

## Is Car Insurance Taking You For A Ride?

*Proactively managing your personal insurance is one way that you can ensure that you are receiving the best possible cover...AA Insurance tells you what to look out for.*

**July 21, 2008 - [PRLog](#)** -- While many consumers find the prospect of finding car insurance and household cover daunting, the process should not stop once cover is secured. Instead, advises Maria Ganhao, General Manager, AA Insurance, consumers should adopt a proactive approach to managing their personal insurance.

“Consumers should consistently evaluate their insurance premiums in order to ensure that they are, indeed, receiving the best possible cover for their premium choice and, in addition, that the cover is up to date. By knowing exactly what their insurance cover comprises, consumers are more knowledgeable and able to gauge what is on offer elsewhere in the market, either from competitors or in the form of new insurance products.”

Being a proactive and informed consumer extends to knowing or understanding the small print, terms and conditions and exclusions on an insurance policy. This ensures that in the event of a claim, there are no unexpected or nasty surprises.

“One of the best ways in which to manage your cover is to review your car insurance every January to factor in the effect of depreciation on the value of your car. New cars tend to lose at least 14 percent of their value once they are driven out of the showroom. Depreciation does slow down in the following years, however, your insurance premium, calculated on the purchase price of your vehicle, remains the same. In the event of a write-off or vehicle theft, you will only be paid out what the car is worth at the time of the loss, regardless of the sum insured.”

It is therefore also important to differentiate between the market, trade and retail values of a car. Market is the average of retail and trade values. Insuring for the retail value means there is a higher repayment value but also a higher premium payable every month. Insuring for trade value is the other end of the scale as it usually mean paying the lowest premium, but also getting the lowest pay out.

“The value that your vehicle is insured for is determined by you, whether it’s for retail, trade or market value. At AA Insurance, we review the value of insured vehicles regularly but not with a view to adjusting premiums. This is because the premium amount is based on a number of aspects such as where the vehicle is kept overnight, what it used for, who drives it regularly, the make and model and the cost of repairs.

“Policyholders should contact their insurer if any of the above parameters change, to ensure that the vehicle will continue to be covered for the correct amount. The onus is always on the car owner,” says Ganhao.

“The important thing,” concludes Ganhao, “is that either by themselves or via a trusted advisor, consumers can gain useful insights and valuable information regarding their car insurance cover. For example one insurer may offer lower premiums but no roadside assistance, or the excess payment might be much higher on a low-premium versus an average payment, with a lower excess. So consumers should use this information to determine which option best suits their needs.”

AA Insurance offers a host of fully transparent, easy to understand motor and household insurance products. These include comprehensive motor, building and home contents insurance, mechanical warranty cover, credit protection, credit shortfall, service plans, tyre cover, and scratch and dent cover. AA Insurance

is an additional service offered by AA Autobay, the online portal for buying and selling private pre-owned cars.

# # #

AA Insurance offers a host of fully transparent, easy to understand motor and household insurance products. These include comprehensive motor, building and home contents insurance, mechanical warranty cover, credit protection, credit shortfall, service plans, tyre cover, and scratch and dent cover. AA Insurance is an additional service offered by AA Autobay, the online portal for buying and selling private pre-owned cars.

--- End ---

Source	Jamie Macleod
City/Town	Johannesburg
State/Province	Gauteng
Country	South Africa
Industry	<a href="#">Automotive, Insurance</a>
Tags	<a href="#">Aa Insurance</a> , <a href="#">Car Insurance</a> , <a href="#">Insurance</a>
Link	<a href="https://prlog.org/10091620">https://prlog.org/10091620</a>



Scan this QR Code with your SmartPhone to-

- \* Read this news online
- \* Contact author
- \* Bookmark or share online