



# BENNINGER BULLETIN

2014 EDITION

## *Are You Being Smished?*

The movie *Identity Thief* might be a comedy, but the crime is no laughing matter. Identity theft costs victims a lot of time and money, and now, it can begin with suspicious text messages.

Scammers have all kinds of ways to cheat people—and they're always coming up with new ones. Take smishing. The term is a mash-up of SMS (an abbreviation for Short Message Service, a.k.a. texting) and phishing. It's a way scammers lure you into revealing personal information via text messages that are often from a 5000 phone number or no number at all.

One common smishing scheme involves a text message informing you that you "won" a prize. The catch? (You knew one was coming...) In order to claim your "prize," you have to reveal your credit card info to cover the costs of shipping your special "gift." If you do, you'll soon realize the only gift is the gift of good credit you gave the crook. Any unusual text message that includes an unusual link or asks you to provide information could be a form of smishing. Some other common smishing schemes include fraudulent messages from a bank or credit union, links to bogus order confirmations or notifications warning you to take action before you're signed up for a service you never requested.

According to an article in the *Wall Street Journal*, the Federal Trade Commission (FTC) received some 20,000 consumer complaints about smishing in 2012—a 700 percent increase over 2011. The FTC responded by filing "court cases against eight companies and 29 people who were collectively bombarding consumers with more than 180 million unwanted text messages." Just because smishing is on the rise doesn't mean you have to be a victim. Stay safe by keeping these tips in mind:

- Don't click or download anything from a suspicious text. If you think the text might be from a legit business, call the business directly to get the lowdown.
- Be especially wary of messages that come from a 5000 number or no number at all. Scammers often use this ruse to hide their real identity.
- Don't ever "act immediately." Instructions to do so are a common way in which con artists get victims to take the bait.
- Regularly install recommended updates on your phone. This lowers the chances of getting smished by keeping your phone prepped with the latest security software.
- Report smishy texts. If you get a suspicious text, consider filing a complaint with the Federal Trade Commission.

## Use "P" to Handle Heat

### Four Ps to safeguard your home and family from fire

Fires kill more Americans each year than all natural disasters combined, and a home fire is the disaster that children are most likely to experience. But fire doesn't have to be deadly.

#### Know the four Ps of family safety:

**1. Prevent house fires.** Avoid storing items that easily catch fire—such as cloth and wood—near furnaces, stoves or fireplaces. Know the hazards of portable heaters, outdoor grills and gasoline. Teach children never to play with matches and lighters.

- 2. Protect your family.** Install smoke alarms in each bedroom and on every floor of your home. Check batteries monthly and change them annually.
- 3. Prepare a plan.** Develop at least two fire escape routes out of your home. Establish a safe meeting place away from immediate danger. Make sure everyone knows to call 911 only after they are safely out of the house.
- 4. Practice the drill.** Conduct a home fire drill at least twice a year. Teach children to "stop, drop and roll" if their clothing catches fire. Stress the need to crawl "low and go" should a room fill with smoke.

# Does My Policy Cover Rental Cars?

## Q: Does my ERIE auto policy provide coverage for rental cars?

**A: In most cases, yes.** "ERIE's coverage is designed to suitably protect you and your family for incidental use of a car that is not your own, such as a short-term rental," explains Dave Freeman, vice president and manager of Personal Lines Underwriting at ERIE. Just keep in mind that coverage only extends to cars in the U.S. or Canada.

That said, it pays to touch base with your ERIE Agent beforehand since auto policies vary from person to person. It also pays to be aware of these things before you sign the dotted line:

- **Some car rental companies charge for loss-of-use.** This charge is meant to cover the costs of not being able to rent out the car if it's being repaired after you damage it. Loss-of-use is not typically covered by an ERIE policy, so definitely ask your rental car company if they charge for loss-of-use and if they offer additional insurance to cover it.
- **Rental companies also often charge for diminished value and other administrative fees.** This means that should you damage a rental car, the rental company may insist that the repaired vehicle is less valuable because it was wrecked. They'll then charge you diminished value fees as well as other administrative fees, such as a fee to open claim, which ERIE does not charge. To find out if this applies to you, make sure to carefully read over the rental agreement obligations.
- **Consider who else besides you would be driving the car.** Your policy extends coverage to any family members\* who are residents of your house and anyone else specifically listed on your policy. In this case, coverage from the rental company might come in handy if anyone else will be behind the wheel.
- **Read the fine print before you sign the dotted line.** "While the Collision Damage Waiver purchased through the rental company may cover potential loss of use, diminished value and administrative fees, the optional coverage purchased from a rental company can also be extremely restrictive," says Freeman. "It might limit who can drive the car, where it can be driven and for what purposes. If you have an accident and are found to have been outside any of these restrictions, you can probably kiss your optional coverage goodbye."
- **Consider your credit card.** Many credit cards also offer rental car insurance at no extra charge if you charge the rental fee to their card. Just know that this coverage typically only covers physical damage to the rental car, so you'll still need separate liability coverage. Still, the credit card can add valuable coverage on top of your

personal auto policy and cover your deductible if you do have an accident. To get all the details, give your credit card company a ring.

All of the above also typically applies to any moving van you rent so long as the van has no more than six wheels and you rent it for personal (i.e. nonbusiness-related) reasons.

As a final precaution, give your rental car a good look before you drive off. Note any existing damage on it so you don't get blamed for anything later on.

\*Your family is defined as someone who lives in your residence and is related to you by blood, adoption or marriage. It also includes anyone in your care who is under 21 or any unmarried children who live away from home while attending school full time. Anyone else in your house—such as a live-in partner to whom you're not married—would have to be named on your policy in order for coverage to apply in this situation.

## Erie Auto Enhancement Endorsement \$30 per policy

### Highlights:

**Diminishing Deductible-** Deductibles will be reduced by \$100.00

**Deductible Waiver-** Hit your garage door with your car. Pay only one deductible, only the home deductible applies.

**Expense Extra Transportation-** Total your car- receive additional 10 of rental coverage.

**Extra Sound Equipment Limit-** Increased from \$1,000 to \$4,000.

### Other Provisions Apply- Just Ask

#### Are you still living in your home?

Moving, Renting or is your home vacant??? Anytime you have a change in occupancy of your home-CALL US. You may Jeopardize your coverage by not telling us about the change!!!!

#### SAVE A BUNDLE

Bundle your Life, Auto, and Home Insurance with the same companies. You could be losing money by not bundling.

#### Insure your valuables

Do you own an expensive watches, an heirloom or a fabulous painting-Call us to protect these valuable pieces.

#### Erie Auto Insurance Rate Lock.

The rate lock can be discussed on the renewal of your auto insurance. Getting it right Erie Rate Lock can be changed at your annual renewal of your policy. Call our office on your renewal policy.

# 7 Groups Most Likely to Lack Life Insurance

## Are you inadvertently putting your loved ones in danger?

Millions of Americans lack enough—or even any—life insurance. Are you one of them?

A recent study revealed that life insurance ownership recently hit a 50-year low—and that 35 million households don't have any life insurance at all. This means that the death of an income earner could be as financially catastrophic as it is sad.

Behind this trend is a serious misperception about how much life insurance really costs. On average, people think it's three times more expensive than it really is. (In reality, life insurance has never been more affordable.)

While anyone can lack an adequate amount of life insurance, seven groups are especially likely to be under- or uninsured. Here's who they are and why they skimp on the life insurance they and their families need.

*(To get an idea of what you need, make sure to take our Fast and Easy Life Insurance Quiz!)*

### 1. Single parents

Single parents often go uninsured because they think that buying life insurance requires a big output of time and money—two things they have in short supply. "Single parents tend to be extremely busy since they're singlehandedly balancing work and family," says Greg Wieser, director of strategic marketing at Erie Insurance. "And without that second income, money is often stretched tight." This creates a classic case of penny wise, pound foolish; while they're saving money in the short term, they're running the risk that their kids would have no means of support if they were gone.

### 2. Parents who both work

When both parents work, the parent making less money often discounts his or her contribution to the family. This is especially true when one parent works part time in order to hold down the home front. "There are many things a lesser earning spouse does that have no dollar value associated with them, like cooking or child care," says Wieser. "If something happened to that person, the surviving spouse often has to hire extra help or take on extra work to make up the lost income."

### 3. Stay-at-home moms (or dads)

Research shows that a stay-at-home parent contributes \$112,962 annually in the form of child care, cleaning, home maintenance, transportation, cooking and more to the family's bottom line. These are costs that a life insurance policy—not a surviving parent—should cover if a stay-at-home partner passes away prematurely.

### 4. Homeowners

"If a person dies and there's no life insurance to pay off the mortgage, the surviving family members may be forced to move," explains Wieser. It's hard enough to lose a loved one—you certainly don't want your family to also lose their home, their school district and their neighborhood because there's no life insurance policy in place.

### 5. Business owners

"New business owners often forgo life insurance because they think they don't have enough money available," says Wieser. Or a business may have had enough insurance, but has since grown. "A more established business usually needs higher limits to be adequately insured and have a plan in place to guarantee succession of the business," Wieser says. Life insurance and a buy-sell agreement will let the show go on if one partner dies.

### 6. People with a history of minor health issues

Many people confuse life insurance with health insurance. "They think they won't be eligible if they have high blood pressure or high cholesterol," says Wieser. "If your health concerns do not affect your mortality, you can still get life insurance at a reasonable rate."

### 7. People whose employer provides group life insurance

This group often has a false sense of security. While they have coverage, it often isn't enough. "A typical group life benefit is two times your annual salary, but you may need more like six to eight times your salary just to break even," says Wieser. Also, employers can (and do) terminate group life insurance benefits. (This is especially common during a sluggish economy.) Another downside is the fact that you lose this coverage when you leave your employer.

Even if you don't fall within any of these groups, you and your family could still lack the life insurance you need. To find out what your needs might be, take our Fast and Easy Life Insurance Quiz. (And remember that your local ERIE Agent is always there to answer all your insurance questions!)

*If you are interested in hearing  
more about Life Insurance  
& your options,  
Please call Jonathon at  
610-264-3940.*



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Tannersville, PA 18372  
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Fax: 570-629-4202

## WEALTH TRANSFER: *We can help*

If you have money sitting in a money market account or in a certificate of deposit (also known as a "CD"), you may notice that your funds are not growing very quickly. This is due to the fact that interest rates are very low on most fixed rate accounts. If you plan on leaving some or all of this money to your heirs, we have a program that may help you maximize the amount you can leave to your loved ones on a guaranteed basis. If you are in good health, you can secure your legacy by purchasing a single premium life insurance policy.

### **We Appreciate Your Business**

Thanks again for choosing Benninger Insurance-where you get more than coverage and service. You get 49 years of business experience behind you, plus the freedom to manage your policy your way with a licensed insurance agent in person.

*(We) Do it the personal way!!!!*

## MEET THE STAFF

### COMMERCIAL LINES AGENTS

Ronald Brosky  
Todd Brosky, CIC

### CLAIMS SERVICE

Scott Brosky, CISR

### PERSONAL LINES AGENTS

Cheryl Butler, CISR  
Dianna Cosgrove, CISR  
Carole Costenbader  
Robyn VanWhy  
Samantha Perry

### RECEPTIONIST

Amy Hammer

### HUMAN RESOURCES

Susan Panzarella

### WEBSITE

[www.benningerins.com](http://www.benningerins.com)