

Amica *today*

FALL 2015

Do you need renters insurance?

We have the answer!

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Amica
AUTO HOME LIFE

Renters Insurance 101

This coverage has a lot to offer!

Did you know that renters insurance can protect the place you call home for an affordable price?

Many of us have busy days, and renters insurance might not be the first thing that comes to mind. Whether you, or someone you know, rent an apartment, condo or home, choosing Amica for renters insurance is one thing that's easy to do – and it takes only a small amount of time.

What does renters insurance provide?

For **as little as \$4 a week**, this valuable coverage protects you and your property. Renters insurance policies typically include:

- Personal property coverage for your valuable household items – wherever you go!
- Living expenses if your apartment becomes uninhabitable due to a covered loss.
- Liability protection to cover injuries to another person, both on and off your property.

Your landlord's insurance generally covers damage to the building, but not your personal belongings. That's

why it's so important to carry renters insurance to replace your valuables in case of a theft, fire, windstorm or other covered loss. For today's tech-savvy customers, additional coverage is available for your computer, laptop, tablet and smartphone through Amica's computer coverage endorsement.*

"When you consider how much money we spend on our electronics, clothes and other personal items, it makes sense to have renters insurance," said Lynn Malloney, assistant vice president in Amica's sales and client services department. "With the low cost of coverage, you can protect your electronics and all of your personal property at a reasonable price."

Save even more

On average, Amica policyholders with both auto and renters coverage save up to 7 percent off their annual premium. You also may receive

additional savings by choosing a higher deductible, taking advantage of our electronic billing and policy delivery options and signing up for our automatic payment plan.

Simply visit Amica.com, select Renters and your state on the quote menu, and follow three steps to enter your information.

Renters policies are ideal for anyone who rents, whether living in an apartment or house. Visit Amica.com, or give us a call today at **800-242-6422** to discuss your options with one of our representatives.

*Coverage is optional and may not be available in all states.



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Replacement value vs. market value

What's the difference?

A question that often comes up when discussing home insurance coverage is why there may be a difference in the replacement value and market value of your home.

Replacement value is the cost to repair or replace your home, and it includes the cost for rebuilding it at current reconstruction costs in the same spot.

Market value, however, is the price you recently paid for your house and land or the current value of your home in a specific area.

It's important to understand the difference between these two amounts, because in most cases, the numbers are very different.

"Home insurance policies at Amica are based on reconstruction cost so that you have no out-of-pocket expenses if something were to happen to your home," said Mark Myrick, assistant vice president in Amica's National Sales Center – East. "Market value can vary over time, and it doesn't include current rebuilding materials and labor costs."

Factors that impact reconstruction cost include the type and quality of construction, the shape and size of the home, demolition and debris removal costs and possible building code changes.

Whether you're looking for home insurance or have a policy with us already, we're happy to review the replacement cost of your home anytime.

Prepping for winter – reminders to get your home ready



Record-breaking snowfall and cold temperatures impacted many parts of the country earlier this year. As we head into another winter season, it's important to prepare your home to prevent water and freeze damage.

To get your home ready for winter weather, Amica and the Insurance Institute of Business and Home Safety (IBHS) recommend:

Inside your home:

- Ensure that you have sufficient insulation in your attic to reduce ice dam risks.
- Clean gutters to allow water to drain freely.
- Seal all doors with weather stripping.
- Seal all windows with caulking or weather stripping.
- Insulate pipes in a laundry room or bathroom on exterior walls.
- Insulate pipes in cabinets on exterior walls.

Outside your home:

- Remove tree branches that hang over your roof and gutters.
- Buy a roof rake to safely remove snow on your roof.



You can also reduce the risk of damage to your roof by understanding how much snow your roof can support. IBHS states that most residential roofs, unless damaged or decayed, can support 20 pounds

per square foot of snow before they become stressed. More tips are available at www.disastersafety.org/freezing_weather.

By taking these steps in the fall, you'll help prevent damage when the weather gets colder.



Eyes on the road

A look at distracted driving – and what you can do to stay safe

Driving remains one of the most dangerous activities we perform each day. While it can feel like second nature, it's important to remember that we should always give it our full attention. At Amica, we often see the lasting impact car accidents can have on individuals and their families, and we want to share some tips to help you and those around you stay safe on the road.

What is distracted driving?

You might immediately think of texting and cellphone use when you hear “distracted driving,” but there are a lot of activities that can divert your attention on the road. Many times, you'll see drivers programming GPS devices, adjusting radio dials, eating, drinking and even turning around to talk to passengers in the backseat.

► The facts

Distraction.gov and the National Highway Traffic and Safety Administration shared the following research:

- 3,154 people were killed in motor vehicle crashes involving distracted drivers in 2013. Though this is a decrease from fatalities in 2012, the number of injuries rose from 421,000 to approximately 424,000.
- Drivers in their 20s make up 27 percent of the distracted drivers in fatal crashes.
- Of the many distracted behaviors, texting is the most alarming one due to the attention it requires.

► Staying safe

To help prevent distracted driving, Amica and the Governor's Highway Safety Association offer the following tips:

- Pay attention to the road. Eating, drinking, smoking and reading are all distractions that can take your focus away from driving, so avoid multitasking.
- Forget about your cellphone. Turn it off or put it on silent mode, and place it out of reach.
- Pull over. If you absolutely must make a phone call or send a text message, be sure to find a safe spot off the road to do so.
- Take care of directions ahead of time. If using a GPS, set the destination before leaving. If using a map or written

directions, review them before leaving, or have a passenger lend assistance while on the road.

- Make sure children and pets are secure. If there are issues with either, find a safe spot off the road to address them.

► Protecting your young drivers

If you have teen drivers in your family, we recommend reminding them of driving dangers. We have a few tips to keep your children safe:

- Give them plenty of driving practice. Be sure to drive on different roads, at different times of the day and in different weather conditions.
- Warn them of the dangers of drinking and driving, texting while driving and other distracted driving behaviors.
- Insist on the use of seatbelts. Many driving-related deaths occur because teens and their friends don't buckle up.
- Discuss the dangers of poor road conditions, such as water, snow, ice, debris and potholes.

Many states have laws to prevent cellphone use for teen drivers, and almost every state has a ban on texting while driving.

You can visit Distraction.gov to find out the current laws in your state. By being aware of dangerous distracted behaviors, you can take action to stay safe on the road.



Staying safe on the road

Tips to prepare for winter driving

Snow, sleet and ice can lead to treacherous driving conditions, so it's important to be prepared when you're driving during the winter season. Before heading out, it's a good idea to check the weather and have plenty of gas in your car's tank.

To keep your car safe, Amica and the National Highway Traffic Safety Administration (NHTSA) recommend the following:

- Inspect windshield wiper blades, and replace them if necessary.
- Check and fill windshield wiper fluid and antifreeze.
- Inspect tires for issues with air pressure and treads, and replace them if they're worn.
- Turn on the heater and defroster to make sure they're working properly.
- Test the brakes to ensure the car can come to a complete stop.

If you do end up stranded out on the road, stay in the car as much as possible. The NHTSA also suggests:

- Draw attention to your vehicle by tying a brightly colored cloth around your antenna and keeping the interior dome light on.
- Run the engine only when extra warmth is needed, and don't run it for long periods of time with the windows up.
- Remove any snow near the exhaust pipe to prevent carbon monoxide poisoning.

It's a good idea to have a charged cell phone and a survival kit ready in case of emergency. The kit should contain bottled water and nonperishable food, prescriptions and other medications, a first-aid kit, blankets and extra clothing and specialty items for infant, elderly or disabled family members.

- Our Amica Road Tips video series shows you how to assemble a roadside emergency kit – check it out on Amica's YouTube channel or scan the QR code.



SURVEY says

Many Americans need more life insurance – do you?

Picture this: you have a mortgage, two children, childcare expenses and plans for college educations. Or maybe your children are grown and moved out of the house, but you're helping them financially and taking care of elderly parents.

If something were to happen to you, or to your spouse, would you have enough life insurance protection to cover all of your expenses? Typically, financial advisors recommend owning life insurance coverage of at least seven to 10 times your annual income.*

The Amica Life Financial Peace of Mind Survey, conducted earlier this year, shows that many Americans are underinsured, though they understand how important life insurance is for financial protection. We surveyed financial decision-makers in more than 2,500 U.S. households, ages 25 to 70, about life insurance topics.

The results may surprise you. While 84 percent of Americans believe that adequate life insurance is important for financial peace of mind, many ages 25 to 70 are underinsured. On average, their coverage equals only two to three times their annual income. Yet 66 percent of Americans believe they have the right amount or more life insurance than they need.



To help you understand why having the right amount of life insurance is important, let's take a look at the hypothetical stories of Tom and Jane, and Bill and Lisa.

Tom and Jane's story

Tom and Jane, both 34, are married with two children, Toby and Sophia, ages 2 and 6. Tom makes \$65,000 a year, and Jane makes \$75,000. Between the two of them, they have mortgage debt of \$200,000 and student loans of \$30,000, plus a small amount of credit card debt.

Tom and Jane aren't alone. Our survey found that 64 percent of Americans ages 25 to 49 have a household debt of more than \$10,000, excluding their mortgage, and 39 percent have student loans.

Tom and Jane have term life insurance through their employer that covers one times their annual salary, and they have individual term policies. They each have about \$200,000 worth of term life insurance.

Given Tom and Jane's mortgage, student loans and the average cost of raising a child to age 18 of \$245,340,** more coverage is recommended to help support their families. Each spouse's policy could help with the mortgage, but one spouse would still be left with large expenses and debts to cover on their own without additional coverage.

Bill and Lisa's story

Bill and Lisa are 59 and 60, and their two children, Mitch and Jill, are 24 and 30. They have mortgage debt of

\$40,000 and are paying \$40,000 for Mitch's college tuition, who still lives at home. Lisa's 80-year-old mother, Ann, also needs extra care and financial support, around \$5,000 a year.

Bill and Lisa believe they no longer need coverage after their 20-year term policies expire next year, and haven't looked into additional coverage. They don't realize that their children and parents would face financial hardship without them. Plus, Bill and Lisa may need to stay in the workforce longer to support their family. Our survey found that 48 percent of Americans ages 50 to 64 believe they or their spouse will continue to work past age 65.***

Looking at their current and future financial responsibilities, Bill and Lisa should consider additional coverage to help protect Lisa's mother, their children and one another as they prepare for their retirement years.

Amica Life is here for you

As you can see from our examples, life insurance needs are unique to each individual and should be addressed by identifying what the individual would like to help protect. Many Amica customers are realizing the benefits of calling Amica Life to discuss their coverage options and receive the personalized coverage they need. Give us a call at 800-234-5433, and one of our representatives would be happy to discuss your personalized coverage options.

* The American Council of Life Insurers (ACLI), 2014

**USDA Expenditures on Children by Families, 2013 report

***National Institute on Aging, 2015 Global Health and Aging report

3 benefits of considering additional life insurance

As our Amica Life Financial Peace of Mind Survey found, many people feel that owning life insurance is important to have peace of mind, but don't realize that they may need more coverage.

Here are three things that you may not know about additional life insurance coverage:

- ✓ 1. **It's affordable** – Most people carry about three times their income in coverage,* and don't realize that additional coverage may not be as expensive as they thought. Costs have gone down in the last decade, and Amica Life offers competitive rates.
 - ✓ 2. **It can offer a better level of protection for your loved ones** – If something happens unexpectedly, having the right amount of coverage can help ensure your loved ones have financial support for mortgage payments, debts, education costs and day-to-day expenses.
 - ✓ 3. **It can be customized to fit your needs** – When you're reviewing your needs, your life insurance representative will make sure to discuss your options and find the coverage that works best for you and your family.
- ▶ We encourage you to review your coverage with us and make sure you have the right amount of coverage to help protect your family.



*2015 Amica Life Financial Peace of Mind Survey

3 out of 10 households don't have enough life insurance.* Do you?

4 reasons you should call Amica Life today for a Complimentary Coverage Review:

1. To find out if you have **gaps** in your current coverage.
2. To get **answers** to your coverage questions.
3. To get suggestions on how to address any new insurance **needs**.
4. To learn how you can **save** with a multi-line discount.**



[LIFE INSURANCE]

---> You can trust us to provide peace of mind for you and your family.

There's no obligation to purchase a policy or buy additional coverage. Give us a call at **800-234-5433**, or visit **LifewithAmica.com**.

*LIMRA 2015 Insurance Barometer Study.

**Discount applied to auto insurance policy.
Discount may not be available in all states.

Great customers have great friends!
Recommend us by visiting **ShareAmica.com**.