

WHY WE TAKE MORE THAN 15 MINUTES TO QUOTE YOUR INSURANCE!

What is our job as an insurance agent? A prospective client recently contacted us regarding insurance for his farm and home and outbuildings. Earlier he had called another local agency of which I am familiar, and purchased a policy from them. In my opinion this agency should not possess an insurance license. Incompetent would be the nicest description I would offer. Uncaring about the applicability of what was being sold would be the second description I would use.

The prospective client gave me the contract that was given to him to protect his body shop business and the building it was housed within. I looked at the policy and immediately saw it was a Dwelling Fire policy for a vacant building that didn’t even exist on the premises. It contained no coverage for his body shop business or the building it was in. None! He had been paying for this worthless policy for over 6 years. Was the agency just doing their job quoting a policy? The policy buyer asked for a quote and he got a quote from the agency. One quote is as good as another, right? They took his order and thus fulfilled their job as an order taker.

Is an agent’s job to take orders without asking any questions from a customer who has no idea what coverages they need for such a critical financial product as coverage for a body shop, or even for an auto or homeowners product? I don’t think it is. The client, and possibly the agent, had no idea what he was being quoted. The client asked for a policy and he got a policy. But it was worthless. Did the client ask for any particular coverages to be on the quote? How could he, he had no idea what coverage was needed for his protection. When he received the policy he simply filed it away without reading it. After all, the agent should have known what he needed!

A huge proportion of agents and even insurance carriers care only about generating sales. Many insurtechs and carriers have built innovative marketing platforms that make consumers feel empowered to make insurance decisions. This is a false premise, however, because how can a person who knows nothing about their actual insurance needs make the right decisions? I can hear the political correct raging that of course consumers can make their own decisions. I have been educating my two sons for 20 years now so that they will know more than the agent down the street when it comes to a homeowners policy. Most agents, whose policies I see in my office almost daily, do not appreciate how important it is to sell homeowners full assessment and ordinance coverages. There is no way that most consumers would know how important these coverages are, and therefore, can’t make the right coverage decisions.

Have most consumers ever read their contracts for home and auto protection? No! In fact at a recent webinar, with 63 agents attending, when the instructor asked all agents who had even read their own auto and home policies, only 4 of the 63 raised their hands.

Insurance policies are legal contracts and insureds never read their contracts. If you haven’t read them and your agent hasn’t read them, no one involved has any idea whether the legal contract being sold is appropriate. Would you buy any other contract like this without reading it first? Is this any way to buy, or even sell, legal services? Yet this is what that agent did when offering the contract he sold to the owner of the body shop.

So, is it an agent’s job to sell a legal contract without knowing what is in it or without asking anything from the prospect before doing so to be certain he/she has the proper coverage for their risk? The agents job isn’t to just sell you a policy. It’s to protect you from financial harm when you need coverage for a risk you may not have even considered before he came.

You also need to consider the financial standing of the insurance company itself. When I wrote the City of Ankeny’s insurance some time back, the previous carrier went bankrupt within six months into the new term. I actually had the previous agent call and thank me for writing the business from him as he would now have to go back to City Hall and ask them to pay another huge premium when they thought the policy would run for a full year.

There are a lot of things we have to be aware of to properly serve our clients and they have almost nothing to do with whose premium is lower! There is no such thing as “apples to apples” quotes. No two agents are alike and even if it was “apples to apples” the coverage under the old policy may not be appropriate now due to changes the insured has made. How would the new, or the old agent for that matter, know about this unless they spent more than 15 minutes with you and asked questions. Our agency uses our Risk Reduction Letter to catch things like this before the renewal dates. That’s why we send it out. We don’t want a claim denied that could have been covered had we known of the change or addition.

There is a lot more to being an insurance agent than using a computer to obtain a premium rate that beats the premium you now have by a few dollars but has much less coverage inside the contract itself.

UMBRELLA CLAIM EXAMPLES

An umbrella policy can be a foreign concept to many. You generally may understand auto and home insurance, but the benefits of an umbrella can often be unknown or not understood.

That's why umbrella claim examples can be helpful to demonstrate and explain the value of an umbrella policy.

An Auto-Owners executive umbrella is for everyone, not just the wealthy. An executive umbrella policy benefits you with added liability protection for lawsuits and casualty claims that arise against them.

It protects you from exposures like automobiles, dog bites, slip and falls on owned property, owned watercraft, and personal liability. It protects assets from a liability suit and paying out of pocket if there was a catastrophic liability suit. It also provides defense coverage and, in some cases, *may provide coverage when the primary policy does not.*

EXECUTIVE UMBRELLA CLAIM EXAMPLES

Executive umbrella claim examples are an effective means to explain the benefits and value to a policyholder. Ultimately, these examples will help you sell an insurance policy and show how it provides value:

Fell off roof: A policyholder's friend was working on the policyholder's roof while trimming trees and fell to the ground. He was severely injured. The friend sued to cover the sustained injuries and lost wages as a result of this accident.

ATV - 4-wheeler: A policyholder's son was operating an ATV and carrying multiple riders. They crashed and the riders incurred major injuries. The riders sued to cover the medical cost from the major injuries.

Lawn mower: A neighbor of a policyholder was mowing their own lawn. While mowing, something came out of the mower and damaged the neighbor's eye. The item that flew out of the mower was from a construction project on the policyholder's property. The neighbor sued to cover the medical cost incurred for the eye injury.

Auto underinsured coverage: A policyholder was hit by a vehicle while riding her bicycle and suffered a skull fracture and a serious brain injury. Both the underlying auto policy and the umbrella policy paid policy limits for underinsured motorist coverage, as the at-fault driver did not have adequate liability limits. You must have underinsured motorist coverage on the umbrella policy for this coverage to be paid.

Auto bodily injury coverage: A policyholder was at a stop sign while driving and pulled out in front of another vehicle (the other vehicle did not have a stop sign). The operator of the other vehicle sued to cover the extensive medical bills.

Hotel sprinkler-head water damage: A policyholder was in a friend's wedding and hung his tuxedo on the sprinkler head in his hotel room. The hanger was later hit by a door, breaking the sprinkler head and causing water damage. The hotel sued the umbrella policyholder for the cost that the hotel incurred from the sprinkler damage.

Watercraft: A policyholder's son was operating a boat and slowed down to go over a wake, causing a passenger in the boat to fall off the bow and sustain a major injury. The passenger sued the policyholder to cover medical bills as a result of the accident.

The Auto-Owners executive umbrella policy gives the policyholder added liability protection - liability protection for automobile claims, watercraft claims, ATV claims and personal liability claims.

Not all Umbrella policies are this good. Some are following form and only add additional protection over and above the same company’s underlying coverage for auto, home, etc. So, if no underlying coverage for the loss with the same company as the umbrella is with, these following form umbrellas would not apply either.



Distracted Driving on the Rise

Distracted driving increased during the pandemic, according to a study by Travelers, with a growing number of people reporting using their mobile devices while driving. A large contributor is an increasing need to be constantly connected at work with 1 in 4 respondents saying that they answer work-related calls and texts while behind the wheel.

Pre-pandemic, only 19% of drivers reported using a mobile device for texting or emailing while driving. This year, that jumped to 26%. Slightly more than I in 10 reported checking social media while driving before the pandemic, a number that has increased to 1 in 5. And 19% have taken videos and pictures behind the wheel during the pandemic, up from 10% pre-pandemic.

With such dangerous driving behaviors, 2020 motor vehicle deaths were up 8% from 2019, which is the highest percentage increase in 13 years, according to the National Safety Council.

**17% OF DRIVERS ADMIT TO SHOPPING ONLINE WHILE DRIVING DURING THE PANDEMIC.
UP FROM 8% PRE-PANDEMIC**

WARNING! FLOODING MAY BE JUST AROUND THE CORNER!

Warmer weather is coming which means the potential for inland flooding - increasing your risk of exposure, even in areas not typically prone to flooding. Keep in mind, nearly 20 percent of flood claims occur in low-to-moderate-risk areas. Since flood insurance typically needs 30 days to take effect, now is the time for your customers to put the proper flood coverage in place to help protect their property.

Inland flooding can occur from a variety of factors, including:

- Winter melt and spring flooding
- Flood after wildfire and mudslides
- River flooding



Call us for a quote for Flood Insurance. Some plans have no waiting period after being issued.

3.15% GUARANTEED FOR 5 YEARS (Or 2.65% for a Guaranteed 3 year period)

- 10% Penalty Free Withdrawals
- Pays the full accumulated value at death
- A rated insurance carrier
- No taxes on accumulation until you withdraw the money. Your money grows much faster.
- \$10,000 minimum deposit
- Beats other safe money choices by a mile!

Generally speaking, a multi-year guaranteed annuity is going to be much better for you than a CD! Reach out today and discover how a MYGA could help your retirement. (Multi-Year Guaranteed Annuity)



Call us today for details on this product. 515-964-0637. Ask for Lew or Chris.

WHY IS MY AUTO INSURANCE GOING UP SO MUCH?

Auto insurance is on the rise again. We were next to lowest last year but who knows what this year will bring. We’ve had people tell us that they could buy a new car cheaper than an almost new car these days. If you don’t have to replace a used car, now is the time to sell it.

Values have risen 46% over the past two years.

What this means to your auto insurer is that every used car that is wrecked is worth more than it was before by a whopping 46%. So they must pay that 46% more to settle claims both for their own insureds and for the cars that their insureds damage or total.

If this continues its upward trend we will have much fewer two or more car families soon. Especially when you couple this with the large increase in gas prices along with increased value of the used car itself.

I was really upset thinking about this until I saw a few of the photos coming from Ukraine showing cars blown away and people’s homes completely in rubble and hearing about loved ones murdered by the Russian troops invading that country. It’s difficult for me to understand how the Russian troops could do this to people in their own back yards—many who are related to them.

Is It A Big Mistake To File A Small Claim?

You know that sinking feeling you get when something goes wrong with your house? Whether it’s a stolen bike or a burst pipe, your first reaction may be to call us to file a claim. In reality, filing a claim “just to be on the safe side” could cost you -- in more ways than one. But won’t your insurance just deny claims that are too small? Not necessarily. Find out how to decide which claims to file and which to pay for out of pocket:

Should you file a claim?
It depends.

Some types of events, think fire or theft, are too serious and expensive to tackle on your own. Anything causing significant damage that would be impossible to pay for, even with your emergency fund, is probably a good claim candidate.

What if...?
Here are a few common scenarios and how you might want to deal with them:

You recently filed a claim. Think long and hard before submitting another. Most underwriters assume one claim every 10 years is average. Filing more could be cause for a rate increase.

The claim is related to home maintenance. Nope -- upkeep falls squarely on you. If it’s revealed that you’ve let your maintenance schedule lapse on things like plumbing or HVAC systems, your homeowners policy could even be canceled.

The cost to repair the damage is well over your deductible. Yes, report right away. Say a tornado takes out the whole back half of your house. In this case, filing a claim is the only way to make your home livable again.

When it comes down to it, you have homeowners insurance for a reason. If you need it, use it. Just be smart about when you do and you could save yourself a lot of stress and a good chunk of money. Have questions about whether or not to file a claim? Reach out anytime.

**God handles billions of calls a day, and He has never hung up on anyone.
“If you believe, you will receive whatever you ask for in prayer according to His will.
Lord, thank you for always being therein my time of need.
And, all the other times too!**

THE HIDDEN RISKS OF HOLDING ASSETS IN TRUSTS AND LLCs

If there is one thing financial advisors understand, it's the critical importance of clarity in who owns a particular securities account. Make even an innocent mistake in the ownership record of an inherited individual retirement account, for example, and your client may wind up with a tax bill of several thousand dollars.

Other kinds of costly ownership record problems can arise for wealthy clients when they place assets such as homes, boats and other property into trusts and limited liability corporations (LLCs).

Financial advisors don't usually get involved with the decisions to create these legal vehicles, which can be useful tools for tax, privacy or other reasons. But if advisors are aware that trusts and LLCs exist, they can help clients avoid problems that may jeopardize a client's total wealth.

INSURING TRUSTS

Specifically, the problems involve trusts and LLCs often being inadequately insured, inappropriately insured or usually inadvertently not insured at all. This often occurs because those involved in the creation of the trust or LLC neglected to consider relevant insurance implications. When a trust or LLC is not properly protected, its assets are put at risk, and that can present unexpected and unpleasant surprises for the trust's beneficiaries and those with interests in the LLC.

Advisors should know that insurance on property that has been put in a trust or has been transferred to an LLC can be handled in one of two ways: The LLC or trust can be the "named insured" on the policy, or it can be the "additional insured or additional interest" on the policy of the persons who placed the property in the trust or transferred ownership to an LLC. There are advantages and disadvantages to each option.

If the trust or LLC is the named insured, the advantage is that there is more complete separation between the trust or LLC and the beneficial owners. In the case of a house put in a trust that is the named insured, for example, the beneficial owners living in the house probably would have to buy renters' insurance to cover their personal belongings and personal liability insurance if they do not have such coverage extended from another location or policy. The reason for what might seem like duplicate coverage is that the beneficial owners and the trust are completely separate legal entities that require independent protection.

When a trust or LLC is named an additional insured or additional interest on the policy covering the property the beneficial owners remain as the named insureds and don't need a separate renter's policy or personal liability policy for the property.

The downside to this is that there is not true separation between themselves and the legal entity that actually owns the property. That may create risks that the beneficial owners were trying to avoid when they placed the ownership of the property in the trust.

OTHER RISKS TO CONSIDER

Often, an LLC will employ domestic staff to maintain a residence. If it does, the LLC requires coverage for employment liability exposures. If the property owned by an LLC or trust is used to generate income or as a business enterprise (a ranch, farm or winery, for example), the LLC or trust will need commercial coverage.

This is an area where insurers with extensive experience in insuring successful individuals and families can provide family offices and other wealth managers with insights and sophisticated coverage options that will accomplish the objectives the client wishes.

Who's the Money For? And How Much?

Below are **hypothetical examples** of how much you could pass as a taxable, or tax-free benefit, to your children, grandchildren or charity, depending on where you put your money.

Illustration Date

1/5/2022

Illustrated For:

Valued Client

How much could your beneficiary receive?	Taxable CD		Fixed Annuity		Single Premium Life		
	* Rate	1.00%	* Rate	3.00%	Life Ins. Cash Value	Female	63
	Deposit	\$150,000	Premium	\$150,000	Premium	\$150,000	Death Benefit **
At Date of Issue	\$150,000		\$150,000		\$150,000	\$293,049	
End of 5th Year	\$155,942		After Tax \$168,635		\$150,000	\$296,651	
End of 10 Years	\$162,119		After Tax \$190,238		\$170,858	\$293,049	
End of 20 Years	\$175,218		After Tax \$244,315		\$218,497	\$293,049	

* Rates are current rates, subject to change

Call us at 515-964-0637 for an example at your age.

10 Motorcycle Facts that will make you a better biker

Before you hop on that bike, check out these motorcycle facts to make sure you stay out of trouble and on the road.

As a new rider, it’s tempting to start your bike and head out on the highway, but there’s a lot that goes into choosing the right motor-cycle and learning how to ride safely. Riding comes with the responsibility to make smart decisions that are right for you. From choosing the right bike to the right gear to feeling comfortable on the road, knowing a few basic motorcycle facts can improve your riding savvy.

1. You don’t need a bigger bike

There’s no “right” motorcycle for a new rider, although there are some that are better than others. No matter how experienced you are as a driver, hopping on your bike is an entirely different reality, and starting out with too much power can get you into trouble quickly.

For most new riders, a smaller bike with a 250 or 500cc engine is a good starting point, and can serve you well for many years. Some carefully selected larger bikes may work for new riders, but as you get into more power, bikes get more expensive, heavier, and harder to control.

2. The right height is important.

Seat height is another important factor in choosing a bike. Most new riders will want to be able to put both feet flat on the ground. Look at the length of the bike, too, as reaching for the clutch may make some riders uncomfortable.

3. That “cool” bike may not be so cool when you have to repair it.

Consider the availability of mechanics and parts when you buy a bike. More common brands, like Honda or Yamaha or Harley Davidson (yes, they do have a beginner model), may be easier to service than not-so-common brands. For instance, there is one Royal Enfield Motorcycles dealer in Minnesota, while there are hundreds of Honda dealers.

4. You need to buy more than just the bike.

Don’t spend all your money on a motorcycle. You’ll still need to buy a helmet, gloves, boots, a jacket, and pants. A good, DOT-approved helmet can run anywhere from \$100 to well over \$500. And a protective riding jacket and pants will add another \$300 - \$500. Additionally, many states require you to take a motorcycle safety course before you can get a motorcycle license.

5. Don’t spend a lot on your bike.

That shiny new motorcycle in the shop is alluring, for sure, but you’re probably better off buying a used bike in good condition. It’s less out of your pocket if you decide you don’t like riding or if you find you’re more comfortable on a different type of bike. Beyond that, most new riders drop their bikes a few times, and it would be really disappointing to ruin that new paint job.

6. Plan to practice.

If you’ve spent any time in a car, you know how many distracted drivers are on the road. On a motorcycle, you don’t have the safety of a steel cage around you, seat belts, and air bags. Your best defenses on a motorcycle are your riding skills and your reflexes. That’s why practicing in an empty lot or on a quiet street is so important. Those evasive moves have to come naturally, without thinking.

7. You may get injured.

We don’t want to dampen your excitement, but it’s important to know the motorcycle facts and statistics before you ride. According to the Insurance Information Institute, the rate of injuries for motorcyclists has been right around 1,000 per 100,000 registered motorcycles. This is why investing in high-quality riding gear is a must.

8. You can maintain your bike on your own.

Basic motorcycle maintenance is easier than you may realize. Check your tires for even wear, tread, and air pressure every couple of weeks. Check your fluid levels regularly, as well, and learn to change your oil. Keep your chain and sprocket clean and lubricated. You can buy specific products for this at your motorcycle dealer.

9. You’re invisible.

And not in a cool way like a cloaked Klingon ship. You have to assume you are invisible when you’re on your bike. That means it’s your job to be hyper-aware of traffic, pedestrians, road conditions, and even well-meaning and cautious motorists who just don’t see you.

10. Riding is fun

This may be the most overlooked of all motorcycle facts. Getting on the road with nothing but the wind between you and your destination is a unique experience. It’s a feeling that builds bonds between riders and breathes life into country roads. Be safe. Be careful. Have fun.

One way to take care of your motorcycle is to make sure you have the right insurance. Contact us today to learn more about getting the insurance you need. 964-0637.

DOUBLEDAY INSURANCE AGENCY, INC.

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Vol 2, 2022

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A Newsletter For Friends and Clients of Doubleday Insurance

Love Beyond Words



The way you express your love each day, whether through words or actions, strengthens your relationships and makes those close to you feel valued.

Love can be expressed in many ways: a knowing glance, a kind deed, shared memories, a thoughtful gift, or words of encouragement.

Getting life insurance is an expression of love that goes beyond words. It shows your loved ones—with certainty—that you care about protecting their future.

It's time to express love beyond words with life insurance.

TO CONTACT US:

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Rural Road Safety

Farmers will soon be on the road again so please be on the lookout for them and pass carefully, either direction.

Tips for Drivers:

Keep a lookout for farm machinery during harvest time. Slow down anytime you are going around curves or up hills during harvest season. Quickly approaching a piece of farm machinery increases your likelihood of getting into an accident or getting run off the road. Give yourself plenty of space by slowing down and being prepared. Also, be aware that farm machinery can enter a public road from a field or driveway, so keep your eyes alert.

Farmers might need to cross over the center line. They do this to avoid objects or to make wide turns. This does not mean they are crossing over for you to pass on the right side. The drivers have large blind spots and most likely cannot see approaching vehicles, so it is your responsibility to slow down.

Farmers most likely do not see you. It is important to remember that if you do not see the driver, then the driver cannot see you. The bulky equipment and the sizable load can easily block part of the farmer's view, thus making it very difficult to see vehicles around them. When in doubt, assume the driver does not see you.

Farm machinery drives slowly. In most cases, tractors and combines will drive 25 miles per hour or less. When you are approaching an SMV (slow moving vehicle), begin to slow down immediately. Give yourself plenty of time to reach the slower speed. Also, familiarize yourself with what an SMV emblem looks like so you can recognize it quickly.

Have patience. Farmers will try to hug the right line to let you pass, but only when it is safe to do so.

Tips on Passing Farm Machinery:

Make sure equipment is not preparing to turn. The farmer might need to fade into the other lane to safely make a wide turn. Do not assume they are moving over to let you pass on the right side.

Is the road wide enough for your vehicle and the farm equipment? Rural roadway lanes range anywhere from 9 to 11 feet wide. Most combine harvesters are over 13 feet wide. Therefore, it is important to be extra careful when attempting to pass this large piece of machinery.

Do not pass if equipment veers to the left. Sometimes a farmer will veer the equipment to the left to miss an object on the right like a mailbox, sign, or vehicles. Again, fading to the left does not mean the farmer wants you to pass on the right.

Have plenty of time. Ensure there is plenty of time to pass and that no oncoming traffic is approaching. When in doubt, do not pass.

Only pass where it is legal. Do not pass if there is a solid yellow center line. Furthermore, do not pass near an intersection, railroad tracks, tunnels, or bridges. These areas can be particularly dangerous.

Our \$50 Restaurant Gift cards for this time go to **RITA BREIER and LORI STAPLES!** THANK YOU BOTH! Your \$50 restaurant cards are in the mail.

Remember we send you a \$10 gas card for each person who calls and tells us you referred them (we always ask on every incoming call for quotes.) Then we draw for one \$50 card for a local restaurant for each month.

We really appreciate the referrals because it tells us we must be doing something right if you refer someone to us!