

GLOSSARY OF MOTOR INSURANCE TERMS

The Road Traffic Act

- Requires all motorists to be insured against their liability for injuries to others (including passengers) and for damage to other peoples' property resulting from use of a vehicle on a road or other public place.
- **It is an offence to drive your car or allow others to drive it without insurance.**

Certificate of Insurance

- This is evidence of insurance as required by the **Road Traffic Act**.

Policy Document

- sets out in full the terms and conditions of the policy

Comprehensive Cover

- Liability for injuries to other people, including passengers
- Liability for damage to other peoples' property
- Fire damage and/or theft of your car
- Accidental damage to your own car

Third Party Fire & Theft Cover

- Liability for injuries to other people, including passengers
- Liability for damage to other peoples' property
- Fire damage and/or theft of your car

Third Party Only Cover

- Liability for injuries to other people, including passengers
- Liability for damage to other peoples' property
- No cover for damage to your own car

Policy Excess

An excess is the first portion of a claim you will be responsible for paying and the insurer will only pay out on the amount above the excess. There may be a number of different excesses in one policy i.e. Accidental Damage, Fire, Theft, Windscreen and also Young/Inexperienced Drivers

Insured Drivers

Details of the drivers are shown on the Certificate of Motor Insurance. All drivers must be declared to the Insurance Company with full details of their age, occupation, experience, claims and driving record

Vehicle use

Your policy and certificate set out the uses for which your car is insured. For example, if you or any authorised driver want to use your car in connection with work, make sure that your policy covers this.

No Claims Discount

No Claims Discount (NCD) is earned by the Insured person if they remain claim free over a number of years on a scale up to the maximum allowed (normally 60%)

Protected Discount policies

When maximum NCD is reached your Insurer will normally give you the option to protect your NCD. This will allow you to have a set number of claims in a period of time without your NCD being affected. This differs among Insurers and will be shown in the policy document

Driving Other Cars

Not all policies provide this extension to the policy which covers the policyholder while driving a car which belongs to someone else. The policy document should be checked to see whether or not you have this cover

It is important to note that cover is limited to Third Party Only, even if you have a comprehensive policy for your own car. Accidental damage to the borrowed car will not be covered by your insurance.

Driving Convictions

Insurers know that there is a connection between the number of driving convictions a person may have and their likelihood of making an insurance claim. So people with convictions are likely to face higher premiums until their driving record improves. **All Driving Convictions on a driving licence must be declared to Insurers**