

The Wright & Kimbrough Report



October 2016, Volume 4, Issue 5

HIGH-END CARS

Protect Your Luxury Vehicle with Proper Insurance

MANY FIRST-TIME luxury vehicle owners make the mistake of buying an insurance policy with the lowest premium but, after an accident, they find out they are not given the level of customer service they expect and the insurer may not pay for the exact repairs they were expecting.

You spent a lot of money on your high-end car. If you skimp on the insurance, it may not be repaired the way you want and its value may decrease after repairs.

The following are options that you can get for your luxury car insurance:

Original parts

You will want parts replaced with original equipment manufacturer (OEM) parts to maintain the car's value. Typical insurance allows the insurer to use "like kind and quality" replacement parts for repairs.

With luxury car insurance you can be assured that it will pay for OEM parts to be used to repair your car if it is damaged.

And if you own a rare car and a replacement part is unavailable, the insur-

ance will often cover reproduction of the part.

Body shop of your choice

Body shops abound, but very few of them can work on a high-end vehicle.

So, if your luxury car is damaged you will want a body shop that you can trust to repair your vehicle properly.

Make sure your policy allows you to choose the body shop you prefer.

No depreciation for parts

If your two-year-old tires are damaged in an accident, a typical policy will subtract depreciation for the miles you logged on those tires when paying the claim.

If you have a luxury car with \$4,000 worth of tires, you want insurance that covers the full amount to replace them.

Total loss event features

You can get a policy that will waive your deductible in case of a total loss.

Also, a typical car insurance policy will pay you for the value of your vehicle, minus depreciation in case of a total loss.

But if you have appropriate insurance,

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you can often get a policy that would pay you an agreed value of your vehicle without depreciation should it be totaled.

If you have an agreed value included in your policy, you can be assured that the settlement amount for the car will be the same as the policy stipulates.

Also, in the event of other covered damages such as theft, your deductible is waived and no depreciation applies.

Some policies also require the insurer to pay you within 48 hours of settling a total loss.

This is especially important for a high-end car, since you don't want to wait weeks or months to receive the check to purchase a new vehicle. ❖

CONTACT US

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

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Keeping Your Employees Safe around Electricity

IT'S BEEN about a month since the new Pokémon Go app was launched, sending countless people into the streets to virtually locate and capture cute little cartoon characters.

The app, downloaded onto smart phones and using GPS and the user's data and photos, allows players to look for creatures that can appear anywhere, like on the sidewalk, on a fire hydrant – or even at a cemetery.

But while the game is touted as a way for people to get out into the world in search of characters to catch, there are dangers for users in terms of not watching where they walk and compromising their private information.

Real-world dangers

One of the biggest concerns is that it sends people hunting for Pokémon characters in the real world, putting them in danger if they don't pay attention to their surroundings.

On top of that, the app has sent users looking for creatures in inappropriate places like museums, churches, and cemeteries. Despite the fact that the game has been out only a short time, Arlington National Cemetery has asked players not to search for Pokémon creatures on its grounds. The Holocaust Museum in Washington D.C. has done the same.

Mind you, the app does include a warning when first loaded to: "Remember to be alert at all times. Stay aware of your surroundings." But that reminder is probably lost on most players.

Already, people have put themselves in dangerous situations. Three people were robbed at gunpoint when they went looking for a creature around a corner past midnight in Parkville, Maryland. The thieves made off with their mobile phones and cash.

A Florida man, thinking they were burglars, shot at some teens who had stopped outside his home at 1 a.m looking for a character.

The Texas Department of Transportation posted a notice on its Facebook page, warning players to be alert to who and what is around them when playing the game, and not to play the game while driving.

And a military base in Washington State, in a Facebook post, warned "budding Pokémon Trainers" to avoid chasing the creatures "into controlled or restricted areas, office buildings, or homes on base."

Pokémon likes data

Experts have also raised privacy concerns as the app requests access to:

- Your Google account
- Your contacts
- Your photos and videos, and
- Your camera to take pictures and videos.

The danger in agreeing to share your data with third-party services is that you can never know how the data will be used, especially when the app has access to just about everything on your phone and e-mail accounts.

Also, when you first start up the app, it asks for your birthday. It's not hard to figure out your name and start a cycle of identity theft once that data is triangulated with your other information.

Also, versions of the game with malware embedded are also floating around. This can allow hackers access to any information the owner accesses with his or her phone.

Stranger danger

Obviously, the game is geared mainly to children. But because it could have them interacting with strangers, you need to have a conversation with your kids about how to behave online and to not give out vital information like where they live, their name and how old they are.

Safety experts recommend turning off the geolocation services on your phone when not using them because they can become embedded in your photos that might be posted on social media platforms.

You should also bar your kids from making in-app purchases, since that will require divulging your credit card information. ❖



Not All Automatic Braking Systems Created Equal



AS TECHNOLOGY improves, so does the safety of the cars that we drive thanks in large part to improvements in braking systems.

For years now we have had anti-lock brakes that have greatly reduced accidents due to the way they react during emergencies, pulsating the brakes to keep the car from skidding as the driver applies sudden and hard pressure.

The latest braking technology promises to further reduce the number of crashes, as well as lessen the impact in

collisions that do occur.

More and more carmakers are installing automatic braking systems in their vehicles and they will be standard in most cars by 2022. That's because automakers representing 99% of vehicle sales have committed to making automatic emergency braking systems standard on all new vehicles by that year.

While you can take comfort that an automatic braking system can save your life, what you may not know is that not all of these systems are created equal. The American Automobile Association (AAA) recently conducted a study of automatic braking systems and found that one type greatly outperforms the other.

The takeaway

We highly recommend buying a vehicle with an automatic braking system as they can greatly reduce the chance of collision, injury and death.

But you have to go beyond the assurance of the carmaker and read the owner's manual to see the type of system with which the vehicle is equipped.

If you can, opt for a vehicle with a collision avoidance system.

Regardless of the system you choose, the best way to avoid crashes is to be an engaged driver. Keep your eyes on the road at all times when behind the wheel.

Being alert will often help you avert potential accidents. ❖

TWO TYPES OF AUTOMATIC BRAKES

- Collision avoidance systems: This type attempts to avoid a crash altogether, and can even fully stop the car before hitting an object ahead of it.
- Collision mitigation systems: This type is not designed to completely prevent a collision, but rather to slow the car down to reduce damage and harm to the occupants.

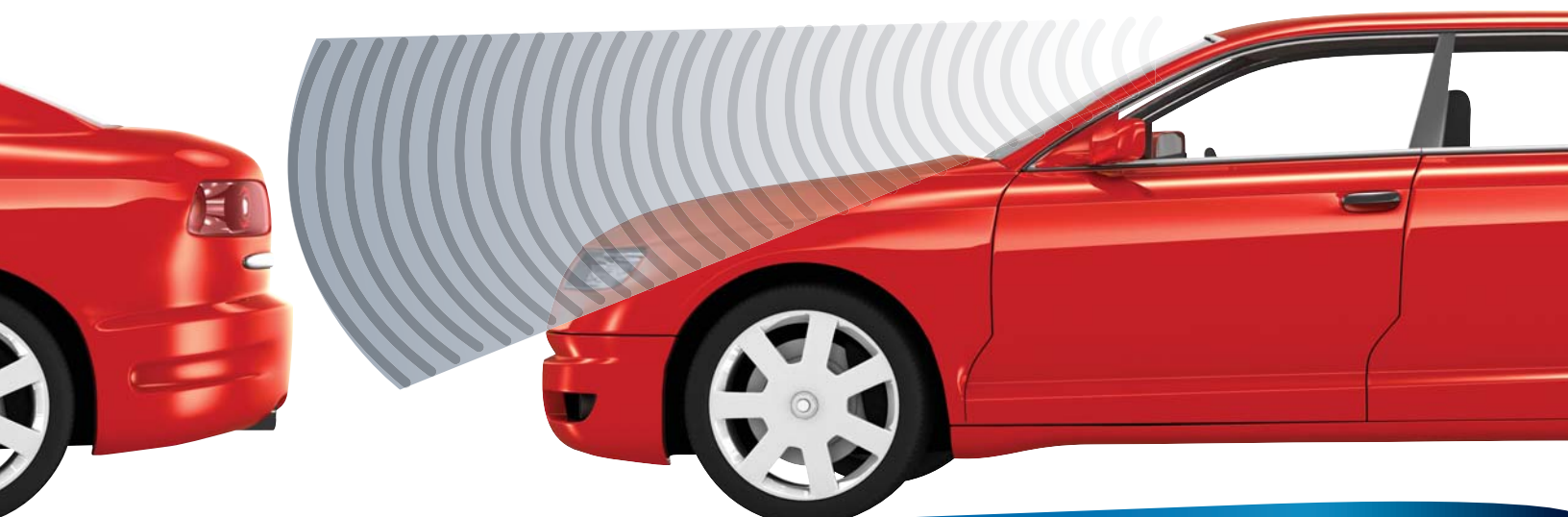
THE 2016 MODEL YEAR TEST SUBJECTS

- A Volvo XC90, which has a collision avoidance system.
- A Subaru Legacy, which has a collision avoidance system.
- A Lincoln MKX, which has a collision avoidance system.
- A Honda Civic, which has a collision mitigation system.
- A VW Passat, which has a collision mitigation system.

AVOIDANCE SYSTEMS PERFORM BETTER

AAA found that:

- Collision avoidance systems reduced a vehicle's speed by twice as much as mitigation systems.
- In tests with a speed differential of 30 miles per hour, avoidance systems managed to prevent a collision 60% of the time.
- In tests with a speed differential of 30mph, mitigation systems prevented a collision 33% of the time.
- Avoidance systems reduced the speed of vehicles before an impending crash by 79%.
- Mitigation systems reduced the speed of the vehicles before an impending crash by 40%.
- When traveling at 45mph and approaching a static vehicle, the avoidance systems reduced speeds by 74% overall and avoided crashes in 40% of scenarios.
- When traveling at 45mph and approaching a static vehicle, the mitigation systems reduced speeds by 9% overall.



Paying for Living Costs after Dwelling Damage

BESIDES YOUR loss of property, one of the main concerns you may have if your home has been damaged by a fire or other calamity is how to pay for your living expenses as you wait for it to be repaired.

Fortunately, the standard homeowner's policy will cover you for your living expenses like staying in a hotel while your home is repaired. This coverage is known "loss of use," and it is designed to reimburse you for the cost of maintaining a comparable standard of living following a covered loss that exceeds the insured's normal expenses prior to the loss.

Actually, the standard homeowner's policy contains three loss-of-use coverages: "additional living expense," "fair rental value," and what is known as "civil authority prohibits use." And typically, these coverages are subject to a limit equal to 30% of the dwelling limit under homeowner's insurance.

So, if you have a policy to cover the full value of your \$300,000 home, the policy would cover \$90,000 for loss of use.

Additional living expense

Additional living expense coverage pays for your increase in living costs when the home, damaged by a covered cause of loss, becomes unfit to live in.

For example, assume a fire guts your kitchen and two bedrooms. Since your policy covers fire and the home is unsafe for the family to occupy, this coverage will pay the extra amount you must spend to live elsewhere for a period of time.

But, the insurance company will pay only the amount necessary for the family to maintain its normal standard of living. If you were not living in a luxury condo before the loss, the insurer will not pay for you to live in one after.

Loss-of-use coverage meets any additional living expenses – or any necessary expense that exceeds what you normally spend.

For example, if you usually spend \$500 per month for groceries and, while your home is being repaired, you spend \$700 a month since you have to dine out instead of cooking at home, your policy will cover the \$200 difference.

Fair rental value

This coverage applies to homeowners who rent out part or all of the premises. Should a covered cause of loss damage the home and make it uninhabitable, the insurance will pay the rental income that the homeowner loses.

Civil authority prohibits use

Sometimes the government will require people to evacuate their homes due to a man-made or natural disaster, such as a wildfire. If the authorities require occupants in a neighborhood to evacuate, the homeowners will obviously have to find accommodation elsewhere and incur expenses.

In cases like these, the families could benefit from civil authority prohibits use coverage.

This insurance pays for the increased cost of living elsewhere for up to two weeks when civil authorities prohibit homeowners from using their residences because of direct damage to neighboring premises caused by a covered peril.

As in the case of additional living expense coverage, the insurer will only pay the amount above non-continuing expenses – and only the cost of maintaining the family's normal living standard. ❖

HAVE QUESTIONS?

CALL US: 800.642.5037

ADDITIONAL LIVING EXPENSE EXAMPLES

- Hotel or rental home charges
- Food and utility expenses
- Additional car mileage