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Client Bulletin



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Solicitations by "Local Records Office"

The Franklin County Recorder is notifying homeowners that a company called "Local Records Office" is soliciting homeowners for it to provide them with a copy of the deed or other instrument of title to their home for \$89, when such records, back to January 2, 1914, can be viewed online and printed for free or can be obtained from the Recorder's Office for \$3. In Delaware County, all records in the Recorder's Office back to January 1, 1990 are available online.

Delaware County Unemployment Rate Now Below 5%

Central Ohio's unemployment rate in September dropped to 5.7% (compared to 7.4% in September 2011). According to economist Bill LaFayette, seasonally adjusted, the Central Ohio unemployment rate is 5.8%, compared to a seasonally adjusted rate of 6.1% in August. Delaware County again had the lowest unemployment rate in Central Ohio, 4.8%.

Traditional IRA and Roth IRA Contribution Limits Increase for 2013

The maximum amount that can be contributed to a traditional IRA and/or Roth IRA increases \$500 to \$5,500 (or 100% of your earned income, if less) for 2013. The maximum catch-up contribution for those aged 50 or older remains at \$1,000 (so the maximum traditional IRA and/or Roth IRA contribution for those 50 and older for 2013 is \$6,500).

Simple IRA/Simple 401(k) Limits Increase for 2013

The maximum amount that can be contributed to a simple IRA or simple 401(k) plan also increases by \$500, to \$12,000 for 2013. The catch-up limit for those aged 50 and older stays at \$2,500, so the maximum contribution for those aged 50 and older is \$14,500.

401(k), 403(b), 457(b) and SAR-SEP and Federal Thrift Plan Limits Increase for 2013

The limit for the employer sponsored plans increases in 2013 by \$500 to \$17,500. The extra catch-up contribution limit for those aged 50 and older remains at \$5,500, making the maximum contribution for those aged 50 and older \$23,000 for 2013; however, there are special catch-up limits that apply to some 403(b) and 457(b) plans.

Continued ...

Claims for Defective Workmanship Not Covered by Commercial General Liability Policy

As most businesses have commercial general liability policies (sometimes called CGL), most businesses are effected by a slip opinion (slip opinions are subject to editing and then officially published in a month or two) issued mid October by the Ohio Supreme Court, answering questions as to Ohio law certified to it by the U.S. Court of Appeals for the Sixth Circuit.

The Court, in a 6-1 decision, held that claims of defective construction or workmanship brought by a property owner with a commercial general liability policy are not claims for “property damage” caused by an “occurrence” under a commercial general liability policy. Part of the Court’s reasoning was that a claim for defective construction or workmanship did not constitute an “occurrence” as defective construction or workmanship itself was not an “accident” (if personal injury was proximately caused by defective construction or workmanship — for example a person being injured in a fall caused by defective workmanship in installing a railing on a deck — then there would be an accident and there would be coverage for the injury).

In the case in federal court that lead the Sixth Circuit to certify questions to the Ohio Supreme Court, a property owner was seeking to recover under its contractor’s commercial general liability policy, but the Ohio Supreme Court’s holding would also preclude coverage under the property owner’s own commercial general liability policy.

What can a property owner having construction work done by a contractor do to protect the property owner from defective construction or workmanship (other than, of course hiring a good contractor)? Require a performance bond or other insurance that expressly insures against defective construction or poor workmanship by the contractor.

Jason Seabury’s Article Published in the Council Communicator Available on Our Website

Jason Seabury’s most recent article published in the Council for Older Adults’ Council Communicator is available on our website, www.mmpdlaw.com. The article is titled “Putting Your Estate Plan in Place? Choose Wisely.” A copy of the article is also being mailed with our October invoices.

Notice

This bulletin provides general information and is not legal advice. Please contact us if you need legal advice.

If you have friends or associates who you think would enjoy receiving a copy of this Client Bulletin, please feel free to forward it on. Thank you.

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