Unit 9: Section 2
Equipment Failure and Insurance

Unit Overview
One scary situation that you may face as a driver is equipment failure. Equipment failure is usually unexpected, but if it does occur, then try and deal with it in a calm manner. The first line of defense against equipment failure is by preventative maintenance. You should always be sure that your car is in good working order. This can prevent an unnecessary emergency on the road. Your two biggest safety concerns should be tires and brakes.

Sign Starter Question
Every lesson has a reading assignment. There is an interactive portion that you need to complete to get credit for your reading assignment. The first section of the interactive portion asks you to identify the sign. There will be a sign identification portion on your written test that you will take at the BMV. You must pass this portion in order to get your license. *If you are not sure about the name of a sign, then check Indiana Driver’s Manual Chapter 4.

What sign is this?
**Tire Failure**
Tires can sometimes blow out. Sometimes there is little to no warning of a tire blowout. Losing a tire will pull your vehicle in the direction of the flat tire. Remain calm and hold your steering wheel firmly straight. You do NOT want to quickly accelerate or brake hard in this situation. Making any sudden changes in speed or direction can cause you to lose control of the vehicle. Just slowly let off of the gas and let the car slow down. Apply the brakes only slightly after you have reached a safe, slow speed.

**Brake Failure**
Brake failure can be a dangerous situation as well. The first thing that you should do in the case of brake failure is to pump your brakes. This may allow the brakes to get enough pressure to slow the vehicle. The next step would be to apply the parking brake. Be careful not to pull too hard on the brake. Doing so could cause you to skid and lose control of the vehicle. Next you should try shifting into a lower gear and try finding an open area to drive safely into. You should avoid trying to shut off the vehicle. It is possible that doing so will cause your steering column to lock. If this does occur, then turn your key back to the on position. However if your car is off, then you won’t have power steering either.
Insurance
When you are driving, you are responsible for your well-being as well as the well-being of others. This includes the financial well-being of yourself and others. The biggest protector of your financial well-being on the road is auto insurance. This is why the state of Indiana requires you by law to have automobile insurance. Driving without insurance is against the law. You can get your license suspended for up to a year if you driving without insurance. You may be financially responsible for damages if you are involved in a collision.
There are several different types of auto insurance.

Liability Insurance
Liability insurance pays for damages and injuries in collision when you are at fault. This is the most important form of insurance because it covers your financial responsibilities in the case of a collision. This type of insurance is required by the state of Indiana.

Uninsured or Underinsured Motorist Insurance
Uninsured or underinsured motorist insurance pays for damages from a collision where another driver is at fault, but does not have insurance or their insurance isn’t sufficient to pay for all of the costs of the accident. This type of insurance is required by the state of Indiana.

Collision Insurance
Collision insurance pays for damages to your vehicle. Collision insurance covers damages if your vehicle overturns, or if it collides with another vehicle or object. This type of insurance is NOT required by the state of Indiana.

Comprehensive Coverage
Comprehensive coverage pays for damage to the covered vehicle by an event other than a car collision, such as fire, theft, vandalism, hail, or flood damage. It also covers things like a collision with an animal. This type of insurance is NOT required by the State of Indiana.

Deductibles
Many auto insurance policies have deductibles. A deductible is an amount of money that the policy holder (driver) is responsible for paying.
Therefore, if you have a deductible of $500 and you get into an accident with $800 of damages, then the first $500 comes out of your pocket and the next $300 comes from the insurance company.
*Higher deductibles generally decrease your insurance premiums or rates, but they put more financial burden on the driver.
Ask Your Parents
There are many different types of insurance that you can have. You should always know what sort of insurance you have. Ask your parents about your insurance. Do you have minimum coverage? comprehensive? high deductible?

Right of Way Quiz
Every lesson has a reading assignment. There is an interactive portion that you need to complete to get credit for your reading assignment. Each interactive portion has a question about the Right of Way Quiz. To get credit for this question you must identify the color of the car that has the right of way in the following example.

A blue car is turning left at green light with a green turn arrow. A green car is approaching a red light. Who has the right of way?