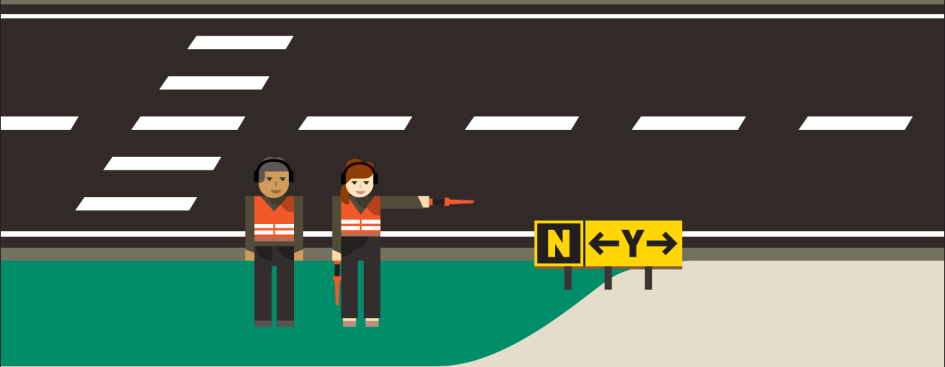

YOUR GUIDE TO
**TRAVEL
INSURANCE**



TRAVEL INSURANCE PROVIDERS

ACE INSURANCE LTD	6398 8000 www.aceinsurance.com.sg
AMERICAN INTERNATIONAL ASSURANCE CO LTD	1800 248 8000 www.aia.com.sg
AVIVA LTD	6827 7988 www.aviva-singapore.com.sg
AXA INSURANCE SINGAPORE PTE LTD	1800 880 4741 www.axa.com.sg
CHARTIS SINGAPORE INSURANCE PTE. LTD.	6419 1000 www.chartisinsurance.com.sg
CHINA TAIPING INSURANCE (SINGAPORE) PTE LTD	6389 6111 www.sg.cntaiping.com
DIRECT ASIA INSURANCE (SINGAPORE) PTE LTD	6532 2888 www.directasia.com
EQ INSURANCE COMPANY LTD	6223 9433 www.eqinsurance.com.sg
ETIQA INSURANCE BHD, SINGAPORE BRANCH	6336 0477 www.etiqa.com.my
FEDERAL INSURANCE COMPANY ¹	6333 8113 www.chubb.com
FIRST CAPITAL INSURANCE LTD	6222 2311 www.first-insurance.com.sg
HSBC INSURANCE (SINGAPORE) PTE LTD	6225 6111 www.hsbc.com.sg
INDIA INTERNATIONAL INSURANCE PTE LTD	6347 6100 www.iii.com.sg
INTERGLOBAL INSURANCE COMPANY LTD ²	6593 8519 www.interglobalpmi.com
LIBERTY INSURANCE PTE LTD	6221 8611 www.libertyinsurance.com.sg
MSIG INSURANCE (SINGAPORE) PTE LTD	6827 7888 www.msig.com.sg
NIPPONKOA INSURANCE CO LTD	6222 6001 www.nipponkoa.co.jp
NTUC INCOME INSURANCE CO-OPERATIVE LTD	6336 3322 www.income.com.sg
OVERSEAS ASSURANCE CORPORATION LTD	6248 2000 www.oac.com.sg
QBE INSURANCE (INTERNATIONAL) LTD	6224 6633 www.qbe.com.sg
ROYAL & SUN ALLIANCE INSURANCE PLC	6220 1188 www.rsagroup.com.sg
SHC CAPITAL LTD	6829 9199 www.shccapital.com.sg
SOMPO JAPAN INSURANCE (SINGAPORE) PTE LTD	6223 5293 www.sompojapan.com.sg
TENET INSURANCE CO LTD	6221 2211 www.tenetinsurance.com
TOKIO MARINE INSURANCE SINGAPORE LTD	6221 6111 www.tokiomarine.com.sg
UNITED OVERSEAS INSURANCE LTD	6222 7733 www.uoi.com.sg
ZURICH INSURANCE COMPANY LTD (SINGAPORE BRANCH) ³	6236 2210 www.zurich.com

¹ Corporate Travel Insurance only

² Travel Insurance available only with purchase of Private Medical Insurance

³ Group Travel Insurance only

Increasingly, more people in Singapore are travelling overseas. Be it for business or leisure, travel has become an integral part of our lives. Singapore's position as an Asian transportation hub has also made travelling convenient and inexpensive for many.

Travel insurance has become essential to safeguard one against unforeseen circumstances when overseas. It provides peace of mind should things go wrong, and offers recourse and protection against inconveniences. The recent spate of natural disasters, calamities and civil commotions around the world has made travellers even more aware of the need to purchase the right type of travel insurance.

There is a huge range of travel policies available in Singapore. While the benefits may appear similar, there are differences that can affect the outcome of a claim. To avoid any unwelcome surprises, it is important to read and understand the terms, benefits and exclusions as spelt out in your policy.

This guide has been put together by members of the General Insurance Association to provide you with useful and comprehensive information on travel insurance. While we have strived to ensure its thoroughness, it is not feasible to deal with every scenario. To know the type of travel insurance that best suits your needs, we urge you to contact your insurer or financial adviser who will be in the best position to advise you.

Happy reading.

DEREK TEO
President, GIA



**FREQUENTLY
ASKED
QUESTIONS**

ABOUT TRAVEL INSURANCE



**1 WHY THE NEED FOR
TRAVEL INSURANCE**

2 WHERE TO BUY

3 TYPES OF COVER

**4 BENEFITS, SCOPE,
LIMITATIONS &
EXCLUSIONS**

1 WHY THE NEED FOR TRAVEL INSURANCE

A) Why do I need to buy travel cover?

Travel insurance provides you with peace of mind in the event of unforeseen circumstances which result in any possible losses before, during and even after an overseas trip. Unforeseen circumstances include cancellation of trip due to serious illness, accidental injury, high medical bills, travel disruption, loss of personal belongings and personal liability. Please see question 4a for more details on the benefits and scope of travel insurance.

B) How do I gauge if the travel cover is sufficient?

- i) Start with a review of your overall financial circumstances.
- ii) Check your current coverage such as your personal health insurance and life insurance to ensure that you are adequately covered.
- iii) If you are travelling for official duties or work, please check with your company's HR department on the coverage extended to staff on overseas assignments.

2 WHERE TO BUY

A) Where do I buy insurance?

- i) Directly from the insurance company.
- ii) Through intermediaries, such as agents, brokers, sales representatives of travel agencies, and banks.
- iii) Other platforms such as online, AXS machines and mobile applications offered by some insurers.

B) Is the sale of travel insurance through travel agencies regulated?

Travel agents can only sell travel insurance if they are certified as Trade Specific Agents (TSA) by the Agents' Registration Board of the GIA. TSA engages in business where insurance is not its core business. For more information on TSA, you may refer to item 3(ii) of the General Insurance Agents Registration Regulations (available from http://www.gia.org.sg/pdfs/AMF_GIARR.pdf)

TYPES OF COVER

A) What are the different types or categories of travel insurance?

- i) Single Trip: a short term policy covering a specific trip, usually commencing from and returning to Singapore.
- ii) Annual Cover: a policy issued for a one-year period covering trips commencing from and returning to Singapore, undertaken by the insured person(s) during the policy year, subject to its terms and conditions.
- iii) Individual Plan: a policy covering the policyholder and any other individual person.
- iv) Family Plan: a policy covering the policyholder and his immediate family i.e. his legal spouse and their legitimate children. A cap may be imposed on the number of insured persons under a Family Plan policy.

B) Are there different types of travel insurance that cover specific locations / geographical regions?

Yes. For the purpose of premium classification, insurers usually divide the world map into different geographical regions / zones. A common classification will be ASEAN / Asia / Worldwide.

C) What factors must I consider before choosing a specific travel insurance package?

Your needs and expectations will be the main considerations and may include the following:

- i) How frequently do you travel?
- ii) Do you travel alone or with your family?

- iii) Where are you travelling to? Is there good access to medical facilities and what is the cost of medical treatment? Are you travelling to places that are more likely to have natural disasters or weather which could disrupt your plans for the trip?
- iv) Purpose of your trip – is it for business or pleasure?
- v) Itinerary – adventure, sightseeing or rest and relax? For example, if you are planning to drive, you might want to select a policy that provides Rental Vehicle Excess cover.
- vi) What are your personal expectations of the cover? Besides the usual Personal Accident and Medical Expenses benefits, it is important to consider if you require coverage for emergency assistance and /or evacuation, delayed departure, trip cancellation / curtailment, loss of baggage /travel documents, etc.
- vii) What is your budget?

It is wise to consider the above factors carefully before deciding to which travel insurance policy to purchase. You may wish to start planning early to allow yourself sufficient time to review and compare the cover and premium that best fit your needs.

BENEFITS, SCOPE, LIMITATIONS & EXCLUSIONS

A) What are the usual main benefits found in most travel insurance?

There is a wide range of benefits offered under travel insurance. These can also vary among insurance companies and by plans in terms of limits / excess, definition and insured perils. Most comprehensive travel insurance would offer main benefits such as Personal Accident, Medical Expenses (overseas and in Singapore), Trip Cancellation and Curtailment, Travel Delay and Emergency Medical Evacuation.

These main benefits are explained briefly below:

- i) Personal Accident covers accidental injuries which result in death or permanent total disablement.
- ii) Medical Expenses reimburse the cost of medical treatments (inpatient and outpatient) while you are overseas and follow-up treatments when you return to Singapore.
- iii) Trip Cancellation and Curtailment (i.e. situations defined as per policy that result in you having to abandon or change your original travel plans) will reimburse you on the non-refundable and irrecoverable portions of prepaid travel expenses, subject to the insured perils of each insurance company.
- iv) Travel Delay will pay a cash benefit usually in every block of X hours of delay in the departure of the scheduled public conveyance, subject to

the insured perils as defined in the policy wording (e.g. the insurer will pay \$100 for every 6 hours of delay).

- v) Emergency Medical Evacuation will reimburse the cost of transportation incurred while overseas as a result of serious injury / sickness. It is usually a requirement in the policy that the insured contact the company named by the insurer for assistance, e.g. International SOS or Mondial Assistance.
- vi) Loss or Theft of Personal Possessions will reimburse you for the loss of your possessions such as baggage, travel documents and money.

Note: Do note that benefits and scope of coverage might be limited to certain conditions or situations. For instance, the insurer might cover a claim for loss of baggage / personal belonging only if the loss was due to theft or burglary. Hence, it is important to read the policy wording which lays out the benefits, scope, limitations and exclusions of the insurance policy to ensure that the purchased policy meets your needs.

B) What are the main exclusions found in most travel insurance?

Like other insurance products, travel insurance excludes specific risks to mitigate moral hazard and adverse selection, and to lower the price of insurance given the lower level of risks it assumes with the exclusions. Moral hazard refers to the situation where coverage against a loss might increase the risk-taking behaviour of the insured person, since the insured party no longer bears

the full costs of that behaviour. Adverse selection refers to the adverse impact borne by insurers when they insure risks that have a higher probability of loss than that contemplated by the applicable insurance premium. For instance, a person travelling to a war zone will want to buy more travel insurance and / or life insurance.

Set out below is a non-exhaustive list of conditions or events that are commonly excluded under travel insurance policies. This means that the insurer will not cover travel claims for loss or liability directly or indirectly caused by or arising from these events:

- i) Self-inflicted injuries
- ii) Pre-existing conditions
- iii) Engaging in hazardous / military / sports activities
- iv) Mental or nervous disorders
- v) Natural disasters
- vi) Radioactivity from nuclear materials
- vii) War and civil commotion
- viii) Travel to specific countries like Afghanistan

Note: Before buying travel insurance, you should always read the general exclusions section in the policy wordings to understand the type of situations that will not be covered.

C) Who can advise me on the different types of benefits that best fit my needs?

There are various channels you can go through to purchase a travel insurance policy. Some people buy the insurance cover with their tour packages through the tour agency, while others may take up the policy through their insurance advisor or buy it directly online / via call centre / mobile applications from the insurer. If the policy is bought through an intermediary, you can request for an explanation on the policy coverage and seek clarification when in doubt. For direct purchases, the insurer typically provides details of the policy coverage for the consumer to read through and understand before he / she signs up. When in doubt, you can call up the insurer for clarification.

The product summaries and policy wordings for the various travel insurance policies are readily available in the respective insurer's websites. You should obtain product summaries and policy wordings of a few travel insurance policies to compare and understand the premiums, coverages, limitations and exclusions before purchasing the one best suited to your needs.



**FREQUENTLY
ASKED
QUESTIONS**

ABOUT CLAIMS & EXCLUSIONS



1 TRAVEL DELAY

2 BAGGAGE DELAY

**3 TRIP CANCELLATION
& TRIP CURTAILMENT**

4 EXCLUSIONS

**5 LOSS OR DAMAGE TO
PERSONAL EFFECTS**

6 CLAIMS

7 DISPUTES

This section contains some frequently asked questions relating to claims as well as policy exclusions. The case scenarios provided are based on actual claims submitted to insurers and will help to further illustrate the coverage provided.

1 TRAVEL DELAY

A) Will I be able to claim under my travel policy if my flight is delayed for whatever reason?

Your travel policy will NOT cover you for all kinds of delay. Most travel policies cover delay only for specific reasons AND if the number of hours of delay is more than the minimum hours of delay provided for under the policy.

The common events provided for in most travel policies that cover delays are:

- i) Strike, riot or civil commotion / industrial action
- ii) Adverse weather conditions
- iii) Mechanical breakdown / structural defect of your scheduled public conveyance

Delays caused by natural disasters such as earthquakes and volcanic eruptions, are not considered "adverse weather conditions" and are generally not covered unless they are specified in the policy.

SCENARIO 1

You were scheduled to fly from New York to Singapore but the flight was delayed due to severe snow storms in New York.

If the delay exceeds the stated minimum hours of delay under your policy, you will be able to claim for delay benefits.

SCENARIO 2

In the same scenario where you were scheduled to fly from New York to Singapore but the flight was delayed due to issues relating to the business operations of the airline. This is not covered as it does not fall within the insured events. Operational reasons such as crew rotation to meet statutory regulations on maximum working hours, rescheduling of flights to suit capacity demands or inability of the airline to prepare the airplane on time for the scheduled departure time are the airlines' business risks and will not be covered by insurance policies.

SCENARIO 3

You were supposed to board a train from Frankfurt to Rome. You waited at a platform for 3 hours and then discovered at the last moment that you were at the wrong platform! Despite rushing to the correct platform, you still missed the train and had to wait 12 hours for the next train.

There is no cover in the above scenario as the "delay" was not caused by any of the named events. There was in fact no delay as your original scheduled train left on time.

B) What kind of benefits can I claim for if my journey was delayed due to an insured event?

Benefits under this section are usually on a (i) cash benefit basis for most policies – this means that the policy will pay you an agreed amount depending on the hours of delay up to a maximum limit regardless of how much you have incurred. However, some policies are structured on a (ii) reimbursement basis – meaning that the policy will reimburse you for reasonable expenses incurred up to an agreed limit.

Make sure to check your policy wording to verify the type of benefits offered.

SCENARIO

You were scheduled to fly from New York to Singapore but the flight was delayed due to severe snow storms in New York, and the next available flight is 24 hours later. You incurred expenses of \$300 for an additional night of accommodation, meals and telephone calls.

If your policy is on a cash benefit basis, paying \$100 for every 6 hours of delay up to a maximum of \$1,000, you will receive \$400 in cash benefits for the 24-hour delay i.e. $\$100 \times (24 \text{ hours} / 6 \text{ hours})$. You will not be able to claim for the expenses incurred on top of this cash benefit.

If your policy is on a reimbursement basis up to a maximum of \$500, you will be reimbursed \$300 provided you are able to substantiate your expenses with supporting documents and receipts.

C) What documents do I need to submit to file a claim for travel delay or flight misconnection?

You will need a letter from the airline to substantiate your claim. The letter should state the reason for delay and information on the original and actual travel dates and times. You can approach the airline counter at the airport to obtain the letter if the airline does not provide you with such a letter, or you may write to the airline concerned upon your return. However, this may prolong the claim process so it is advisable to attempt to obtain the letter directly at the counter. You may also approach your tour group leader for assistance if you are part of a tour group.

2 BAGGAGE DELAY

A) What can I claim for if I do not receive my baggage upon arrival at my destination?

This will be covered under the Baggage Delay section of a travel policy. Typically the policy will cover you if your luggage has been delayed, misdirected or temporarily misplaced by any carrier for a specified number of hours from the time of your arrival at the scheduled destination abroad, or upon your return to Singapore at the end of the journey. Most policies are on a cash benefit basis for this section, but there are some policies which are on a reimbursement basis. You should read your policy wording carefully.

B) How do I submit a claim for baggage delay and what documents will I need to provide?

If you cannot locate your baggage at the designated baggage belt, you should proceed to the airline counter to make a Property Irregularity Report. This report will state the number and details of bags missing and serve as a record for the airline to initiate a search for your missing bag(s). When the bag(s) is found, the airline will arrange for the delivery of your bag to your designated address. You should ensure that you sign off on the form with date and time of receipt so that your insurer is able to compute the number of hours of delay. If the bag(s) is to be delivered when you are not around, you should try to arrange for someone, for example the hotel reception, to make a note of the date and time of delivery.

SCENARIO

Upon arrival at your destination, you could not locate your bag. You incurred expenses of \$400 to purchase some clothing and toiletries. The airline eventually located your bag and delivered it to you 18 hours later.

If your policy is on a cash benefit basis, paying \$200 for every 6 hours of delay up to a maximum of \$1,000, you will receive \$600 in cash benefit for the 18 hours delay i.e. $\$200 \times (18 \text{ hours} / 6 \text{ hours})$. You will not be able to claim for the expenses incurred on top of this cash benefit.

If your policy is on a reimbursement basis up to a maximum of \$500, you will be reimbursed up to the \$400 maximum provided you are able to substantiate your expenses with supporting documents and receipts.

3 TRIP CANCELLATION & TRIP CURTAILMENT

A) I booked a trip to China for my family but had to cancel it prior to departure as my son fell and fractured his leg. I called my travel agency but they told me there would be a cancellation charge. Can I claim under my travel policy and if so, what can I claim?

Most travel policies have a Trip Cancellation section which will cover you for travel costs pre-paid in advance for which you are not able to obtain a refund up to a specified maximum limit. However, there are certain terms and conditions which you should be aware of, some of which are highlighted below:

- i) This section will only be applicable if you DO NOT proceed with your journey. For example, there is no cover if you merely postponed your trip to an alternative date.
- ii) The cancellation must be due to a named event. Common events will include serious illness or accident to you, your travelling companion or specified family members only, or an unexpected outbreak of strike, riot or civil commotion. As the list of insured events covered differs for different policies, please check your policy wording to verify the type of benefits offered.
- iii) There is usually a specified time frame prior to departure within which the named event must occur. This is commonly set at 30 days prior to departure.

An important feature of this section is the date and time that you purchase your policy. It is of no use to purchase the policy after an event has happened as your claim will not be admissible. Therefore you should ensure that you purchase your policy early to utilise this section fully and avoid any misunderstanding.

B) I was travelling in China when my family members informed me that my mother had fallen seriously ill and was hospitalised. As I am the primary caretaker for my mother, I had to rush home and look after her. I could not amend my air ticket so I had to purchase a new air ticket to fly home urgently. I also had to forfeit the rest of my scheduled tour. Can I claim from my travel policy?

Most travel policies also have a Trip Curtailment section which will reimburse you for the travel costs pre-paid in advance for which you are unable to get a refund AND additional travel costs incurred in order to return home, subject up to a maximum limit.

Some common terms and conditions you should be aware of:

- i) Trip curtailment means that you have abandoned your original trip and returned home.
- ii) The curtailment must be due to a named event. Common events will include serious illness or accident to you, your travelling companion or specified family members only, natural disasters or an unexpected outbreak of strike, riot or civil commotion.

You should provide supporting documents to verify that the event resulting in the trip curtailment did take place. For example based on the earlier scenario, documents to show the period and medical condition suffered by your mother, an invoice from the travel agency showing the amount paid for the tour and receipts showing the additional costs incurred.

As the list of insured events covered differs between policies, please check your policy's wording to verify the type of benefits offered.

SCENARIO

You were in London and had planned to travel to Germany for 2 days before returning to London to fly back to Singapore. Unfortunately due to severe weather conditions, you were unable to fly to Germany so you remained in London and flew home to Singapore as originally scheduled. You had to forfeit the cost of the tour, flight and hotel expenses in Germany.

In this case, this is not a cancellation or curtailment situation. You had already departed Singapore so you did not cancel or abandon your trip. You did not curtail your trip as you did not cut short your trip to return home but merely changed your travel plans and continued to stay in London. In any event, curtailment would not be covered as adverse weather conditions are generally not an insured event under the section. You should check your policy's wording to verify the insured events applicable for trip cancellation and curtailment cover.

C) When the volcano in Iceland erupted, volcanic ash was spread all over Europe. I had to cancel my trip to Europe as my flights had been cancelled due to the closure of airspace. Can I claim for the expenses incurred which my travel agent and airline did not refund me?

If your travel policy specifies natural disasters such as volcanic eruptions as an insured event under the Trip Cancellation section, you will be covered:

- i) if you purchased your policy before the eruption happened and/or any travel advisory had been issued by the Ministry of Foreign Affairs
- ii) for the non-refundable cost of your pre-paid travel expenses up to the maximum policy limit
- iii) if the event resulting in the cancellation of your travel occurs within the specified time frame prior to your departure

Some policies may not cover natural disasters for trip cancellation so you should read your policy wording carefully as occurrence time frames, policy limits and exclusions will differ across different policies. An added step that you can take to reduce your risk exposure is to approach your travel agency and airline as early as possible to verify where they stand for the situation at hand. These parties may offer refunds or alternative solutions. These typically will have a deadline so you should approach them early. For hotel bookings, if you inform them early, your cancellation fee will be greatly reduced. These are all simple steps you can take to reduce your potential losses especially in situations where there is no cover or limited cover under your travel policy.

D) What if I was already overseas and had to curtail my trip and return earlier than scheduled? Or if I experienced delays in my journey and had to incur additional costs for travel and accommodation?

In the event that you have to curtail your trip, the same cancellation issues as highlighted above will apply.

Generally for delay situations, travel policies will cover delay as a result of adverse weather conditions, but not for natural disasters like volcanic eruptions. As explained in question 3c, this is due to the wide extent of impact of such natural disasters.

E) But some people in the same tour group received some form of compensation while some did not. Why is this so?

As explained in question 3a, this is due to the different terms and conditions found across different policies. However, notwithstanding policy terms and conditions, insurers may take a stand in view of special circumstances. This will usually be posted on their website so you should visit your insurer's website or approach your insurance intermediary for details.

A) For the same trip, I was not able to claim from my insurer, but my travel companion's claim was successfully made with another insurer! Why must there be exclusions in the first place? Travel insurance should be there to cover me for all my travel inconveniences and losses.

Travel insurance policies range from basic plans with limited sections of benefits and low limits, to comprehensive ones with wide ranging benefits and generous limits. Correspondingly, the premiums for different levels of insurance policies may also differ substantially.

Coverage, benefits and terms and conditions differ among products and insurers. And like all life and general insurance policies, travel insurance policies have exclusions to keep their premiums reasonable.

It is important that you do not base your decision on premium alone. Always choose an insurance policy that best fit your needs. A list of factors that you should consider before purchasing a travel insurance policy can be found in question 3c under "About Travel Insurance".

B) Why are earthquakes, tsunamis and other natural disasters such as floods, hurricanes, volcanic eruptions etc. classified as Acts of God and not covered usually under travel insurance?

Most insurers provide cover for Accidental Death or Total Permanent Disablement, Medical Expenses and Medical Evacuation arising from Acts of God. However, due to the wide extent of impact of such events,

coverage provided under Trip Cancellation, Trip Curtailment or Baggage and Personal Effects etc., may differ. Be sure to check your policy wording to verify the type of benefits offered prior to purchase.

Even if the policy provides coverage for such events, it is important that you take added precautions to protect your life and belongings. Look out for news on the destination you are travelling to. Should there be an impending natural disaster or strike, check the latest Travel Advisory issued by the Ministry of Foreign Affairs at the Consular Information / Travel Advisory or your airline's webpage for current travel notices. Consult your travel agent or airline if it is safe to proceed with the trip.

C) For those who unfortunately lose their lives during travel, can their family members claim from the deceased's travel insurance policy?

Travel insurance policy does cover Accidental Death/ Permanent Disablement due to an accident. This is applicable for both life and general insurance.

D) Is nuclear radiation covered?

All travel insurance policies carry a total exclusion on nuclear risks. The cover excludes any loss, damage, illness caused directly or indirectly from the existence or escape of nuclear, ionising radiation and contamination by radioactivity from nuclear fuel.

E) In the wake of unrest in the Middle East, does travel insurance cover civil unrest, commotions, demonstrations and war?

Generally, most policies will provide cover for riots and civil commotion situations particularly for Personal Accident and Medical Expenses related sections. This applies as long as you were already there when the outbreak occurred and you are an innocent bystander. Riots and civil commotion are also typically listed as an insured event under the Travel Delay section. Some policies also provide cover for this under the Trip Cancellation and Curtailment sections as long as the outbreak was an unexpected event and did not occur prior to your departure. However policies have different terms and conditions, you should read your policy carefully and keep a look out for news of the destination that you are travelling to.

Most policies have a total exclusion on war risks which will exclude any losses arising directly or indirectly from war. Some policies may offer some form of restricted cover for war risks, usually only under the Personal Accident section and subject to the outbreak being an unexpected event after you had already departed for your trip, and as long as you are an innocent bystander. Again, you should be aware of what your policy covers and be alert to events in the destination that you are travelling to.

F) Will all medical expenses incurred during travel be covered?

Read the policy contract carefully to find out what is and what is not covered. For example, pre-existing conditions are generally not covered in most policies. There can also be limits on how much you can claim for medical expenses.

5 LOSS OR DAMAGE TO PERSONAL EFFECTS

A) Will I be covered for loss of personal effects if I lose my belongings while travelling?

Most travel policies will cover you for accidental loss or damage to personal effects while overseas subject to the specific terms, conditions and limits of the travel policy you have purchased.

One important condition which will be in all policies, and that you should be aware of, is that you are expected to ensure that you take basic precautions to protect your belongings and prevent loss. This is reasonable as you are in a foreign country where crime and social conditions are different. The duty of care is simply the basic care that you would take to protect yourself and your belongings if you do not have insurance, and would have to bear the loss yourself.

There will inevitably be exclusions under any policy so you should read your policy conditions carefully. Typically, consumable and perishable items will not be covered and loss of money must be due to theft.

B) I was travelling in Europe and was just about to board a train when I felt a tug on my shoulder. I looked around and discovered that someone had snatched my sling bag away. How can I make a claim?

You should first make a police report of the incident and submit your claim when you return. You should provide supporting documents to substantiate your losses, for example, purchase receipts which will help to establish the date of original

purchase and cost of item. If you are unable to provide such documents, there will be adjustments made to the claim amount to factor in this uncertainty as well as for wear and tear. This is reasonable as an item will inevitably lose value over time due to usage and being exposed to external elements, especially luggage which nature of use may be handled by many parties.

C) Is loss or damage to items or personal effects due to negligence, omission and carelessness of the insured covered under the travel insurance policy?

No, such claims are not covered under travel insurance.

6 CLAIMS

A) How do I go about making or filing a claim?

You can refer to your insurer's website on the type of documents to submit for each individual benefit. Some insurance companies have mobile applications which you can download to check on the relevant documents for claim submission.

B) What documentary evidence do I need to support this?

It depends on the type of claim. Very often, the insurer will require copies of airline ticket, police report, medical bills and report, carrier irregularities report and original purchase receipt etc. You can refer to the policy contract or contact your agent or insurer for more details.

7 DISPUTES

A) Where do I turn if my insurer disputes my claim and refuses to compensate me even though I have bought insurance from the company?

If the claim is not a covered event, it will be explained clearly by the insurer. However, if you are still not satisfied and have failed to reach an agreement with your insurer, you can raise this with the Financial Industry Disputes Resolution Centre (FIDReC), an independent alternative dispute resolution scheme for disputes between consumers and financial institutions including insurers. FIDReC handles claims up to \$100,000 for disputes between insured persons and insurers.

You can contact FIDReC at:

112 Robinson Road #13-03
Singapore 068902

T: +65 6327 8878

F: +65 6327 8488

E: info@fidrec.com.sg

W: www.fidrec.com.sg



FREQUENTLY
ASKED
QUESTIONS

ABOUT INSURANCE PREMIUMS



AFFORDABILITY OF PREMIUMS

1 AFFORDABILITY OF PREMIUMS

A) How does the industry ensure that premiums remain affordable?

Insurance works on the basis of pooling funds from many individuals to pay for the unforeseen losses that may be incurred by some. In the event of a loss, the insured will make a claim with the insurance company.

Every insurance company has in place diligent claims handling processes to detect and identify fraudulent or inflated claims. With insurers being vigilant in their treatment of claims, consumers will not have to bear the burden of invalid claims that will result in an increase in premium.

In general, an insurance company will require you to complete a claim form and submit the relevant information to support your claim. The insurance company may thereafter appoint a specialist, for example loss adjustors, to review your claim. Your full cooperation will be needed throughout the claims process.

Insurance companies will often offer different levels of protection to help keep premiums affordable while catering to the different needs of individual travellers. Travel insurance policies are generally differentiated by the extent of cover, length of trip and geographical areas of travel, so you do not pay excessively for protection you do not require. Insurance companies strive to make it convenient for you to purchase travel insurance while maximising efficiency. This is done via two-in-one brochures (brochure with application), automated purchasing through AXS machines or 24/7 purchasing over the internet. Some insurers provide insurance directly to you, cutting out middleman costs.

Finally, travel insurance is priced competitively as there is a large number of insurers in Singapore who offer the product. This benefits customers as they will have a wide range of products to choose from.

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