

Car Insurance, What You Should Know

Car Insurance, What You Should Know

The point is that as an awful lot of the vehicles driving around Thailand are NOT insured, what will happen in the event of a motor accident? If the other vehicle has insurance then you may be able to claim against them. If they don't you have to rely on your own insurance cover.

There are two types of motor insurance cover, Compulsory & Voluntary:-

Compulsory This is the 'sticker' which resides in the top left corner of your car window. It is also what the police initially look for. Most vehicles will have this insurance as it's very obvious when it's missing.

Voluntary There are 4 basic types of voluntary cover, Class 1, Class 2, Class 3 & Class 3+. These relate quite well to the UK's Comprehensive, Third Party Fire & Theft & Third Party Only respectively.

Class 1 - Provides cover for all accidents, regardless whether it's your fault or not.

Class 2 - Provides cover for accidents to third parties only and if your vehicle is damaged by fire or stolen.

Class 3 - Provides cover for accidents to third parties only.

Class 3+ - Provides cover accidents to third parties and a limited amount of cover for your own vehicle.

There are other important features that you need to ensure are covered correctly in your policy.

Bail Bond - This needs to be a minimum and is necessary if you should be arrested and detained by the police.

Personal Accident - Should be 100,000 Bt. per person.

Medical Treatment - Should be minimum 100,000 Bt.

Third Party Liability - Persons - 1,000,000 (the premium)

Property - 2,500,000 (NIL, 3,000 or 5,000 Bt. If you choose a deductible this will reduce the premium, but you will have to pay the first 3,000 or 5,000 Bt. if you have an accident.)

Named or Any Driver - It may surprise you that in Europe the driver is insured, however in Thailand it's the vehicle. Naming a driver reduces the premium but will restrict payout if someone else is in the driving seat when an accident occurs.

No claims bonus - It is possible to obtain a discount if you can provide proof of No claims, even from abroad. Discounts usually range from 10%-50%. If you are a new driver you may be able to obtain 20% discount in your first year and it pays to shop around or better still get your broker to do the work for you. You should have your old policy to hand when you call your broker to ensure you get the best rate.

In all walks of life, you get what you pay for and insurance is no different. The cheapest quotes are not always the best, look for value for money, good cover at a reasonable price. There are around 70 insurance companies in Thailand, not all provide the level of service you may desire. Beware especially of those companies that are known to be reluctant to pay out in the event of an accident. Look for a company which provides a 24 hour English speaking hotline number and 24 hour callout service. Some companies also provide add-ons which are particularly attractive to Foreigners, such as breakdown assistance, a courtesy car and accommodation. And finally, the question many people ask, why use a broker rather than going direct? The answer is simple, if you go direct you will receive a quote from that company ONLY. A Broker however, will find the most suitable cover and the most competitive quotation from a selected range of companies. Also, in the event of an accident the Broker can liaise with the insurance company on your behalf, if you go direct, you're on your own.