

(only the Italian version is authentic)

FREE MOTOR LIABILITY POLICIES IF YOU PURCHASE A CAR: A GIFT THAT CAN BE EXPENSIVE

IVASS WARNS CONSUMERS

An increasingly widespread practice on the market is for car dealers to offer **free** motor liability policies to anyone who purchases a new car.

But beware: there can be harmful consequences for the consumer.

The features of these policies and the way they are offered mean that at the end of the free period, policyholders can lose benefits for themselves and their families, relating to the bonus class they had accumulated before the offer. This can also include the benefits awarded by Law No. 40/2007 (the so-called Bersani Decree), with significant increases in renewal premiums.

IVASS has launched an investigation into this phenomenon, but in the meantime it offers some useful suggestions to consumers.

BEFORE ACCEPTING – BE INFORMED: 3 SUGGESTIONS

- 1) ask the firm offering the free policy if the policy will be issued to you and if a certificate of claims experience will be released in your name at the end of the free period:** If the policy is a "register policy" (i.e. not made out to you, but to a fleet of vehicles) you could lose your bonus class
- 2) ask a trusted intermediary for a possible comparison:** he/she will help you evaluate the effects on the bonus class you have accumulated prior to acceptance of the free insurance cover
- 3) ask whether the policy is bonus-malus or "with deductible" and carefully read the policy conditions of the guarantee offered.** If there are deductibles, you could lose your bonus class; you are also liable for a part of any claim.

ADVERSE CONSEQUENCES OF ACCEPTING FREE MOTOR LIABILITY INSURANCE

YOU LOSE YOUR OLD BONUS CLASS AND YOUR PREMIUM INCREASES

If the free policy is a register policy and/or with deductible, a **person with several years insurance** under the Bonus Malus tariff system and a corresponding no-claims history for years of good conduct will see his/her **previous insurance history halted** by the mere fact of having accepted the free policy. Then, at the end of the promotional period, if he/she wants to return to a Bonus-Malus tariff system his/her contract will be pushed back to **entry class (14 or even 18)**.

A year later, he/she will find himself/herself having to pay a **much higher premium** compared to what he/she would have paid had he/she refused the offer of the free policy and continued to be insured on his/her own account.

FREE INSURANCE CANCELS THE BENEFITS OF THE BERSANI LAW

Under the so-called Bersani Law, a **novice driver** has the right to benefit from the bonus class of a family member; the requirement is that when buying a new or used car, he/she must enter into his/her **first contract** as the owner of this car.

At the end of the period of **free cover** however, the novice driver will be insuring his already-owned car **for the second time**; therefore he/she **loses the benefit** of the so-called Bersani Law, which is reserved exclusively to **new purchases** of newly registered or transferred vehicles and **first-time insurance** contracts. Also in this case he/she will have to pay a **much higher premium** compared to what he/she would have paid had he/she refused the offer of free insurance and acquired cover on his own account, taking advantage of the Bersani Decree.

**WHAT CAN YOU DO IF YOU HAVE ALREADY ACCEPTED A FREE
MOTOR LIABILITY POLICY**

If you were not properly informed about the insurance coverage you were offered when buying the vehicle you can submit a **complaint to the insurance undertaking**. You can find the contact details on the undertaking's website or on the IVASS site.

For any further information or assistance please call the **IVASS Consumer Contact Centre** on the free phone number 800-486661 from Monday to Friday, from 9.00 a.m. to 1.30 p.m.