

CHOOSING YOUR AUTOMOBILE INSURANCE POLICY

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A helpful guide when selecting automobile insurance, including local rates and common questions.

Factors that Affect Premiums:

Insurance companies use a variety of factors to determine a policyholder's likelihood of experiencing an accident or loss. Some factors include but are not limited to: driving history; type of vehicle (including model, year and value); territory (where you garage and drive the vehicle); number of accidents; gender; age; and credit scores. Driving record history can only be used for three years.

How to Find the Best Rate:

Shop for the company or agent that offers the best service for the best price. If you have a clean driving record, avoid companies and agents that advertise to high-risk drivers. Their premiums often are higher. Get quotes from several companies before you buy. Make sure you understand what coverages are included and that you're comparing equivalent policies.

How Filing Claims Impacts Your Premium:

While Oklahoma law prevents an insurer from raising your premiums for not-at-fault accidents, they may apply surcharges when filing at-fault accidents or other types of losses. Also, the surcharges are not calculated based on the dollar amount of the claims files. For example, the surcharge applied is the same whether you filed a \$1,500 or a \$100,000 claim. The surcharges are typically applied for a three-year period and the penalty severity varies.

What To Ask Your Agent:

- Am I in your lowest-priced company/tier? If not, why not?
- How can I get a better rate?
- What payment plans do you offer and what are the fees associated with each plan?

Deductibles:

You can save money on your premiums by increasing your policy deductibles. However, you'll have to pay more out of pocket if you have a claim. It is important to note that insurance is for catastrophic events and filing small claims may result in larger premiums due to applied surcharges.

Before You Buy a Policy, Remember:

- Never cancel your old policy until your new policy is effective.
- A policy becomes effective only when the insurer or its local recording agent binds coverage.
- Consider other important factors, such as financial strengths and customer service.
- Make certain you answer all questions on the application truthfully. Wrong information could cause an incorrect price quote or a denial/cancellation of coverage.

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Ways to Save Money

You may qualify for discounts on your rates. A three-year discount is mandatory if you successfully complete an accident prevention course approved by the insurance company of the policyholder.

This discount does not apply if the course is taken for any court order in connection with a motor vehicle violation or an alcohol/drug-related offense.

Other optional discounts may be available including, but not limited to:

- Anti-theft devices
- Anti-lock brakes, air bags or daytime running lights
- Good student grades
- Continued policy renewals
- Drivers Education
- Claims—Free Discount
- Credit Score
- Placing another type of policy with the same insurer