

## ◆ InsureIntelligence ◆

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Insurance Education Seminars

# InsureIntelligence . . . .



### MORE ON . . . SURVIVING TEENAGE DRIVERS

The first question most parents and teenagers ask their insurance agent when age 16 is approaching is, "How much will my premium go up when my teenager begins to drive?" Most agents reply, "A whole bunch!" When given the premium for a brand new vehicle as a 16th birthday present, most parents exclaim, "You've got to be kidding!" But there are some things that can be done to allow a teenager to drive without completely destroying the family budget.

From the least expensive to the most expensive, here are the possible premiums you may face depending on the driver and type of vehicle and the use of the vehicle.

#### 1. Least Expensive.(\$800 Male/\$500 Female)

Part-time operator of an existing family vehicle. Teenager has taken Driver Training, and qualifies for a "Good Student Discount" with a "B" or better average.

#### 2. Mid-range cost (\$1,000M/\$700F)

Part-time operator of an existing family vehicle. No Driver Training and No Good Student Discounts.

#### 3. Higher Premium Range (\$1,250M/\$950F)

Full-time operator of a separate vehicle that does not require comprehensive or collision coverage because its value is only \$2,500 to \$4,500. Student qualifies for both Driver Training and Good Student Discounts.

#### 4. Highest Premium (\$2,200+M/\$1,400+F)

Full-time operator of a separate vehicle that requires comprehensive and collision coverage because it is financed, or has a value that you feel needs to be insured from loss. Student qualifies for both Driver Training and Good Student Discounts.

#### 5. Prohibitive Premium (\$5,000M/\$3,500F)

Full-time operator as in #4 above. Two moving traffic violations and two at-fault-accidents in a three year period. ***At some point, for the sake of the family budget and the safety of your teenager, the drivers license must be turned in.***

Many parents have found that when a teenager contributes to the cost of the insurance and the cost of the car there are fewer accidents and fewer tickets. Each family must find out what works best for their situation. A **"Young Driver and Parent Agreement"** can be ordered at no cost from A. M. Townley. It's a good guide for teenagers & parents.

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