

## 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). An excess may well be payable even if you don't believe you were at fault. See:

- [Why do I have to pay my excess?](#) fact sheet on our website.

You can also click on the **“Why do I have to pay my excess, or multiple excesses?”** link below for more information. 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.

Your insurer should either give you an instalment arrangement or deduct your excess. It is not practical to deduct the excess unless a payment is being made. If the insurer won't be reasonable – you should get advice. [Email](#) or call the Insurance Law Service on 1300 663 464.

If your damage is worth less than your excess (and no claim is being made against you by the other party), you will not be able to claim on your insurance. In that case you will need to make a claim directly against the other party 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 more information see:

- [Checklist – Paying your excess](#) on our website
- [Sample Letter – Can't pay my excess](#) on our website
- [Do I have to pay my excess or multiple excesses?](#) fact sheet on our website

If you are experiencing financial hardship, and would like assistance with putting together an instalment arrangement to propose to your insurer, you can make an appointment to see a Financial Counsellor. Call the free National Debt Helpline on

1800 007 007.