# The ABCs of insurance.



To help make your insurance experience as easy as possible, we've compiled a list of lingo, terms, and buzzwords … all so you have a better understanding of how the insurance process works. Ready to get started? Let's sing the ABCs of insurance.

**A is for Adjuster**

If you've ever filed a claim, your insurance company most likely sent someone to investigate the damage. That person was called an adjuster.

**B is for Beneficiary**

If you have a life insurance policy, you'll need to name a beneficiary, or a person who would receive the proceeds. Most people choose to name a parent, spouse, or child — usually the person who would be most affected by the loss. If you own a business, you can also name a beneficiary for your company should something happen to you.

**C is for Claim**

Were you in a car accident? Did your home experience damage from a fire? When you contact your independent insurance agent or insurance company to let them know of the damage, you're filing a claim. A claim is a formal request asking for payment based on the terms of your insurance policy.

**D is for Deductible**

When you file a claim, you'll want to know what you'll pay out of pocket for the repair, also known as a deductible. Let's say the cost of repairing damage to your home is $1,000, and your deductible is $500. When you file an insurance claim, you'll pay $500 out of pocket, and the insurance company will then pay the remaining $500.

**E is for Exposure**

Do you drive in an area with heavy traffic? Do you live far away from a fire station or fire hydrant? Do you work from home? Factors like these can increase or decrease the possibility of loss, also known as exposure, that needs to be protected by your insurance policy. Greater exposures may lead to higher premiums for you and your business.

**F is for Face Amount**

This is the value of a life insurance policy once it reaches maturity, or when the policyholder passes away.

**G is for General Liability Insurance**

If you're a business owner, this one's for you. General liability insurance is designed to protect policyholders from liabilities stemming from the workplace, such as the products they make or the services they perform. Not sure if you need it? Read our blog: 4 reasons your business needs liability insurance.

**H is for Homeowners Insurance**

If you own a home, you need a homeowners insurance policy that provides coverage for the structure and contents, in case something happens. If you have a home loan, your mortgage company will require coverage for your house in case anything were to happen.

**I is for Independent Agent**

An independent agent is a representative of multiple insurance companies who determines the coverage you need. Not only can they help you find the right insurance company, but they can also help you find the insurance policy that meets your needs. See everything they do.

**J is for Joint Life Policy**

Do you want a life insurance policy that covers you and your spouse, or you and your child? That's what a joint life policy is for.

**K is for Key Employee Insurance**

Are you a business owner? If you have an employee who is so vital to your company that their passing could cause harm to your business, you can insure them with key employee insurance.

**L is for Loss Control**

What can you do to prevent insurance claims? Practice loss control, which analyzes risks that could lead to claims and provides steps to lessen or remove the risks.

**M is for Multiple Policy**

Do you need more than one thing insured, such as a home, a car, and a boat? If the same company is insuring all of those things, you may be eligible for a multiple policy discount.

**N is for Named Insured**

Who is the named insured on your insurance policy? That's you. You're the one who purchased the policy and you're the one your insurance company will protect.

**O is for Occurrence**

Before you file a claim, you experience an occurrence, which is an incident that may result in an insured loss.

**P is for Premium**

Most people have heard the word premium said in an insurance conversation, but they don't always understand what it means. A premium is the amount of money you pay your insurance company to cover your home, health, business, vehicle, or life. It can be paid in installments or annually, and the amount depends on which policy you choose and what your exposures are.

**Q is for Questions**

If you have them, your local, independent agent is a great resource. They're here to have frank conversations with you and answer any questions that come up.

**R is for Renters Insurance**

If you're living in an apartment that catches fire, what would you do about everything that was inside it? If you have renters insurance, you'll be able to replace most, if not all of it. For that reason and more, renters insurance is protection worth having.

**S is for Scheduled Personal Property Endorsement**

This endorsement can be added to a homeowners policy to provide additional coverage for some of your most valuable belongings, like jewelry and art.

**T is for Total Loss**

An adjuster may rule something to be a total loss when the cost to repair the damage exceeds the value of the item.

**U is for Umbrella Policy**

Just like a rain umbrella keeps you covered in an unexpected downpour, an umbrella policy will help you weather the unexpected. If there's ever a time when your home or auto insurance just isn't enough, an umbrella policy will add an additional layer of coverage.

**V is for Agreed Value Policy**

If you own a collector car, for instance, which is often hard to value, you and your agent may have worked together to agree on the value of the vehicle in case of a total loss.

**W is for Whole Life Insurance**

It's life insurance for the remainder of your life.

**X is for X Factor**

Something every insurance agent should be offering their policyholders — going the extra mile to make sure they're safe and stable.

**Y is for Yacht**

Do you own a yacht? Insure it, and any other watercraft, with a personal marine policy so you can sail the seas knowing you're protected.

**Z Is for a Zillion Reasons to Be Insured**

Insurance can only help you, keeping you protected and at ease through everything ahead in life. That's why there are a zillion reasons to get it.

Now that you know the ABCs of insurance, have a frank conversation about coverage with one of our local, independent agents.