



I Promise Program Inc.
20 Suter Crescent, Dundas, Ontario, Canada L9H 6R5
Tel: 905.628.4847 Toll Free: 1.866.879.1999 Fax: 905.627.0802

Celebrate Life with Safe Driving

www.ipromiseprogram.com

Insuring a new teen driver? Consider this: You don't have to be a millionaire to be sued for millions.

Every year some 4 million teenagers take to the streets across North America and require auto insurance. A parent almost always makes the call to the insurance agent or broker asks, "How do I get the lowest rate for my new teen driver and what coverage does he or she need?"

The *I Promise Program* – teen safe driving initiative, surveyed insurance agents and brokers across North America asking these questions. "These are the folks who sell the insurance, know the statistics and talk to the parents", says Gary Direnfeld, Executive Director of the *I Promise Program* and survey leader. "We thought if we could generate a few replies some general tips might emerge."

Direnfeld was almost overwhelmed by the number of replies, "We not only learned some general tips but more importantly, that these agents and brokers were concerned to keep these young drivers from collisions and to minimize the financial burden to the family in the event of a collision."

As Angie Britton of Love, Douglas & Pope Inc. agency in Alpharetta, GA. put it, "You don't have to be a millionaire to be sued for millions."

Maureen Ross O'Connell of Ross Insurance Agency in Holyoke, MA agrees and adds, "When buying limits you must consider two things - your moral obligation to someone you injure and how much you can afford. Your teen driver's best friend can be killed or seriously injured in an automobile accident as a passenger in her vehicle. If she is responsible for the accident she will feel much better knowing she has adequate limits on her policy to assist the family with expenses."

So, how much insurance do teens need? Insurers generally agree to get as much as you can afford and many recommend anywhere from \$1 million to - \$5 million in liability. Joe Sesto of Sesto Insurance in Santa Maria, CA., reminds us that, "US federal highway statistics indicate that 1 of every 5 16-year old males is involved in an accident in their first year of driving and about 1 of just under 7 female 16-year olds is involved in an accident in their first year of driving nationally. Those are approximately Russian Roulette odds!" So given the likelihood of a claim, make sure you are covered well.

How do you get the best rates? Agents and brokers offer these tips:

1. Attend an approved driving school. Many insurance companies offer a significant discount to teens that have attended and passed approved courses. But remember, first check to make sure the driving school is approved.
2. Maintain at least a "B" average or a 3.0 point grade average in school. Many insurance companies also provide a "Good Student Discount" that can range anywhere from 5% to 20%. So grades do matter!
3. Don't buy your teen a car. But, if you must, purchase a vehicle in good mechanical order, a four-door model and no less than 5 years old so you don't have to add collision insurance to the policy.

4. The higher the deductible, the lower the premium. When insuring on a parent's car and collision insurance is recommended choose the highest deductible possible.
5. To maintain the lowest rates over time, maintain a spotless driving record and pay for any minor damages yourself. Parents are recommended to set limits for teens using the family car, particularly in the first year of driving and some insurers suggest programs like the I Promise Program – www.ipromiseprogram.com, to help them determine rules and maintain accountability. As Rob Siroishka of Sir's Insurance Agency Ltd. in Calgary, Alberta puts it, "Loss prevention = I Promise Program."

Many of the Agents and Brokers who responded suggested that parents let their teen do the shopping around for the insurance policy so they learn the issues and value of insurance. Some insurers in fact require a meeting with the new teen driver before they will actually sell them insurance. Teen drivers are their highest risk category with car crashes as the leading cause of permanent injury and death in teens across North America. An Agent or broker may even refuse to sell you insurance if they deem a teen to be a bad risk.

"We learned that a number of Agents and Brokers feel a moral obligation to meet with the teen to make sure they understand the privilege and responsibility of driving and I would encourage all parents to visit their insurance representative before purchasing a policy," says Direnfeld. "In the end a good agent or broker making a positive impression on your teen, may be the best insurance of all."

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This survey was conducted by the I Promise Program – a teen safe driving initiative that promotes parents as role models by entering into a mutual safe driving contract with their teen. To provide accountability, a rear window decal is then affixed to the vehicle. The decal displays a toll free number and the question, "Am I driving safely?" Calls are received by a call center and responses are sent by letter only back to the family. Youth, parents, community members, police and interested stakeholders in traffic safety have participated in developing this program.

To view the entire set of replies by insurance agents and brokers go to the I Promise Program website, enter, and click on the "Survey Reports" button, then click on "Entire report and replies".

See: www.ipromiseprogram.com

Contact Information:

Gary Direnfeld, MSW, Executive Director
I Promise Program
20 Suter Crescent,
Dundas, Ontario, Canada
L9H 6R5

(905) 628-4847
gary123@sympatico.ca
www.ipromiseprogram.com