

Chedid & Associates Qatar LLC

Key Information Document – Motor Insurance

What is Motor Insurance?

It's an insurance for all kind of vehicles including cars, vans, trucks, buses. It protects the insured financially in the event of a loss due to use of this vehicle and/or theft. Cover includes own damage to vehicle and liability towards the damage incurred to third party property.

What is Sum Insured?

Under motor insurance sum insured is market value or declared value of the vehicle. Insurer will consider whichever is less at the time of the claim.

What is Deductible/Excess?

Excess and deductible are the amount to be borne by the insured in the event of each and every occurrence at the time of a claim.

Please define insurer, insured and third party.

Insurer is the cover provider generally known as insurance company.

Insured is the entity or person who has taken cover to protect their vehicle against losses or damage incurring out of its use.

Any person/property which is not part of the contract is known as Third Party

What is depreciation on spare parts?

Depreciation means reduction in the value of the vehicle with the passage of everyday. In the event of a claim insured is eligible for the depreciated value of the spare parts. It means that insured will contribute for the difference in the value of the spare parts depending on the age of the vehicle and can reach up to 50%.

How is the premium calculated?

Premium is calculated as percentage of sum insured. There is additional premium charged for no. of passengers for all type of vehicles except private vehicles (Saloons/SUV).

What type of additional covers are available?

There are various types of additional cover which can be added to standard policy. They include but are not limited to the following,

1. Off road cover
2. Onsite extension (own damage)
3. Tool of Trade extension
4. Nil depreciation on spare parts
5. Replacement car
6. Natural Perils
7. Agency Repair for the 2nd and subsequent years

Can the insurance be changed into the name of new owner of the vehicle?

Yes, it's subject to additional fee. Insurance company can change the ownership to the new purchaser upon receiving the detailed information.

Cancellation of Insurance Cover

Insurance can be canceled at any point of time however the premium refund is commonly subject to no claims. Furthermore, the refund premium is calculated as per the terms of the insurance company. It is mandatory to present either the cancellation of the vehicle or alternative insurance cover. Otherwise the insurance company is obliged to retain the third party cover and cancel only the own damage portion.

How the claim is settled?

In the event of a claim insured is required to submit the police report showing the cause and date of loss.

After evaluation for eligibility as per the policy terms and conditions, the vehicle is assigned to one of the local garages (approved workshop by the insurance company) or in case you have opted for this cover, Agency, for repairs.

What is not covered under motor insurance?

Motor Insurance does not cover,

1. Wear and tear
2. Mechanical breakdown
3. Electrical breakdown
4. Sand Dunning is not covered
5. Personal Belongings
6. Act of War and Terrorism
7. Details included under the exclusion section

What is unknown Third Party Damage?

In case of a damage where third party is unknown the insured is obliged to bear the portion of claim cost. This portion may vary from company to company however it commonly ranges between 15% to 30%.