

Herndon
BODY
SHOP

AMERICA'S
-D123

HERNDON
NEW JAMES
HERNDON











100

100

UNITED STATES OF AMERICA

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100

12

STARS

ONE HUNDRED DOLLARS



Insurance - Intro

- How important is experience?
 - Motor vehicle accidents
 - #1 reason for death for 15 – 20 year olds



Insurance - Intro

-Teenagers:

- 5% of all drivers
- 14% of all drivers in fatal accidents



Insurance - Intro

- 21% of teenage drivers' fatalities = .08 % BAL
- 76% of teenage drivers' fatalities = no seatbelt



Insurance - Intro

- 2 out of 3 teenage drivers in fatal crashes = male





Each student should be able to:

Insurance - 01

- Understand the Financial Responsibility Law and how it applies to you:
 - This law requires you to prove that you can pay for damages you cause that result in injury, death or property damage



Insurance - 01

- Insurance is not mandatory in Iowa
- If you do not have insurance, the state will ask you to put up cash or a bond, to show you are a financially responsible person.



Insurance - 01

- Your license is automatically suspended if you can not show financial responsibility.
- Insurance is being financially responsible



Each student should be able to:

Insurance - 02

- Explain how insurance works:
 - A. Premium:
 - Specific amount a policy holder pays for insurance coverage.



Insurance - 02

B: Policy:

- A contract or agreement between a vehicle owner and an insurance company specifying the amount and type of insurance coverage for which a premium is paid.



Insurance - 02

C: Deductible:

- Amount a policy owner pays for damages in a collision.



Insurance - 02

D: Claim:

- Request for payment after an accident.



Insurance - 02

E: Settlement:

- Agreed amount paid after an accident.



Insurance - 02

F: ACV

- Actual Cash Value



Insurance - 02

G: "Blue Book"

- Book that lists the average price paid to dealers for various makes and models of used cars and trucks.



Kelley Blue Book

THE TRUSTED RESOURCE

kbb.com



Insurance - 02

H: Garnishment:

- Money taken from wages to pay toward a settlement.



Insurance - 02

I. Depreciation:

- Decrease in value of a car as a result of it's increasing age.



Insurance - 02

J. Negligence:

- Omission of any reasonable precaution.



Each student should be able to:

Insurance - 03

- Explain how insurance rates are determined:
 - Collision and violation record
 - Age of principal driver



Insurance - 03

- Miles driven
- Gender
 - 85% of alcohol related accidents = male driver
- Marital status



Insurance - 03

- Where driver lives
- Type of vehicle
- Claim record

Why do males have more accidents than females?



Wallis
DRESS TO KILL



Wallis
DRESS TO KILL



Wallis
DRESS TO KILL



Wallis
DRESS TO KILL



Each student should be able to:

Insurance - 04

- Identify ways that premiums can be discounted:
 - 3 years of no collisions or violations
 - Multi-car



Insurance - 04

- Multi-policy
- Passive restraints
- Driver Education (B)



Insurance - 04

- GPA of 3.00 or above
- Anti-theft devices
- Anti-lock Brakes



Each student should be able to:

Insurance - 05

- Understand the following types of insurance, what they cover, and some dollar amounts associated with each:



Insurance - 05

A. Liability Insurance (owner is at fault):

- Bodily Injury Liability (BIL)
- Property Damage Liability (PDL)



Insurance - 05

- BIL:
 - Pays claims against owner if someone is killed or injured and the owner is at fault.



Insurance - 05

- BIL:
 - Covers:
 - Hospital and doctor bills
 - Legal fees
 - Court costs
 - Loss of wages



Insurance - 05

- BIL:
 - Minimum
 - \$20,000 per person
 - \$40,000 per accident



Insurance - 05

– PDL:

- Pays claim against owner if property of others is damaged and owner is at fault.



Insurance - 05

- PDL:
 - Covers
 - Other cars and possessions in car
 - Damage to houses, fences etc.
 - Telephone poles, traffic lights etc.









Insurance - 05

- PDL:
 - Minimum
 - \$15,000



Insurance - 05

B. Automobile “Material” or “Physical Damage” Insurance

- Protects your car against damage you or others might do to it.
 - Collision
 - Comprehensive



Insurance - 05

- Collision

- Pays cost of repairing or replacing owner's car when owner is at fault
- Repair or replacement of any car driven by owner or with owner's permission



Insurance - 05

- Collision

- Insures for depreciated value of car
- Deductible to reduce premium
- Important for newer cars



Insurance - 05

- Comprehensive
 - Pays cost of repairing or replacing owner's car



Insurance - 05

- Comprehensive
 - Covers
 - Fire
 - Earthquake
 - Storm damage
 - Riots
 - Theft and Vandalism





Insurance - 05

- Comprehensive
 - Insures for depreciated value of car
 - Deductible to reduce payment
 - Important for newer cars



Insurance - 05

C. Uninsured Motorist

- Pays for injuries to you and your passengers when your entitled but unable to collect
- Minimum is same as BIL



Insurance - 05

- Uninsured Motorist
 - Covers
 - Hospital and doctor bills
 - Legal fees
 - Court costs
 - Loss of wages



Insurance - 05

D. Underinsured Motorist

- Pays you for your injuries you were entitled to, but couldn't because the person was underinsured.



Insurance - 05

E. Medical Payments

- Pays for immediate medical costs for you and your passengers injured in any collisions regardless of fault.



Insurance - 05

F. Towing and labor costs

- Pays cost of towing or minor repair to a disabled car
 - Dead battery
 - Out of gas
 - Flat tire

WHAT YOUR POLICY WILL COVER

| You & Your Passengers | Your Car | Their Car | People Outside Your Car |
|--|---|----------------------------------|--------------------------------|
| Medical Payments Uninsured Motorist Protection Underinsured Motorist Protection | Collision Comprehensive Towing | Property Damage Liability | Bodily Injury Liability |



Each student should be able to:

Insurance - 06

- Explain who is put on assigned risk (SR-22) and how much does it cost:
 - Type of insurance that provides minimum BIL and PDL for high risk drivers (or families) for a high premium



Insurance - 06

- After a specified number of years of collision free and violation free driving, the driver can apply for standard insurance coverage at regular rates.



Each student should be able to:

Insurance - 07

- Explain the principle of no-fault insurance, it's advantages and disadvantages:
 - The insurance company provides its policy holder coverage of medical costs regardless of who is at fault



Each student should be able to:

Insurance - 08

- Understand what constitutes a reportable accident in Iowa:
 - Personal injury
 - Death
 - \$1,000 or more in property damage
 - You have 72 hours to make the report



Each student should be able to:

Insurance - 09

- Know what to do at the scene of an accident:





Insurance - 09

- Stop Immediately
- Aid the injured
- Prevent further damage or injury
- Send for police



Insurance - 09

- Exchange information
- Record witnesses names and addresses
- Give police the facts
- See a doctor if necessary
- File necessary reports

