

# Before You Drive -

## A guide to your personal automobile insurance



### Keep your policy current. Contact FIFS when...

- You purchase/lease a vehicle
- You sell a vehicle
- Your child...
  - Gets their driver's license
  - Goes away to college/university
  - Moves out of your household and needs their own auto insurance. We can help them shop for a policy
- A vehicle is garaged, long-term, at an address other than your home
- Your commute distance to work/school changes

### Know your policy

Study the declarations page to be certain the information is correct including your name, address, vehicles, drivers, vehicle usage and garaging location of the vehicles.

Accurate information is necessary to determine proper coverage.

### Recommended coverages

- \$250,000 / \$500,000 Bodily Injury Liability
- \$250,000 / \$500,000 Uninsured Motorist Coverage
- \$250,000 / \$500,000 Underinsured Motorist Coverage
- \$100,000 Property Damage
- \$100,000 Medical Expense Benefit

### Loan/lease gap coverage

This endorsement provides coverage for the difference between the outstanding loan amount and the actual cash value of the vehicle. The coverage must be requested within 30 days of leasing or financing a brand new vehicle.

### Transportation expense

This coverage will pay towards alternative transportation (including rental vehicles) if your vehicle is being repaired from a covered loss. Many policies include basic rental coverage, or it can be added or increased for an additional premium.

### Repair and replacement

Some companies offer Repair & Replacement coverage on brand new vehicles. Rather than being reimbursed for the actual cash value, the company would either repair the vehicle in full OR replace it with a similar type of vehicle of the current year. The coverage must be requested at the time of purchase and there are limitations on the length of time the coverage remains on the policy.

### Towing

Towing can be purchased for vehicles with "other than collision" coverage.

### Aftermarket parts

Policies do not cover the costs of aftermarket parts and accessories. Truck caps, running boards, roll bars, custom paint jobs, or other accessories (not installed by the manufacturer) can be included in your policy for an additional premium.

### Rebuilt/reconstructed title vehicles

R-title vehicles generally do not qualify for physical damage coverage. Any exception is at the discretion of the insurance company on a case-by-case basis. R-titles may also affect the value of a claim settlement due to the diminished value of a vehicle.

### Classic and antique autos

Vehicles that are not used for primary transportation and meet the definition of classic or antique may be added to the personal auto policy at a discounted rate. These vehicles may be insured at stated values if accompanied by an appraisal. We also have companies through FIFS that specialize in antique and classic autos.

### RVs and trailers

Motorhomes, campers, and trailers that are licensed may be insured under your automobile policy. There are also travel trailer and recreational vehicle policies available giving coverage tailored specifically for these vehicles. If you have a travel trailer or recreational vehicle, we can help you determine the best option for you.

When towing a trailer, liability coverage is provided by the vehicle that is towing the trailer. The personal auto policy does not provide coverage for the contents of the trailer such as ATV's, snowmobiles, or other personal property. These must be insured on a separate policy.

### Company vehicles

Do you ever use your company vehicle to stop at the grocery store, head to the soccer field, or other personal activities? Whether you're an employee or business owner, and no matter the size or type of vehicle, the business auto policy for your company vehicle may not provide the personal coverage you expect after an accident. We can provide this missing coverage on your personal auto policy for just a few dollars.

Our goal is to give you peace of mind knowing that the things that are important to you are protected at every stage in your life. We are here to assist you with your personal auto policy. Contact us today at info@fifs.com or 267.384.5300.

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## Controlling your premium

**Deductibles** - Higher deductibles for Collision and Other than Collision (Comprehensive) will reduce your premium.

**Discounts may be available for drivers:**

**Good Student\*** for full-time students who have attained a 3.0 or higher GPA for the semester prior to the policy renewal.

**Resident Student\*** if your child is a full time student at a college or university which is located more than 100 miles from your residence, and they do not have a vehicle with them at school.

**Driver Training\*** for students who have taken 30 hours of classroom instruction and 6 hours of behind the wheel training by a certified driving instructor.

**Driver Improvement\*** for drivers over 55 years of age who have successfully completed a state approved driver improvement course within the last 36 months.

**Safe Driver** for those with a record of no at-fault accidents for a period of time.

\*Certificates or grade reports may be required

**Discounts may be available for vehicles:**

**Anti-Theft Device** for vehicles with factory installed or after-market security systems.

**Passive Restraints** for vehicles that include airbags and passive seatbelts.

**Anti-Lock Brakes** for vehicles with 4- wheel anti-lock braking systems.

**Auto & Home** for insuring both policies with the same company.

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## What to do if you are in an accident

Always call the police first, especially if you are not at fault. A police report or witness report can be the key to a fair settlement and determination of fault. DO NOT offer to handle a claim on your own without contacting us first. Do not accept someone else's offer to handle the claim without a police report or evidence of fault.

Call our office during business hours or the insurance company accident hotline 24/7. All of the company claim information is available at our website and on our office after-hours answering service.

If calling an accident hotline, have your policy number and contact information ready so the company can easily get in touch with you. Be prepared to give a statement regarding the accident.

We are happy to assist you with the claim process when you have any questions or concerns. This is why we're in business!

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## Ridesharing

Driving for Uber, Lyft, or a similar rideshare service can be a great way to make some extra money. It can also put your auto policy in jeopardy because the insurance policy stops if your auto is used for "public or livery conveyance". In other words, driving passengers for pay is not covered by the standard policy.

The good news is that some insurance companies offer endorsements to cover you if you are driving for a rideshare service. Contact FIFS and we can help you get the proper coverage so that you are not putting your personal assets at risk if an accident occurs.

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## Personal umbrella coverage

A Personal Umbrella policy provides liability protection in addition to your homeowners, automobile, rental properties, and recreational vehicle policies. This "personal umbrella" provides another layer of liability coverage if you are sued personally. Contact FIFS for more information.

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Our goal is to give you peace of mind knowing that the things that are important to you are protected at every stage in your life. We are here to assist you with your personal auto policy. Contact us today at [info@fifs.com](mailto:info@fifs.com) or 267.384.5300.

*Smart Choices for a Secure Future*

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## Commonly used terms

**Limited Tort** limits your right to sue for non-economic loss, except in cases of serious injury.

**Full Tort** does not limit your right to sue for non-economic loss.

**Bodily Injury / Property Damage Liability** pays for bodily injury or property damage to others when you, the insured, are legally responsible for an automobile accident. In addition to the payment of those damages, the insurer also agrees to defend you, the insured, for all legal defense costs.

**Uninsured/Underinsured Motorist** protection pays for economic loss to an insured who is injured by an uninsured or underinsured motorist, a hit-and-run driver, or a driver whose insurer becomes insolvent.

**Other than Collision (Comprehensive)** pays for damage from most causes (other than collision) such as glass breakage, fire, theft, hail, vandalism, and animal impact.

**Collision** pays for damage caused by a collision of your vehicle with another object.

**First Party Benefits (FPB)** FPB are for you and your family members if you are in an accident, even if in someone else's vehicle or if you are a pedestrian. These payments are made without regard to fault. The medical expense benefit is required on a Pennsylvania auto policy; all other FPB coverages are optional.

**Medical Expense** is an FPB that pays for the medical treatment, recovery and rehabilitation incurred because of injury in an accident.

**Extraordinary Medical Expense** is an FPB that extends coverage for the medical expenses that exceed \$100,000.

**Work Loss** is an FPB that provides loss of income up to a percentage of the income actually lost due to injuries in an accident.

**Accidental Death** is an FPB that provides a death benefit to you or your family member's estate if bodily injury in the accident causes death.

**Funeral Expense** is an FPB that assists with the burial costs should you or a family member die in an accident.

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## Renting a car

The liability from your policy will typically transfer to the rental vehicle. You **MUST** have collision coverage on your policy in order for physical damage coverage to transfer to the rental car. Be aware of certain policy limitations when renting a vehicle:

- All drivers of the rental vehicle **MUST** be insureds on your personal auto policy. If others will be driving the rental car, they will need to check with their agent for coverage options.
- If you have an accident in the rental car, the rental company may argue that the resale of the car is less than it was prior to the accident. This is called "diminished value", and they may hold you responsible for the difference in value.
- If you have an accident in the rental car, the rental company may ask you to cover their "loss of use" since they will be unable to rent the car until it is repaired.
- If you have an accident in the rental car and it is determined a total loss, the rental company will expect you to replace the vehicle. Your policy will **ONLY** pay the Actual Cash Value of the rental vehicle. You will be responsible for the difference.

How do you avoid these coverage gaps? By purchasing the insurance coverage offered by the rental company. Simply hand them the keys to the damaged rental vehicle and walk away!

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