

# Lampton/Engle & Associates

## Insurance & Financial Services

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## Staying in touch Keeping you informed on *Personal Insurance* issues



Volume 24, No. 3



### When a Car Crash Is No Accident

Staged auto accidents are on the rise, according to the National Insurance Crime Bureau (NICB). In one version—the “swoop and squat”—two vehicles pass you. One pulls in front of the other, forcing the second car to brake suddenly. This causes you to rear-end the second car, becoming liable for damages. Meanwhile, the first car flees.

Here are some tips that may help protect you from these scams:

- **Pay attention to the traffic around you.** This is especially important if you drive an expensive, late model, or commercial vehicle that is likely to be heavily insured. Be wary of cars driving too slowly, erratically, or not allowing you to pass.
- **Look beyond the vehicle in front of you.** Start braking as soon as traffic begins to slow, even if the car in front of you does not slow down.
- **Stay three seconds behind the vehicle you're following.** This allows adequate time to brake. Count the seconds from when the car in front of you passes a road sign until you reach the same spot.

- **Keep a disposable camera in your vehicle.** If you are involved in an accident, take photos of the vehicles. These pictures can show any damage, or lack thereof, for which you may be liable.
- **Call the police to the scene of an accident.** Request a detailed police damage report, which may prevent scam artists from damaging their vehicles later and blaming you.
- **Count the occupants in each car involved in an accident.** Scams often involve older model vehicles carrying many passengers. Obtain the full names, telephone numbers, and driver's license numbers of all occupants. This identifying information helps prevent others, who were not in the car, from filing false claims.
- **Report suspected scams to the NICB.** Their hotline number is 1-800-TEL-NICB.

Accidents are traumatic enough. By following these tips, you may be able to prevent yourself from being involved in an incident that happens “accidentally on purpose.”

### Finding a Good Appraiser

Whether you are donating an item to charity, planning your estate, or evaluating your insurance coverage, an appraisal can help you determine the value of your possessions.

The appraisal process often includes research, document preparation, and photographing or videotaping, if desired. The resulting appraisal document will generally state the date, the purpose of the appraisal, a detailed description of each item, and the appraised value, as well as the appraiser's name, address, and signature.

Accuracy is essential when it comes to an appraisal, so be sure to find a *qualified* professional. Avoid appraisers whose fees are based on a percentage of the value of the appraised collection or object. The American Society of Appraisers, can help you find an accredited appraiser through their toll-free referral line, (800) ASA-VALU, or online at [www.appraisers.org](http://www.appraisers.org).

# The Importance of Renters Insurance

At some point in your life, whether you are entering college or recently graduated, between homes, or temporarily living in a new city, you may need to rent a house or an apartment. With the many freedoms that come with renting, as opposed to owning, there is also the reality that if something goes wrong, your landlord's insurance will only cover the costs of repairing the building—not replacing your possessions. So, you may want to consider renters insurance to help protect yourself and your belongings.

Renters insurance typically includes coverage for personal possessions, liability protection, and additional living expenses (in excess of your normal living expenses) if you can't return to your home immediately. When determining the appropriate amount of coverage for your particular situation, consider the questions below.

## Personal Possessions

### How much insurance do I need?

In order to answer this, estimate the value of your possessions. To do so, first create an inventory of what you own. Include items such as furniture, clothing, electronics, appliances, paintings, kitchen items, and linens, and note the value of each. Having an inventory will also make filing a claim faster, if you need to do so. The Insurance Information Institute offers free inventory software at [www.knowyourstuff.org](http://www.knowyourstuff.org), if you need a template to get started.

**Do I need replacement cost or actual cash value coverage?** An actual cash value policy covers the replacement value of your belongings minus a depreciation deduction. A replacement cost policy, although about 10% more expensive than actual cash value coverage, pays the cost of replacing your belongings regardless of item depreciation. Replacement coverage can be worth the extra cost when you factor in depreciation.

**What is covered?** Renters insurance covers losses from fire, smoke, lightning, vandalism, theft, explosions, wind storms, and certain types of water damage. Most renters policies do not cover floods, mudslides, or earthquakes. For these exclusions, coverage is available at an additional cost.

**What is a deductible?** A deductible is the amount of money that you pay out-of-pocket before your insurance

coverage begins. Deductibles are a specific dollar amount, typically \$500, \$1,000, or \$2,000. If you have a large deductible, you will have a lower premium or monthly insurance policy payment. Note: you pay a deductible each time you file a claim.

**What is a “floater”?** A floater is a separate policy that provides additional insurance coverage for your valuables—such as expensive jewelry, furs, musical instruments, sports equipment, or other collectibles—if they are stolen, damaged, or lost. In most policies, these items would only be covered for a limited dollar amount.

## Liability Protection

**What if someone sues me?** Renters insurance covers you against lawsuits for bodily injury or property damage done by you, your family, or your pets. The coverage pays for the cost of your defense and court awards, up to the policy limit. Most standard policies cover at least \$100,000 of liability, but you can buy additional amounts.

**Do I need an umbrella policy?** If you require more coverage than an average renters policy provides, you may want to consider a personal umbrella liability policy. The umbrella policy starts when you reach the limit on your renters policy and will also cover you for libel, slander, and the use of automobiles.

## Additional Living Expense Coverage

**Will I be covered if I can't live in my home after a disaster?** If your home is devastated by a covered disaster, your renters insurance will provide additional living expense (ALE) coverage. ALE coverage pays for the portion of bills in excess of your normal living expenses that is associated with hotels, meals, and other expenses you incur while your home is being repaired. There are limits on the coverage, so it is important to be aware of them.

In this ever-changing world, feeling safe is priceless. Renters insurance provides a level of security for you in knowing that your possessions are protected. Please call us for more information. We can help you find the coverage that best suits your needs.

# For Your Information

## Deer Pose Serious Driving Hazard

When a deer darts in front of your car, it can be impossible to avoid a collision. The latest statistics from the National Safety Council report that 530,000 animal-related collisions cause 100 deaths and 10,000 injuries. To minimize risk, the Insurance Information Institute (III) recommends being extra alert when driving around sunrise or sunset when most accidents with deer occur and using high-beam headlights at night when there is no oncoming traffic.

## Keep Your Gutters “On Guard”

Keeping your gutters clean is essential to protecting the exterior of your house and keeping excess moisture away from your foundation. Clogged gutters prevent rainwater or melting snow from draining properly. If you're tired of pulling dead leaves and sticks out of your gutters, consider the benefits of gutter guards, which provide a protective cap for your gutter and deflect debris away.

## Safe from Sewer Backup

Sewer backup in your home, aside from being extremely unpleasant and inconvenient, can also be very costly. While you may assume your homeowners insurance will cover your damages, it generally will not. In order to ensure your home is covered in such an event, it is best to purchase an endorsement. For more information on protecting your home, give us a call. We will be glad to discuss your coverage options with you.