

10 Things you need to know about Motor Insurance



1. What are the different types of plans for Motor Insurance?

A: There are 3 types of Motor Insurance plans - **Third Party Only**, **Third Party Fire & Theft** and **Comprehensive**.

Third Party Only: Protects individual against liability, should damages to a third party's property/vehicle or injuries to third party occur

Third Party Fire & Theft: All of Third Party with additional coverage on fire damage and theft of your own vehicle.

Comprehensive: All of Third Party Fire & Theft and offers protection for accidental damage to own vehicle and liability towards third party.

2. What is the new Motor Claims Framework (MCF)?

A: The new MCF took effect on 1 June 2008 and requires the motorist to report all accidents (whether minor or major) to Insurers or Insurer's Approved Reporting Centre within 24 hours of the accident. Failure to do so may result in the claim being rejected or forfeiting part/all of the No-Claims Discount.

3. What is a No-Claim Discount (NCD)?

A: A No-Claim Discount (NCD) is a discount on the premium offered by the Insurers for each 'accident-free' or 'claim-free' driving year under your own name. Insurers will give a 10% NCD each year for no claims made, up to a maximum of 50%.

4. What is an "excess"?

A: An "excess" is the amount of money that you will need to pay in the event that you make a claim against your policy. For instance, if your motor insurance has a policy excess of \$500 and you make a claim of \$1500 against your policy for repair cost, you will need to pay \$500. The balance of \$1000 will be paid out by the Insurer. Note that the excess amount varies according to the policy plan

5. Insurance premiums vary among the different insurance companies, so which company should I approach?

A: It depends on the type of insurance you need and various factors like make, model and age of the vehicle. You should also ask around for a few quotes before deciding on your most suitable car insurance. This may help you to save considerable sums of money on your premiums.

6. What are some of the factors that can affect the premiums of my motor insurance?

A: Some of the factors are claims history, type of vehicle which includes make and model and year of manufacture, years of driving experience and whether the vehicle is for personal or commercial use.

7. Can I get a quote if I do not have the vehicle registration number yet?

A: Yes, you can still obtain a quote as there are circumstances whereby the registration number of your own vehicle is not available, for instance, buying a new car. However, if you have decided to purchase the motor insurance, the car registration number will be required.

8. Can I get a motor insurance quotation online if my vehicle is of special make and model?

A: Please contact our client service officer at askjoey@insupermart.com or 65060827 for assistance as it is subjected to further underwriting by the Insurers.

9. How do you determine the market value of a car?

A: The market value of your car is determined by the Insurers based on industry guidelines. Such guidelines may be obtained from motoring publications, newspapers or car dealers. (If your car is declared as total loss in an accident claim, the market value will be the cost of replacing the vehicle of the same make and model which is in similar condition and specification at the time of loss.)

10. How can I be entitled to the 5% safe driver discount?

A: You will only be entitled to the 5% safe driver discount if you have been awarded the Certificate of Merit (for not committing any non-compoundable traffic offence during a certain period) and if your NCD is 30% and above. To find out about Certificate of Merit, you may visit www.ecitizen.sg or www.spf.gov.sg

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