

Mobile Devices: Does Insurance Tag Along?

Mobile information devices like PDAs and MP3 players occupy the bags and pockets of tens of millions of Americans. These devices can be pricey, often costing hundreds of dollars. The cost to obtain the information programmed on these gizmos can be exponentially more. If your portable device is damaged or stolen, will these costs be covered by your insurance?

Personal Insurance

Consider the iPod. Their owners span every demographic. For some, the iPod is as important to getting through the day as morning coffee or sunshine.

This pervasive product ranges in cost—usually a few hundred bucks or less depending on bells and whistles—and that’s just for the hardware. Downloading music can cost a dollar a song, videos and “podcasts” even more. Add in time spent collecting this information and you’ve got thousands of dollars invested in this thing. The same is true for other portable devices.

The good news is that most homeowners policies cover personal property while it is anywhere in the world—a positive considering the nature of these devices. The bad news is that coverage is limited—meaning the check you receive after the loss may not be what you expect.

While many believe their iPod is “worth” thousands of dollars, a homeowner insurance policy is designed to cover “direct physical loss” to property. Therefore, a typical policy will cover the cost of the device itself but *not* the cost of the information stored on the device. Some homeowner policies include coverage for loss to “personal records,” which may include information stored on a portable device. However, not all will do so and those that do likely limit coverage to a relatively small amount. If you have questions, consult your Trusted Choice[®] insurance agent.

Business Insurance

More and more people are using PDAs, such as Blackberries, Treos and iPhones, to conduct business on the fly. These devices keep them wirelessly connected to their work through email, Internet and phone.

If you own the device personally and use it for business, coverage under your homeowner insurance policy is less generous. Personal property used for business may not be covered worldwide and is subject to an amount of insurance that is lower than other personal property. A further restriction is that any limited coverage available for “personal records” does not apply to business records.

If your employer owns the device, it’s likely covered under a business insurance policy. Such policies contain similar limitations for loss of information. Business owners should

call their Trusted Choice[®] Independent Insurance Agent for information about electronic data coverage.

Back it Up

Whether used for business, personal, or both, cost to replace the device itself is likely the extent your insurance will pay if it is damaged or stolen. The best way to protect the information contained in the device is to back-up data periodically. Then, even if you have to replace the device, you won't have to start from scratch.

****Saylor Insurance Service, Inc.** is a local Independent and Trusted Choice[®] agency that represents multiple insurance companies, so it offers you a variety of personal and business coverage choices and can customize an insurance plan to meet your specialized needs. You can visit **Saylor Insurance** at 21 Main Street, Sabetha, Kansas, inside the Morrill & Janes Bank Building, online at www.saylorinsurance.com, or call us at **785-284-3435** or toll free at **888-736-2265**.