

Insurance as Good as Gold

As the owner of a 1956 Golden Hawk, you're already part of an elite group of automotive enthusiasts. Whether you've listed your car with a Studebaker owners' register, or not, there's no denying that you appreciate the beauty and soul of a classic driving machine. Insuring your car, then, should be a matter of course. After all, protecting your investments is always wise. Fortunately, shopping for insurance for a collectible car, while not as simple as going online and getting a quote for a brand new hybrid, is relatively easy, and not horribly expensive, as long as you go to an insurer that specializes in antique autos.

Here are a few things you may not know about specialty auto policies:

Antique auto insurance covers the actual value of your car. It's no secret that a brand new car begins to depreciate the second it leaves the lot. If you were to get into a [fender bender accident](#) five minutes after signing purchase papers, you probably wouldn't be reimbursed for the full amount you just paid. With an antique auto policy, however, your coverage is based on *agreed value*. This is a monetary amount that you and your insurance agent agree upon before policy inception, and is based on the make and model of your car, any upgrades or modifications, and the amount of effort put into restoration. While appraisals are sometimes required, especially if you want more coverage than the apparent value of the car, many companies simply ask for detailed lists of all your work, and photographic evidence of the condition of the car.

Insurance policies for collectible cars are usually less expensive than standard insurance. We all want a bargain on insurance, and that's why specialty insurers are the best source when insuring a collectible car. Partly because of the usage and storage restrictions that collectible car insurers impose, and partly because of the fact that classic car owners tend to be mature drivers with a lot of experience behind the wheel, such insurance is generally less expensive than what you pay for the car you drive to work. A vehicle valued at \$10,000, for example may cost only \$100/year to insure.

A specialty policy may offer more benefits than "regular" insurance. Along with lower premiums, many antique auto policies have deductibles that range from \$250 all the way down to zero, largely because there is less chance of having to pay a claim on a car that is pampered and protected the way [vintage autos](#) tend to be.

Since perceived risk is the key to getting lower insurance rates on any car, what is it that classic car insurers look for? Usual requirements are as follows:

The car must either be a verifiable antique (25 years or older in most states), or a significant collector's item – some modern muscle cars fit into this category. They are usually covered under a custom performance insurance policy.

Your car must be stored in a locked garage or other secure facility, when not in use.

Use of your car must be kept to a minimum – driving should only be to and from shows, and the occasional weekend cruise.

The driver must be over 21 (over 25 with some companies) and have a clean driving record. In order to have good [defensive driving techniques](#), it is recommended that a performance or defensive car course be taken, even though most classic cars are not driven in high-performance conditions.

You must have a street-legal vehicle covered by standard insurance, and that policy must be in good standing.

Collector car policies have been offered in one form or another for roughly fifty years, but despite this, statistics say that fewer than half of the registered antique and collectible car owners in the United States have a specialty insurance policy on their classic car. Don't be one of them. Placing a specialty insurance policy on your 1956 Golden Hawk - or any vintage auto – is as good as gold.