

# Lunch Money: Episode 6

## Home, Auto & Personal Articles Insurance



### Basic Home Coverages

Dwelling Coverage: the amount needed to replace the home \_\_\_\_\_

Personal Property Coverage: the amount provided to replace your things

Liability Coverage: provides for claims of bodily injury or \_\_\_\_\_ to others for which you or household members are responsible.

### Renters Insurance

A Renters Policy does not provide coverage for the dwelling structure. Basic Renters Coverage includes:

Personal Property Coverage: you choose how much coverage you need to replace all your property, such as furniture, \_\_\_\_\_, etc.

Coverage often extends to personal property in storage units.

Liability Coverage

### Homeowners Policy

**Detached Structures Coverage** is usually a set percentage of your \_\_\_\_\_ coverage. This can be increased for additional premium if more is needed.

**Liability Coverage:** Your Insurance Agent will review activities that happen on your property and possible hazards to determine how much coverage you will need.

**Loss of Use Coverage:** will help cover a stay in a \_\_\_\_\_ or temporary rental if you are unable to stay in your home

### Other Home Policies

**Builder's Risk Policy:** protects your home's structure while it is still being built.

**Vacant Home Policy:** A special policy is required if you own a home but are not living in it.

**Flood Insurance:** needs to be purchased separately if you want coverage for flood damage.

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### Auto Insurance

Alabama has a mandatory Liability Insurance Law which requires every registered vehicle to have:

**Bodily Injury Liability Coverage:** the law requires a minimum of \_\_\_\_\_ of Bodily Injury

Liability Coverage per person in an accident, up to \$50,000 total for each accident.

**Property Damage Liability Coverage:** the law requires a minimum of \$25,000 of Property Damage Liability Coverage to pay for the \_\_\_\_\_ vehicle or damaged property if you are at fault in an accident.

**Full Coverage** includes \_\_\_\_\_, Comprehensive and Collision Coverage

**Comprehensive:** Covers damage caused by hitting a deer while driving, storm damage and more

**Collision:** Covers damage done if you hit an object or another vehicle

**Other Vehicles:** All Boats, ATVs, Motorcycles and other “Toys” need their own coverage.

If you do not have your own insurance, your financial institution will add \_\_\_\_\_-this does not cover you in the event of an accident.

**Personal Articles Policy:** offers more protection for Personal Property inside your home such as \_\_\_\_\_, firearms, silver, etc. than a Homeowners Policy. You can list each item on your policy and have access to a wider range of claims. You can protect these items with low or no \_\_\_\_\_.

### Claims

Claims are not always necessary. Unnecessary claims stay on your record and can make getting good rates in the future more difficult. Claims are not meant for \_\_\_\_\_.

### Deductibles

Your deductible is the amount you pay before your insurance company will pay to cover damages.

A \_\_\_\_\_ deductible will result in lower monthly payments because you are taking on more responsibility in the event of an accident; a lower deductible will result in \_\_\_\_\_ monthly payments because your insurance company takes that responsibility.