

THE TRUE COST OF INSURANCE

We are very concerned when a client is quoted a lower rate with another carrier and switches their insurance coverage before consulting Spencer Insurance Agency. To quote a cliché, “If it sounds too good to be true it probably is.” **PLEASE consult with us before switching as we have found that the reason for the lower price is because many coverages were lowered or left out completely!** We owe it to you to review the quote so you can know what the differences are between your current insurance coverage and the new quote BEFORE you switch and it is too late. We understand price is important and will tell you if you did get a better deal than what we can offer. However, we also understand that your **True Cost of Insurance** is more than just adding up your premiums. You could end up paying thousands of dollars out pocket if you do not have the proper coverage or protection for your individual needs.

Check out an actual case below... **You will be shocked at how different the coverages were!**

One of our clients told us he decided to switch to another company. We asked him to email us a copy of the new home and auto policies. We reviewed them and found many differences. Here is a list of what we found:

Auto Coverage	Current Carrier	New Quote	Comment
Bodily Injury	\$500,000 each person \$500,000 per accident	\$250,000 per person \$500,000 per accident	Lost \$250,000 in liability coverage
Property Damage	\$250,000	\$100,000	Lost \$150,000 in Property Damage coverage
Uninsured Motorists	\$500,000 each person \$500,000 per accident Stacked	\$250,000 per person \$500,000 per accident Stacked	Lost \$250,000 in bodily injury coverage for <u>yourself or any covered person</u> as defined by the policy
Underinsured Motorists	\$500,000 each person \$500,000 per accident Stacked	\$250,000 per person \$500,000 per accident Stacked	Lost \$250,000 in bodily injury coverage for <u>yourself or any covered person</u> as defined by the policy
Collision Deductible	\$500	\$500	See Decreasing Deductible
Decreasing Deductible	Yes	Not offered	Each year you're claim free your deductible decreases by \$100. You currently have a \$400 credit so your current collision deductible is \$100
Glass Deductible	\$50	??	Not listed on quote. Could be \$500.
Medical	\$10,000	\$5,000	\$5,000 less medical coverage
Funeral	\$2,500	\$1,500	\$1000 less funeral coverage
New Car Replacement	Yes	Not offered	You currently have New Car Replacement until your car is 5 years old. New quote does not offer any new car replacement coverage.
Accident Forgiveness	Yes	Not eligible	New quote does not provide accident forgiveness
Total Loss Deductible Waiver	Yes	Not offered	Could cost you \$500
Towing	No	\$100	You currently do not have towing coverage.
Rental Car	No	\$30 day/ \$900 total	You currently do not have rental coverage

Home Coverage	Current Carrier	New Quote	Comment
Personal Liability	\$500,000	\$300,000	Lost \$200,000 of liability coverage
Medical Payments	\$5,000	\$1,000	Lost \$4,000 of medical payments coverage
Personal Injury Coverage	Yes	Not offered	New company leaves you vulnerable to a law suit
Deductible	\$1,000	\$1,000	See decreasing deductible
Decreasing Deductible	Yes	not offered	Your deductible decreases by \$100 each year you're claim free until the \$500 minimum deductible
Loss of Use	\$69,600	Actual loss sustained	New company could pay more if actual loss is more than \$69,600.
Backup of Sewers and Drains	\$25,000	\$10,000	Lost \$15,000 of coverage. Plus, their endorsement only covers 6 specific items of personal property. There is no limitation on your current policy; if property is covered under the policy then it is also covered under this endorsement.
Loss Forgiveness	Yes	Not offered	Your rates will go up with new company if you have a loss. Current company will not raise rates after first loss.
Matching Roof and Siding coverage	Yes	Not offered	New company does not have this coverage
Identity Fraud Expense Coverage	Yes	Not offered	New company does not have this coverage
Special Personal Property Coverage	Yes	Not offered	New company does not have this coverage
Additional Replacement Cost on Dwelling	50%	?	Not listed on quote
Equipment Breakdown Coverage	Yes	Not offered	New company does not have this coverage
Buried Utility Line Coverage	Yes	Not offered	New company does not have this coverage
Ordinance or Law Coverage	25% of dwelling	10% of dwelling	New company only allows 10%

We reviewed the differences with our client and explained that the cost is indeed lower because they lost many of the coverages they had on the policies with our agency. His current policies would have been much lower too if we reduced and eliminated coverages. Fortunately our client saw the differences before it was too late. He cancelled the new policies and kept his current policies.

Don't take a chance! Don't cancel your current policies until you have consulted with us. Be sure the money you are saving is worth the risk you are taking by reducing or eliminating coverages. You may save some money now, but when you have a claim in the future and end up paying thousands of dollars out of pocket because you didn't have the proper coverage the savings won't be worth it. **Your protection and peace of mind is our only business!**