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The truth about fallacies of many car owners believing that the insurance premium coverage for their new car is covered, and maybe the truth just might make you change course.

(1) "No-fault insurance means, is it not my fault?" That means that your insurance company pays for your damages regardless of who's at fault. No they donâ€™t!

(2) "Can the color of my car affect my insurance rate?" No!

What do influence your rate are your vehicle's year, make, model, body type, engine size, credit history and driving record.

(3)"If I lend my car to a friend and that friend is in an accident, his or her insurance company will pay for the damagesâ€¦right?" Wrong!

Your car is your responsibility! And guess what, even though you weren't present at the time of the accident, you still will receive a mark on your insurance record and your insurance premium could possibly go up.

(4) "Is my insurance rate is set by the government?" No!

The government has nothing to do with your car insurance rate. Where you live, your credit score, marital status and your driving record is what actually affects your premium.

(5) "I recently paid my insurance premium. Is my new car I just purchased is covered?"

Not necessarily. Most automobile policies require that the policyholder notify the insurance company or agent within a specified number of days, if indeed coverage is desired for the newly purchased vehicle.

(6) "Is it a fact that male driver under the age of 25 pay more for auto insurance?" Yes! Male driver under 25 years old can potentially pay more for car insurance than female drivers. However, across the board, teenagers and mature adults pay more for auto insurance, due in large part because these age groups are typically involved in more automobile accidents.

(7) "Can my credit score have any affect on my insurance rate?" Your credit score really does matter! Many Insurance companies take your credit score into consideration when deciding to increase or renew your auto insurance coverage.

(8) "Even without comprehensive coverage, am I still covered for theft, windstorms, and hail and deer accidents?" Many drivers believe that if they only purchase collision insurance, which covers accidents involving objects, that they will also be covered for incidents that involve vandalism, hail, animal accidents and fires. That simply is not true. You need to purchase both collision and comprehensive coverage in order to fully protect your vehicle from all of these situations.

(9) "Can my personal auto insurance cover both my personal and business use of my car?"

If you occasionally use your personal car for business purposes such as transporting clients, going to and from meetings or hauling business equipment, then you will more than likely need to extend

your personal car insurance to cover your business use as well. Plus, if your employees use their car while working for you, you will want to also obtain a separate non-owned car insurance policy.

(10) "I've never had nor been involved in a car accident, do I still need automobile insurance?" Yes!

Some drivers are lucky enough never to have been or to be involved in an accident. However, if by chance you do have an accident; your risk of losing everything is great. Car insurance is the best protection you can have in the event an automobile accident occurs. It's also a legal issue - you are required, by law, to have some basic form of auto insurance, and failing to do so carries some fairly strict punishments.

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