

## AUTOMOBILE INSURANCE INFORMATION

Pennsylvania Law requires every motor vehicle which is operated or registered in Pennsylvania to be covered by Automobile Insurance. Selecting the right coverage for you and your family is often a confusing ordeal which can have very serious consequences in the event you or a loved one is injured in an automobile accident caused by somebody else. Some Insurance Companies try to maximize their profits by selling the least amount of coverage required to put a vehicle on the road in Pennsylvania. Many customers unwittingly limit their rights and those of family members living in their household by purchasing the bare minimum coverage required. Some Insurance Agents selling these products don't fully understand the risks involved to a consumer and often do not take the time or are unable to explain the consequences of certain selections you will be asked to make when purchasing automobile insurance.

The coverage that every automobile must have is Liability Coverage. This is the part of your insurance coverage which pays for injuries or damages you might cause to somebody else while operating your motor vehicle.

But one choice you will have to make when purchasing an automobile insurance policy is whether to choose Full Tort coverage or Limited Tort coverage. There is *never* a good reason for anybody to ever select Limited Tort coverage. In Pennsylvania everyone should *always* select Full Tort coverage. If you select Limited Tort coverage you are legally limiting the right you (and often your family members) have to recover all damages to which you are entitled in the event you are injured in an accident *caused by someone else*. Many people feel that they and anyone operating their vehicle are

generally safe drivers and may have never caused an accident or been involved in an accident during their driving years and therefore they want "limited coverage". They misunderstand the consequences of selecting Limited Tort on their policy. The election of Limited Tort or Full Tort has nothing to do with your own driving abilities. By selecting Limited Tort you have reduced your ability to make a full recovery in the event ***somebody else***, over whom you have no control, causes an injury to you or your loved ones. The only entities that benefit from your selection of Limited Tort coverage are the Insurance Companies who still continue to charge premiums for Limited Tort coverage and the driver who caused your injury. There is no benefit to be gained by you (other than slight savings on your insurance premiums) from a selection of Limited Tort coverage. It is for this reason that it is our recommendation that everybody always select Full Tort coverage. You should never sign any document when applying for insurance coverage indicating that you are electing Limited Tort coverage.

Likewise, every motor vehicle Liability Insurance Policy issued in Pennsylvania also must provide the opportunity for the consumer to select Uninsured Motorist and Underinsured Motorist coverages in the amounts ***at least equal to the liability limits*** selected. Uninsured Motorist coverage on your own policy compensates you if you suffer an injury in a motor vehicle accident ***caused by the negligence of somebody else*** and the other person has no insurance to compensate you for your injuries. Likewise, Underinsured Motorist coverage through your own policy compensates you (or your family members) who suffer injury in a car accident which is caused by somebody who does not have enough coverage to fully compensate you (or your injured family member) for the damages sustained through no fault of your own. By law, in Pennsylvania, every

auto insurance policy must have Uninsured and Underinsured coverages equal to the liability limits (the amount of coverage you select to pay for damages you might cause to somebody else) *unless* the consumer signs a form expressly rejecting Uninsured or Underinsured motorist protection or expressly reducing the amount of that coverage to a figure less than the liability limits. Like with the Full Tort selection, there is never a good time to voluntarily reject or reduce the amount of Uninsured and Underinsured motorist coverages on your policy. This coverage protects you and your family members for injuries caused by somebody else who either is operating a vehicle illegally without insurance or who does not have anything but the minimum amount of liability insurance and therefore not enough insurance coverage to pay for your damages in full. Insurance companies who are selling motorists the minimum coverage necessary to keep them legal are generally selling to the most hazardous drivers. Uninsured or Underinsured coverage is there to compensate you, not somebody else, if one of these drivers causes injury to you.

If your policy covers more than one (1) vehicle, in order to maximize your coverage, you should also elect to *stack* the Uninsured and Underinsured Benefits. This means if you have elected Uninsured or Underinsured Motorist coverage limits of One Hundred Thousand Dollars (\$100,000.00) and you have two (2) vehicles on the policy. The stacked coverage to which you and your family members would be entitled would be up to Two Hundred Thousand Dollars (\$200,000.00).

When talking with your Insurance Agent about your automobile insurance coverages you should make sure of three (3) things:

1. Elect Full Tort Coverage

2. Maximize your Uninsured and Underinsured Motorist coverages. Never reject Uninsured or Underinsured Motorist Coverages. Never sign down or reduce the amounts of those coverages.
3. Always elect "stacking" if there is more than one car on the policy.