

## Personal Auto Symbols

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Auto insurance collision and comprehensive coverage premiums are based on several factors such as the auto's original cost, horsepower, size, weight, model year, and vulnerability to damage. Other factors that affect the cost of coverage are sports features (speed, handling, styling, seat capacity, etc.). These items are reflected in a Vehicle Identification Number (VIN). Insurance companies use VINs to determine codes called auto symbols. Higher symbols are assigned to more expensive cars such as Mercedes, Ferrari, and similar vehicles which represent the ultimate in luxury, styling, sportiness, etc. Logically, the lower symbols are assigned to modest cars.

### Other Characteristics That Affect Symbols

Insurance companies seriously consider vehicle safety features and other factors when assigning a symbol. Vehicles that are known for their safe performance (for instance, Volvos, Saabs, etc.) receive lower symbols than comparably priced sedans without such features. Two-seater, high horsepower vehicles often receive a symbol much higher than their actual value because of their high performance nature. Such cars are built to attract drivers who take advantage of the speed and handling ability of their cars (riskier drivers).

An insurer may modify a symbol based upon the damage repair cost history of a vehicle. This can happen a few months or several years after a new model is introduced. Symbol changes are also made for vehicles that are prone to special dangers such as vehicle rollover or gas tank explosions.

### Why You Should Consider Symbols?

Symbols directly affect the cost to insure a car. Ask your agent about the differences that features make before buying a car. A simple decision such as selecting a four door vs. a two door model could eventually make the difference in hundreds of dollars in additional insurance costs. Another consideration is that premiums are based only on factory built cars with factory installed options. Options installed by dealers or custom auto shops may not be covered unless they are reported. When an insurer is made aware of such extras, an additional premium will be charged...but that is off-set by having additional coverage when it's needed.

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