

Your Personal Advisor

Deciding on umbrella coverage amounts

One million dollars is the minimum amount of coverage for an umbrella policy. However, insurance companies usually offer these types of insurance policies in one million dollar increments and often go up to five or ten million. Some companies that target high net worth individuals may offer up to fifty million or more in coverage. Most people who purchase an umbrella policy choose the one million dollar amount, but many choose two million dollars or more. A rough estimate of what it costs for the first million is about \$200 to \$250 a year, but can be higher if you have more than two cars, young drivers or points on your record. While each incremental amount above the first million is slightly less, increments exceeding ten million can be higher.

The more coverage you have, the more bullet proof you will be if you become liable for a catastrophic incident. One of the best aspects of this coverage is that it's very inexpensive. It's important for those considering this type of insurance to avoid cutting corners. Shortcuts cannot be afforded when all accumulated assets from an entire lifetime are in question. Some believe that all they need is coverage for whatever their net worth is, but settlements and judgments can go beyond someone's assets because damages are never limited to someone's net worth. *(cont. pg 2)*

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Identity thieves: they play, you pay

It's hard to tell exactly how they do it. Maybe you threw away some papers with your account number on them, somebody watched you put in your PIN number, or maybe you fell victim to an email phishing scam. These criminals prey on other people's personal information, for instance their social security number, credit card information, bank account information, and online account log-in information. Using this critical information, they are able to make unauthorized transactions and transfer funds behind your back. Before you ever find out, an identity thief could be enjoying a Caribbean vacation at your expense.



The first thing you should do is prevent yourself from revealing personal information over the phone and on the Internet. If you do not understand why a business would need your social security number or similar information, then do not give it out. Junk mail and credit card offers are also potential threats and should always go through a paper shredder before being thrown out.

Bank receipts and discarded deposit slips are a goldmine for thieves and should never get tossed in a public trash bin. When ordering new *(cont. pg 3)*

Umbrella Coverage *(cont. from pg 1)*

It's also important to protect future wages from garnishment. The future income of an individual who doesn't have ample coverage can also be jeopardized. If the person who is injured earns a considerable amount of money, that individual is more likely to be a target of the best liability attorneys.

It's important to consider what amount would be acceptable for various conditions. For example, ask yourself how much you would settle for if you were paralyzed and unable to work the rest of your life.

Although one million may appear to be more than enough coverage, the total cost of liability claims can multiply quickly. In today's world, a million isn't much. It's not unusual to read in the news of settlements well over five million. Losing the ability to earn an income and facing a lifetime of injuries or medical care can easily total more than several million dollars over the span of an individual's lifetime, not to mention situations where multiple people are injured, which would multiply the total damages. It's important to consider what amount would be acceptable for various conditions. For example, ask yourself how much you would settle for if you were paralyzed and unable to work the rest of your life.

Anyone who has something to lose should, at the very minimum, have a two million dollar umbrella, but if you have a lot to lose and don't want to gamble with your life's wealth, you should consider a five million dollar policy, if not more. The coverage and options you select should be discussed with your agent, and it would not be a bad idea to get input from a personal injury attorney as well.

Homeowners policies & jewelry

After receiving valuable jewelry, it's important to contact an insurance agent immediately. Keep in mind that most homeowners policies place limitations on coverage for personal valuable items. This means that owners of these valuable items may not receive the full value if any of the items are stolen or lost. As a general rule, most homeowners policies provide coverage for possessions up to 50 percent of the total coverage amount chosen. This means that a person who has a \$600,000 policy would enjoy coverage as much as \$300,000.

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However, most policies place limitations on certain types of personal belongings. For example, a policy provider may offer to cover \$1,500 or more for all jewelry if theft occurs or the jewelry is damaged. There are several other categories of personal belongings that have limited reimbursement terms. Firearms, stamps, furs, coins and silverware are examples of such items. Homeowners should be sure to read the section of their homeowners policies regarding contents and additional coverage. It's important to remember that accidental loss is not usually covered.

Homeowners who want to raise their coverage limit to ensure protection for loss and theft cases should contact an agent immediately. It's best to ask the agent to schedule the particular jewelry item or add a special rider to an existing policy. In some cases, a written appraisal may be required, so it's best to ask an agent if this will be necessary. Usually a detailed receipt is sufficient proof for the value of the item. After a value schedule is assigned to the item, the *(cont. pg 4)*

Identity thieves *(cont. from pg 2)*

checks, request to have your first initial printed in the corner instead of your full name, to make it harder for forgeries to occur. Checks should never be printed with your social security number on them.

Make paper copies of everything in your wallet. Make sure to photocopy the backs of your credit cards too, which contain the customer service phone numbers to call to deactivate the cards. If you discover or suspect that your identity has been compromised, call the local authorities after you have deactivated your cards. Filing a police report legitimizes your claim and opens an investigation to find and stop the thief. Also, make a report with the fraud department at the Federal Trade Commission and the Social Security Administration. To stop further attacks to your credit, alert the three credit reporting bureaus to block the use of your social security number on any new credit applications.

Insurance companies offer identity theft policies to individuals who want added protection. These policies cover the costs of unauthorized purchases and restoring your credit. Sometimes identity theft protection is included with homeowner's insurance or it can be added as an endorsement to a renter's or homeowner's policy.

Nearly 100,000 people each year have their identity stolen, according to Federal Trade Commission statistics. Just one bank slip or piece of mail can lead to having your credit destroyed by an identity crook. By making only a few changes to your lifestyle, you can keep your identity from being targeted by crafty thieves.

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Homeowners policies (cont. from pg 3)

owner has full protection for the total amount if the item is lost, destroyed or stolen. This makes the claims experience more simple since there isn't a need for an investigation about the item's value. In addition to this, there is no deductible assigned to the items.

Since additional coverage is so affordable, it's best for all homeowners who have valuable jewelry or other special items to speak with their agent about what should be insured. As a general rule, homeowners policies don't assign specific limits on electronic devices aside from the overall limit for possessions. It's best for homeowners to insure their valuable items in such a way as to ensure that replacement-value coverage is in place. To learn more about the various types of riders and affordable coverage options, contact BBVA Compass Insurance today.

Insurance products:

ARE NOT FDIC INSURED	ARE NOT DEPOSITS	HAVE NO BANK GUARANTEE
MAY LOSE VALUE	ARE NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	

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