

MAY 2017

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# INSURANCE

## Let's Not Forget About Crop-Hail Coverage

We spend a lot of time talking about Multi-Peril Crop Insurance (MPCI), but another important piece of your overall crop protection is crop-hail coverage.

Crop-hail coverage provides protection against physical damage from hail, and in many cases will include extended coverages like fire and lightning, wind, vandalism and malicious mischief, as well as certain perils while in transit and storage at no additional cost.

### How is Crop-Hail Insurance Different from Multi Peril Crop Insurance?

Crop-hail insurance is different than MPCI because it is not part of the federal crop insurance program. Instead, private crop insurance companies sell these policies, and the premiums are not subsidized.

Another key difference between the two types of coverage is that, unlike MPCI, farmers may purchase a crop-hail policy at any time during the growing season. Don't think you've missed your chance to apply... call your crop insurance advisor!

Also, while MPCI policies tend to have high deductibles to cover catastrophic loss of huge yields, crop-hail allows for a smaller deductible to cover spot losses.

### How Does Crop-Hail Insurance Work?

According to the United States Department of Agriculture Risk Management Agency, hail usually accounts for about 6% of all crop losses in any given year. But a crop-hail policy goes beyond simply protecting against the physical damages of hail. Depending on the crop and the region of the country, this type of policy may also provide coverage for loss caused by fire, lightning, wind, vandalism and malicious mischief. However, no matter what kind of crop is being insured, these policies will never cover other weather-related risks like frost, drought or excess moisture, and it will not cover price risk.

With a crop-hail policy, you'll first select a dollar amount of coverage. Then, you can select options with different deductibles to allow you to partially self-insure for

lower premium costs. Coverage is provided on an acre-by-acre basis, so that damage that occurs on only part of your farm may be eligible for payment when the rest of the field remains unaffected.

### Who Needs Crop-Hail Insurance?

The U.S. crops most vulnerable to hail damage are wheat, corn, and soybeans. Farmers growing vulnerable crops or who own land in susceptible areas have the most compelling reasons to purchase crop-hail coverage. However, even those in areas with low frequency of hail damage should consider it, as crop-hail is rated by area and therefore is often inexpensive. Crop-hail coverage is available in all states, though types of coverage and rates vary by location and by crop.

TCI Insurance has a variety of crop-hail coverages available depending on your specific needs. Contact our crop team to find the coverage that's right for you.

800.582.7668 or  
crop@tciteam.com

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### Deductible

The amount of loss paid by the policyholder. The bigger the deductible, the lower the premium charged for the same coverage.

## Insurance Premium Audit FAQs

If you've recently received an audit notice for your business policy, chances are you have a lot of questions. Here are some answers to the most frequently asked questions about premium audits:

### Q. Why is an audit required?

A. The premium audit is required in order to ensure that the premium you've paid is based on your actual business exposures, which may have changed over the course of the policy term. The premium audit helps keep your coverage and premium accurately aligned, so you pay only for the coverage you need.

### Q. Is the premium audit process a common practice?

A. The premium audit process is a standard insurance practice. In fact, most states require insurance carriers to perform a premium audit.

### Q. My policy has been cancelled and I no longer have coverage from the insurance company requesting the audit, why am I receiving a notice to complete a premium audit? Do I still need to submit information?

A. Yes. The premium audit process is performed for the policy period and coverage for which you were insured. The information is still re-

quired even if your policy is no longer in force.

### Q. Why isn't the audit based on the calendar year?

A. A premium audit must be based on the actual inforce term of your policy. If your policy term is 3/1/2016 to 3/1/2017 the audit must match the term.

### Q. What information is needed for my audit?

A. The most common information required during the premium audit process is payroll and/or sales records. Additional information and documentation may be required depending on the nature of your business and your audit.

### Q. Can my accountant or other party complete the audit on my behalf?

A. Yes, you may forward the audit to your accountant or third party to have them complete it on your behalf. You will continue to receive reminders regarding your audit until the process has been completed.

### Q. What will happen after my audit has been completed and reviewed?

A. The premium audit process could result in three scenarios: a refund, additional premium due, or a determination that your initial estimate was reasonably close and therefore no change in premium.

## Did you know?...

- The premium audit is a standard insurance practice that makes sure the premium you've paid over the course of the policy term is based on your actual business exposures.
- It's important to make sure you complete your premium audit accurately and submit it on time.

## Finding the Right Motorcycle Coverage

There's nothing like the freedom you feel when riding your motorcycle, but realize that if you're on the road, you're at risk. To ensure you've got the insurance and financial protection you need, consider the following motorcycle coverage options:

### Liability Coverage

Liability insurance covers bodily injury (for passengers and other drivers) and property damage that you may cause to other people involved in an accident, but it doesn't cover you or your motorcycle.

### Collision Coverage

Collision insurance covers damage to your motorcycle if you are in an accident.

### Comprehensive Coverage

Comprehensive coverage pays for damages caused by an event other than a collision, such as fire, theft or vandalism.

### Uninsured/Underinsured Motorist Coverage

Uninsured/underinsured motorist insurance coverage covers damages to you and your property caused by another driver who is either uninsured or underinsured and cannot cover your damages.

## Life Insurance for a Family of One

We spend a lot of time talking about how couples, families and businesses can protect their financial futures with life insurance. But what about if you are single—do you need life insurance, too?

There are those people who have no children, no one depending on their income, no ongoing financial obligations and sufficient cash to cover their final expenses. But how many of those people do you really know? And, more importantly, are you one of them?

It's important to illustrate how a life insurance purchase can be a smart financial move for someone who is single with no children. Asking yourself these three questions can help you get at the heart of the matter:

- Do you provide financial support for aging parents or siblings?
- Do you have substantial debt you wouldn't want to pass on to surviving family members if you were to die prematurely?
- Did family members pay for your education?

Life insurance is an excellent way to address these obligations, and in the case of tuition, reimburse family members for their support. But don't just take our word for it. Instead, "do your own math." A life insurance needs calculator, like the one on [www.lifehappens.org](http://www.lifehappens.org), can help you quickly understand if there is a need—one you might not even be aware of—that could be easily ad-

dressed with life insurance.

In addition to financial obligations you might have, the current economic climate has made permanent life insurance an attractive means to help you build a secure long-term rate of return for safe money assets. The cash value in traditional life insurance can provide you with money for opportunities, emergencies and even retirement.

For young singles, keep in mind that you have youth on your side. Life insurance is very affordable when you're young and allows you to protect your insurability for when there is a future need—perhaps, in time, a spouse and children.

While all of these reasons

### Cash Value

In annuities and some life insurance policies, a portion of the premium will go towards an accruing cash value. The cash value is the amount that will be paid to you in the event that you surrender your policy for cash.

are valid, the most important reason for you to consider life insurance may be the peace of mind you'll have knowing that your financial obligations will be taken care of should anything happen.

*Source: Life Happens*

Have you reviewed your need for life insurance recently? Try the calculator at [www.lifehappens.org](http://www.lifehappens.org).

## Make Sure to Secure Your Load

It happens all too often... someone is driving down the road and boom! Something falls from their open-bed vehicle and other nearby drivers need to make sudden, evasive maneuvers to avoid debris. Or maybe there is nowhere to go and they have no choice but to hit the object.

This type of incident can easily be avoided if all drivers commit to securing their loads.

### Accidents

Unsecured loads are responsible for about 51,000 accidents each year in North America, resulting in nearly 10,000 injuries and 440 fatalities according to the National Highway Traffic Safety Administration (NHTSA).

### Taxpayer Money

Litter cleanup costs the U.S. almost \$11.5 billion each year, with businesses paying \$9.1 billion. Governments,

schools, and other organizations pick up the tab for the remaining \$2.4 billion according to Keep America Beautiful, a nonprofit striving to end littering and increase recycling in America.

### Roadside Debris

Litter has environmental consequences. About 40 percent of litter along highways and freeways is believed to be this type of "accidental" litter. But failing to secure loads is no acci-

dent. It is the driver's responsibility to make sure that loads are properly secured at all times with tarps and tie-downs.

Anytime you are securing a load in your vehicle, remember you're preparing for the worst-case scenario. Losing your load costs you money, the taxpayer money, and significant time delays for all. Even worse, an unsecured load creates significant risk to the motoring public.

For more information visit the Transportation Cargo Safety Organization's website at [www.ticitdown.org](http://www.ticitdown.org).



## Access and Manage Your Insurance Policies 24/7

Managing your insurance policies has never been easier! Because so many clients are wanting fast self-service available around the clock, many of our companies provide online account access and mobile apps for policyholders:

### Bill Pay

Check your balance due, pay your bill, and even update your billing preferences.

### Auto ID Cards

View and print your auto ID cards anytime and as many times as you need.

### Claims

Submit a new claim or check on the status of an existing claim.

### Policy Info

View coverages and policy details anytime, anywhere.



For a complete listing of our companies and what online account services they offer, visit the Pay Online section of our website at [www.tciteam.com](http://www.tciteam.com).

## We're Rewarding Your Referrals in 2017

Congrats, Matthew DeVries for being the winner of our Q1 Referral Contest drawing!

The team at TCI Insurance is proud to receive referrals from clients and partners. A referral from you is one the greatest compliments our agency can receive. In an effort to pay it forward, we

have committed to donating \$5.00 to a local, charitable organization for every referral we receive in 2017.

As another way to say, "thank you," we're rewarding YOU for telling your friends, family, and associates about TCI Insurance. Like Matthew, anyone referring an individu-

al or business to TCI is automatically entered into our referral contest where you could potentially win one of four \$50 gift cards to the retailer or restaurant of your choice. Here are the dates for the remaining quarterly drawings:

### Quarterly Drawings

Q2: June 30  
Q3: September 29  
Q4: December 29

See who is already entered in our referral contest drawings at [www.tciteam.com](http://www.tciteam.com).