

# AUTOMOBILE INSURANCE POLICY COMPONENTS

	FEATURES	PROTECTION
<b>Liability</b>	Provides coverage if the insured causes an accident in which someone else suffers an injury or death and/or if there is property damage. Bodily injury includes medical expenses and pain and suffering while property damage covers automobile and other property damage. State laws differ as to how much one is required to have.	This provides dual coverage limits – one for the maximum amounts that will be covered per person and one for each occurrence.
<b>Comprehensive</b>	Covers the insured in the event the vehicle is damaged or stolen or damaged but not through a collision. These can include damage incurred from a fire, a flood, an earthquake, falling objects and encounters with wildlife, such as deer as well as vandalism and theft. Comprehensive is optional coverage, although it may be required by the lender if you have an auto loan.	The amount covered is once the deductible is reached. A higher deductible can substantially lower the cost of insurance premiums and vice versa.
<b>Collision</b>	Pays for damages to one’s vehicle caused by collision with another vehicle or object. This coverage is not required by law, but may be required if there is a vehicle loan. You may choose a deductible on this coverage—what you must first pay out-of-pocket for a claim before the insurance kicks in.	The amount covered is once the deductible is reached. A higher deductible can substantially lower the cost of insurance premiums and vice versa.
<b>Uninsured Motorist</b>	Covers medical and other expenses when insured and its passengers are hit by another driver with no automobile insurance liability coverage. Whether this coverage is mandatory or optional depends on each state’s laws.	If the other driver involved in an accident is uninsured, this coverage pays up to the limit covered. The coverage limits refer to the maximum amount that will be paid per person, per incident, respectively.
<b>Underinsured Motorist</b>	Covers medical and other expenses when insured and its passengers are hit by another driver with inadequate automobile insurance liability coverage. Whether this coverage is mandatory or optional depends on each state’s laws.	If the other driver involved in an accident is underinsured, this coverage usually pays any difference between what the other driver’s insurance covers and what your bodily injury coverage will pay. The coverage limits refer to the maximum amount that will be paid per person and per incident.
<b>Medical Payments</b>	Acts as primary coverage for medical expenses incurred for the insured and the passengers if injured in a motor vehicle accident, regardless of fault.	Coverage is limited to the terms and conditions contained in the policy.

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