

[ TRAVEL WISE ]

## GOT YOU COVERED

Why you need travel insurance

September 11 marked the end of Los Angeles resident Leisha D. Smith's two-week European vacation. On her return home, Smith had her purse stolen at the airport in Barcelona, Spain, and her plane was diverted to Nova Scotia, Canada. With no cash and no luggage, Smith had money wired to her to purchase clothing better suited to the frigid Canadian weather. Unfortunately, Smith purchased insurance from the tour operator rather than the third-party provider. Tour operators primarily protect themselves and may not provide as comprehensive a plan as a third-party provider would, and they are not available 24 hours a day.

Dan McGinnity, a spokesperson for Travel Guard International, says travel insurance policies cost 5% to 7% of your total trip, and cover five basic areas: trip cancellation, trip interruption, emergency medical services, medical evacuation, and a 24-hour emergency travel assistance service. With the exception of trip cancellation and trip interruption, your homeowners/renters or health insurance, or your credit card, may offer a small amount of coverage. Know what you have before purchasing any additional insurance.

Note that trip cancellation insurance covers you before your trip begins, reimbursing you for prepaid, nonrefundable expenses. Trip interruption insurance covers you during your trip.

Many policies also include emergency monetary assistance, which would have provided Smith with more immediate access to cash. Many insurers have recently changed the terrorism provision in their plans to include domestic attacks. Ask about the distinction between foreign and domestic acts of terrorism and what's covered, or more importantly, what's not. Most providers require you to purchase insurance within a week to 10 days of paying for your trip.

—Michael Bennett



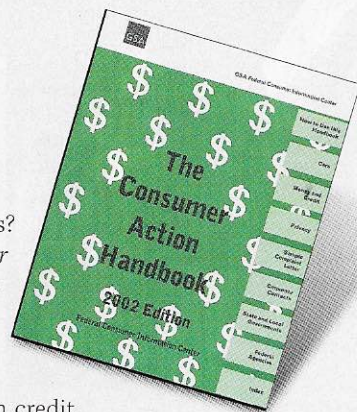
CHRIS MURPHY

[ PRICELESS RESOURCES ]

## AN ACTION GUIDE

Help for the proactive consumer

Got a complaint? Want purchasing tips? Need legal advice? Get *The Consumer Action Handbook, 2002 edition*. Published by the Federal Consumer Information Center (FCIC), it provides information on a variety of industries and areas of consumer concern, from credit cards and identity theft to home shopping and travel tips. For your free copy, go to [www.pueblo.gsa.gov/crh/respref.htm](http://www.pueblo.gsa.gov/crh/respref.htm), or call 888-878-3256 and ask for item No. 592J.



—Sonia Alleyne

[ ASK YOUR ADVOCATE ]

## GOOD OFFER OR BAD DEAL?



I've been seeing and hearing a lot about 0% financing. I've also noticed that it's not just cars even though that was my initial interest. I'm a skeptic and a firm believer that if it sounds too good to be true, it usually is. So what's the deal?

—R. Rutherford  
Burbank, California

The deal is, the auto industry had to do something to save itself, and 0% financing worked—it energized the industry and got folks in the showroom. General Motors was the first to offer the incentive, and many others, even outside of the auto industry, have followed suit.

Is it a good deal? Well, that depends on what your credit standing is and what you can afford. To benefit from 0% financing, you have to have excellent credit. That's what the ads mean by "well qualified buyers". You also have to be able to pay off your loan in less time than you would normally. Most are not offering 0% beyond 36 months.

Also, understand that now, 0% financing may be applicable to only certain models. So, if you do qualify, make sure you understand the stipulations. In some instances, you might do better taking the rebate, applying it to your down payment, and then shopping around to find the best loan rate.

Don't get so excited by the incentives that you forget to negotiate the best price on the car, though. Check [www.edmunds.com](http://www.edmunds.com) for the true market value of a vehicle.

—S.A.

Mail your finance questions to Ask Your Advocate, BLACK ENTERPRISE, 130 Fifth Ave., New York, NY 10011, or send an e-mail to [alloynes@blackenterprise.com](mailto:alloynes@blackenterprise.com).

TRAVEL INSURANCE COVERAGE BEGINS WITH YOUR INITIAL DEPOSIT, NOT WITH YOUR FULL PAYMENT