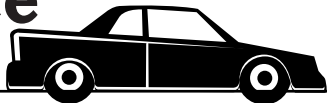


Auto Insurance Answers



Lowering Auto Insurance Rates

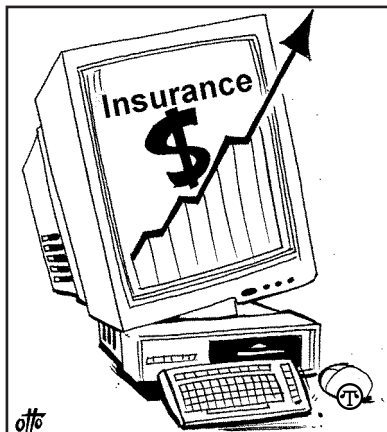
(NAPSA)—Here's an auto insurance tip: The length of your policy could affect how much money you spend down the road.

For example, a recent study found converting from a one-year to a six-month policy could increase insurance rates by as much as 40 percent and from 2000 to 2002, the percentage of price quotes issued by insurers for six-month policies increased by 28 percent.

The data comes from the InsWeb Auto Insurance Index, a quarterly study that tracks pricing trends of auto insurance sold online. The Index found that while auto-insurance prices rose nationwide (up seven percent from last year), they slowed in the third quarter of 2002—possibly indicating the price increase is stabilizing.

Perhaps surprisingly, the Index also showed that consumers age 31 and over—considered by insurers to be “America's safest drivers”—were hit hardest by the rate hikes.

Analysts say the study results show the importance of understanding your insurance policy. “Now more than ever, consumers of all ages need to research offerings from competing providers to ensure that they are getting the best possible rates and terms,” says Mark Guthrie, CEO of InsWeb Inc.



InsWeb's database suggests auto insurance prices nationwide have risen more than 10 percent annually since 2000.

Auto insurance price increases in 2002 were driven by rising medical-claim costs, significantly higher vehicle repair costs, rising jury awards and continued fraud and abuse. Additional causes include lower investment income generated by insurers, mainly due to the decrease in interest rates and decline in the stock market.

Consumers can go to www.insweb.com to research and compare quotes for auto, term life, health, homeowners, renters and condominium insurance rates. The site also has interactive tools that can be used for research. Buyers of auto insurance can use the website to keep from being taken for a ride.