

# HOW TO: READ AN AUTOMOBILE INSURANCE POLICY DECLARATION SHEET

*\*Disclaimer: The following is only applicable to PRIVATE PASSENGER MOTOR VEHICLES insured by a natural person (i.e. not a corporation) for policies issued in Pennsylvania subject to the Pennsylvania Motor Vehicle Financial Responsibility Law.\**

One of the first questions we ask prospective clients/new callers when they're involved in a motor vehicle collision is whether they have "Full Tort" or "Limited Tort" automobile insurance.

Unfortunately, many do not know the answer to this question, and an even greater portion will answer with the phrase "I have full coverage."

If there is one (1) thing you take from this post, we hope it is the following:

## **FULL COVERAGE IS NOT FULL TORT.**

"Full coverage" is the deceptive term the insurance companies use to trick people into thinking they are fully protected if they find themselves or a loved one injured or killed in a crash due to the fault of another.

However, full coverage does not mean you have "**Full Tort**" on your applicable insurance policy. In fact, we often find it means you have the exact opposite of what you think it means: "**Limited Tort**."

What does "Full Tort" and "Limited Tort" automobile insurance mean? Please see our blog post outlining same in more detail, but it basically means that you give up many important rights by electing limited tort coverage to save a little bit of money.

Your "Tort" status determines whether or not you are able to bring a claim against the responsible party/parties for certain injuries and damages sustained in a motor vehicle collision.

If you have "Full Tort" on your policy, and you have been injured in an automobile collision that is not your fault, then, under the law, you are able to bring a claim for what is known as "pain and suffering" against the wrongdoer. This is the most valuable part of your claim.

If you have “Limited Tort,” however, your damages may be limited to economic damages only, such as medical bills, out-of-pocket expenses, etc. While there are exceptions to this rule (see our blog post for more detail), it may make bringing a claim for pain and suffering much more difficult, or even impossible, than if you had elected “Full Tort” insurance prior to the crash. How can you find out your “Tort” status if you do not know or unsure?

The first step is to look at your “Declarations Page” or “Declaration Sheet” ...  
(the title of the document may differ depending on which insurance company you have).

This document is designed to show you how to read your Declarations Page, including the following:

- (1) Your “Tort” Status
- (2) Your Liability Limits
- (3) Your Personal Injury Protection Limits (sometimes known as “PIP” Benefits or First Party Benefits); and
- (4) Your Underinsured/Uninsured Motorist Benefits.

While each automobile insurance company uses different forms, they all outline the amounts of coverage you’ve purchased.

We’ve outlined a few examples to aid you in reviewing your own policies to determine if you and your loved ones will be properly protected in the event of a motor vehicle collision.

Not all Declaration Sheets will look identical to the following examples, but hopefully this helps you understand what to look for:

# EXAMPLE 1

The title of the Document for this example is "Auto Policy Declarations." However, this title may differ depending on your insurance company.

## Your New Auto Policy Declarations

Coverage provided by:

[REDACTED]

Named Insured	Policy Number	Agent Phone
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	Policy Period	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Total Annual Policy Premium: (This  
Your premium is based on Good D

YOUR COLLISION COVERAGE AND  
RENT FOR 45 DAYS OR LESS. TH

Vehicles Covered:

Vehicle

[REDACTED]

Driver Rating Information

Drivers Included

[REDACTED]

If a driver is not a resident relative as  
endorsements for terms, definitions, l

Discounts that apply:

Advance Quote Discount

Anti-Lock Brake Discount

Multi-Car Discount

Multi-Policy Discount - Auto/Home

Passive Restraint Discount/Multiple Airbags

Prior Bodily Injury Limits Discount

1, 2, 3

1, 2, 3

1, 2, 3

1, 2, 3

1, 2, 3

Coverages/Limits of Protection/Premiums

Insurance is provided where a premium is shown for the coverage. Coverages, limits and annual premiums are as follows:

The Limited Tort Option applies to all private passenger vehicles.

### (1) Tort Status:

- In this example, the "Tort" selection is clearly written out at the bottom of page 1. However, it may be found somewhere else on your Declaration Sheet depending on your insurance carrier.
- IN ORDER TO FULLY PROTECT YOU AND YOUR LOVED ONES, OUR OFFICES RECOMMEND ALWAYS ELECTING "FULL TORT" INSURANCE.
- If your Declaration Sheet reads "Limited Tort," this is when your attorney would typically ask your insurance company for a copy of your "Tort Election" form, which must have been signed by the Named Insured on the policy. If they cannot produce this form, you are deemed to have elected "Full Tort."\* (An example of this form to follow).

Policy Number	Policy Period	Vehicle (premium)
1	2	
<b>Liability Protection</b> Bodily Injury \$100,000 per person/ \$300,000 per accident Property Damage \$100,000 per accident		
<b>First Party Benefits</b> Medical Expense \$5,000 Income Loss \$1,000/Month / \$5,000 Maximum Accidental Death \$5,000 Funeral Benefit \$2,500		
<b>Uninsured Motorists</b> Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked		
<b>Underinsured Motorists</b> Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked		
<b>Physical Damage</b> Comprehensive - \$500 deductible Collision - \$500 deductible Collision - \$1,000 deductible		
<b>Optional Coverages</b> Road Service Transportation Expenses - Comprehensive Class 3 - Small SUV/Pickup Truck Transportation Expenses - Collision Class 3 - Small SUV/Pickup Truck		
<b>Annual Premium per Vehicle</b> \$		
<b>Total Annual Premium</b>		

Form numbers listed below that have an asterisk (\*) are included in this policy. They have been provided to you by your Agent.

**Applicable Policy, Endorsements and Notices**

Auto Insurance Policy - Pennsylvania

Policy Change Endorsement - Pennsylvania

First Party Benefits Endorsement - Pennsylvania

Uninsured/Underinsured Motorists Coverage Endorsement - Pennsylvania

Subscribers Agreement

Pennsylvania - Notice To Policyholders

## (2) Liability Protection:

- Turning to page 2 of the document, you can see that this policy provides for \$100,000.00/\$300,000.00 in bodily injury limits.
- This coverage is to protect your assets if you (a named insured, or a member of your household) are sued/a claim is brought against you following a motor vehicle collision, i.e. if you have caused/are found at-fault for a collision under the law and someone has brought a claim for personal injuries against you.
- Under Pennsylvania Law, you are required to have at least \$15,000.00 in liability limits on your policy. Naturally, you can always select more, as seen in this example. We recommend at least \$100,000.00, and potentially more depending on your financial situation.
- Here, an injured individual could attempt to collect \$100,000.00 from your policy; meanwhile, if multiple people have been injured, the total amount collectable by all injured persons would be \$300,000.00, with no person receiving more than \$100,000.00, under the policy.
- Under the law, you are also required to have \$5,000.00 in property damage liability. Here, that limit was increased to \$100,000.00 in property damage, to protect you if another individual brings a claim for property damage against you.
- If you are at-fault for an accident, and someone has put you on notice of a claim or lawsuit, it is important that you tell your insurance carrier immediately, and they will help defend you in the claim/lawsuit as part of this liability protection.
- This protection will generally not protect you if you are the individual injured in a collision.

	Policy Number		
	Policy Period		
	Vehicle (Premium in \$)		
	1	2	3
<b>Liability Protection</b>			
Bodily Injury \$100,000 per person/ \$300,000 per accident			
Property Damage \$100,000 per accident			
<b>First Party Benefits</b>			
Medical Expense \$5,000			
Income Loss \$1,000/Month / \$5,000 Maximum			
Accidental Death \$5,000			
Funeral Benefit \$2,500			
<b>Uninsured Motorists</b>			
Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked			
<b>Underinsured Motorists</b>			
Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked			
<b>Physical Damage</b>			
Comprehensive - \$500 deductible			
Collision - \$500 deductible			
Collision - \$1,000 deductible			
<b>Optional Coverages</b>			
Road Service			
Transportation Expenses - Comprehensive			
Class 3 - Small SUV/Pickup Truck			
Transportation Expenses - Collision			
Class 3 - Small SUV/Pickup Truck			
<b>Annual Premium per Vehicle</b>	\$		
<b>Total Annual Policy</b>			

Form numbers listed below that have an asterisk (\*) are included with this policy. Form numbers not listed below are not included with this policy and have not been provided to you by your Agent.

#### Applicable Policy, Endorsements and Notices

Auto Insurance Policy - Pennsylvania

Policy Change Endorsement - Pennsylvania

First Party Benefits Endorsement - Pennsylvania

Uninsured/Underinsured Motorists Coverage Endorsement - Pennsylvania

Subscribers Agreement

Pennsylvania - Notice To Policyholders

### (3) First Party Benefits:

- Further down the same page, you'll see what is called "First Party Benefits." Often times this is referred to as "Personal Injury Protection" Benefits, or "PIP" benefits.
- This coverage is used when you (a named insured or a member of your household\*) have been injured in an automobile collision.
- Under Pennsylvania Law, you are required to have at least \$5,000.00 in PIP limits to help pay for your medical bills related to the collision. Naturally, you can always purchase more coverage, and you can add benefits such as wage loss, funeral expense, etc. We recommend at least \$10,000.00.
- Here, you can see that this policy provides for the mandatory minimum of \$5,000.00 in Medical Expense coverage. This benefit can only be used to pay bills related to medical treatment received by you, a named insured, or a member of your household, as a result of being injured in a collision. It does not matter who was at-fault for the collision.
- If you've been injured in a motor vehicle collision, it is important to give *your* automobile insurance information as your primary insurance to your medical providers, followed by any applicable health insurance plans.
- This policy also provides for \$1,000 per month or \$5,000.00 total in income loss. Under PA Law, income loss benefits do not become applicable until you have missed 5 days of work. After that, you are compensated for a portion of your income lost.
- Income loss, accidental death, and funeral benefits, all listed here, are add-ons that you can add to your policy at an extra fee, but are not required.



#### (4) Underinsured/Uninsured Motorist Benefits:

- a. Further down the same page, the policy provides for “Uninsured Motorists” and “Underinsured Motorists” benefits.
- b. These benefits are primarily used when you (a named insured or a member of your household) has been injured in a car crash where another party may be found liable/at-fault for the collision and the at-fault driver does not have sufficient assets/coverage to fully and fairly compensate you for your losses.
- c. When making an injury claim, you would first have to collect the full amount of the at-fault driver’s “liability limits” under their policy before you could use your “Underinsured Motorist” benefits, i.e. the other driver’s liability limits were not enough to fully compensate you for your injuries and damages sustained in the collision, and he/she would therefore be considered an “underinsured” driver.
- d. If you were struck by an uninsured driver or hit in a hit-and-run, and were injured, you would make a claim against your “Uninsured Motorist” benefits similar to how you would make a claim against the other driver’s “liability limits.”
- e. Automatically, your Underinsured/Uninsured Motorist benefits would be equal to your Liability Protection. However, you can elect to “Sign-Down” those limits to a lesser amount, or chose to have no Underinsured/Uninsured Motorist benefits altogether. We recommend at least \$100,000.00.
- f. You will note in this example that the Underinsured/Uninsured Motorist benefits are LESS than the liability limits. This is because the client SIGNED-DOWN their limits, limiting their protection against underinsured and uninsured drivers.
- g. In this example, and similar to liability benefits, each injured person could collect up to \$50,000.00 in benefits, but not to exceed \$100,000.00 total among all injured persons.
- h. Finally, the word “Stacked” on this policy indicates that the injured individual could “stack” his/her UIM/UM benefits, to increase the UIM/UM benefits available under the policy based on the number of cars insured on that policy. This can also be important if there are multiple insurance policies at issue.\* Your policy can provide for “stacked” or “non-stacked” benefits.
- i. In this example, there are 3 cars on the policy, meaning that the \$50,000.00/\$100,000.00 in benefits could be stacked (multiplied by 3) to equal \$150,000.00 per person/\$300,000.00 per accident in total benefits.

	Policy Number	Vehicle (premium)
	1	2
<b>Liability Protection</b>		
Bodily Injury \$100,000 per person/ \$300,000 per accident	[REDACTED]	[REDACTED]
Property Damage \$100,000 per accident	[REDACTED]	[REDACTED]
<b>First Party Benefits</b>		
Medical Expense \$5,000	[REDACTED]	[REDACTED]
Income Loss \$1,000/Month / \$5,000 Maximum	[REDACTED]	[REDACTED]
Accidental Death \$5,000	[REDACTED]	[REDACTED]
Funeral Benefit \$2,500	[REDACTED]	[REDACTED]
<b>Uninsured Motorists</b>	09/	
Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked	[REDACTED]	[REDACTED]
<b>Underinsured Motorists</b>	9/20	
Bodily Injury \$50,000 per person/ \$100,000 per accident-Stacked	[REDACTED]	[REDACTED]
<b>Physical Damage</b>	9/20	
Comprehensive - \$500 deductible	[REDACTED]	[REDACTED]
Collision - \$500 deductible	[REDACTED]	[REDACTED]
Collision - \$1,000 deductible	[REDACTED]	[REDACTED]
<b>Optional Coverages</b>		
Road Service	[REDACTED]	[REDACTED]
Transportation Expenses - Comprehensive	[REDACTED]	[REDACTED]
Class 3 - Small SUV/Pickup Truck	[REDACTED]	[REDACTED]
Transportation Expenses - Collision	[REDACTED]	[REDACTED]
Class 3 - Small SUV/Pickup Truck	[REDACTED]	[REDACTED]
<b>Annual Premium per Vehicle</b>	\$ [REDACTED]	\$ [REDACTED]
<b>Total Annual Premium</b>	[REDACTED]	[REDACTED]

Form numbers listed below that have an asterisk (\*) are included  
been provided to you by your Agent.

### Applicable Policy, Endorsements and Notices

Auto Insurance Policy - Pennsylvania

### Policy Change Endorsement - Pennsylvania





### First Party Benefits Endorsement - Pennsylvania

Uninsured/Underinsured Motorists Coverage Endorsement - Pe


## Subscribers Agreement

## Pennsylvania - Notice To Policyholders

## EXAMPLE 2

	Policy Number:		Report a Claim:		
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### Policy Declarations


Total Annual Premium: \* 

Bill Frequency: Monthly    Installment Fee Per Payment: 

\*Total Annual policy premium above does not include installment fees.

Your discounts and benefits have been applied. Includes state sales tax and local surcharge where applicable.

### Insurance Information

Named Insured: 

Policy Number: 









Mailing Address: 

Policy Period: 

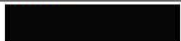



Declarations Effective 

Affinity Affiliation: 

### Vehicles Covered by Your Auto Policy

	YEAR	MAKE	MODEL	VEHICLE ID NUMBER
1				
2				

### Driver Information







	NAME	STATE		NAME	STATE
1			2		

To ensure proper coverage, please contact us to add drivers not listed above.

### DISCOUNTS AND BENEFITS SECTION

Your discounts and benefits have been applied to your Total Annual Policy Premium.

#### Vehicle Discounts

	VEH 1	VEH 2
		
		
		
Anti-Theft Device Discount	•	•
Vehicle Safety Discount	•	•

Important Billing Information Enclosed

Page 1 of 4



Policy Number:  
[Redacted]

Report a Claim:  
[Redacted]



DISCOUNTS AND BENEFITS SECTION continued

Vehicle Discounts (continued)

	VEH 1	VEH 2
Alternative Energy Discount	[Redacted]	

Policy Discounts



Accident Forgiveness: Congratulate driver on your policy has an

(2) Liability Protection

Forgiveness! If an experienced driver has a first accident.

Coverage Information

(1) Tort Status:

- a. This is an example where the “Tort” status is embedded within the document, rather than found at the end.

for all covered vehicles is shown below for each vehicle. Where no premium is shown, there is no premium.

ON DAMAGE TO RENTAL VEHICLES

LIMITS

A. Liability

Bodily Injury	\$	250,000 Each Person
Property Damage	\$	500,000 Each Accident
Limited Tort Option Selected	\$	100,000 Each Accident

C. Uninsured Motorists

Uninsured Motorists	\$	100,000 Each Person
Bodily Injury	\$	300,000 Each Accident
Limited Tort Option Selected	\$	100,000 Each Accident

Underinsured Motorists

Underinsured Motorists	\$	100,000 Each Person
Bodily Injury	\$	300,000 Each Accident
Limited Tort Option Selected	\$	100,000 Each Accident

Important Billing Information

(4) Underinsured/Uninsured Motorist Benefits:

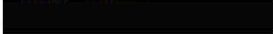
a. You’ll note that there is no mention of “stacked” on this example, even though there are two (2) vehicles listed on the policy. This is when your attorney would typically ask your insurance company for a copy of your “Rejection of Stacking” form, which must have been signed by the Named Insured on the policy. If they cannot produce this form, you are deemed to have elected “Stacked” benefits. The same would be true if the policy read “non-stacked.”

b. If your insurance company can produce a signed “Rejection of Stacking” form, then you would not be entitled to stacked benefits under your policy, no matter how many cars you have on the policy. (An example of this form to follow).





Policy Number:



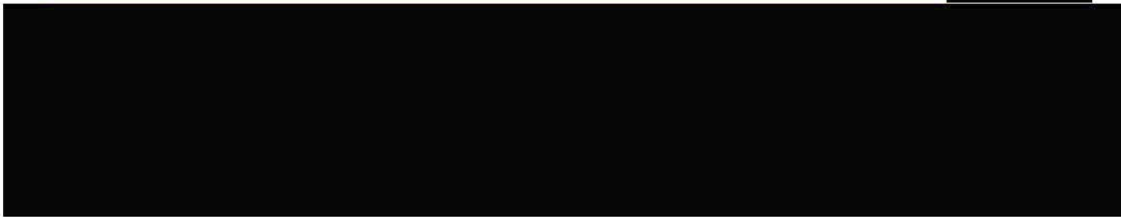
Report a Claim:



**Coverage Information** continued

COVERAGE	LIMITS	PREMIUM PER VEHICLE
<b>D. Coverage for Damage to Your Auto</b>		
<b>Collision</b>		
Actual Cash Value Less Deductible Shown		
Veh 1 \$500	Veh 2 \$500	
<b>Other Than Collision</b>		
Actual Cash Value Less Deductible Shown		
Veh 1 \$100	Veh 2 \$100	
<b>First Party Benefits</b>	<b>(3) First Party Benefits</b>	
First Party Benefits		
10,000 Medical Expense		
1,500 Funeral Expense		
5,000 Income Loss		
5,000 Accidental Death		
Limited Tort Option Selected		
<b>Optional Coverages</b>		
<b>Towing And Labor Cost Each Disablement</b>		
Veh 1 \$100	Veh 2 \$100	
<b>Transportation Expenses</b>		
	\$45 Per Day	
	\$1,350 Per Accident	
Annual Premium Per Vehicle:		

**Total Annual Policy Premium:**



Important Billing Information Enclosed

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## EXAMPLE 3

[REDACTED]

Dear [REDACTED]:

Based on the information you provided to us for a [REDACTED]

[REDACTED] your estimated pay-in-full premium is [REDACTED]

Or if you pay using our monthly installment plan your estimated total premium is [REDACTED] with an estimated down payment amount of [REDACTED]

[REDACTED]

### (1) Tort Status:

- This final example is actually an "Estimate." You may receive something similar when shopping for new or increased insurance benefits.
- In this example, the "Tort Status" is not listed on the form. If the "Tort Status" is not listed, be sure to clarify with your insurance agent that you wish to elect "Full Tort," signing the "Tort Election" form on the line for "Full Tort." (An example of this form to follow).

Coverages	
Coverages	Limits or Deductibles
Liability	250,000/500,000
Property Damage	100,000
First Party Benefits	5,000
First Party Benefit Tort Option	
Work Loss	2,500/50,000
Uninsured Motorists	250,000/500,000
Uninsured Motorist Stacking	
Underinsured Motorists	250,000/500,000
Underinsd Motorist Stacking	
Comprehensive	250
Glass Deductible	50
Collision	500
Rental	50/1,500
Loan/Lease Gap	
Personal Property Covg	500
Roadside Assistance Coverage	100
Trip Interruption Coverage	
Premier Roadside Assistance	
TOTAL PER VEHICLE	

### (2) Liability Protection

### (3) First Party Benefits:

- In this example, the words "Medical Expense" do not appear on the Estimate, but this \$5,000.00 still applies to your Medical Expense.
- Work loss benefits are the same as the "Income loss" benefits referred to in the other examples.

### (4) Underinsured/Uninsured Motorist Benefits:

- This is an example where the UIM/UM benefits have not been "Signed-Down," so they are equal to the Liability Protection available under the proposed policy.

# EXAMPLE "TORT ELECTION FORM"

Policy Number: [REDACTED]

Page 1 of 1

## NOTICE TO NAMED INSUREDS

The laws of the Commonwealth of Pennsylvania, as enacted by the General Assembly, only require that you purchase liability and first-party medical benefit coverages. Any additional coverages or coverages in excess of the limits required by law are provided only at your request as enhancements to basic coverages.

In compliance with 75 Pa. C.S. Section 1791.1(a), we inform you that the minimum motor vehicle insurance coverages and limits mandated by the Commonwealth are: Bodily Injury Liability - \$15,000 for one person in any one accident/\$30,000 for two or more persons in any one accident; Property Damage Liability - \$5,000; and Medical Benefits - \$5,000. The annual premium for these basic coverages are presented below.

### A. "Limited Tort" Option

The laws of the Commonwealth of Pennsylvania give you the right to choose a form of insurance that limits your right and the right of members of your household to seek financial compensation for injuries caused by other drivers. Under this form of insurance, you and other household members covered under this policy may seek recovery for all medical and other out-of-pocket expenses, but not for pain and suffering or other nonmonetary damages unless the injuries suffered fall within the definition of "serious injury" as set forth in the policy or unless one of several other exceptions noted in the policy applies. The annual premium for basic coverage as required by law under this "limited tort" option is [REDACTED].

Additional coverages under this option are available at additional cost.

### B. "Full Tort" Option

The laws of the Commonwealth of Pennsylvania also give you the right to choose a form of insurance under which you maintain an unrestricted right for you and the members of your household to seek financial compensation for injuries caused by other drivers. Under this form of insurance, you and other household members covered under this policy may seek recovery for all medical and other out-of-pocket expenses and may also seek financial compensation for pain and suffering and other nonmonetary damages as a result of injuries caused by other drivers. The annual premium for basic coverage as required by law under this "full tort" option is [REDACTED].

Additional coverages under this option are available at additional cost.

C. You may contact your insurance agent, broker or company to discuss the cost of other coverages.

D. If you wish to choose the "limited tort" option described in paragraph A, you must sign this notice where indicated below and return it. If you do not sign and return this notice, you will be considered to have chosen the "full tort" coverage as described in paragraph B and you will be charged the "full tort" premium.

I wish to choose the "limited tort" option described in paragraph A:

Named Insured: [REDACTED]

Date: [REDACTED]

E. If you wish to choose the "full tort" option described in paragraph B, you may sign this notice where indicated below and return it. However, if you do not sign and return this notice, you will be considered to have chosen the "full tort" coverage as described in paragraph B and you will be charged the "full tort" premium.

I wish to choose the "full tort" option described in paragraph B:

Named Insured: [REDACTED]

Date: [REDACTED]

## (1) Tort Status:

a. Above, we have an example of the "Tort Election" form we referenced in the previous examples. Here, you can see we have highlighted the policy number, and the signature lines for either "limited tort" or "full tort." Your insurance agent will present you with a similar form for signing when selling you new insurance, or when changing your tort status on an existing policy. In this example, the named insured signed, for "limited tort" insurance, scratching out the line for "full tort." AS A REMINDER, OUR RECOMMENDATION IS TO ALWAYS ELECT "FULL TORT."

# EXAMPLE "SIGN-DOWN FORM"

**\*\*CHANGE SECTION\*\***

Please complete this section only if you wish to **CHANGE** your Uninsured and/or Underinsured Motorists coverage.

**UNINSURED MOTORISTS COVERAGE**

☐ I accept Uninsured Motorists Coverage with the following limit (I understand that this coverage will be "stacked"):

- ☐ \$15,000/\$30,000 (Minimum Limit)
- ☐ \$20,000/\$40,000
- ☐ \$25,000/\$50,000
- ☐ \$50,000/\$100,000
- ☐ \$100,000/\$300,000
- ☐ \$250,000/\$500,000
- ☐ \$500,000/\$1,000,000

To reject Uninsured Motorists Coverage or to reject the "stacking" option, please complete and sign the form titled "Rejection of Uninsured Motorists Protection".

**UNDERINSURED MOTORISTS COVERAGE**

☐ I accept Underinsured Motorists Coverage with the following limit (I understand that this coverage will be "stacked"):


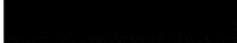
- ☐ \$15,000/\$30,000 (Minimum Limit)
- ☐ \$20,000/\$40,000
- ☐ \$25,000/\$50,000
- ☐ \$50,000/\$100,000
- ☐ \$100,000/\$300,000
- ☐ \$250,000/\$500,000
- ☐ \$500,000/\$1,000,000



To reject Underinsured Motorists Coverage or to reject the "stacking" option, please complete and sign the form titled "Rejection of Underinsured Motorists Protection".

You and your Spouse/Co-owner (if applicable) must sign below to confirm your coverage selections for First Party Benefits, Tort Option and Uninsured Motorists and Underinsured Motorists Coverage.

I understand that these selections will remain in effect for subsequent renewals unless any named insured under the policy selects different options in writing.

Reference Number: [REDACTED]

 [REDACTED]   
Signature of First Named Insured Date

 [REDACTED]   
Spouse's/Co-owner's Signature Date

**WARNING: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME**

## (4) Underinsured/Uninsured Motorist Benefits:

b. Above, we have an example of the "Sign-Down" forms we referenced in a few of the previous examples. As you will recall, your Underinsured/Uninsured Motorist benefits are automatically equal to that of your liability limits. Your insurance company, however, may attempt to get you to "sign-down" those limits to lower limits (by checking the amount of limits and having the named insured sign a form similar to the above) under the guise of saving you money, leaving yourselves and your loved ones vulnerable if you are injured by an underinsured/uninsured driver. WE RECOMMEND NEVER SIGNING-DOWN YOUR UNDERINSURED/UNINSURED MOTORIST BENEFITS.



# EXAMPLE

## “REJECTION OF STACKING FORMS”

### UNDERINSURED COVERAGE LIMITS

By signing this waiver, I am rejecting stacked limits of underinsured motorist coverage under the policy for myself and members of my household under which the limits of coverage available would be the sum of limits for each motor vehicle insured under the policy. Instead, the limits of coverage that I am purchasing shall be reduced to the limits stated in the policy. I knowingly and voluntarily reject the stacked limits of coverage. I understand that my premiums will be reduced if I reject this coverage.



Signature of First Named Insured



Date

### UNINSURED COVERAGE LIMITS

By signing this waiver, I am rejecting stacked limits of uninsured motorist coverage under the policy for myself and members of my household under which the limits of coverage available would be the sum of limits for each motor vehicle insured under the policy. Instead, the limits of coverage that I am purchasing shall be reduced to the limits stated in the policy. I knowingly and voluntarily reject the stacked limits of coverage. I understand that my premiums will be reduced if I reject this coverage.



Signature of First Named Insured



Date

#### (4) Underinsured/Uninsured Motorist Benefits:

- a. Finally, above, we have an example of the “Rejection of Stacking” forms we referenced in the previous examples. Your insurance agent will present you with similar forms for signing when selling you new insurance, or when increasing your existing Underinsured/Uninsured Motorist limits.
- b. Stacking can be complicated, but we are able to help, and have actually helped develop the law in this area, in our case, *Barnard v. the Travelers Home and Marine Insurance Company*. If you would like to read the decision that formed this law, please click the link: <https://www.paed.uscourts.gov/documents/opinions/18D0080P.pdf>



As I am sure you can tell from above, there are a lot of nuisances and things to keep an eye out for when reviewing your insurance policy following a car crash, or purchasing new/increased auto insurance, and we recommend contacting our offices if you need any help reviewing yours.

The most important thing to remember, however, is that while your insurance agent may tell you to “just buy what you need,” in terms of auto insurance, buying what you “need” is not always enough. What they really mean is buy “the minimum” required under the law, i.e. the \$15,000.00 liability, the \$5,000.00 medical expense benefit, and limited tort. This minimum may not protect your and your assets. Remember, insurance companies are in the business of earning profits for their shareholders, and not paying claims, so it is important to speak to an experienced lawyer to receive full and fair justice.

We recommend buying what will protect you and your loved ones the most, FULL TORT, and to NEVER SIGN-DOWN your Underinsured/Uninsured Motorist benefits. Why protect your assets for more than you protect yourself and your loved ones following an injury?

Again, if you’d like to learn more, or you know someone who has been injured in an auto crash, please do not hesitate to contact our offices by phone, email or text messaging, and one of our experienced staff members/attorneys will be happy to help you.

