Better safe than sorry

Trust in your broker for this policy.

Your broker always keeps you informed… If you are unsure, come and find us.

Monthly bulletin
Nº 24 / February 2015

Vital statistics for car insurance: 10.9 million accidents per year.

What are the chances that you will have an accident?

According to Unespa, 29,680 accident declarations are registered every day, costing insurance companies 7.914 billion euros a year. 50% of incidents involve people aged 36 to 55 and they are more common at weekends than during the week.

Just think, **if our vehicle fleet contains 28.9 million vehicles, one in every three is susceptible to some kind of accident each year: broken windows, theft, assistance, own damage, civil liability, etc**.

How much is your car worth?

There are two factors that come into play when purchasing a vehicle: the rational and the emotional. The crisis has meant that numbers have been put before feelings. But even so, we continue to dedicate a significant amount of money to this purchase.

If the car is new, the average price (after discounts and promotions) is around 18,845 euros. . That doesn't include the value of financing. When we buy a used car, the cost can be up to 11,000 euros.

And the insurance?

Above anything else **it is obligatory.** You have to take it out either way in order to drive and protect yourself from any damage you might cause to other people or things.

My question is: **are you really going to spend thousands of euros on a car and then skimp on the price of the insurance to guarantee that purchase?** You You choose. But if you'll heed the advice of an insurance broker, I can tell you that….

- **Full risk** insurance is advisable if your car is **up to 3 or 5 years old.**
- • After that, when it is at least 3 to 5 years old, I would recommend a **third party policy extended to include fire, theft, legal assistance and windows** (broken windows alone are involved in 1.1 million incidents each year). The maximum compensation for own damage reduces over time, as it goes hand in hand with your vehicle's market value (its sale value before an accident).

Calculate how much you have paid for the car (including financing). We review the price of the insurance and the discounts you get for being a "good driver".

Everyone, to a greater or a lesser extent, has had an accident at some time in their life. Ask us for advice and you will see that it is worth taking out insurance with the correct coverage: no more and no less.

"Smile through the bad times". Since January, the Consortium has covered 3,800 incidents totalling 34 million for flooding

February: just one month and a few days into 2015. In that time, the Insurance Compensation Consortium has sent experts to areas affected by flooding in Spain. A first emergency estimate puts the total number of incidents at 3,800 with the predicted cost totalling 34 million euros.

Rain, snow and strong winds have had severe consequences in large parts of Spain, including Burgos, Cantabria, Vizcaya, Navarra, La Rioja, Aragón and Galicia.

To protect against exceptional circumstances such as these, the **Insurance Compensation Consortium was created to manage and compensate insured assets**. In order to receive money from the Consortium, it is therefore necessary to have insurance. Without it, there is NO compensation.

For example: **in 2012, 584,000 files were processed, to the value of 2.226 billion euros.**

In these situations, it is the insurance brokers who immediately process the claims "hand in hand" with the Consortium. **"Advising, accompanying and defending the client before, during and after the purchase of insurance; staying by their side" because we defend your interests.**

Luckly, the **"insurance industry"** covers practically all eventualities. **How much would it cost Spain not to have insurance? 14 times its GDP.**

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Careful!
Risk of fire in winter

Although the sky was clear and the sun was shining that day, the frozen snow was dripping down off the rooftops. A great-grandmother lit the electric heater under her traditional Spanish "mesa camilla" table and covered it with the edges of the tablecloth. After four hours of being on, the edges started to burn. The flames spread in a matter of minutes, producing thick smoke. That afternoon, great-grandma was looking after her five-year-old great grandson. The boy opened the front door and went up the stairs. By chance, a neighbour walked past and put out the raging fire with an extinguisher.

A fire in the home is **a terrifying experience that is hard to forget. They claimed 132 lives in Spain in 2013, and 83 during the coldest months of 2014, according to records kept by the Professional Association of Firefighter Technicians (APTB).** The majority occurred in private homes and more than half of those killed were over 65.

Fire is powerful, but can be outdone by water, which is gentler and more persistent. Our country's **Mediterranean climate** is the balsam that gives Spain one of the lowest numbers of deaths in the world as a result of these kinds of incidents, with 2.8 deaths per one million inhabitants (bettered only by Holland and Switzerland in Europe). Our mild climate makes us less dependent on heating.

The risk increases in winter

People over 65 who live in towns with fewer than 1,000 inhabitants are the main people affected. **The causes of these fires are heating appliances (29%) and electricity, along with smokers (20%).** Fires usually start in the living room or bedroom.

But are our homes properly insured? And our parents' homes?

Risk of fire is a basic coverage included in home insurance. This policy protects you from explosions, smoke, soot and atmospheric phenomena, among other things. And it must cover the cost of firefighters and rescue services.

How to act

Prevenir significa escuchar al sentido común. O sea **using heating systems properly, not overloading plug sockets, extinguishing cigarettes properly, disconnecting electrical appliances after using them and never forgetting to use ventilation grilles.** Your safety comes first.

Anecdote

"Don't drink and drive". Insurance does NOT cover you

64% of Spaniards do not know that car insurance does not protect you if you have an accident after consuming alcohol. If the driver is foreign but resident in our country, and commits an offence while under the influence, they may be denied Spanish nationality.

More worrying is the fact that **8 out of 10 of those surveyed** do not know that they are responsible for damage caused by an insolvent driver to whom they lend their car if they test positive in a blood alcohol test, even if the insurance is full risk.

In any case, we are becoming more and more aware of the effects of alcohol on the driver. 26% take drunk drivers home and another 23% take away their keys. These data are from the survey produced by the Automovilistas Europeos Asociados (AEA) motoring association, which designed the **"don't let them drive if they've been drinking"** campaign.

Research

"Is it always the person who hits you who pays?"

A car hit me so hard from behind that I hit the one in front of me. We had both stopped at a traffic light. Do I have to pay for the damage I caused?

Response from your broker: in this case, NO. If the third car hadn't hit you so hard, then it wouldn't have caused you to move forward and hit the car in front. The car that hit you will therefore be responsible for their own frontal repairs, your repairs (front and back), and the repairs to the first car.

It is something else if the first car reduces its speed, you don't notice so you hit it, and then the last car also collides with you by mistake. So each one pays for their own repairs and those of the car in front.

Advice: fill out a "mutual declaration". In multiple collisions, it is better to reach an agreement as soon as possible but if there are any doubts or discrepancies, call the local police to make a statement, which will also act as a "mutual declaration" in the event that it is accepted.

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