

Understanding Your Insurance

Auto Insurance 101: What Affects Rates? Deciphering Fact From Fiction

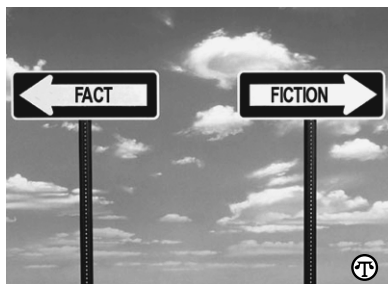
(NAPSA)—Have you ever heard that the color of your car influences how much it costs to insure it, or that Comprehensive coverage protects drivers in all situations because, after all, it's "comprehensive?" If you're like many of the respondents to a recent survey, you accept these common car insurance myths as truths.

The online survey of 1,000 drivers was conducted by Drive Insurance from Progressive, the largest writer of personal auto, motorcycle, recreational vehicle and boat insurance through independent insurance agencies in the U.S.

Before you make decisions regarding your auto insurance policy, check out these survey findings along with the facts behind each:

- Don't decide on the color of your car thinking that it's going to help you save money on your insurance. Twenty-five percent of drivers surveyed mistakenly believe that the color of their car affects their auto insurance rate when in fact, it doesn't. Information that is used to price policies includes the vehicle's year, make, model, body type and engine size, as well as information about you.

- Know what you're buying. Almost half of drivers surveyed (48 percent) wrongly believe their car insurance policy's Comprehensive coverage protects them in all situations. Comprehensive coverage is just one type of protection available on an auto insurance policy (others being Collision, Uninsured Motorist, etc.) and it pays only for damage caused by an event other than a collision,



True or False? A vehicle's make and model affect the price of car insurance? Answer: True.

such as fire, theft or vandalism. It also covers weather-related (e.g., hail, flood) damage, damage caused if a vehicle collides with an animal and it can provide a rental car if a vehicle is stolen.

- Be sure to get quotes on auto and homeowners policies from separate companies, because "bundling" is not always the best option. The majority of drivers surveyed (51 percent) say they'll always get a better rate if they "bundle" their insurance; i.e., buy their car insurance policy from the same company that insures their home. Just because you buy more than one product from the same insurance company doesn't always mean you are getting the best rate available. In many cases an independent agent or broker can uncover savings by creating a custom insurance package with policies from competing insurance carriers.

You can find an independent insurance agent or broker by looking in the Yellow Pages or by visiting driveinsurance.com and using the "Find an Agent" tool.