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PETALING JAYA: A consumer activist has called for insurance companies to offer 50% rebates on repair costs of vehicles affected by the recent floods.

Federation of Malaysian Consumers Associations (Fomca) president Marimuthu Nadason told FMT that this rebate could be considered as a corporate social responsibility (CSR) project of the insurance companies.

◆Many vehicles have been found to be uninsured for natural disasters like floods. Up to 95% of vehicle owners won't receive any compensation for repair costs.

◆Insurance companies should look into such cases as long as they are insured with them, he said.

Marimuthu highlighted several reasons why vehicle owners had overlooked insuring their cars against natural disasters.

◆Firstly, the majority of Malaysians are not aware that insurance policies offer optional cover for natural disasters like flooding.

◆Secondly, insurance companies have failed to advise vehicle buyers about this coverage before they purchase their policies.

◆Lastly, floods are becoming more rampant and Malaysians, more specifically from Selangor, have underestimated their severity.

Marimuthu said Fomca intended to send a letter to Bank Negara and the government to intervene by getting insurance companies to promote policies on natural disasters to the public.

Previously, the General Insurance Association of Malaysia (PIAM) and the Malaysian Takaful Association (MTA) had advised vehicle owners affected by the floods to contact their respective agents for further advice and clarification if they were planning to make any claims.

PIAM and MTA gave an assurance that they would quickly process these claims and give special consideration on a case-by-case basis.

They also reminded policy or certificate holders not impacted by the floods to consider reviewing their present vehicle insurance coverage.

Earlier, Prime Minister Ismail Sabri Yaakob said Perusahaan Otomobil Kedua Sdn Bhd (Perodua) would provide free towing service for Perodua vehicles hit by the floods, based on the vehicles' insurance coverage.

He said Perodua had also agreed to forego labour

charges to repair and service vehicles sent to its service centres and would offer a 50% discount on spare parts.

Ismail also said the government will negotiate with other car companies such as Proton to offer similar services to help owners of vehicles affected by the floods.

Source: <https://www.freemalaysiatoday.com/category/nation/2021/12/26/offer-50-rebate-for-flood-damage-to-vehicles-fomca-tells-insurance-firms/>