

Step 1. Do I have to pay my excess?

An excess is your contribution to a claim. They are designed to limit claims and reduce premiums. You need to check your policy. Some insurers have many different types of excesses that apply in different situations. They often have higher excesses to reduce premiums and claims for minor events. Generally excesses are always payable. However, some insurers “waive” or don’t require you to pay an excess in some claims, like windscreen claims or where you are not at fault. Some policies will say you do not need to pay an excess if you can meet a list of conditions. For example, you are not at fault, and you can provide the name and address and registration number of the person who was at fault. Other policies will require you to pay an excess, but will give you a refund if your insurer recovers this amount from the driver at fault. It may take months or years to get a refund, or you may not get a refund at all eg. if the other driver cannot be found or cannot pay.

You should read your product disclosure statement (PDS – the contract of insurance between you and the insurer) carefully, to work out if you can meet the conditions of where the excess will not be payable. If you think you meet the conditions where an excess is not payable, but your insurer insists you need to pay you can dispute this. You should make a complaint to your insurer’s Internal Dispute Resolution department. You can find their details using the [Australian Financial Complaints Authority \(AFCA\) member search function](#). You can use our [“Raising a Dispute” sample letter generator](#) to help you in this process.