

# BARASCH & MCGARRY LAW LETTER

## “KNOW YOUR RIGHTS”

### **WARNING:** THE DIRTY LITTLE SECRET THAT YOUR AUTO INSURANCE COMPANY DOESN'T WANT YOU TO KNOW

You have received many newsletters from me about your WTC legal rights and the Zadroga Victim Compensation Fund. This time I am *not* writing about 9/11-related illnesses or the VCF. But please don't stop reading. What I have to tell you is extremely important for you and your family.

I want to make sure that you know about a type of auto insurance that your own insurance company doesn't want you to know about: **Supplementary Uninsured Motorist Insurance (SUM)**.

Recently, one of our law firm's 9/11 clients, let's call him Brian, sustained a career-ending knee injury when his car was hit by a truck. He asked me to share his story with the rest of the 9/11 community to ensure that others learn from the horrible experience he experienced with his own insurance company. He wants to make sure that everyone knows about a critically important type of insurance that your own auto

insurance company doesn't want you to ask about: **Supplementary Uninsured Motorist Insurance (SUM)**.

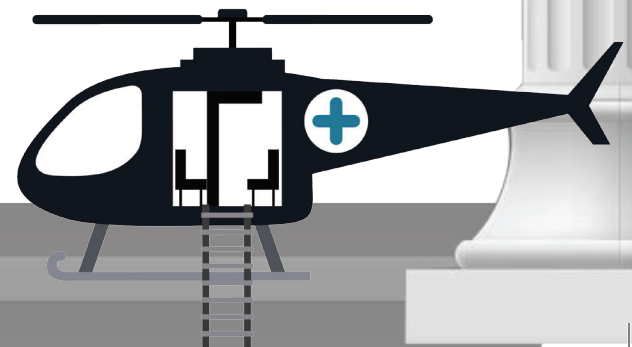
No matter how good a driver you are, you *cannot* control what other drivers do. You can't rely on another driver to drive carefully, to refrain from texting, to pull over if he is tired, or to have sufficient liability insurance. The scary fact is that hundreds of thousands of automobile owners drive their cars with little or no liability insurance coverage. What you *can* control is how much SUM coverage you have on your own auto insurance policy.

#### **SUM is just as important as Liability insurance**

Most drivers don't realize that when you buy automobile insurance, you are buying *both* **liability insurance** (in case you are at fault and injure someone else), *and* **SUM insurance** (in case you are injured by a negligently driven car with little or no liability coverage). If you are in an accident with an uninsured driver, your own SUM insur-



ance will be available to compensate you for your pain and suffering and lost income. But, all too often, the insurance companies that advertise that they have the most affordable rates (“15 minutes will save you 15%...”; “you’re in good hands with .....”; “..... is on your side”) don't tell you that your SUM coverage will be considerably less than your liability coverage *unless you specifically request equal coverage*. Most people do not know this until it's too late—*after* they are seriously injured by an uninsured driver. Please take a careful look at Brian's insurance policy in the annexed box and note the highlighted Liability and SUM insurance limits. You will notice a big difference.





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## THIS ISN'T JUSTICE!

Allstate Fire and Casualty Insurance Company			
Policy Number: 9 33 782285 05/11			
Policy Effective Date: Nov. 11, 2012			
COVERAGE FOR VEHICLE #2	2010 Volkswagen Routan		(TERRITORY 0196)
COVERAGE	LIMITS	DEDUCTIBLE	PREMIUM
<b>Automobile Liability Insurance</b>			
• Bodily Injury	\$500,000 each person \$1,000,000 each occurrence Included on BI Limits	Not Applicable	\$105.94
• Supplemental Spousal Liability		Not Applicable	
• Property Damage	\$200,000 each occurrence	Not Applicable	\$53.20
Automobile Medical Payments	\$100,000 each person	Not Applicable	\$1.41
Auto Collision Insurance	Actual Cash Value	\$753	\$120.30
(Safe Driving Deductible Reward - deductible reduction amount available is \$100)			
Auto Comprehensive Insurance	Actual Cash Value	\$750	\$33.19
Full Glass Coverage applies			
Supplementary Uninsured/Underinsured Motorists (SUM)			
	\$50,000 each person \$100,000 each accident	Not Applicable	\$17.52
• The maximum amount payable under SUM coverage shall be the policy's SUM limits reduces and thus effect by motor vehicle bodily injury liability insurance policy or bond payments received from, or on behalf of, any negligent party involved in the accident, as specified in the SUM endorsement.			

## WTC CANCER DEADLINE

*Please help us spread the word:  
New and amended Victim  
Compensation Fund claims for  
cancer can only be made within  
2 years of the date of diagnosis.  
Don't let anyone miss the dead-  
line! Doctors have linked skin  
cancer, prostate cancer and 66  
other cancers to the WTC  
toxic dust.*

### Injured twice: First by a negligent driver and then by his own insurance company

Brian was unlucky for several reasons.

- First, at age 42, he sustained a permanent painful and disabling knee injury.
- Second, he and his family lost the steady and secure income from a well-paying career. Our economist computed Brian's future lost income as \$1.8 million. SSD made up a tiny part of his loss.
- Third, since he had less than 20 years on the job and he was injured off-duty, his pension had not vested. Instead of the healthy monthly pension that he expected after 20 years on the job, he now receives just a small fraction of what he and his family counted on.

- Fourth, the car that struck him had no liability insurance coverage.

Like most drivers, Brian didn't know anything about SUM insurance; let alone how much coverage he had. Brian's own insurance carrier misled him. As you can see in the box, while Brian had purchased \$500,000 of liability insurance, he didn't realize that his insurance company had sold him just \$50,000 of SUM coverage. Because the uninsured driver had no assets, \$50,000 is all that we were able to get for Brian. Because SUM premiums are so inexpensive, insurance companies have no incentive to sell you an equal amount of liability and SUM coverage. Unfortunately, we see this sad story all too often.

**In summary:** Please check

your auto insurance policy and call your company today.

Demand that your SUM coverage is *equal* to the amount of your liability coverage.

As a rule, you should have enough liability coverage to compensate a seriously injured person in case you are sued so that he or she will not be tempted to chase after your personal assets (the value of your home is the minimum amount of liability and SUM insurance coverage that you should have).

Make sure that you have enough SUM coverage to compensate you for your pain and suffering and future lost income in case you suffer disabling injuries as a result of an uninsured driver's negligent driving.

**AS ALWAYS, IF YOU HAVE ANY QUESTIONS ABOUT AUTOMOBILE INSURANCE COVERAGE, OR ANY OTHER LEGAL MATTER, PLEASE FEEL FREE TO CALL MY OFFICE FOR A FREE CONSULTATION. -MIKE BARASCH**

This is the SIXTY-THIRD edition of the Barasch McGarry Salzman & Penson LAW LETTER... attorney advertising which presents topics of interests to our clients. For questions, additional copies, or more information about topics raised in this law letter, call or write:

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