

Umbrella Coverage Prevents Financial Ruin

Here's the nightmare: Your car skids. You crash into a Mercedes with a highly paid business executive at the wheel. He's hurt so badly he cannot return to work. A jury awards him millions of dollars, and you have to pay it.

You're wiped out financially. The court takes your savings, goes after your home and, for decades, requires you to give up a part of your salary.

For some people such a nightmare could never happen. They have an extra insurance policy, known as umbrella or excess liability coverage, which takes care of their liability for the lawsuits and medical bills of the auto accident victim—or of the teenage guest who dives into the shallow end of the swimming pool or the delivery person who trips on the front steps.

But many people with major assets either do not buy the extra coverage or do not buy enough. Some do not know about umbrella coverage, which also pays for lawyers and other legal expenses. Others have heard of it but do not understand it. Still others decide that they do not want to pay for it, even though the cost is usually a fraction of the price of a typical package of home and auto insurance.

"This is a neglected area," said Mark Schussel, a spokesman for the Chubb Group of Insurance Cos., which caters to affluent home and auto owners. "Some people have some coverage. But they haven't changed the amount in years.



Some people have a \$1 million figure in their heads, and it just doesn't make sense anymore."

Umbrella and excess coverage are extensions of home and auto insurance. Banks make people buy home insurance to get mortgages, and states require drivers to buy auto insurance. But no one mandates buying a policy that could turn out to be the most important part of your insurance package.

Buying such coverage usually does not greatly increase the overall cost of home and auto insurance.

Auto Insurance Buyers Prefer Agents

The J.D. Power and Associates 2008 Insurance New Buyer Study finds 55 percent of all new auto insurance sales are handled by local agents. The study also reports that buyers who purchase their auto insurance policies through local agents give significantly higher average satisfaction scores compared with those who purchase policies from call center representatives or via Internet channels.



Put Your Car Keys Beside Your Bed At Night

Put your car keys beside your bed at night. If you hear a noise outside your home or someone trying to get in your house, just press the panic button for your car. The alarm will be set off, and the horn will continue to sound until either you turn it off or the car battery dies. This tip came from a neighborhood watch coordinator.

If your car alarm goes off when someone is trying to break in your house, odds are the burglar won't stick around...after a few seconds all the neighbors will be looking out their windows to see who is out there and the criminal won't want that. And remember to carry your keys while walking to your car in a parking lot. The alarm can work the same way there.

What This Symbol Means To You ...



There is a difference in where you buy your insurance. Many don't realize there are three sources for insurance:

1. Captive Agents—who can sell you the insurance of only one company.
2. Telephone & Internet Representatives—who can offer you the insurance of one company only on the telephone or via computer.
3. Independent Insurance Agents, like us—who represent many insurance companies. We research these firms to find you the best combination of price, coverage and service for all of your insurance needs.



Personal Disaster Preparedness

Men and women are on different pages when it comes to disaster preparedness, with males typically believing they are more prepared than women, according to a national survey by AccessPoints, a California-based online disaster preparedness service that helps consumers safeguard insurance, financial and medical information.

The survey by AccessPoints found significant gender differences between the sexes, including the following:

- More than 36 percent of males said they are extremely or well prepared for a disaster, compared to just 22 percent for women. At the same time, 62 percent of men surveyed said they are either not very well prepared or not prepared at all, compared to 77 percent of women asked the same question.
- Asked whether their families have an emergency communications plan, 38 percent of males reported having one, as compared to 22 percent of women.
- Men and women have different priorities in responding to a disaster. When asked what item they would grab from their homes in case of an emergency, 39 percent of males said they would take financial documents necessary to help rebuilding after a disaster, while only 27 percent of women said so. Family or wedding pictures fared best with the women, with 32 percent saying they would save those items first, as compared to only 14 percent of the men.

Deer And Cars Meet Regularly In Wisconsin

Wisconsin is among the top three states in the United States in collisions between deer and vehicles. Using its deer claims data from the last half of 2006 and the first half of 2007 and motor vehicle registration counts by state from the Federal Highway Administration, a major insurer estimated the chances of a Wisconsin vehicle colliding with a deer during the next 12 months at 1 in 99.

The company's data shows the total number of deer-vehicle collisions has increased 6.3 percent nationwide from a year ago. The average property damage cost of a run-in with a deer was almost \$2,900, up about 3 percent.

