



MOTOR INSURANCE - RISKFACT

MOTOR INSURANCE

Motor insurance policies are not all identical. One Insurer may provide a wider cover, while another Insurer may offer a similar cover at a lower premium. Of significant importance is the consideration you should give to the promptness and quality of service the Insurer gives in the event of a claim.

FirstUnited has a selection of Motor insurance policies available from different Insurers to choose from. This Risk Fact sheet provides a general summary of the type of insurance cover one is expected to find. It also gives an outline of the benefits and extensions you can obtain and ways which can save you money.

Failure to provide material information at the time you complete and submit your insurance proposal form can prejudice your right to claim in the event of a loss. You are therefore advised to address any concerns over what would be considered material, to your Insurance Broker.

CHOICE OF COVERS

The three forms of motor insurance covers available are:

Third Party only – this is the most basic and least preferred form of insurance. Cover is limited to damage for which you are to blame caused to other people's vehicles and/or other property, as well as injuries to Third Parties including passengers. Ensuing legal expenses are also covered.

Third Party Fire and Theft – This form of cover includes all the benefits above as well as cover on your own vehicle for fire, lightning, explosion, theft or attempted theft.

Comprehensive – This is the most preferred and recommended form of cover. It includes all the benefits mentioned above as well as additional cover on your own vehicle for storm, flood, vandalism, malicious damage and damage resulting from a collision.

BENEFITS

Generally, Comprehensive insurance can be extended to include:

- An automatic authorisation of minor repairs not exceeding Lm 50;
- Replacement of the insured vehicle with a new car of the same make and model in the event of its loss by theft or damage as a result of an accident occurring within the first twelve months of its registration as new and the cost of repair exceeding 60% of its replacement value;
- Up to 65% No Claims Discount after 4 or 5 claims-free years;
- Up to Lm 2,000 Personal Accident cover to the insured and spouse;
- Up to Lm 100 cover for rugs, clothing and personal effects;
- No cutback of the No Claims Discount in the case of breakage of the windscreen and/or windows;
- Medical expenses not exceeding Lm 50 for the driver following an accident.

OPTIONAL EXTENSIONS

Generally, for a small additional premium Comprehensive insurance can be extended to include:

- An increase in medical expenses cover;
- An increase in the loss of use cover;
- The benefit of Protected No Claims Discount;
- The hiring of a replacement vehicle;
- Cover against Earthquake.

WAYS TO SAVE MONEY

Most insurers offer discounts to existing customers or to deserving proposers. One may also take advantage of the following generally available discounts to save premium:

- A 10% discount if one person only (25 years of age and over) drives the vehicle;
- A 7.5% discount if two named persons only (25 years of age and over) drive;

- A 10% discount if more than one vehicle is insured;
- A 10% to 20% discount if you select to increase the compulsory excess.

SUMMARY OF COVER	Comprehensive	Third Party Fire & Theft	Third Party
Legal liability to other people including passengers, for injury or property damage following an accident involving the vehicle anywhere within the EU, Norway, Switzerland, Iceland and Liechtenstein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal fees and expenses for defending any proceedings in a Court of Law in connection with a traffic accident involving the vehicle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Damage to the vehicle caused by fire or theft	<input type="checkbox"/>	<input type="checkbox"/>	
Loss or damage to rugs clothing and personal effects up to Lm 100	<input type="checkbox"/>		
Accidental/Malicious damage to the vehicle	<input type="checkbox"/>		
Personal Accident to the insured and spouse up to Lm 2000	<input type="checkbox"/>		
Medical Expenses up to Lm 500	<input type="checkbox"/>		
Use by the Motor Trade	<input type="checkbox"/>		

ESTIMATE OF VALUE OF YOUR MOTOR VEHICLE

Under- or over-insurance is of major concern. Insurers guard themselves against the deliberate or inadvertent choice of insuring the vehicle other than against its realistic value.

You are urged to consider revaluing your motor vehicle every year to ensure that the amount reflects its current market value. Insuring one's motor vehicle for more than it is worth does not mean that one will be indemnified for the full insured value in the event of a total loss, irrespective of the fact that one would have paid more premium.

The liability of the Insurer is limited to the reasonable market value of the motor vehicle immediately prior to the loss or damage. In the case of under-insurance, such liability will not exceed the estimated value stated in the policy. The responsibility for arriving at a realistic market value is always the client's. If necessary, you are advised to seek qualified guidance before insuring your vehicle, especially if this happens to be over five years old or has been modified or converted. Your Insurance Broker will be able to assist in this regard by recommending a reputable motor engineer.

CLAIMS SETTLEMENT

Along with the usual motor vehicle documents you should always carry a motor claim form which the parties concerned are meant to complete in case of any accident. In such unfortunate event one must remain calm and avoid admitting any fault. It will help your Insurer if you happen to be carrying a camera and take a few pictures of the accident. You must always promptly report an accident to your Broker who will assist you to present your claim to the Insurer in the most adequate form. It is quite uncommon that the parties end up in arbitration to determine who was to

blame of the accident. Armed with their vast experience, the information given by their insured, the accident report and, in most instances, with the motor engineer's report, Insurers will examine in detail the circumstances of the accident and agree on the apportionment of responsibility. Under normal circumstances and provided that the insured's estimate of value of the motor vehicle is realistic, Insurers will, at their option, pay in cash the amount of the loss or damage or may repair, reinstate or replace the motor vehicle or its accessories and spare parts.

BROKER'S RECOMMENDATIONS

Evidently, each Insurer has its own preferred wordings, with different limits and specific exclusions. You may wish to know more about these differences or you may wish to discuss with us your precise requirements to enable us to recommend the policy most suitable to your needs.

Whichever the case, please feel free to call us on the numbers shown below or send us an email at insure@firstunited.com.mt

firstunited



HEAD OFFICE
25 Villa Eden,
Princess Elizabeth Str.,
Ta' Xbiex MSD 11, Malta
Tel: (356) 2131 9000
Fax: (356) 2134 7734

BRANCH
1 Mican Court, Level 2,
J.F. Kennedy Sq.,
Victoria VCT 111, Gozo
Tel: (356) 2156 5960
Fax: (356) 2156 5961

E-mail: insure@firstunited.com.mt **Web Site:** www.firstunited.com.mt