

12 GREAT WAYS TO SAVE MONEY ON YOUR CAR INSURANCE. (FROM OUR FREE MONEY-SAVING TIPS SERIES!)

12 WAYS TO SAVE ON THE COST OF YOUR INSURANCE...

When it's time to shop for Auto Insurance, you need to be able to make well informed decisions so you can spend your money wisely. Here are at least 12 tips on how to shop for your car insurance – and SAVE!

1. **One Company, Multiple Policies** – Do you have a homeowners or renters insurance policy? If so, is it with the same insurance company that provides your auto insurance? If the answer is no, *you may be paying too much – for both policies*. Almost every insurance company that sells auto insurance wants its policyholders to also buy homeowners or renters insurance from that company.

These insurers offer so-called multi-policy discounts. Usually, these discounts are at least 10% and some insurers apply the discounts to both the auto and the homeowners/renters policy.

* **Tip.** Talk to your agent about multi-policy discounts.

2. **Good Driver, Good Price?** – It's no secret that the better your driving record, the less you will pay for auto insurance. But did you know that most people qualify as “good drivers” and are eligible for discounted premiums? Some good drivers pay a lot more than others, however.

Many auto insurers are actually a collection of several insurance companies in which each caters to a certain type of driver. The worst drivers go in one company, the best in another, and a lot of people wind up in one of the middle companies.

These “middle” people pay less than the worst drivers, but more than the best. Many of these middle people have driving records that are just as good as those who are insured by the companies that offer the lowest rates. Yet these middle people are paying more. Why?

The usual reason is that they don't know any better. No one told them which insurance company in the group had the best prices. And, probably, no one told them there was even a group of insurance companies. If you have a spotless driving record, there's no reason you shouldn't be paying the lowest price a group of insurance companies has to offer.

* **Tip.** Make sure you're getting the best discount for your driving record. Talk to your agent. And remember, be a safe driver. It will save you money.

3. **Discounts for Taking the Bus (or Other Mass Transit)** – Do you drive to and from work? If you do, you are literally paying a premium to do so. Insurance companies charge you significantly higher premiums if you drive to work. And, the longer your commute (in miles, not minutes), the higher the premium.

* **Tip.** Some drivers should consider mass transit. Remind your agent that you are NOT driving to work so you receive the appropriate discount.

4. **Low Annual Mileage, Lower Price** – On average, people drive 1,000 to 1,250 miles a month. That is what insurance companies consider average use.

* **Tip.** If you drive less than the average, you could be eligible for low-mileage discounts, which some insurers offer.

5. **High-Profile Vehicle Means Higher-Cost** – The type of car you drive is a major factor in what you pay for insurance. Is your vehicle a magnet for thieves? Is it more expensive to repair than most cars? If the answer to either of the last two questions is yes, you're paying more than the average car owner for insurance.

* **Note.** To get detailed information on your vehicle(s) – or a vehicle you're thinking of buying – write to the Insurance Institute for Highway Safety at 1005 North Glebe Rd., Arlington, VA 22201 and ask for the "Highway Loss Data Chart."

6. **Raise Your Deductible** – The deductible is the amount you pay before insurance kicks in if you have a claim. For example, if you have a \$250 deductible and you have an accident in which your car sustains \$1,000 in damage, you pay the first \$250 and your insurer pays the balance, \$750. The lower the deductible you choose, the more you pay. If you have assets, you can probably afford to absorb at least \$250 and probably \$500 if you have a claim.

* **Tip.** If it's been years since you've had an accident, you may be better off raising your deductible and paying less each year for insurance.

7. **Drop Unnecessary Coverages** – Let's say you have an older car, one not worth very much. There's really little point in having collision and comprehensive coverages. You don't have much to protect. Remember, too, that you have to subtract your deductible from any potential payout you might get.

* **Tip.** As a general rule, any car worth less than \$1,000 shouldn't have collision and comprehensive coverage. Between the deductible and the extra expense of these coverages, the cost is probably greater than the benefit. How much is your car worth? An auto dealer can tell you, or there are plenty of books that have values of vehicles going back many, many years.

8. **Discounts, Discounts, Discounts** – Auto insurance companies offer several discounts for a variety of reasons. The car has automatic seat belts, air bags, anti-lock brakes, anti-theft devices, etc. The driver is a good student, which is especially valuable if you have teenage children who will be on your policy.

* **Tip.** Make sure you are taking advantage of all the discounts available to you! Ask your agent if there are any discounts that you are NOT currently receiving.

9. **Taking the Defensive** – Many insurance companies also offer discounts to those who have taken defensive driving courses recently. If you have taken one or were thinking about it, make sure you tell your agent.

10. **Low-Cost and High-Cost Areas** – Are you planning to move? If you are, you should take into account the cost of insurance. Generally, the more urban the area, the higher the premium. The costs can vary even within a community.
 - * **Fact.** Rates can really vary from state to state. If you're living in New Jersey, Massachusetts or Hawaii, you're paying several times more, on average, than you would in North Dakota, South Dakota or Idaho.

11. **Credit Where Is (Or Is Not) Due** – Is your credit record better than your driving record? If you have a good credit record, you could be eligible for discounted premiums from several auto insurance companies.
 - * **Fact.** Many insurers now use your credit history as a major factor in determining what to charge you for auto insurance. In some cases, with some companies, you could save money by shifting your business to an insurer that uses credit as a rating factor – even if you have a so-so or poor driving record. There is another side to this coin. If you have a poor credit history, you could save money by moving your auto insurance to a company that does not use credit as a rating factor. Many insurers do not use credit as a factor.
 - * **Tip.** Regardless of your credit status, you should talk to your agent to make sure you have the best situation given your credit record, good or bad.

12. **One Call is All it Takes Sometimes** – Every so often call your agent, especially if he is an independent agent. Ask if there are ways he can reduce the cost of your auto coverage. Sometimes an agent receives a new company appointment or has special programs that come up from time to time, and he can move your coverage for a lower rate. Many times, if an agent doesn't hear from a client, they will assume the client is satisfied.

Whatever your driving record or coverage needs, you should shop around, or let an experienced insurance professional shop around, for the best deal for you. There are literally thousands and thousands of coverage options from hundreds and hundreds of insurance companies.

In addition, not only should you try to get the best deal you can, you also need to make sure you have all the coverage you want/need. Using an Independent Insurance Agent is usually your best bet to get the most value for your auto insurance dollar.

Our Agency takes a personal interest in our customers. We like to share information that comes to help you protect yourself and your family from financial loss. If you have any questions, regarding this information or your insurance coverage, please don't hesitate to call us at the number found on our website.

7 Ways You Can Save \$ on Your Homeowners Insurance -- And Provide Better Protection for Yourself and the People You Love!

Your home is probably your most valuable asset. **It is also a huge risk for you financially.** What if something happens to it? A fire? A flood? Vandalism? What if someone visiting you slips, falls and suffers a serious injury? And sues you? An accident like that could put a dent -- or worse -- in your financial security.

For most people, insurance is a mystery. They know they need to have insurance for their homes (mortgage lenders require it), but they don't understand the coverage provided by the policy. And they don't know which insurance companies offer the best -- coverage. Because they don't understand the product, many people think insurance is a rip-off, **and it is -- if you are underinsured or buy coverage you don't need.**

All homeowners insurance is not created equal. In fact, almost none of it is. *There are thousands of different products out there, from hundreds of insurance companies.* How do you find the insurance and the insurance company that are best for you? You read this special report and tap into my vast knowledge of the products and the companies that offer them.

I am an insurance "insider." A licensed member of the "club." I've sold the product. **I know what kind of insurance fits your needs.** Because I've specialized in the insurance needs of homeowners and their families, I have decided to dedicate myself to solving for you some of the mysteries of homeowners insurance.

Replacement Cost or Actual Cash Value

Your homeowners policy does not provide coverage for all potential catastrophes that could damage or destroy your home. ***Earthquake and flood are two "perils" for which there is no coverage.*** (You can get coverage for earthquake and flood damage in a separate policy or as an endorsement to your homeowners coverage.) Also, there is no coverage for damage caused by water that seeps into your home from the ground. You do have coverage for losses related to fire, smoke, lightning, wind storms, hail, explosions, vandalism and theft.

There are different ways to insure your home, both the structure and your personal property. Let's take the structure first. **There are two types of coverage: replacement cost and actual cash value.** Replacement cost is better for you, the homeowner. Under replacement cost coverage, the insurance will cover the cost of replacing the part of the structure that is damaged, up to a maximum dollar amount. Under actual cash value, the

insurance will cover the cost of replacing the damaged structure minus an allowance for depreciation. If you have an older home, that allowance could be quite significant. *Unless your policy specifically says it provides replacement cost coverage, the coverage is for actual cash value.*

So how much insurance should you have? Basically, unless you want to pay some of the costs yourself, ***you should insure your home for what it would cost to rebuild it if your residence were destroyed.*** How do you find this out? Your insurance agent can have an answer for you in no time. If you don't have an insurance agent -- and you should -- you can contact your local builders association. In the home construction world, building costs are calculated on a square foot basis. As such, to determine the cost to rebuild your home, take the square footage of your house and multiply by the average per square foot building rate in your area.

Your possessions are also insured on a replacement cost or actual cash value basis. Again, unless specified otherwise, the coverage in your policy is actual cash value. **Homeowners policies also have limits on coverage for such items as jewelry, fine art and computer equipment.** Read your policy and see what these limits are. For example, the standard policy will provide a maximum of \$1,000 coverage for your jewelry if it is lost or stolen. If you have lots of jewelry, fine art or computer equipment, you should consider purchasing a special personal property endorsement or "floater" that provides the coverage you need.

Speaking of need, *you need to take written and visual (still pictures or video) inventories of everything you own in your home and in other buildings on the property.* Include all furniture (indoor and outdoor), appliances, stereos, computers and other electronic equipment, hobby materials and recreational equipment, china, silverware, kitchen equipment, linens, jewelry and clothing. For the major items (computers, televisions, stereo systems, etc.), write down the serial number, make or model number, purchase price, present value and date of purchase of each item. If you have the receipts for the items, attach them to the inventory.

Make at least two copies of the inventory and store one of those copies offsite -- a safe deposit box is a good place. Store the pictures or video of the inventory offsite as well.

7 Ways to Save \$\$\$ On Your Homeowners Insurance

Now that you know the basics of a homeowners insurance policy, here are 7 ways you can pay less. In many cases, you can get the same level of coverage for fewer dollars.

1. **One Insurer, Multiple Policies** -- Do you have an automobile insurance policy? If so, is it with the same insurance company that provides your homeowners insurance? If the answer's no, ***you're paying too much -- for both policies.*** Almost every insurance company that sells homeowners insurance wants its policyholders to also buy auto insurance from that company. These insurers offer multi-policy discounts. Usually, ***these discounts are at least 10%*** -- and some insurers apply the discounts to both the auto and the homeowners/renters policy.

2. **Raise Your Deductible** -- The deductible is the amount you pay before insurance kicks in if you have a claim. For example, if you have a \$250 deductible and you file a claim for \$1,000 in damage to your home, you pay the first \$250 and your insurer pays the balance, \$750. The higher the deductible you choose, the more you pay. Also, though, the higher deductible, the less you have to pay for your policy.
Depending on the insurance company, you can save between 12% and 37% if you have a deductible of \$500 to \$5,000.
3. **New Is Better** -- Insurers really like newer homes. That's because it's less likely something will go wrong with the electrical, heating and plumbing systems. In addition, the structure itself is in better shape. *Insurers offer discounts of as much as 8% to 15% if your residence is new.*
4. **Location, Location, Location** -- Where do you live and what is your home made of? If you're in the Eastern United States, it's better from an insurance perspective to have a brick or masonry residence because such a structure has a greater resistance to wind damage. By contrast, frame homes are better in the earthquake-prone West. *The right structure in the right region can save you 5% to 15%.* Further, if your home is near a fire station, you will pay less for homeowners insurance. If you live in an area that is prone to flooding, you may be required to buy a flood insurance policy, which vary in costs. If you are not required to buy the coverage and still live in a flood-prone area, your homeowners policy will not provide coverage for losses arising from flooding.
5. **Insure the House, Not the Land** -- Nobody is going to steal your land. Fire and high winds won't "destroy" it. As such, when deciding how much homeowners coverage to have, don't include the value of the land, only the value of the house and any other buildings on the property. *If you include the value of the land, you're paying too much.*
6. **Don't Insure What You Don't Have** -- Each year, you should review your policy to see what coverage you have for your possessions. If you have made a major purchase, you will want to increase your limits of coverage, **but what if you sell something or some things? You don't need as much coverage.** Pay particular attention to items that are covered by endorsements or "floaters" to your policy, items such as jewelry and computer equipment.
7. **Better Safe(r) Than Sorry** -- Smoke detectors, burglar alarms and deadbolt locks are usually worth discounts of at least 5%. **You can get even bigger discounts, 15% to 20%, if you install a sophisticated sprinkler system or an alarm system that rings at the police station or a security company.** However, not all of these systems qualify for discounts. Before you install one, check with your insurer to find out what type of system qualifies for a discount and how much you would save on your premium if you installed the system.

Is Your Coverage Adequate?

I won't kid you. There's more to this insurance game than saving money. In fact, while it's nice to lower your insurance costs, it's probably even more important to make sure you, your loved ones and your assets are covered adequately. It's not a pleasant thought, but *insurance is about worst-case scenarios. It's also about peace of mind, knowing that you have the worst-case scenarios covered.*

Because I know peace of mind is so important, I am willing -- actually, I'm excited -- to reveal to you the secrets about insurance. *Secrets that ensure you have all the protection you need.*

Why would I just give these secrets away? Because it's just as good for my business as it is for you. I want to let you in on the knowledge I have accumulated as an insurance industry professional and insider. I want to do this because I have found, time and time again, that generosity and the willingness to provide really great service come back to me. Tenfold. In fact, that's how I have built my business.

Three Steps to Protection

There are three basic steps you can take to protect your and your family's financial well-being:

1. **Have an insurance specialist conduct a risk analysis of your home, car(s) and family.** How can you adequately address your risks with insurance if you don't even know what these risks are? I've found that most people face more risk than they know. Because everyone is different, it's not like you can ask a friend or relative to assess your insurance needs -- unless they are insiders in this business. *If you haven't had your risks assessed by an insurance professional, you could be inviting financial disaster.* You need a professional, a knowledgeable insurance insider, to put together a comprehensive insurance plan that truly protects you. Our office will do that for FREE.
2. **Use an Agent.** There are several ways home insurance is sold in this country. Some people buy it by calling a toll-free number and talking to an employee of an insurance company. Others take advantage of direct mail offers. *A direct mail piece is not going to be able to assess your level of risk. Do you really want an insurance company employee to be your agent?* You need someone who's going to work for you. Do you want a good price? And do you want protection against worst-case scenarios? There's only one option here: Use an Agent.
3. **Don't trust the financial protection of you, your family and your assets to an insurance agent who is not a homeowners insurance specialist.** A specialist? Absolutely. Look, insurance is a huge industry. *There's insurance for everything. And nobody can specialize in all of it.* In fact, a professional agent can specialize in

only a few niches -- and really understand them. And I do. I've studied the homeowners insurance market in our community for some time.

I know:

- ◆ Which homeowners insurers have some of the best rates.
- ◆ Which give the best protection.
- ◆ And which provide the best claim service.

We will give you this information for FREE. No charge. No obligation. We do this because we've built our business on reputation. We never hard-sell insurance. The better service I provide, the better it is for all of us.

So if you want to protect yourself, your family and your assets from a crisis or catastrophe or just see if you can save money on your insurance, call our office. Our staff will be glad to help. Contact us for a FREE no obligation homeowners quote today!