



SAFE TEEN DRIVING INSURANCE LIABILITY

Alarming Statistics

- Last year in the United States – and every year for the past decade – between 5000 and 6000 teenagers were killed in motor vehicle accidents. No other kind of hazard or behavior comes close to claiming as many teen lives. And in addition to those killed each year, some 300,000 are injured.
- The risk of being in a fatal crash is almost 4 times greater for 16-20 year olds than for drivers ages 25-65. In fact, crash rates per mile driven are almost 3 times as high for 16 yr olds as for 18 to 19 year olds.

Liability

- State Minimum = 25/50/10
- \$25,000 Per Person / \$50,000 Total / \$10,000 Property Damage

What coverage should I have with my teen driver?

- Suggested minimum is 250/500/100
- This means \$250,000 per person / \$500,000 total / \$100,000 property damage

Current Policy vs. Assigned Risk

- This decision is made best by consulting your insurance agent about both options; the cost, the benefits of each & ultimately what makes you sleep well at night!

Current Policy

- Make sure limits are at least 250/500/100
- Discuss an umbrella policy for excess liability protection
- Think about the assets, i.e. your home, 401K plan, other retirement monies, stocks & bonds, etc, that may be affected with a devastating auto accident
- Discuss with your agent premiums on different vehicles PRIOR TO the purchase of a car (you will need a VIN number for accurate pricing)

Assigned Risk

- Limits' parent's liability
- Teen Driver Registers & Insures Vehicle
- Can accept lower limits of liability
- More responsibility for teen driver

What To Know About the Assigned Risk

- Premium is an annual premium
- Premium is the same from company to company
- 25% of total premium is due at inception
- Five equal payments over six months
- Financing Options
- Reinstatement

What can I do to keep cost down?

- Accident Prevention Course = 10% discount
- Resident Student Discount / Split Rate
- PIP Deductible
- Short Rate
- Increase Collision Deductible

AND PRACTICE, PRACTICE, PRACTICE so the likelihood of an accident decreases; keeping your premiums from increasing!