

How You Can Save on Your Car Insurance



Take a few minutes to look over your auto insurance policy to see what your insurance covers. By doing this, you can sometimes find that better values and more sensible protection are available to you, and—in most cases—at a less expensive rate.

Look into membership services in large organizations, such as credit unions, AAA, AARP or NEA.

Step #1: Shop Around

Depending on the company, prices for insurance can vary by hundreds of dollars. You can ask your friends, surf the internet, or call your state insurance department to obtain ideas about other companies and agents to contact. Try to get three different quotes so you can see the comparison. When speaking with an insurer, they should be able to offer you both excellent service and fair price quotes. You can ask them what can be done to lower your costs.

Step #2: Ask For Higher Deductibles

A deductible represents the amount of money you must pay prior to receiving payment for a claim. When you request a higher deductible on collision and comprehensive coverage, you can substantially lower your costs. For example, increasing your deductible from \$200 to \$500 can reduce your collision and comprehensive cost by 15% to 30%.

Step #3: Drop Collision and/or Comprehensive Coverage on Older Cars

Having collision or comprehensive coverage on cars that are worth less than \$1,000 may not be cost effective. Any claim that you make would not substantially exceed the annual cost and deductible amounts. If you do not know how much your car is worth, you can contact an auto dealer or bank, and they can tell you the current value.

Step #4: Buy a “Low Profile” Car

Check into insurance costs prior to purchasing a new or used car. Any car that is expensive to repair or a car-jacking/theft target will have a much higher insurance cost.

Step #5: Inquire About Low Mileage Discounts

A discount may be offered by some companies to motorists who drive fewer than a specific number of miles per year.

Step #6: Consider Insurance Costs When Moving

Costs in rural communities tend to be the lowest. Costs in cities (where there is more traffic) tend to be the highest. Consider where you are moving when looking for applicable insurance.

Step #7: Inquire About Automatic Seat Belt or Airbag Discounts

Some companies may offer a discount if your car comes equipped with automatic seat belts and/or airbags. Ask the agent about this to see if they offer this discount.

Step #8: Inquire About Anti-Lock Brake Discounts

Accidents may be reduced if your car has anti-lock brakes. Anti-lock brakes improve the cars steering control & stability when brought to a stop. Some states, including Florida, New Jersey and New York, require insurers to give discounts for cars equipped with these types of brakes. Some insurers have a nationwide discount in place. Check to see if your state offers this type of discount.

Step #9: Inquire About Other Discounts

Check with the companies that you call to see if they offer any other types of discounts. Examples of these can be: no accidents in 3 years, drivers over 50 years of age, anti-theft devices, driver training courses, students with good grades, and having more than one car insured with the same company.

Definitions of Terms

Collision Insurance:

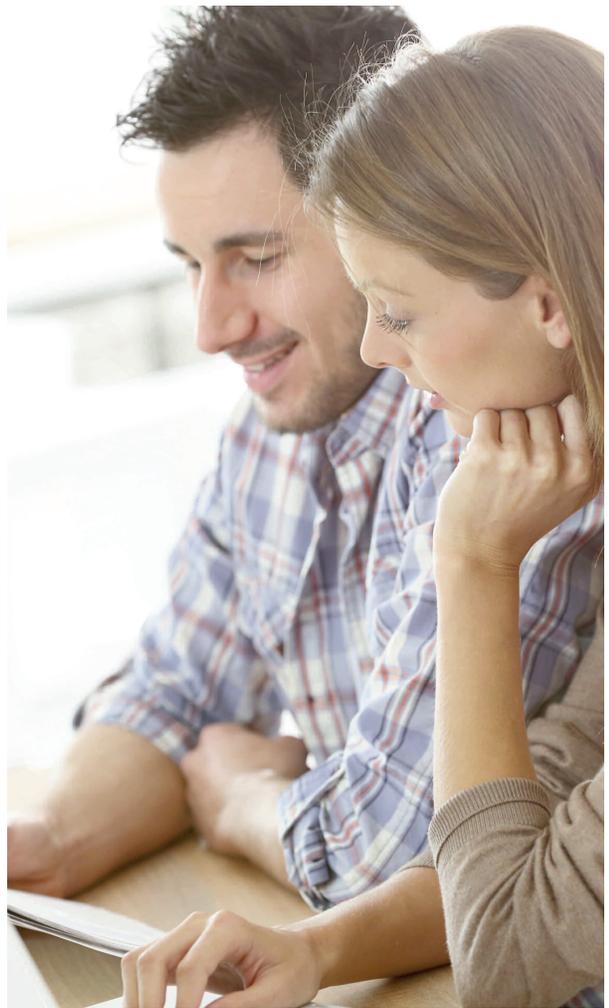
Insurance coverage which pays (maximum book value) for damage to the policyholder’s car caused by collision.

Comprehensive Insurance:

Coverage in automobile insurance providing protection in the event of physical damage (other than collision) or theft of the insured car.

Liability Insurance:

Insurance for money the policyholder is legally obligated to pay because of bodily injury or property damage caused to another person and covered in the policy.



An Educational Message from



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