# Car Loan Tips

Here are some easy tips to give you peace of mind with your car loan.

Tip #1  Fixed or Variable Interest RatesVariable interest rates are influenced by market conditions and during the term of a loan can increase or decrease may times over. If interest rates increase so will the regular repayments you must make. If interest rates decrease your regular repayments will also decrease.

Fixed interest rates on Car Loans are generally fixed for the life of the loan. This means that your regular repayments remain the same for the whole loan term. Fixed interest rates can safeguard against interest rate increases but also mean you will miss out if interest rates decrease during your fixed rate term.

When choosing whether to select a variable or fixed interest rate, you need to form a view on whether you think interest rates will generally increase or decrease during the loan term you are considering. If you think they are more likely to increase and you want the security of knowing your repayments will not change, a fixed rate loan may be the right choice for you.

Tip #2  Make Extra RepaymentsYou can choose to pay extra off any of our car loans at any time. You can make this a habit by adding extra to your regular repayments or you can do this from time to time by paying a lump sum when you have the extra cash available.

Paying extra off your loan can decrease the amount of interest you pay and help you pay off your loan faster. If you have a variable rate loan you may even beable to redraw your extra repayments in times of need.

If paying off your loan faster is your objective, remember every dollar does matter. Even $5 a week can save you thousands in interest over the life of the loan and reduce your car loan term. Check out our extra repayment calculator to see your possible savings.

Tip #3  Choose Weekly RepaymentsYou can choose weekly, fortnightly or monthly repayments on our car loans so its easy to match your repayment obligations with your pay periods. If you get paid weekly or fortnightly select the corresponding repayment option. Not only does it make budgeting easier it can also save you interest. We only charge interest to your loan monthly, so when you make weekly or fortnightly repayments the whole repayment amount reduces the loanbalance we charge interest on until your interest is actually due.

Tip #4  Reduce Your Risk With insuranceWhether your car is your greatest asset or your second greatest asset, making sure its adequately insured makes perfect sense. Look for an insurance policy like PremierCare motor insurance1 which offers different levels of cover to suit your requirements and budget.

You should also consider broader risk insurance. A serious accident or illness, unemployment or even death can have a significant impact. Who will take care of your loan repayments if you cant? PremierCare Consumer Credit Insurance2 could cover your specific loan obligations or we can refer you to our financial planning subsidiary, Eastwoods Wealth Management , who can help you with a broader risk review and insurance.

Important InformationFor specific details on insurance products please refer to the relevant Product Disclosure Statement (PDS) which is available from us or download a copy by clicking here. You should consider the PDS and whether the product is appropriate for you before deciding whether to acquire the product. 1Motor Insurance is provided by Allianz Australia Insurance Ltd AFS licence no. 234708 ABN 15 000 122 850 (Allianz).2Disability cover (Part 2) and unemployment cover (Part 3) is provided by Allianz. Death cover (Part 1) it provided by Allianz Australia Life Insurance Limited AFSL 296559 ABN 27 076 033 782 (Allianz Life) Allianz acts as Allianz Lifes agent in offering and administering Part 1 death cover. In arranging these insurances Community CPS Australia Ltd acts as agent for Allianz and not as your agent. Neither we nor any of our subsidiary or related companies guarantees the benefits payable under the policies or the repayment of any premium. If you purchase an insurance product we will receive a commission from the insurer that is a percentage of the premium. Please ask us for more information before acquiring this service.

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