

IMPORTANT INFORMATION ABOUT YOUR AUTOMOBILE INSURANCE:

Re: New Georgia UIM Add-On Coverage

Dear Valued Client:

You have likely seen or heard on the news about the new Georgia law regarding Under-Insured Motorists (UIM) Add-On coverage. You will also receive a letter from your Automobile carrier as a requirement of the new law. Much of the information is confusing and I wanted to take the opportunity to try to clarify it for you.

First, Under-Insured Motorists coverage protects your own self from damage or injury caused by a negligent party who does not have adequate limits of insurance to cover your losses. As of January 1, 2009, you now have the option of two different UIM coverage's – **Reduced UIM** or **Add-On UIM**. Following are explanations of how the difference in these two coverage's affects you:

Reduced UIM:

In an accident with an at-fault, under-insured driver, the at-fault party's Liability insurance coverage may be deducted from your UIM coverage when determining the amount of your recovery from your UIM coverage for injuries and property damage. For example:

Your UIM Limits = \$25,000 BI Each Person/\$50,000 BI Per Accident/\$25,000 PD
At-Fault Driver Liability Limits = \$25,000 BI Each Person/\$50,000 BI Per Accident/\$25,000 PD
Your Total Potential Recovery = \$25,000 BI Each Person/\$50,000 BI Per Accident/\$25,000 PD

Add-On UIM:

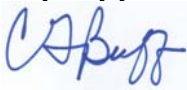
In an accident with an at-fault, under-insured driver, the total of your UIM limit will be applied as possible additional coverage on top of the at-fault party's Liability limit. For example:

Your UIM Limits = \$25,000 BI Each Person/\$50,000 BI Per Accident/\$25,000 PD
At-Fault Driver Liability Limits = \$25,000 BI Each Person/\$50,000 BI Per Accident/\$25,000 PD
Your Total Potential Recovery = \$50,000 BI Each Person/\$100,000 BI Per Accident/\$50,000 PD

Uninsured Motorists and Under-Insured Motorists coverage's are valuable tools to protect you from significant financial problems. *We are recommending that our clients elect the new UIM Add-On coverage.* Another viable option is to carry a higher limit for UM/UIM coverage's, above the state mandated limits. We do not advise you to reject UM/UIM coverage entirely.

There is a very informative website – www.giis.org – that includes a brief video and a concise FAQ document that can help you in understanding your choices. I urge you to visit this site and to please call us if you have any questions or concerns.

Very truly yours,



Carla G. Buff
Agency Manager