

NEWS BLAST



Car Safety

Avoiding the Most Tragic Type of Backover Accident

EVERY YEAR more than 200 people in the U.S. are killed in backover accidents, and 44% of the victims are children under five.

One of the most tragic accidents when reversing is running over a child. Toddlers are often the main victims of backover accidents because they may run out to follow mommy or daddy when they are leaving.

You may follow everything you've been taught when reversing:

- Don't rely solely on your rearview and side-view mirrors when reversing.
- Look over your shoulder and scan from side to side.
- Reverse slowly.

But even if you do all those things, it's easy to miss somebody behind you, particularly a youngster, who is shorter than your car and out of sight from your mirrors.

And if you don't know someone is behind you, by the time you do, it might be too late.

Fortunately, there is a way to greatly reduce the chances of a backover accident: install a back-up camera. Unlike a rearview mirror, a back-up camera gives you a clear view of the entire area directly behind your vehicle.

For the 2015 model year, 49% of vehicles sold in the United States include a back-up camera as standard equipment, according to separate estimates from *Edmunds.com* and the Insurance Institute of Highway Safety. But in both cases, if you are new to these cameras, you should practice with them before using them.

Adding a camera

Retailers such as Best Buy and Amazon sell after-market systems for less than \$15 for a bottom-of-the-line stand-alone camera for vehicles that have existing in-dash displays. A complete setup with a camera, transmitter and display can run up to \$300.

One after-market system is the QuickVu, a \$259 system with a rearview camera that mounts to the license plate holder and uses radio signals to transmit images from up to 50-60 feet in back of a vehicle to a 3.5-inch monitor mounted on the dash, and digital signals to turn the system on and off.

Installing a back-up camera on an existing car isn't difficult. Some require only a screwdriver, while others require a drill to mount the camera into a rear fender cover.

Some after-market camera makers post videos on their websites with step-by-step set

up instructions, and many auto parts retailers do installations.

Precautions

Manufacturers warn drivers not to rely on the cameras completely. Drivers should always check side and rearview mirrors, and look over their shoulder to see what's in back of them.

If visibility is limited and it's dark, a back-up camera may be slightly less useful and it's especially important that all other reversing techniques are used.

Manufacturers also instruct auto dealers to give anyone buying a new or used car with a back-up camera system a walkthrough of the system before they drive off the lot, so they understand how it works.

Finally, whether they're factory installed or after-market equipment, rearview cameras don't need much more maintenance than a periodic wipe-down to clear away accumulated grime from the lens.

In heavy rain or snow, manufacturers recommend checking before you drive off to make sure the lens isn't obscured. ❖

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Insurance Tips

Understanding Your Policy Exclusions

LIKE MOST people, you're no doubt overwhelmed by the amount of fine print that your insurance policy has.

The main reason for the fine print is to lay out in detail what the insurance company will cover in case of a claim, and what it won't. It's important that you go through this with your insurance agent and that you especially understand the section called "Exclusions."

Exclusions

Exclusions are provisions in a policy describing losses that the policy will not cover.

For example, a homeowner's policy does not cover losses caused by the use of cars, and a business auto policy does not cover injuries caused by a bulldozer on a construction site.

While it may appear that the insurer includes these provisions to get out of paying claims, the reasons are more complex and less insidious than that. There are very sensible reasons why no insurance policy covers everything.

First, not every person or business has the same exposures to loss. For example, you likely don't own a tractor as a homeowner, while the owner of a tractor – doing work for a company with say 15 employees – may operate out of a building they occupy but do not own.

Because there are so many contingencies, insurers try to create insurance policies that cover the average scenario for each policy. And they learn over time what they should cover and what they should not.

Getting specialty coverage

Standard insurance policies contain coverage that applies to large groups of households and businesses, but they do not cover every possibility. Policyholders with additional needs usually can purchase additional coverage in the form of a rider or endorsement.

For example, homeowner's policies do not cover damage caused by water backing up from an overflowing sump or drain, but households that have basements with sumps or drains have the option of buying this coverage.

If you don't have a basement or a sump pump, you obviously don't need this coverage and it won't be forced on you in a typical homeowner's policy.

Every coverage comes with an associated cost and the insurance company must factor in the costs of potential claims, expenses and profit for that coverage.

The uninsurable

The more coverage a policy provides, the higher the premium. Without exclusions, people and businesses would be forced to pay for coverage they do not need. Exclusions help keep the premium affordable.

Also, some losses are just not insurable. That's because insurers cannot predict when certain types of losses will happen and how much they will cost.

One typical exclusion is for acts of war or terrorism. Armed conflict with another country or a full-scale terrorist attack could cause huge losses beyond the abilities of insurance companies to pay.

Because every household or business's circumstances are different, standard policies might not provide all the coverage necessary.

For example, if you live in a flood plain, you should also purchase flood insurance along with your homeowner's coverage.

And if you have specific liabilities or assets that may not be covered, you would likely need to talk to us about a policy endorsement.

If you think you may have specific insurance needs like this, don't hesitate to give us a call. ❖



HOME PROTECTION

Gaps in Your Policy Coverage Can Leave You Exposed

YOU MAY have auto insurance and homeowner's or renter's insurance in place to make sure you are covered in case of an accident.

But, depending on the circumstances of a claim, you may have coverage gaps in your insurance, and policyholders that do put themselves, their family and their possessions at risk.

You should review your policies to see if you have any of these gaps in coverage:

Coverage for your valuables

This would include:

- Any collections (coins, stamps, art, etc.),
- Pricey jewelry or watches,
- Electronics.

Most homeowner's policies will typically have a set limit for loss or theft of personal items, such as \$3,000.

Umbrella policy

Regardless of if you're at fault for an accident, you can still get hit with a personal injury or liability lawsuit.

And when that happens, you can expect extra costs to mount quickly, what with lawyers' fees, hospital bills, pain and suffering payments. All of that combined could quickly exceed your homeowner's or auto policy limit, and then your assets would be at stake.

Transportation expenses coverage

Does your policy cover a rental car or other form of transportation if your vehicle ends up in

the shop after an accident? If not, some carriers offer a transportation expenses rider.

Transportation expenses coverage can apply to two types of claim: a comprehensive claim (resulting from something other than collision, such as fire, theft or vandalism) and a collision claim (resulting from physical damage to your vehicle caused by rolling over or hitting another vehicle or object).

After a comprehensive occurrence, a transportation expenses policy kicks in to provide a set coverage for a rental car.

Flood insurance

The federal government offers coverage through the National Flood Insurance Program. It's definitely worth considering, as people who live outside of high-risk flood areas file more than 20% of claims with the program.

Not keeping your insurance up to date

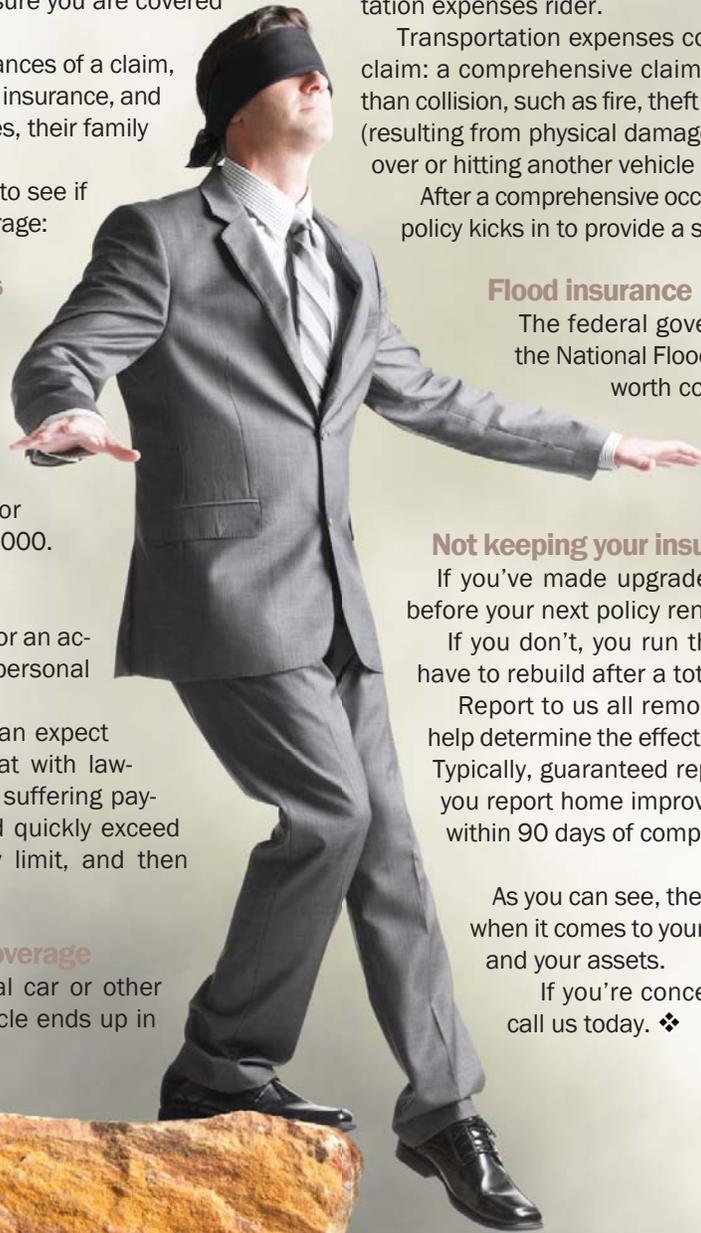
If you've made upgrades to your home, tell us about it before your next policy renewal.

If you don't, you run the risk of coming up short if you have to rebuild after a total loss.

Report to us all remodeling or renovations, so we can help determine the effect on your home's replacement cost. Typically, guaranteed replacement cost rules require that you report home improvements worth more than \$5,000 within 90 days of completion.

As you can see, there is plenty that's easy to overlook when it comes to your insurance and protecting yourself and your assets.

If you're concerned about any of these issues, call us today. ❖



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How to Reduce the Cost of Insuring Your Teen



WHILE TEENAGERS react with glee when they get their driver's license, for parents it is a time of angst and higher insurance premiums.

Sticker shock is not uncommon when parents receive that first quote for coverage, but there's a reason for those higher rates. Teen drivers are unproven and due to their lack of driving experience behind the wheel, insurers try to protect themselves with higher premiums. And they do so for a valid reason: statistics show that teenagers are involved in a

higher number of accidents with fatal or critical injuries than more experienced older drivers.

But don't fret. There are a number ways to reduce the cost of teen drivers' insurance costs. Here are seven of them:

- **Choose an older model car.** Less flash will save you money. Two measures of insurance costs are horsepower rating and the theft rate. Older cars also have a lower book value, which in turn reduces the insurance premium.

- **Consider raising your deductible.** A higher deductible results in lower monthly premiums.
- **Good student discount.** You don't need to have an honor student in your household to qualify, but every insurer has its own definition of a good student.

Good Student Discount 101

To qualify for a discount of up to 20%, the student would typically need a B average or higher for all subjects combined. Many insurers offer discounts to students up to 25 years old.



Teens may still qualify even if they aren't at the top of their class and some discounts carry over to college

- **Drop some coverage.** Consider dropping collision and comprehensive coverage on older cars that are worth little more than the deductible. You may be paying more in premiums than you could ever get back from the insurer, even if the car is totaled.

- **Buy a safe car.** Your teen's insurance rates will be lower, and you will be less worried about your child when they are driving solo. You can check safety ratings at www.iihs.org.

- **Discounts for safe drivers.** Some insurers offer discounts for driver-safety programs, cutting costs for kids who take a special class, watch a DVD or read a driver safety book and take a test.

- **Explore multi-policy discounts.** Many insurers will give you a discount if you insure both your home and car with them. You may get an additional discount if you include an umbrella policy. This provides extra liability coverage beyond your auto insurance limits and can be particularly valuable when you have a teenage driver. ■



Don't Cut Policy Liability Limits

Whatever you do, don't cut back on your teen's liability coverage in your drive to reduce your insurance premiums. Try to aim for the following limits at a minimum:

- at least \$250,000 per person,
- \$500,000 per accident, and
- \$100,000 for property damage.