

## Why you shouldn't settle claims yourself – AA Insurance

**Auckland, 18 November 2019** – Don't be tempted to settle a car claim yourself, cautions AA Insurance – you could be risking costly repairs, shoddy workmanship and the right help from your insurer.

“Getting your own repairs made to your car after an accident with another driver may sound like a way to save time and money but our motor claims team know first-hand why it can be a recipe for disaster,” says Amelia Macandrew, Customer Relations Manager, AA Insurance (AAI).

“The most common scenarios involve customers agreeing to a settlement with the other driver,” she says. “This includes having their excess paid for them or accepting the other driver's offer for ‘a friend’ to complete the repair - on the ‘cheap’ and of dubious quality.

“Acceptance could invalidate the customer's insurance, which means if the repair doesn't go well, their insurer may not be able to step in and help, or to the extent they would like.”

One AA Insurance customer found this out the hard way. After exiting a roundabout, he stopped to give way to a woman on a pedestrian crossing. Unfortunately, the following driver didn't and drove into the back of him. Our customer accepted the other driver's offer to settle damage privately, however the bumper wasn't repaired properly – there was still further damage beneath – and the car was unlikely to get a WoF. The other driver then gave our customer another car worth \$500, so our customer now has two cars - the first unlikely to get a warrant, the second worth half the value of the first.

“If the customer hadn't accepted a settlement from the other driver, we would have been able to settle his claim, properly repair his bumper and any other damage, and he'd be back on the road,” continues Amelia.

In another incident, wing mirrors collided when a driver swerved into a customer's parked car. The customer wanted his damaged wing mirror repaired immediately but wasn't willing to wait for the repair process. He took up the other driver's offer of a replacement wing mirror but was disappointed to find it was black, when his car was white. The other driver refused to compensate him for the paint costs, but as the customer has made a private agreement, meaning it was difficult for AA Insurance to step in and help.

“Thankfully most customers are aware of the pitfalls of settling claims themselves, and usually a claim is lodged before the repairs go through, so our team can give the right advice and be there to help,” says Amelia. “For those looking to save money and time it can be tempting to take up an offer by the other driver, but chances are it’s too good to be true. Instead, let your insurer take care of it for you. After all, that’s what insurance is for.”

“In some circumstance we can cover the cost of you having the work done by your own repairer at comparable costs. However, unlike work done by our own Quality Repairer Network, that of a private repairer won’t come with our lifetime guarantee of parts and workmanship, which provides a certain peace of mind.”

**What to do in the event of an accident:**

- Check everybody involved in the collision is OK and call the emergency services if necessary
- Move the vehicle(s) out of traffic if it’s safe to do so
- Take a picture of the scene with a camera or your phone
- Make sure you get the other driver’s correct registration number, name and contact number or address details. If you don’t have a pen and paper, then take pictures with your phone – an image of their driver licence is also useful. Another tip: ring the contact number you’ve been given to make sure it’s correct.
- Contact your insurer and provide as much information as you can
- Don’t try to settle the claim yourself – leave it to your insurer

ENDS



## About AA Insurance

AA Insurance is an independently operated, New Zealand-based joint venture between the New Zealand Automobile Association (NZAA) and Vero Insurance New Zealand Limited (VINZL). Since 1994 we have demonstrated trusted expertise in home, contents and car insurance in New Zealand, and in 2018 introduced commercial small business insurance. We underwrite our own policies and sell direct to New Zealanders. Our more than 720 staff look after 410,000 customers with nearly 800,000 policies.

We proudly partner with Eden Park, support youth charity Blue Light, and have been consistently recognised by: Reader's Digest Most Trusted Brands (since 2011), IBM Kenexa Best Workplaces Survey (since 2008), Canstar Blue Most Satisfied Customers (2013-2018), and the Colmar Brunton Corporate Reputation Index (since 2015) that recognises New Zealand's most successful companies.

AA Insurance has an A+ (Strong) Insurer Financial Strength Rating given by Standard and Poor's (Australia) Pty Ltd. For further information visit [aainsurance.co.nz](http://aainsurance.co.nz).

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