

company to cover your risks during the period you were insured.

Important things to know while buying an insurance policy

- Read your insurance policy carefully.
- Make sure you understand all the terms and conditions of the policy before signing your contract.
- Disclose all relevant information when buying an insurance policy (e.g. Your health status).
- Pay your premiums on time.
- Ensure that you are dealing with insurance agent and salespersons duly authorised to do so.

What happens when I am not satisfied with the services of the insurance company?

You can make a formal complaint to the Complaints Coordinator of the insurance company. The list of Complaints Coordinator can be downloaded on the FSC's website on www.fscmauritius.org.

The Complaints Coordinator is required to deal with your complaint in an efficient and professional manner. He must acknowledge receipt of your complaint within 3 working days and shall normally provide you with a final response to your complaint within 30 working days.

When do I contact the Financial Services Commission?

If you are still unsatisfied with the Complaints Coordinator's final response, you may make a complaint to the FSC.

You will have to fill in a Complaints Form which can be downloaded from the FSC's website and submit it with any supporting documents to:

**The Chief Executive
Financial Services Commission
FSC House
54, Cybercity
Ebene**

The FSC will intervene after you have followed the complaints procedures with the insurance company and you are still unsatisfied with the company's final response.

The FSC will only intervene in cases of breaches of the laws under its purview by the insurance company. The FSC does not give any legal advice.

Disclaimer

While all care has been taken in the preparation of this leaflet, the Financial Services Commission shall not be liable for any loss or damage (including, without limitation, damages for loss of business or loss of profits) arising in contract, tort or otherwise suffered by any person/ entity relying on the information contained in this leaflet or arising from any shortcoming, defect or inaccuracy, through inadvertence or otherwise. Any discrepancy may be brought to the notice of the FSC at: fscmauritius@intnet.mu.

© 2012 – Published by the Financial Services Commission, Mauritius



Financial Services Commission
Mauritius

Buying Insurance - Things to Know

FSC House, 54 Cybercity, Ebene
Republic of Mauritius
Tel: (230) 403 7000 Fax: (230) 467 7172
E-mail: fscmauritius@intnet.mu
Website: www.fscmauritius.org

The vision of the FSC is to be an internationally recognised Financial Supervisor committed to the sustained development of Mauritius as a sound and competitive Financial Services Centre

What is insurance?

Insurance is a means of transferring your risk of meeting financial difficulties when an unpredictable event happens. Insurance is a promise of compensation for a specific potential loss in exchange of a periodic payment. The terms and conditions of insurance are laid out in the insurance policy.

An **Insurance policy** is a contract between you and the insurance company where in return for a defined sum of money (called premium), the insurance company undertakes to provide specified benefits to you on the occurrence of specifically defined events as per your insurance contract such as a sudden death, illness or injury or loss of property.

Insurance policies are provided by insurance companies licensed and regulated by the Financial Services Commission ('FSC').

Why buy insurance?

Life is full of uncertainties. People opt for insurance because of unpredictable events in life. When you take an insurance policy, it gives you peace of mind as you are assured that the insurance company will compensate you for the loss incurred in case of an uncertain event.

Some types of insurance are compulsory, for example, you need to own at least a basic motor (third party liability) insurance to drive your vehicle in case you are involved in an accident and cause damage to third parties.

Other types of insurance are optional. You may consider different types of insurance at different stages in your life. For example, if you're buying or own a house, or starting a family, you may want to consider protecting your income, borrowing, health and possessions.

You can buy an insurance policy either from the insurance company directly or through an insurance intermediary (agent or insurance salesperson) licensed by the Financial Services Commission.

Please refer to FSC's website on www.fscmauritius.org

What are the most common types of insurance policies available in the market?

Insurance business is classified in two categories: General Insurance business and Long Term Insurance business.

General Insurance business is the term used to describe the types of insurance policies designed to protect you against the impact of certain specific events happening such as a car accident.

The most common general Insurance policies include:

- **Accident and Health insurance policies**
- **Motor insurance policies**
- **Property insurance policies**

General Insurance policies provide mostly insurance coverage on a yearly basis, that is, they automatically end after a period of 1 year and need to be "renewed" annually.

Long-Term Insurance business describes the types of insurance policies designed to protect your income or lifestyle, and in some cases your family, in the event

of premature death or when you reach retirement age and are no longer working.

The most common Long term insurance policies include:

- **Life insurance policies**
- **Pension Policies**
- **Linked long term insurance**

How much does it cost to get an insurance cover?

The cost of your insurance policy depends mainly on the type of insurance policy you wish to contract and your risk assessment as carried out by the insurance company.

The cost may vary based on factors such as the sum assured, the term or duration of the policy, your health conditions, your age, your past driving records (e.g. for motor insurance policy) amongst others.

What happens if I want to cancel my insurance policy?

Given that an insurance policy is a contract, it may be cancelled by mutual agreement between you and the insurance company. Cancellation of your insurance policy will be effected in accordance with the terms and conditions of your insurance policy.

You must inform the insurance company of your intention to cancel your policy and the insurer will assess whether you are entitled to a refund of the premium you have paid.

You will not recover the whole amount of premium that you paid because a proportion of your premium would have been used by the insurance