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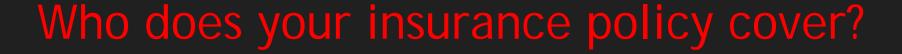
How to Meet the Auto Insurance Requirement

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What is the insurance policy for someone driving a car with Illinois plates?



- REQUIRED to be covered by at least a minimum coverage insurance policy
- Minimum coverage includes:
 - At least \$20,000 for bodily injury of 1 person in case of an accident
 - \$40,000 for bodily injury for more than 1 person in case of an accident
 - At least \$15,000 for property damage in case of an accident





- 1. YOU, regardless of the car you are driving
- 2. The car listed in the policy
- 3. Any person named in the policy
- 4. Any person you only occassionaly allow to drive the covered car





- Pays
 - for damage caused by you or other insured driver to another persons property, including their car, house, road sign, tree, and any other property you damage
 - For bodily injury caused by you or other insured when driving
 - only up to the coverage limits

What types of auto insurance coverages are offered?



Liability Coverage

 Pays for the damages you owe for damage to someone else or their property

Collision Coverage

 Pays for car repair if YOU caused the damage

Comprehensive Coverage

 Pays for car repair on your vehicle if something ELSE (tree limbs, hail, etc.) not caused by the car being driven

What services does liability insurance provide?



- If you have liability insurance, you must be accused of being more than 50% at fault to qualify as a claim against you (in most states)
- 1. An adjuster to determine if you would likely be found more than 50% at fault
 - If at fault, negotiate a fair amount owed to other party
 - If agreement can't be made, they will provide an attorney to defend you
 if sued or someone to handle arbitration

What services does collision coverage insurance provide?



- 1. Negotiate with other party or their insurance company to get reimbursement for your vehicle, either cost of repairing vehicle or fair market value of car, usually whatever is less, to reimburse for their cost and your deductible, if you had to pay one
- 2. Storage costs if vehicle is not driveable after an accident





- 3. Replacement value of the vehicle (if included in your policy)
- 4. Rental costs for a replacement car while your car is being repaired up to a certain amount per day for a certain number of days

What should you expect from your insurance company?



- Declaration of Coverage Page Sheet
 - Lists types of coverage you are carrying
 - The cost of each coverage
 - The amount the insurance company will pay on your behalf
 - Any deductibles you must pay
 - Your total premium
 - The person(s) covered by the policy
 - The vehicle covered by the policy

Insurance Card

- State the name of your agent if needed to be contacted
- The policy number
- Description of the vehicle covered
- Names of the person(s) covered
- Instructions to report a possible claim
 IF A POLICE OFFICER ASKS FOR THIS CARD
 WHEN STOPPED OR IN AN ACCIDENT AND
 YOU DO NOT HAVE IT, YOU WILL RECEIVE A
 TICKET

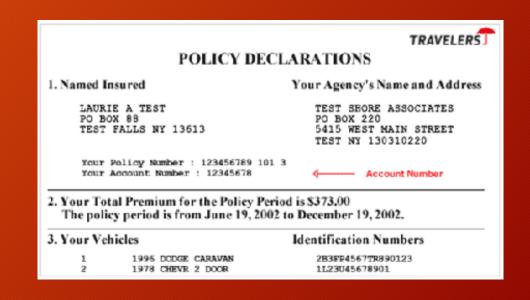
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Declaration of Coverage Page Sheet

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(Previous I	Policy Number	rr) 79-31	241	(COMPANY NAME)		
Policy Peri	ied: 1	12-01 A.M. Stan	dard Time From: 08/2	1/98 To : 08/21/99	1	Years)
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A. Liability B. Medical Payments C. Unifisured Motorists D. Damage to your Auto 1. Collision Loss 2. Other Than Collision Loss (Towing and Labor Costs)		ts uto i ollision Loss	\$ 100,000 each accident \$ 1,000 each person \$ 25,000 each accident ACV minus \$ 100 Deduct ACV minus \$ 100 Deduct (\$ 25 each disablement) (ACV means Actual Cash Value)	\$ 312 \$ 5 \$ 18 \$ 5 \$ 22 \$ 5	s s s s s s s s s s s s s s s s s s s	Auto 3
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Insurance Card



What should you do when driving a friend's car?



- Make sure your policy will cover damages in case of an accident up to the fair market value of the vehicle
- If you do not have coverage, make sure your friend's insurance covers collision up to the damages of their car
- Ask where the insurance card is in case of an accident
- If they do not have coverage, do NOT drive the car unless your insurance would cover damages

What is the difference between repairing your car and a total loss and salvage value?



Car repair

- Your insurance provider will only pay to repair damages if the value of the car is more expensive than the cost of repairs
- Many companies decrease the value of the car based on model, year, mileage, area sold and bought and overall condition before the accident
- If the repair cost exceeds this value, it is considered a total loss

Total Loss and Salvage Value

- If the damage to your vehicle is considered "totaled," it still has value
- It will be sold for the parts not damaged and in good enough
 - This is called the salvage value and can be substantial
- Some companies buy cars based on their salvage value the insurance company will receive
- When getting reimbursed for total loss of the vehicle, include salvage value

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