

## **Step 1. I am not at fault, I'm insured but can't afford my excess**

The excess is your contribution to a claim, and is generally the amount you have agreed to pay in the event of a claim. The insurer is asking you to contribute an amount to the costs of the claim so that you share some of the risk. This is to reduce claims and premiums (the cost of insurance). If you are in financial difficulty it can be difficult to pay your insurer the cost upfront. If this is the case you can ask to:

1. pay the excess in instalments to your insurer;
2. if you are getting a cash settlement rather than your car repaired, ask the insurer to deduct the excess from your claim.

It is unreasonable for an insurer to not agree to do either an instalment arrangement or deducting your excess. It is not practical to deduct the excess unless a payment is being made. If the insurer won't be reasonable – GET ADVICE. Call the Insurance Law Service on 1300 663 464. If your damage is worth less than your excess, you will not be able to claim on your insurance. In that case you will need to make a claim directly against the other driver or their insurer. For more information on this go back a step and click on the **“I have decided not to claim on my insurance”** button. **For further information, see: [Checklist – Paying your excess](#) [Sample Letter – Can't pay my excess](#).**