

FAST FACTS

Most people (83 per cent) say they have insurance for their vehicle (source: *Roy Morgan All Finance Currency Database, 2007*)

Nationally, 72 per cent of drivers said that price was the key reason to switch to a new insurer (source: *AAMI Market Monitor, 2007*)

Nationally, only 26 per cent of respondents said they would be very likely to seek a competitive quotation next time they renew their insurance (source: *AAMI Market Monitor, 2007*)

Nationally, more than half (58 per cent) of drivers said they had not obtained a competitive quotation the last time they renewed their comprehensive car insurance (source: *AAMI Market Monitor, 2007*)

TYPES OF CAR INSURANCE

- There are different kinds of car insurance policies, for example:
 - **Comprehensive car insurance** – typically covers you for any accidental loss or damage to your car and other people's property, no matter who was at fault
 - **Third party property damage insurance** – covers you for damage you cause to other people's property and may protect you against accidental loss or damage to your car caused by an uninsured driver
 - **Compulsory third party (CTP) personal injury insurance** – this is compulsory and protects other people who are injured in a crash in which you are at fault – in New South Wales and Queensland, you may choose your CTP insurance provider
- Car insurance policies vary, as do the prices that different insurers charge for their products

TIPS FOR BUYING CAR INSURANCE

- Customers should shop around for their car insurance, as many fail to take advantage of potential savings by simply telephoning or checking on the Internet – they may be able to save hundreds of dollars
- The age and model of your car are factors in the cost of any repairs that may be required if it is damaged, so prospective buyers may wish to contact their insurer and discuss the premiums for different models before they buy
- Many people seem to think that insurers all offer the same prices for their products, however, prices differ for a range of reasons e.g. driving history (traffic offences, accidents and claims), type of vehicle, where the vehicle is kept overnight, multi-policy discounts – different insurers hold different views about such factors
- All insurance policies are different, and have different inclusions and exclusions; read your policy carefully to ensure it will provide the cover you require

CONTINUED OVERLEAF



Shopping for Car Insurance

Continued

- A policy is only as good as the service you receive if you have occasion to make a claim, so avoid making a decision based only on price – consider how your insurer will look after you in the event of a claim, for example:
 - Does the insurer specify genuine or original equipment manufacture (OEM) parts?
 - Does the insurer provide a lifetime guarantee on repair work that stays with the car even if it is sold?
 - Is the insurer available when you need them e.g. 24 hours, seven days
- Tell your insurer about any modifications you are planning to make to your car (such as spoilers, special paint, particular wheels) before they are made, as they may affect your cover and/or your insurance premium
- Answer honestly and accurately all questions asked by the insurance company about your age and driving record to ensure you will be covered in the event of a claim

WAYS TO SAVE ON YOUR CAR INSURANCE

- Customers may be able to reduce their base car insurance premium by the car they choose, maintaining a good driving record, by owning their car outright (that is, not having finance on the car) and by insuring their car for use by only drivers who are over 25 years
- AAMI's new Flexi-Premiums™ enables customers to reduce their premium by up to 50 per cent by choosing to pay an extra excess (the amount you must contribute toward each claim), enabling customers to make upfront savings on their insurance and choose the premium that best suits them
- AAMI customers can receive up to 70 per cent discount by earning an AAMI rating one or maximum-no-claim-bonus status, which may be awarded after three years of claim-free driving on their rating one

AAMI SKILLED DRIVERS

- If someone under 25 will be driving the car, AAMI customers can reduce their car insurance premium by choosing AAMI comprehensive car insurance, which includes the benefit of a free AAMI Skilled Drivers course and savings upon completion of the course.
- The course is available to AAMI policyholders under-25 and to people under-25 whose parents or grandparents hold an AAMI comprehensive car insurance policy.
- Upon completion of the course, AAMI provides a 10 per cent discount on its premium until they are 25
- The course is available other under-25 licensed drivers for \$165