

## **Insuring a Performance Modified Audi**

Ever since the first Audi zoomed into being in the late 1800's, these cars have been known for their exceptional performance and their exceptionally high prices. Insuring any Audi is bound to be more expensive than insuring the average Toyota or Honda, simply because all that engine power means more risk in the eyes of insurers, but what about Audis that have been modified for even more impressive performance than "stock" versions of these cars? How do you insure one of those?

While some mainstream insurers are accepting limited modifications - for a price – cars with extensive mods, especially engine mods - may require specialty insurance. Such policies are related to, but not identical to, the kind of coverage available for antique cars, and often insurers who specialize in antiques and classics also offer coverage for performance-tuned, or exotic, cars as well.

### **The Downside of Specialty Insurance**

If you choose to pursue specialty insurance, you should be aware that it comes with some special restrictions, which will likely include:

- The need for a clean driving record, going back three years, or more.
- The requirement that all covered drivers be at least twenty-five years old, or have a minimum of ten years of licensed driving experience.
- Proof of another, legally registered, adequately insured car for ordinary use, as it is generally assumed that exotics and modified cars are not used for daily driving.
- Proof of a locked, covered garage or other secure storage area, for whenever the car is not actually being driven.
- Some specialty policies restrict annual mileage, though most that are designed for performance cars and exotics do not include this restriction.

### **Agreed Value**

With all these restrictions, you may wonder why anyone would choose a specialty policy if they don't have to. While Audis with modifications that do not include the engine or are not extensive may be able to fit into standard policies, in some cases you have no choice. As well, there is one distinct advantage of a specialty insurance policy: the ability to base coverage on agreed value.

What is agreed value? It's exactly what it sounds like: you and the insurance company evaluate your vehicle, including any modifications, upgrades, and special safety features, and agree to a fair value that includes all these extras, as well as takes into account the rarity of a performance-modified Audi, and the uniqueness of your specific car. In some cases an appraisal may also be required.

In the event of an accident that results in your car being totaled, your payout will be based on the value that was agreed to. Conversely, standard insurance companies base their coverage on actual cash value – or blue book minus depreciation. For a new or exotic car, this is often substantially less than the car is actually worth.

### **Documentation Counts**

Whether or not you choose a specialty insurance company, in order to [get insurance for your performance modified Audi](#), you'll need to provide documentation of any and all modifications you have made or plan to make. The documentation should include part numbers, an explanation of what the added parts do, receipts, and photographs, if possible.

Even the most minor upgrade must be documented, or you risk having your coverage denied in the event of an accident.

For the most part, insuring any modified vehicle, whether it's an Audi or not, is becoming easier, because performance tuning is becoming an increasingly mainstream hobby, and that means there is more data for insurance risk analysts to use when creating coverage tables, but be aware that not every insurer offers such coverage, and you may have to shop around in order to get the best deal for you and your car.