple coverages at the same time.

Example: Andrew and Samantha were both driving on the interstate when Samantha rear-ended Andrew's car because she was distracted while talking on her cell phone. Samantha was uninsured. As a result of the accident Andrew had medical expenses and lost wages totaling \$250,000. In addition to his liability coverage, Andrew had purchased and paid premiums on three separate \$100,000 UM/UIM policies for each of his three cars for a total of \$300,000.

Compensation Before: Andrew's insurance policy contained anti-stacking language which allowed the insurance company to limit Andrew's coverage to only \$100,000 of UM benefits on one car policy despite the fact that Andrew paid for UM coverage on 3 different vehicles, paying premiums for \$300,000 in total coverage. His coverage was \$150,000 short.

Compensation After: Under the law change, Andrew was able to combine or "stack" his three policies for a total of \$300,000 which was more than enough to cover his \$250,000 in medical expenses and lost wages.

Could "Setoff" and "Anti-Stacking" be Used Together? Prior to January 1, 2008, insurance companies could reduce your compensation by "setting off" and "anti-stacking" your compensation at the same time. The law now prohibits that practice.

Example: Tony ran a red light and hit Connie, causing \$250,000 in medical expenses and lost wages. Tony's liability coverage was \$50,000. Connie carried \$100,000 in UM insurance and additional \$100,000 UM coverage on her second car.

Compensation Before: Because he was found at fault, Tony's insurance company paid Connie his policy limits of \$50,000. Connie's UM insurance company then "setoff" or reduced their payment by the \$50,000 paid by Tony's insurance to \$50,000. Because of "anti-stacking" language included in her own UM policy Connie's insurance company would not pay the additional \$100,000 UM coverage from her second car. Connie's total compensation was \$100,000 (\$50,000 from Tony's policy and \$50,000 from her UM policy) leaving Connie \$150,000 short.

Compensation After: Tony's insurance company paid Connie his policy limits of \$50,000. Connie's insurance company was not allowed to "setoff" this \$50,000 and paid the additional \$100,000 in policy limits under the first UM policy paid to Connie. In addition, her insurance company is prohibited from using "anti-stacking" language and must pay her the additional \$100,000 UM/UIM coverage from her second car. Connie's total compensation is \$250,000.

What Should You Do? Call your insurance company today! This act was effective January 1, 2008, and it applies to any policy issued or renewed on or after January 1, 2008. It does not automatically update or retro activate an existing policy. You must notify your insurance company and write a new policy or renew your existing policy.

What Else Do I Need to Know? The new law requires insurance companies to provide consumers with the option of carrying equal limits of UM/UIM as up to the bodily injury liability limits. So, what that means is; if your liability coverage is \$100,000 then you are eligible for \$100,000 in UM/UIM coverage.

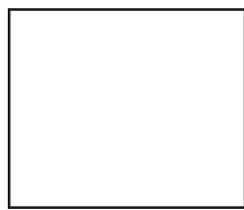
Dropping Coverage on Additional Cars is Not a Good Idea.

Your insurance agent may try to talk you into dropping coverage on additional cars. Yes, you will save some money, but what it does is reduces the liability amount your insurance company must pay you if you are involved in an accident. By canceling additional coverage you reduce the amount of your safety net.

*Justice
is
Passion
Our*

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- Drunk Driving Victims*
- Motorcycle Accidents*
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- Bicycle Accidents*
- Pedestrian Accidents*
- Medical Malpractice*
- Insurance Disputes*
- Product Liability*
- Aviation Accidents*
- Defective Drugs*
- Nursing Home Neglect / Abuse*
- Worker's Comp Claims*



Bachus & Schanker to Help Out Habitat for Humanity

On Wednesday, June 4th, 15 volunteers from Bachus & Schanker are scheduled to participate in Habitat for Humanity's workday in central Denver. Several employees participated in a project last year and at their urging, the firm decided to carry on the tradition and have almost doubled our anticipated employee turnout for this year.

Habitat for Humanity of Metro Denver builds and sells homes to hard-working people in need of decent and affordable housing. They are an independent affiliate of Habitat for Humanity International, a non-denominational

Christian housing ministry and global home-building movement. Habitat welcomes all people, regardless of race, religion, ethnicity, or any other difference, to join them and build homes for people in need.

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