### Types of Insurance Coverage

(Taken from State Farm Pamphlet, *What is Auto Insurance?*)

**Liability Insurance.** Payment for losses you cause others while driving. State financial responsibility laws usually determine minimum amounts. This is usually the minimum kind of insurance you can buy.

**Medical Payments Insurance or Person Injury Protection.** Payment for medical expenses for accident injuries to you and your passengers.

**Uninsured Motorist Insurance.** Payment for injury to you and your passengers caused by an uninsured, underinsured, or hit-and-run driver.

**Collision Insurance.** Payment for repair of your car when it is damaged in a collision, even if you’re the person at fault.

**Comprehensive Insurance.** Payment for the repair of your car due to a non-collision loss, such as theft or damage from a storm or vandalism.

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As you can see, there are many types of insurance coverage. To own a car in North Carolina, everyone is required to have **Liability Insurance** for each automobile. We highly recommend you get an NC Learner’s Permit, NC State ID, OR Driver’s License BEFORE you purchase a car. You will be required to have one of these forms of ID in order to register your car in the state of NC. We recommend getting either a State ID or Learner’s Permit. See the handouts *Flowchart of Transportation Options, How to Register Your Car and NC Driver’s License, Learner’s Permit or State ID.*

**IMPORTANT UPDATE:** The North Carolina Auto Insurance Rate Bureau ([http://www.ncrb.org/](http://www.ncrb.org/)) prior driving experience in your home country (unless you are from Canada or Puerto Rico). – What does this mean? Even if you have driving experience in your home country, some companies may still classify you as an Inexperienced Driver. Therefore, you may have to pay very high fees – roughly between $800 - $1,200 for 6 months of liability insurance. (However, you may be able to find a lower rate by calling around to a few offices.) Obviously, if you are a brand new driver, you will have to pay the insurance fee for inexperienced driver. Once you get a North Carolina Driver’s License you will be considered a new driver and your insurance rates will go up. You are considered an “experienced” driver after 3 years of driving in the U.S.

**What do I need to purchase the required Liability insurance?**

1. **Your Passport**
2. **Information about the vehicle:** This can be the Vehicle Identification Number (VIN), Title, or Bill of Sale for car. If purchasing from a dealer, some insurance companies will call the dealership for this information if you provide the dealer’s contact information.
3. **Funds:** Money to cover first insurance payment. Some companies do not accept MasterCard/Visa for payment. You can pay by check.
4. **Optional:** Valid Driver’s License from home **OR** a valid US Driver’s License **OR** a valid U.S. Learner’s Permit.
   (Note: You CAN purchase a car and auto insurance without a driver’s license. However, you cannot register your car without it, and you cannot drive a car without first registering it.)

**What if I want other types of auto insurance as well?**

Some insurance companies WILL NOT sell you COLLISION/COMPREHENSIVE insurance unless you bring proof of your home country driving history or obtain a U.S. license. Although this is no longer being recognized, do bring a letter from your home country Automobile Insurance Company stating your driving history. Your Driving History should include date of issue, date of expiry, name of license holder and refer to your driving record.

**Things to Know….**

A Non-Owners Auto Insurance Policy costs $1200 per six months. One must pay the entire amount upfront; however, it is also possible to purchase only one month of non-owner’s insurance. Not all auto insurance companies offer this. Call around to find out who does. Auto insurance is tied to the CAR, not the individual driver. However, if you were to get into an accident driving a friend’s car, points will be added to your U.S. License. The more points you have, the higher your auto insurance rates will be.

**How do I build up driving experience in the United States?** By obtaining a U.S. License AND maintaining continuous U.S. based auto insurance.
Auto Insurance Companies Used by International Students/Scholars in the Past

Disclaimer: International House does not endorse any of the companies listed below.

Duke employees ONLY: Duke Human Resources contracts with two Auto Insurance Companies:
Travelers & METPAY. Both companies offer slightly lower auto insurance rates. The monthly auto insurance fee is deducted directly from your paycheck: http://www.hr.duke.edu/benefits/finance/property/index.php.

Allstate Insurance
www.allstate.com/auto-insurance.aspx
Gary Weaver, CPCU. Jeff Weaver, CPCU
3813 University Drive, Durham, NC 27707, (919) 493-7471
Email: GaryWeaver@allstate.com or JeffreyWeaver@allstate.com

J. Wendell Pitman (Bilingual – Spanish)
3405 Hillsborough Rd, Suite C, Durham, NC 27705
(near Kroger Shopping Center)
Email: a088408@allstate.com or EllaL@allstate.com

AAA Insurance: Durham
http://www.carolinas.aaa.com
Offers a “Foreign Discount” to anyone who can show proof of three or more years of driving experience from home country. However, once you get your NC Driver’s License, your rate will go up considerably, as you will then be considered a new driver.
3505 Westgate Drive or 5137 NC HWY 55
Durham NC 27707 Durham, NC 27713
(919) 489-3306 (919) 313 0195

Koin Hoken (Japanese Broker/Agent)
www.koijnokensa.com/index.html
A number of Duke students/scholars from Japan use this agent for their auto insurance.

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Nationwide: Durham
www.nationwide.com
Offers a “Foreign Discount” to anyone who can show proof of three or more years of driving experience from home country. However, once you get your NC Driver’s License, your rate will go up considerably, as you will then be considered a new driver.

*Tom Mitchell Agency Inc.
http://agency.nationwide.com/tom-mitchell-in-durham-nc
1720 Guess Road, Suite 17
Northgate Mall
Durham NC, 27701-1115
(919) 286-4513
Email: mitchet4@nationwide.com

*Seagroves Agency Inc.
http://www.seagrovesagency.com/
1506 East Franklin St, Suite 100
Chapel Hill, NC 27514,
(919) 942-8733
Agent: Leon Patillo
Email: leon@seagrovesagency.com

Farmers Insurance Group/21st Century Auto Insurance
www.farmers.com or www.21st.com
Offers the “Farmers Insurance” for North Carolina drivers. “Compared to other companies they do not pay commission to agents. I pay around $112 per month as new driver. They are a Grade A insurance company.” – Duke scholar
(800) 493 4917 (Farmer’s) or (877) 310 5687 (21st)

Progressive & GMAC
George Stevens Insurance Agency, Inc.
1320 Hill Street, Durham, NC 27707
(919) 403-3611
Email: george@georgestevensinsurance.com

Confused about Automobile Insurance Policy??
Have you noticed the Automobile Insurance system might be slightly different in the U.S.? In the U.S., all cars must be insured and YOU ARE REQUIRED TO PURCHASE AN AUTO INSURANCE POLICY WHEN YOU BUY A CAR. What does this mean? If you don’t own a car, there is no need to purchase Automobile insurance. – For example: If you want to drive your friend’s car, do you need to have a Non-Owner’s Car Insurance Policy? No, you don’t. Your friend who owns the car had to purchase automobile insurance when buying the car, so it should be fully insured. All you need is your friend’s permission, a valid driver’s license, and knowledge of the traffic rules in North Carolina. However, if you are going to borrow your friend’s car regularly, you should have your friend add you as an alternative driver to his/her insurance policy. This will increase the premium.