



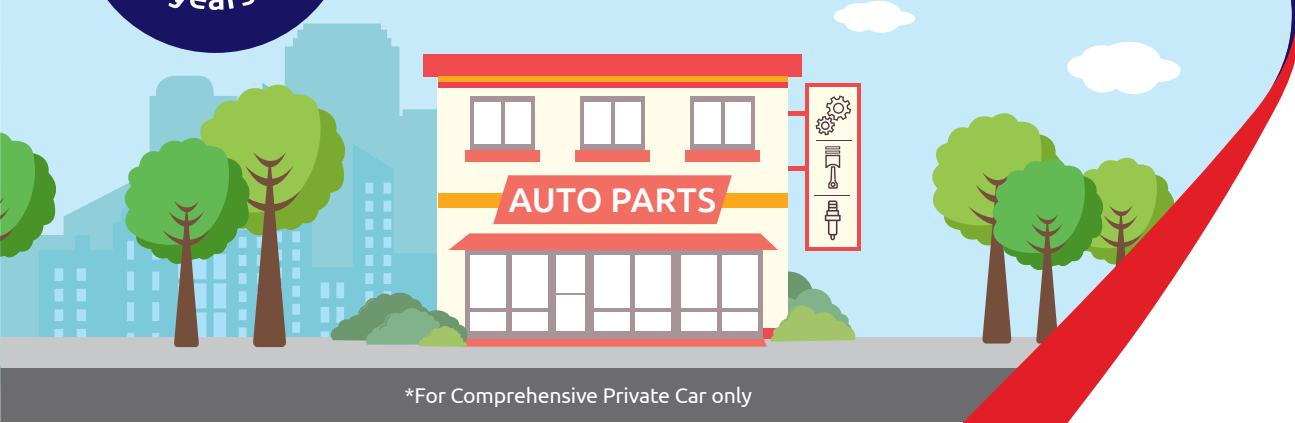
MSIG MOTOR ADD-ON

WAIVER OF BETTERMENT COST (NON-TARIFF)*



MSIG

Insurance
that sees
the heart in
everything



*For Comprehensive Private Car only

A comprehensive motor policy typically covers the repair cost of an accident. However, what most policyholders do not know is that for older cars (5 years and above), in the event of an accident and if new original spare parts are used in the car repairs, the car is deemed to be better than it was before the accident. As such, policyholders will be expected to contribute to a portion of the costs of the new original spare parts used. This is known as a “betterment” charge and the scale of contribution is stated in the terms and conditions of the policy.

This Add-on may now be purchased when your vehicle is **4 years of age** to cover any claims that may arise when the vehicle crosses over to age 5 in the middle of your policy period. This will reduce the financial impact to a policyholder who owns an older car that uses new original spare parts in the event of repairs due to an accident. **NEW**

The example below illustrates how the waiver of betterment works:

VEHICLE INFORMATION:		
<ul style="list-style-type: none"> • Year of Manufacture: 2016 • Date of Original Registration: 2017 • Period of Insurance: 1 July 2021 – 30 June 2022 		
TYPE OF VEHICLE	LOCALLY ASSEMBLED VEHICLE	IMPORTED COMPLETELY BUILT UNIT (CBU) OR IMPORTED SECOND-HAND/USED/RECONDITIONED VEHICLE
Vehicle Age at Policy Inception or Renewal (1 July 2021)	4 years (Date of Registration)	5 years (Year of Manufacture)
Date of Claim	15 January 2022	
Vehicle Age at Date of Claim	5 years	6 years
Rate of Betterment	15%	20%
Example of Cost for New Original Spare Parts E.g. Air-conditioning compressor	RM5,000	RM5,000
MSIG Pays	RM4,250	RM4,000
Policyholder Contributes (% Rate of Betterment)	RM750	RM1,000
WITH MSIG WAIVER OF BETTERMENT COST (NON-TARIFF)*		
MSIG Pays	RM5,000	RM5,000
Policyholder Contributes	RM0	RM0

