



**IOOF**

# INSURANCE BROKERS

## Motor insurance at a glance

**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

### 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.

### Who should consider 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 all together 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?

56,184

56,184 motor vehicles were stolen in 2016/2017.

(carsafe.com.au, 2017)

\$541.3m

\$541.3 million was the cost of motor vehicle theft in the financial year 2016/2017.

(carsafe.com.au, 2017)

1/5

1/5 of 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?

Comprehensive motor insurance provides you with extensive protection if your vehicle suffers loss or damage.

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:

Type of cover	Potential benefits
Cover to help repair or replace 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 financed cars, cover for 50% of the difference of the finance gap between the insured value and the vehicle's contract residual value following a 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 from our preferred repairer panel.	Up to \$30 million of legal liability cover.
Repair guarantee for materials and workmanship on authorised repairs.	The option to include one excess free windscreen claim per year.
Re-keying and re-coding of vehicle keys if they are stolen.	The option to include hire car cover following an accident. No additional excess except 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 your insurance broker 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.

Should you wish to speak with an insurance specialist regarding your needs, please don't hesitate to contact your Insurance Broker directly or contact our team via email at [insurancebrokers@ioof.com.au](mailto:insurancebrokers@ioof.com.au) or phone on **1300 883 149**.