

# MOTOR INSURANCE AT A GLANCE

## What is Motor Insurance?

Motor insurance can cover your motor vehicle against accidental damage and theft. It can also protect you from the financial costs of repairing or replacing another person's vehicle in an accident where you're at fault.

Generally you can choose to insure your car for an agreed amount, or for the market value of your vehicle - up to \$150,000. Above \$150,000 will be considered on referral.

***"More than half of Australian drivers (58%) narrowly avoid a car crash at least once a month, while 18% of drivers said they experienced close calls on a weekly basis"***

Australian Road Safety Foundation, 2017

## Why do I need it?

If your car is damaged in an accident where you're at fault, having comprehensive motor insurance helps to pay for repairs - or can replace it altogether if your car is written off.

If your car is stolen, comprehensive motor insurance can pay you the agreed or market value, so you can buy another car.

Third party property damage (TPPD) insurance - can cover the costs you may be liable to pay if you are at fault and damage or write off someone else's car - is also available as a standalone policy. However, if you only have this cover, there's no cover for any damage to your own car.

## Did you know?



Motor vehicles were stolen in  
2016/2017  
(carsafe.com.au, 2017)



The cost of motor vehicle theft in  
the financial year 2016/2017  
(carsafe.com.au, 2017)



Car owners risk not having the  
insurance they need because they  
don't read their policy document  
(Insurance Council of Australia,  
2017)

## What can it cover?

Motor insurance provides you with extensive protection if your vehicle suffers loss or damage. And, unlike some other policies, motor insurance automatically includes some additional benefits with your cover.

The exact cover you can receive depends on the policy that you take out. But to give you an idea, here are some of the benefits a motor insurance policy may include:

| Potential Benefits   |   |
|--|---|
| Cover to help repair your vehicle if it's damaged or stolen  | Cover for the cost of a rental car for up to 14 days, if your car is stolen   |
| Cover to help you pay for damage you cause to another person's vehicle   | For financial cars, cover for 50% of the difference of the finance gap between the insured value and the vehicle's contract residual value following total loss |
| A replacement of the same make and model if your new vehicle is written off within three years and has less than 60,000 kilometres | An automatic 21 days cover on replacement vehicles  |
| Choice of your own repairer or one of our preferred repairer panel   | Up to \$30 million of legal liability cover   |
| Repair guarantee for materials on workmanship on authorised repairs  | The option to include one excess free windscreen claim per year.  |
| Re-keyring and re-coding of vehicle keys if they are stolen  | The option to include hire car cover following an accident  |

No additional excess for young or inexperienced drivers if they are named

## What usually isn't covered?

Each policy is different, but generally you won't be covered if the vehicle is:

- being driven by an unlicensed driver
- being driven by you or any other person while under the influence of any drug or alcohol

being used in any motor sport or time trial

There are other exclusions which we can outline for you. In addition, there is a deductible/excess.

## Case Study

On her way home from work, Sylvia was involved in a minor accident with a SUV, which was her fault. While the other car had a minor scratch, her car had some serious damage.

After pulling over, Sylvia contacted her insurance broker who took some details and arranged for her car to be towed and assessed. Because her policy also contained a rental car inclusion, they helped Sylvia arrange a hire car so that she could get to work while her car was off the road.

An assessor contacted her the next day, letting her know that her car could be fixed and that her insurance would cover the cost. They arranged to have it repaired at her smash repairer of choice. While she was waiting for her car to be repaired, Sylvia had access to the rental car – with the cost also covered by her policy.

### COVERSAFE INSURANCE BROKERS PTY LTD

Level 1, Suite 2, 684 Princes Hwy,  
Kogarah NSW 2217  
PO Box 241  
Sans Souci NSW 2219

Phone: 9553 0833  
Email: [info@coversafe.com.au](mailto:info@coversafe.com.au)  
AFSL: 246 618  
ABN: 80 003 353 044



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