

## Protect motor insurance consumers - FOMCA

Written by

Wednesday, 18 August 2021 10:50 -

---

<p>August 16, 2021 @ 12:15am<br />LETTERS: Nicholas King's

article on Allianz Road Rangers (NST, Aug 4) is an accurate description of what happens to many motorists after an accident.</p> <p>The Federation of Malaysian Consumers

Associations (Fomca) concurs that it can be traumatising if those involved have died or suffered serious injuries.</p> <p>The journey after an accident ♦ the mediation between car owners,

the police report and encountering unscrupulous touts ♦ is a nightmare for motorists.<br

/>Some motorists will experience depression after the accidents even though they are covered by insurance.</p> <p>Fomca has received numerous complaints through its consumer

complaint centre, the National Consumer Complaint Centre (NCCC), about vehicle insurance and the agony consumers go through to get their claims approved and to get their vehicles

back.</p> <p>Fomca also agrees with the Allianz chief executive officer's stand that insurance companies should do more to protect consumers and provide satisfactory services, as these are

enshrined in the Fair Treatment of Financial Consumers (FTFC) guidelines issued by Bank Negara Malaysia.</p> <p>Fomca cannot deny his claim that motor insurance is a billion-ringgit

scam.</p> <p>Bank Negara must ensure that consumers are protected from dubious parties involved in motor insurance.</p> <p>Persatuan Insurans Am Malaysia (PIAM) must ensure

that consumers are protected under the FTFC and are not victimised by insurers.</p>

<p>Fomca does not agree with the idea of insurers' panel workshops as Endorsement 106 has been repealed by Bank Negara.</p> <p>Therefore, insurers must not insist on motorists

sending their vehicles to insurers' panel workshops.</p> <p>Consumers are free to pick their workshops, as long as they are registered under the PIAM Approved Repairers Scheme and the

Road Transport Department.</p> <p>Bank Negara and PIAM must instruct insurance companies to adhere to the ruling. Fomca has also advised consumers to take motor insurance

cases to the Ombudsman for Financial Services, which looks into solving insurance issues.</p> <p>The dispute between insurers and workshops, as well as adjusters has put consumers in a

quandary.</p> <p>Their vehicles are sometimes stuck in a yard for months. They do not get a replacement car as the loss of use is given only when workshops start repairing the cars, in five

to seven days.</p> <p>Bank Negara and PIAM's interference is sought after. There are cases where insurers intimidate naive consumers with letters from their legal departments or

appointed adjusters, as if they are the law.</p> <p>This usually prevails when consumers send their cars to workshops that are not in an insurer's panel.</p> <p>Consumers should take the

matter to Bank Negara so that they are protected under FTFC. Insurers must show integrity when providing service to consumers.</p> <p>Other insurers are encouraged to emulate this insurer by creating their own approach in helping policy holders and providing support.</p>

<p>The help and guide by road rangers need to be applauded and other insurers must follow this.</p> <p>Consumers are aware that they have to buy car insurance and road tax

yearly.</p> <p>In reality, how many insurance agents inform consumers about their right and what they need to do if accidents happen?</p> <p>The onus is on agents or insurers to inform

customers as many do not know and are ignorant about the need to know and understand the procedures.</p> <p>Consumers must ask insurers or agents about their rights each time they

renew their road tax and insurance.</p> <p>Motor insurance awareness needs to be instilled in motorists when they sit their driving test.</p> <p>Fomca believes that Bank Negara, PIAM,

## Protect motor insurance consumers - FOMCA

Written by

Wednesday, 18 August 2021 10:50 -

---

insurers, workshops and adjusters must ensure that consumers are protected and not traumatised.

BASKARAN SITHAMPARAM

Senior manager

Fomca/NCCC

◆

Source: <https://www.nst.com.my/opinion/letters/2021/08/718235/protect-motor-insurance-consumers>