



**AT BRYSON & ASSOCIATES, WE CARE. HERE IS SOME IMPORTANT INFORMATION TO KNOW IF YOU HAVE AN AUTOMOBILE ACCIDENT AND HOW IT WILL BE SETTLED**

***What to do if you are involved in an accident***

**Always call the police if:**

- someone is hurt;
- you think any other driver may be guilty of a Criminal Code offence, such as drunk driving; and/or
- there is significant property damage.

**If no one is hurt:**

Safety first: If it is safe, try to move your car to the side of the road, out of traffic. If you can't drive your car, turn on your hazard lights or use cones, warning triangles or flares.

- Jot down details about the accident, including how it happened, the time, date and location, the speed of all cars and the road conditions.
- Get the contact information (names, addresses, phone numbers) of the registered owners of all cars involved, other passengers and other witnesses.
- Get insurance information from all drivers involved in the accident, including the driver's licence and plate numbers, and the names of their insurance companies and brokers.

It can be very stressful and confusing to be in an accident. If possible, take photographs of the scene, damage to vehicles and any special circumstances. If you have a pen and paper handy, draw a sketch of the scene and indicate both yours and the other driver(s)

positions, directions you were driving and point of impact. This is a good time to note any witness information as well.

Preventing further loss: If you are involved in a collision, you are responsible for protecting your car from further loss or damage. Your insurance company will, however, pay for this if you have purchased collision or all perils coverage.

## **Repair or Replacement**

If you have Collision coverage, your insurance company will pay for the repair or replacement of your car (including equipment, but not contents), or pay you the actual cash value of your car in the condition it was in immediately before it was damaged. You will be responsible for the deductible.

When your insurer settles your claim on the basis of repairing or rebuilding your damaged vehicle, the bottom line is that you should end up with a car that is as good as yours was before it was damaged.

Should your car need replacing, you will receive a cash settlement based on the fair market value of your vehicle before it was damaged.

## **Betterment**

The purpose of auto insurance is to return you to the position you were in just prior to the collision. In the case of your vehicle, your insurer is responsible only to pay to fix the damage. If your vehicle is made better, you may have to contribute. For example, if a rusty door panel that had been dented in a collision were to be replaced with one that is not rusty, you may be expected to contribute financially towards the "betterment" of your vehicle.

Likewise, you may wish to get additional work completed that is not directly related to the collision damage. This is permissible, but the extra work is betterment and has to be at your own expense.

## **Write-off**

If the estimated repair cost plus the salvage value of the damaged vehicle exceeds the cash value of the vehicle before it was damaged, the insurer may decide to treat the vehicle as a write-off instead of paying to repair it. The insurer will pay you the pre-collision value of the car, minus your deductible, and keep the salvage.

## **Reconditioned/used parts**

Repairers sometimes use reconditioned or used parts. The parts must be of the same kind and quality as the originals, and must not adversely affect the operation of the vehicle.

As any vehicle ages, it loses some of its value. That's why the insurance company is justified in replacing damaged parts with recycled parts that are undamaged. This complies with an agreement in your policy.

## **After-market parts**

If your vehicle is in its first production year, there will likely be OEM (Original Equipment Manufacturer) parts available to complete repair. These parts are new.

*New parts may also include "after-market" replacement parts.* After-market parts can be an over-run from makers of original parts, or made by manufacturers who specialize in replacement automobile parts. After-market parts approved by Certified Automobile Parts Association meet or exceed Original Equipment Manufactured specifications and are suitable replacement parts.

Safety-related parts are usually new. Regardless of the age of your vehicle, most insurance companies will insist safety-related parts required for repairs be new. For example, a 50% worn tire would be replaced with a new tire and you, as the policyholder, would be expected to pay for the extra tire life added to that wheel. This is called betterment.

## **Preferred vehicle repair shops**

If your vehicle is damaged but repairable (and you have the necessary coverage in your policy) your insurer will likely suggest that the repairs be carried out by one of their "preferred shops." Preferred shop programs benefit consumers in two ways: they control claims costs because prices are established in a contractual arrangement between a shop and an insurer; and they ensure that a shop's work meets a high standard.

If you agree to send your vehicle to a preferred shop, your insurer will deal directly with the shop and will guarantee that the work is done satisfactorily. If you choose a shop that is not part of your insurer's preferred shop program, it will be your responsibility to deal with the repair shop. Also, be aware that the insurer will not pay any more than the price quoted by their repairer.