

What do I need to know about Auto Insurance?

What coverages do I need?

In case you're involved in an accident, auto insurance provides financial protection for you and your family. It pays for the damage and injuries caused by the accident and for repairing or replacing your vehicle if it is damaged or stolen.

State Requirements

As per state rules, you are required to carry auto liability insurance (or post a bond) and provide proof of insurance before you can license your vehicle or renew your driver's license. If you are caught driving without insurance, you may have to pay a large fine and have your driver's license suspended.

California State requires drivers to carry minimum liability coverage. In many cases, the required minimum coverage may not be enough to pay for all the damages that result from an accident and the driver will have to pay the additional expenses out of pocket.

Types of Auto Insurance Coverages

There are many different types of auto insurance coverages for you to choose from. We will work with you to decide what coverage combinations provide the best protection at a price that fits your budget.

- **Collision:** Collision coverage pays for damage to your vehicle that results from a collision with another vehicle or object. Generally, the coverage reimburses you the amount needed to repair or replace your damaged vehicle, minus the deductible.
- **Comprehensive:** Comprehensive coverage protects your investment in your vehicle by paying for losses resulting from fire, theft, falling objects, riots, storms, earthquakes, floods, collision with a bird or animal and other natural occurrences. Like Collision coverage, Comprehensive coverage generally includes a deductible.
- **Deductible:** The deductible is the amount of the loss you agree to pay or absorb in the event of a claim or accident. Let's say you have a \$250 deductible. If you have a fender-bender, and the bodywork costs \$1150, you will pay the deductible - \$250, and your insurance company will pay the balance - \$900. With auto insurance, deductible amounts typically range from \$50 to \$1,000 per claim. **Choosing a higher deductible reduces the cost of your insurance.**
- **Bodily Injury:** Bodily Injury coverage pays for any person(s) injured or killed in an accident where you are at fault. Coverage includes medical expenses and lost wages. These coverage's are subject to the limits and conditions of your policy.
- **Property Damage:** In a collision where you are at fault, Property Damage covers your liability for damaging another person's personal property, such as an automobile, house or fence.
- **Medical Payments:** This coverage pays medical bills and funeral expenses for you or a passenger injured while riding in your vehicle. Coverage extends to you or a family member when riding as a passenger in someone else's vehicle or when struck by a vehicle when on foot. Costs are covered up to the amount specified by the policy.
- **Uninsured Motorist/Underinsured Motorist:** Uninsured Motorist coverage protects you, members of your household and your passengers in an accident with a motorist who has no insurance or is underinsured. Uninsured Motorist protection also covers you if you're injured by a hit-and-run driver. The coverage also applies to you and the members of your household as pedestrians. Coverage includes payment of medical costs, lost wages and pain and suffering. It is required in many states. In some states or insurance policies, Underinsured Motorist protection is separate from Uninsured Motorist coverage.
- **Emergency roadside assistance and towing service:** The Farmers Tow Program (FARMTOW) provides access to roadside assistance at any time of the day or night. Not only does this program provide towing to the nearest qualified repair facility, but it also provides service for "lock out", battery "jump start" and other labor charges performed at the place of your vehicle's disablement.

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CA Lic# OE60926