



Insurance by KATIE

K - Knowledgeable A - Attentive T - Trustworthy I - Independent E - Experienced

The Writer Agency
(308) 436-4202

Fall 2007

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“Mid pleasures
and palaces
though we may
roam,
Be it ever so
humble, there's
no place like
home.”

John Howard Payne
US actor & dramatist
(1791 - 1852)



Show Me the Money

Replacement cost value is an essential concept that could have devastating financial consequences if not understood and insured properly. It is the cost to rebuild a home after total destruction. This is **NOT** the same as market value, especially in the current real estate market!

Many policies contain an “80% rule” stating that the company is not required to reimburse you for the total amount of a loss (minus your

deductible) unless your policy lists the value of your home at 80% or more of the actual replacement cost at the time of your loss. They also aren't required to reimburse you for loss expenses that are over the limit listed on the policy. In other words, you are within your contractual duties if you insure your \$100,000 home for only \$80,000 (that's within the 80% rule), however, if the home is totally destroyed by fire or tornado, for example,



you still will only receive \$80,000. You will be \$20,000 short of the money you need to rebuild your home.

As illustrated, it makes sense to insure your home for it's full 100% replacement value and update it regularly.

Often companies perform valuation check ups conducted over the phone or via mail using a standardized form and computerized programs.

Cont.....pg 2

Teen Drivers & Your Auto Policy



Should a teenage driver be insured under the parent's policy or a separate policy in their name? Often, parents want to take a vehicle off of their policy, title it to the minor and have the minor on his or her own policy so other vehicles do not get “rated up” & in hopes of insulating parent assets from a lawsuit against the minor. While there might be rare exceptions, it is almost always better to insure dependent children

on the family policy. First, a parent may be responsible for direct liability involving the child's auto (dad fails to tighten lug nuts and, wheel falls off causing accident). Parents can also be held liable for vicarious acts (acts of others) of minors in their household. In both cases, coverage can be excluded on the parent's policy when the minor has their own policy. Second, just because the child has no assets today doesn't mean that

he or she won't have them tomorrow & in many cases future earnings of a child were later claimed when he reached the age of maturity. Why start their life in financial ruin?

Statistically minors are higher risk drivers. That's why they cost so much. Protect the public & yourself as parents from their potential negligence through your policy via high limits

Adapted from IA Magazine 7-07

School's in! Remember to watch for children walking in or near the street!

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Holiday Fire Safety

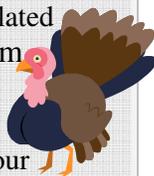
As the holidays rush in upon us, keep the following tips in mind to ensure a safe season:

* Be sure to leave the lid off your jack-o'-lantern when using a candle

* Use a votive candle in a glass holder or tea lights in a metal case

* Don't leave candles burning in jack-o'-lanterns unattended.

* Use turkey fryers outside in ventilated areas, away from buildings and combustibles



* Make sure your Christmas Tree is fresh and not too dry

* Keep water in your tree at all times

* Make sure artificial trees are flame retardant

* Never smoke around tree or flammable decorations

* Always unplug lights before bed or leaving the house

* Don't hang stockings near open flames or heat source



Adapted from Talk of the Town
Vol 14

Show Me - Cont

If you receive a request by your insurance company to complete this survey, please DO. Your agent also has access to these valuation programs and can perform an analysis.

One way to obtain automatic increases to your home value is through Inflation Guard

which increases your home value a specific percentage during the policy period. However, this still does not guarantee adequate coverage because actual costs of construction may increase more rapidly than the policy's coverage.

Be aware that inflationary protection generally does not increase your

home's value enough to reflect any additions or renovations you make. Changes to your home should be discussed with your agent.

Having a proper replacement cost value at the time of loss is imperative. The best protection is to review your policy with your agent every year.

Disability VS Social Security

Are social security benefits adequate? According to the social security website, payment is only made for total disability, not for partial or short-term disability. Social Security defines disability as inability to work in the same capacity as before and inability to adjust to other work because of the condition. Lastly, disability must be expected to last for at least one year or result in death. This strict definition makes it possible that Social Security could deny payments based on the particular circumstances. Medical innovations make it more probable

that people will be able to live with a long-term disability rather than having it result in death. Approximately 1 out of every 7 people between the ages of 35 and 65 can expect to become disabled for 5 years or longer. Almost 30% of people between these ages will experience a disability that lasts at least 90 days during their working careers. Will these disabilities qualify as far as Social Security is concerned? Why take the chance when you can ensure your family's financial stability with disability insurance. Ask your agent about it today.

Adapted from IA Magazine July 2007

Stress Busters

Besides protecting our belongings from holiday fires, it's important to protect ourselves from stress associated with the holidays:

- Look for humor in every situation. Learn to smile.
- Pace yourself by keeping a practical schedule & don't over book yourself
- Release emotions in a healthy way by taking a brisk walk
- Maintain balanced eating habits & avoid excesses
- Talk to someone. They can offer support and a fresh outlook
- Take time for yourself just to recoup

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SAY WHAT?

These at any time

Bodily Injury – includes injury, sickness, disease, & death resulting from any of

Personal Injury – Injury other than bodily Injury arising out of such actions as slander, false arrest, wrongful entry, violation or privacy, & malicious prosecution.



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Current Events – President Kochenower

Kathryn Kochenower, was elected president of Independent Insurance Agents of Nebraska (IIAN) during the association's 100th annual convention in Lincoln on October 11.

An all-time record of over 500 agents and company representatives attended the conference which included a trade fair featuring over sixty

exhibitors. High-profile speakers included Bill Berkley, CEO of Berkley Corp Governor Dave Heineman, IIABA National President Bob Rusbult and National IIABA Chairman Bob Fulwider.

Kochenower addressed over 350 in attendance at the Red Carpet 100th Anniversary Banquet, sharing her vision of "Educate to Perpetuate". She challenged agents to educate themselves to

better serve clients, to educate clients to become better insurance consumers, to educate legislators so changes can be made to benefit insurance consumers, to educate young people about career opportunities in the insurance industry, and to educate insurance companies about the technological advances which can be used in mutual partnership to benefit agents and consumers.



Founded in 1896, the Big "I" is the nation's oldest and largest national independent insurance agents and brokers association.

Its members are businesses that offer customers a choice of policies from a variety of insurance companies.

Independent agents and brokers offer all lines of insurance—property, casualty, life and health.

Insurance Scoring & You

Financial institutions have known for years that some information on your credit record is very predictive of your ability to pay back a loan or credit card balance. To ensure an objective look at this information they developed mathematical models to weigh and score these factors. This process has allowed financial institutions to provide more competitive interest rates to customers.

Since the early 1990's the Insurance Industry has been using similar types of mathematical

models based on credit information to predict losses. As with Credit Scoring in the lending industry, Insurance Scoring has allowed Insurance companies to give better rates to customers who are least likely to have losses.

An individual's CLUE (claim history) and credit history are consistent, reliable tools that can help evaluate the potential chance of loss, while avoiding discrimination against any specific group. Predictive attributes of an individual's credit record include: payment

history, debt ratio, type of credit used, recent account openings, late payments, collections, number of inquiries, etc. A credit based score may improve if consumers pay bills on time, maintain low balances on credit cards, & apply for and open new credit accounts only a needed.

You have the right under the Fair Credit Reporting Act (FCRA) to request a copy of your credit report(s). If you have additional questions about your Insurance Score, contact your agent.



The Certified Insurance Counselor designation is a nationally recognized mark of distinction that represents commitment to continuous development of service and knowledge. With over 100 classroom hours of formal insurance training along with yearly updates, CIC's are a symbol of professional excellence and proven leadership in the insurance industry. CIC's possess demonstrated competence and insurance expertise with dedication to serving individual client needs.



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Personal Property Inventory

As you begin to make your list of "I wants" for the Jolly Old Elf, don't forget to make a list of the "I already have's". Think about any room in your house & from memory try to list

everything in the room. Now, check your list against the actual contents of the room. You'll be surprised how many items you **don't** remember! For that reason ask your

agent for a Personal Property Inventory & take the time to complete it. Making a video tape of each room is also helpful. It may be worth thousands of dollars if you ever suffer a loss.

About Our Organization

Our multiple location agencies represent numerous competitive insurance companies all dedicated to providing superior

coverage and quality customer service. With the support of the staff in Ogallala's office, Katie Kochenower, a Certified Insurance Counselor,

uses her 20+ years experience to provide you with quality, affordable insurance tailored to fit your specific needs.

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Do you know someone who could benefit from personal insurance service? Your referrals are appreciated!

