

## Example 2:

Home In Everett, WA			
	NFIP	GeoVera	The Insurance Store
Bldg	250,000	735,000	413,000
Contents	0	Included	
Rental Expense	0	Included	41,300
<b>TOTAL VALUES</b>	<b>250,000</b>	<b>735,000</b>	<b>454,300</b>
<b>Coverage</b>			
Earthquake		YES	YES
Flood	YES		YES
<b>PREMIUM</b>	<b>792</b>	<b>829</b>	<b>970.96</b>
<b>Deductible</b>		10%	5%
Building	5,000		20,650
Contents			
Rental Expense			2,065
<b>TOTAL</b>	<b>5,000</b>	<b>73,500</b>	<b>22,715</b>

### MOST IMPORTANT ITEM: THE DEDUCTIBLE

The single most important coverage on an earthquake policy is the **deductible**. The customer has to guarantee payment of the deductible to the contractor **BEFORE** any repair work begins.

The first thing that happens is the customer's home is damaged and they need a place to live.

- With Geovera it is **single entry**
- The Insurance Store, it is **by line**.

## Living expenses:

Geovera: a 10% deductible means the customer pays the first **\$73,500**  
(\$1,012,000 x 10%)  
The maximum time for coverage is **12 months**.

Insurance Store: a 10% deductible means the customer pays only the first **\$2,065**  
(our deductible is by line) (10% of the Rental Expense)

**No maximum time.** It is however long it takes to use up total money requested.

*“Is your customer going to be really happy when you tell them they have coverage but to use it they have to pay the first **\$73,500** and they can only use it for **12 months**?”*

*They will be **MUCH** happier when you tell them they have coverage and their deductible on the living expenses is only **\$2,065**. And, they have coverage until the entire limit of money requested is used with no time limit.*

The other big problem is that many repairs cannot be completed in **12 months** for two reasons.

1. Permits take forever
2. For many it will take some time to come up with the large deductible.
  - a. The problem is that within the first 5 hours, all contractors will be booked up and you will have to wait to get your repairs done. You may have coverage but there won't be anyone to do the work.
3. 12 months simply is **NOT** enough time for living expenses.

## NEXT: WHAT IS COVERED:

Would you agree that the risk of a flood is as great as the risk of an earthquake?

### Restrictions:

- Geovera has many limits and restrictions. (See the chart above)
- The Insurance Store program has none.

### Flood:

- With The Insurance Store flood **IS** covered with only a \$10,000 deductible.
- With Geovera **NO** flood coverage is included.

**PRICE:**

How can The Insurance Store offer such a great product at a reasonable price?

We feel our homeowners program is the very best on the market. And, it is just a little bit more than our competition. **But, you get SO MUCH more for your money.**

Your customer will appreciate great insurance when they have a claim.

We are constantly developing new products for Farmers Agents to give them a competitive advantage.