

# The Wright & Kimbrough Personal Protection



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## HOMEOWNER'S COVERAGE

# Eight Insurance Cost-saving Tips for New Year

**A**S 2016 gets underway, now is a good time to review your home safety and insurance plans for the year.

Make sure this year to make your home safety a priority, and also ensure that you get the most bang for the buck with your insurance coverage. You can follow these tips:

### Home security system

If you don't have a home security system, you should seriously consider getting one to protect your hard-earned assets and home investment.

The good news is that if you get one that is monitored by a central station, or that is tied directly to a local police station, you don't only protect your home, as you may also receive a discount on your homeowner's insurance premium.

### Install additional smoke alarms

You can also reduce your insurance premium by installing smoke alarms, not to mention saving your life in case of a fire. Installing them in older homes can shave 10% or more from your premiums.

Some insurance companies will also give further discounts if you install additional smoke detectors.

### Raise your deductible

You can reduce your insurance premium by raising your deductible if you are confident you can absorb the cost of paying that out-of-pocket expense if you incur a claim.

### Multiple policy discounts

Many insurance companies will extend a discount of 10% or more to policyholders that have multiple policies with the insurer (such as auto and homeowner's). Ask us for a quote for other types of insurance from the company that writes your homeowner's policy.

### Plan wisely for expansion

If you plan to build an addition to the home or a structure adjacent to the home, like a gazebo, know that you'll pay more for your insurance, depending on how it's built. Wood-framed structures cost more to insure because they are flammable. If you go with cement or steel framing, you'll pay less since they are less sus-

ceptible to damage from fire and bad weather.

### Costly fun

Pools and trampolines can have a significant impact on your insurance costs and add 10% or more to your premium.

### Consider coverage type

If you purchase "guaranteed replacement value" homeowner's insurance, your insurance will cover the entire cost of rebuilding your home after a covered calamity. Coverage limits on such a policy increase as the cost of construction and materials rises.

### Make or update a home inventory

A comprehensive home inventory catalogue allows your home and belongings to be recovered, rebuilt and replaced after a loss. While this won't help you save on your premium, it will prepare you in case you have to file a claim.

With a home inventory, you'll know exactly what you have lost in a fire, for example. ❖

WRIGHT & KIMBROUGH  
Wishes You a  
Happy New Year

## CONTACT US

**Wright & Kimbrough**  
Insurance  
Since 1893

If you have any questions regarding any of these articles or have a coverage question, please call us at:

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## INSURANCE TIPS

# Have a New Drone? Understand Your Liability

**A**FTER ANOTHER Christmas, more American homes now include a new addition: a drone. While these gadgets can be loads of fun to fly, they also come with responsibility and risk of property damage and bodily injury.

As people start flying drones, there will be accidents and injuries, followed by claims – and even lawsuits.

If you are like most people, you were not thinking about insurance when you purchased a drone for your kid. But you'll want to make sure you are properly covered for any accidents, particularly if the victim is a third party.

The liability protection in homeowner's or renter's insurance policies will sometimes cover damage or injury from a drone crashing into a neighbor's house, vehicle or child. Yet, this coverage isn't universal and some policies specifically carry an aviation exclusion that encompasses recreational drones, which the Federal Aviation Administration (FAA) currently classifies as small aircraft.

While your homeowner's policy would likely cover damage if your drone crashed into a neighbor's car, your policy would not cover damage to your own property.

Insurers view drone mishaps as akin to having your mastiff destroying your neighbor's shrubbery, but not your own. In other words, they'd cover the damage to your neighbor, but not to your own stuff.

If you are uncertain about your policy covering drone liability, please call us and we can check it for you.

In the likely case that it won't be covered, you can buy drone insurance through individual liability coverage, via us.

### Other issues

Liability coverage for physical damage isn't the only kind of coverage you might need.

Insurance lawyers foresee a rise in invasion of privacy claims, which falls under personal injury. If your drone accidentally captures images of a neighbor, and that neighbor feels you have violated his or her privacy, you could be sued.

An umbrella policy or the personal injury section of homeowner's insurance could protect you in this case.

But if the invasion of privacy was intentional, like posting photos of your neighbor in a compromising position online, the insurer would not cover the claim.

### Drone registry

Beyond insurers, regulators also are preparing for how to manage increased drone flying.

As of Dec. 21, 2015, owners of small drones weighing half a pound to 55 pounds, must register the machines with the FAA. ❖

## Drone Registration Rules

- Registration is mandatory.
- If you already own a drone, you have until February 19, 2016 to register.
- You must register before your first flight.
- Users must be at least 13 years old to register online.
- The registration fee is \$5, which is good for three years.
- Currently you can only register on the FAA website: [www.faa.gov/uas/registration/](http://www.faa.gov/uas/registration/)
- This registration process only applies to hobby and recreational use. Business use rules are still forthcoming.



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## VALUABLE ASSETS

# Insuring Your Classic Cars the Right Way

**I**NSURING CLASSIC and specialty cars can be confusing for the first-time buyer, because how you cover the car depends on how you're going to use it.

If you've never owned a classic before, you may not know the right questions to ask.

But that's why we are here.

Ask yourself if you would need any of these seven situations to be available from the company you insure your classic with:

- Being able to use your own mechanic for repairs
- Being insured for what you feel the car's actually worth
- Liability insurance when participating at club events
- Coverage for damage incurred at car shows
- Insurance coverage during restoration
- Flexible premiums based on miles driven per year
- Coverage for shipment to out-of-state or overseas events

If you answered yes to at least three of those situations, you may want to consider specialty insurance for your classic.

Specialty car insurance has been available for decades, but statistics show that fewer than half of the collector vehicles on the road today are insured by specialty programs.

That's too bad, because most standard policies will not cover some of the risks that are unique to these vehicles.

### Typical Specialty Program Qualifiers

- You must own and use another vehicle for daily driving
- The car may need to be a certain age, or older
- You may need to be a certain age, or older
- The car may only be driven 2,500 miles per year, or less
- The car may only be driven for certain activities
- The car may not be driven for commercial use

To decide which coverage is right for you, ask hypothetical questions in regards to how they would handle a specific claim, such as "what would happen in the event my car was a total loss?" Each insurance company might answer that question differently.

There are three types of automobile insurance coverage offered for the total loss of your vehicle: Actual cash value (ACV), stated value and agreed value.

**ACV coverage** is what insures most everyday cars and pays out a depreciated "book" value in the event of a claim; the older a car is on an ACV policy, the less value it has.

Some insurance companies offer **stated value policies** for collectibles. These policies are better than ACV because they allow you to "state" a value for your vehicle that is greater than its depreciated "book" value.

But, stated value can still depreciate vehicles because the policies generally require the insurance company only to pay up to the "stated" amount.

Only **agreed value insurance** policies guarantee you will get all of your money back in the event of a total loss.

There are varied levels of service, rates and types of coverage and claims handling with standard car insurers. The same is true with specialty car insurance companies. We can help you with researching all options so you can make a decision that is right for you.

Cost should be considered, but should not be the determining factor.

When buying insurance you are buying a service; look for quality customer service, excellent claims handling and a knowledgeable staff who know and understand collector vehicles. ❖

**Have a Classic?**  
**Call Us: 800-822-3694**



# Tips for Driving Safely during Rainy Days

**S**OME BAD driving habits, ones that don't cause trouble when the road is dry, can be deadly in the rain. The following tips could save your life and the lives of others if you decide to drive in the rain, either on short or long trips.

## Don't drive toward the sides of the road

While this may not always be possible (you might be on a narrow one-lane road and the sides may be the only place you have to drive), you should practice this whenever you drive, and here's why:

Roads are constructed so that they're highest in the middle. The difference may be slight, but it causes water to run off the center hump (called a crown) and drain toward the edges. If you're driving in the rain you want to avoid standing water, which means that you want to be where the water isn't – and that's in the center of the road. While the center won't be dry either, especially if it's still raining, it's going to be the driest place on the road.

## Turn on your headlights

When it's raining, headlights can help others see you better. In the gloom of a rainstorm, even a light drizzly one, the lack of sunlight casts a grayish tone over everything and it's harder to see other objects. Driving with your lights on in these conditions reduces the chance of someone not seeing your car, and hence there is less chance of a collision.

Just make sure that you're not driving with your high beams on, so that you're not blinding other drivers.

## Don't drive if the windshield is so covered with rain that you can't see

You shouldn't drive if there is too much water on the windshield. It's easy to miss dangers when the rain is thick and your wipers can't keep up with the deluge.

There could be stopped cars in front of you that you can't see, or there may be pedestrians wandering into your path.

When visibility gets low, pull over as quickly as it's safe to do so. Stop your car and play Angry Birds on your smart phone (or listen to music). Wait out the torrent until your wipers can clear the water properly.

## Don't drive through flooded areas

If you see water flowing across the road from one side to the other and don't know how deep it is, don't try to drive across it!

Every year, hapless drivers figure their cars won't be harmed by fording a tiny little stream of rainwater and then find themselves swept away, off the road and into a vicious current of rainwater that could carry them for hundreds of feet as they desperately try to get out of their car and grab a tree limb to keep from disappearing below the waterline.

And even if the water isn't moving, if the bottom isn't visible you don't know what's underneath it. There could be a large pothole the size of a swimming pool.

## Don't drive too fast for conditions

Speed limits exist to tell you how safe it is to drive under good conditions. When conditions are bad and roads are wet, you should drive slower than posted speed limits. The worse the conditions, the lower the speed you should drive.

## Hydroplaning

The worst danger of driving too fast in rain is hydroplaning.

Usually your tires can slice their way through the water in front of them and keep in contact with the surface of the road.

But when the road is wet and you're going too fast, your car can actually begin to float on top of the water and the tire tread loses contact with the road surface.

When that happens, you can no longer steer. You can no longer brake. This is what happens when you hydroplane.

And you often don't know that you're hydroplaning until you hit the brakes and the car goes skidding out of control.

Therefore it's better not to travel at hydroplane speeds to begin with.

If you do start to hydroplane, don't hit the brakes, because that just makes it worse. Let up on the accelerator so that any remaining traction can slow your speed.

And drive straight.

Don't try to turn. If the car is veering off in a direction you don't want to go, don't fight it; just follow your wheels. As the car slows, suddenly you'll be back under control. ❖

