

# Insurance Update



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## LIFE INSURANCE

### Life Insurance For Children: A Great Value

There are several important reasons to consider purchasing life insurance for children. Affordable premium rates, protecting an individual's insurability and accumulating cash value as a savings tool are a few of the most significant.

First, premium rates for children are typically low due to their age and good health. If you purchase life insurance for a child now, you can lock her into those low premium rates for an entire lifetime. So when that child is 80 years old, she can still be paying premiums established in youth.

Next, children are likely to be in good health and that means they are insurable. We all know life throws a lot of curve balls our way and sometimes those challenges come in the way of health. If an individual develops some challenging



health condition like cancer or diabetes, she may become uninsurable. That means she might not qualify for insurance, or it could become so expensive it would be difficult to purchase.

Buying life insurance for a child, when she is in good health, protects insurability. It guarantees coverage will be there regardless of future health challenges.

Finally, the cash value feature of per-

manent life insurance is a great reason to consider starting a policy for children. The accumulation of cash value in a permanent life insurance contract provides a source of savings that can be used by the child later in life. Some common examples include college education and first homes.

Purchasing life insurance for a child provides much more than a death benefit. It gives a child the gift of affordable insurance that will be there when she needs it, and even some funds for emergencies or new experiences in life. All this is available at an affordable cost and is the definition of value.

Please call us today to learn more about how to get your children protected.

## BILLING

### We Have Credit Card Options For You!

Today, more and more people are taking advantage of the flexibility and convenience in paying their bills with a credit card. Paying your insurance premiums shouldn't be any different.

Auto-Owners offers a number of flexible options in using your credit card to pay either your personal or business policy premiums. Auto-Owners accepts a variety of cards: Visa, MasterCard and now Discover Card and American Express.

Your personal car and home premiums can be paid with a credit card on any of the payment plans available, which include Full Pay (eligible for the Paid-in-Full discount), Semi-Annual, Three Pay, Quarterly and Monthly.

Business premiums must be paid in full if using a credit card. However, those policies are eligible for the Paid-in-Full dis-



count. To avoid service fees, you can set up your account to make automatic recurring payments from your credit card.

For more information on how to use a credit card to make your premium payments, please contact our agency.

## PERSONAL INSURANCE

### The Risk Of Flooding Is Real; Don't Gamble Anymore



Flooding can happen anywhere. Don't put your home at risk any longer; consider buying flood insurance.



A recent survey of a Vermont town affected by the recent Northeast flooding found that 80% of the people suffering a flood loss did not have the funds to repair all of the damage they received. Between 2001 and 2010 the average loss paid by the National Flood Insurance Program (NFIP) was \$48,000.

Because most homeowners policies do not cover flood losses, would the average flood loss—or even a smaller flood loss—cause you a significant financial burden? If so, a flood insurance policy can help. A flood insurance policy can provide up to

\$250,000 in structure coverage and up to \$100,000 in contents coverage for homeowners. Renters can purchase up to \$100,000 in contents coverage.

You can buy flood insurance no matter what your flood risk. Almost anyone in a community that participates in the NFIP can purchase coverage. There are very few exceptions.

You do not need to live near water to be flooded. Many people affected by flooding live miles from the nearest river or ocean. Floods are caused not only by storms and hurricanes, but also snowmelt, inadequate and overloaded drainage systems and even broken municipal water

mains.

Flood insurance is affordable. Homeowners in low-risk areas can purchase \$20,000 in building and \$8,000 in contents coverage for as little as \$129 a year. Even a small amount of flood insurance can help reduce the burden of a potential flood loss.

Do you think a flood can't happen to you? That's what the people in the Vermont survey thought. They gambled and lost. Some of them may never recover. Don't let that happen to you. Please contact our office and we will be happy to discuss your flood insurance options.

## BUSINESS INSURANCE

### Commercial Umbrella: Protecting Your Business Assets

Catastrophic claims are difficult to predict and can deliver a crippling blow to your business if the exposures are not properly covered. One way to provide peace of mind for you and your business is to purchase a commercial umbrella policy.

Do you know that every owner of a commercial operation, whether it is a retail store or a concrete contractor, runs the risk of suffering a catastrophic liability loss? Not all of these losses can be anticipated. For example:

- Insured performed tire work on claimant's trailer. While being pulled by the claimant, the tire came off the

trailer, crossed the median and caused a fatality loss in oncoming traffic. (\$2 million paid)

- Insured's employee, driving his own vehicle in the course of employment, struck the claimant's vehicle, causing serious bodily injury to the claimant. (\$1 million paid)
- As a result of insured contractor's negligence, the county 911 phone system was disabled for several hours. (\$1,191,171 paid)

A commercial umbrella policy is designed to be broader than your commercial auto or general liability policy, and can provide coverage where those policies

would not. For example, a commercial umbrella will:

- Provide defense coverage if your auto or liability policies don't cover a claim.
- Cover your business for personal injury exposures such as libel, slander, defamation of character, humiliation and discrimination.
- Provide coverage for property rented to, used by, or in the care, custody and control of the insured.

Are you protecting your commercial operation to the fullest? Contact our office about a commercial umbrella for your business.



Is your business covered in the event of a catastrophic liability loss? It will be once you purchase a commercial umbrella policy. Commercial umbrellas provide much broader coverage than an auto or liability policy.