



December 28, 2022

TO ALL OUR ESTEEMED CUSTOMERS

Dear Sir/Madam,

RE: New Premium Rate for Motor Insurance

We wish to thank you for the support and patronage extended to our company in 2022 and wish you a prosperous 2023.

We also want to bring to your attention a mandatory new premium guideline for Motor Insurance issued by our industry regulatory body, National Insurance Commission (NAICOM). The guideline enhances your benefits for Third Party Property Damage significantly. However, there is an increase in the premium payable with effect from January 1, 2023.

For all categories of Comprehensive Insurance, the minimum premium payable after deduction of all rebates and discounts is pegged at 5% of sum insured. The implication of this is that no insurance company is allowed to charge less than 5% on Comprehensive Motor Insurance cover irrespective of the value.

Stiff penalty and sanction including withdrawal of license has been pronounced in the new guideline against insurance company that defaults.

The guideline in respect of the Third-Party insurance is as summarized below

NEW PREMIUM RATES FOR MOTOR INSURANCE				
S/N	CLASS	TYPES	NEW TPPD LIMIT	NEW PREMIUM
1	Private	Private Motor	₦3,000,000	₦15,000
2	Commercial	Own Goods	₦5,000,000	₦20,000
3		Staff Bus	₦3,000,000	₦20,000
4		Trucks/General Cartage	₦5,000,000	₦100,000
5		Special Types	₦3,000,000	₦20,000
6		Tricycle	₦2,000,000	₦5,000
7		Motor Cycle	₦1,000,000	₦3,000

We seek your understanding for this new guideline and wish to inform you that our company would comply fully in the interest of good corporate governance.

We would continue to render world class insurance services to you and assure you that your claims matter will always receive our prompt and best attention all time.

Thank you.

Yours faithfully,

For: REGENCY ALLIANCE INSURANCE PLC

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Authorized and Regulated by the National Insurance Commission. RIC 034

