CCN INSURANCE CONSULTANTS cc
Dictionary

A

Accidental Damage – When you damage an item at your home – i.e – drop your television

Agreed Value - This is the sum insured that is agreed upon between you and the Insurer , following an established valuation by a professional valuator, eg – Stamp Collection or Art works

All Risks – General: Clothing and personal effects normally worn by/ carried on a person – always subject to a limit
Specified: Items above the limit on your policy AND Laptops, cellphones, Cash, jewellery , car radios , sunglasses and golf clubs etc

Annual Premium – the premium for a full year , payable on or before your renewal date.

Assessor – An independent person appointed by your insurer/broker to assess the damage /loss to your vehicle/contents.

Average - If at the time of any loss/ damage /claim , the cost to repair/ replace your property is higher than the sum insured, you will be considered under-insured and therefore expected to bear a portion of the claim.

Example : Existing Sum Insured R100000.00 x R 8000 (Amount of claim)
Actual Value at Claim Stage R200000.00

= R4000 - Insurers will only pay due to under- insurance

B

Balance Of Third Party – Cover for damages caused to another persons property/ vehicle by your vehicle. Your Insurer will attend to the Third Party claim against you but there will be no cover for the damage to your vehicle.

Balance Of Third Party, Fire & Theft – Your vehicle is covered for fire and theft only and any damages caused by you to third party property/vehicle.

Book Value - This applies to vehicles: - values agreed by the motor industry, used by Insurers as a guideline.

Burglar Alarm Warranty – Any time the premises are unoccupied, you undertake to ensure the alarm system is activated and your system is monitored/maintained via a contract.

C

Car Hire – This is not automatically included on all policies, but cover can be arranged. Available on personal and business vehicles.

Claim Free Group - Also known as a No Claim Bonus, indicating your claim free period in years/percentage , which results in a reduced premium.

Confirmation Of Cover – This is a letter required by a financial institution to confirm insurance cover on the item where they have a financial interest.

Consequential Loss – This is damage that occurs after an actual loss i.e – continuing to drive after damage to the radiator, resulting in the engine overheating.

Contribution – Where more than one insurer is insuring the same item, they only pay their portion of the claim.

D

Debit Order – This is a payment method via your bank to pay monthly Insurance premiums.

Deductible - similar in meaning to "excess" and being the first portion of a loss/claim payable by the insured.

Depreciation – The extent to which (insured) property has diminished in value due to factors such as wear and tear.

Driving under the influence – When a driver has consumed alcohol or is under the influence of drugs.

E

Electronic Equipment – Data projectors, printers, laptops as well as fax machines and copiers that function through a computer. Plus of course, desktop computers.

Engineers Report - A report from the person who normally services your vehicle – generally required for vehicles older than 15 years.

Excess – That part of the loss/claim for which the insured is liable.

Exception – An event/peril specifically excluded from the Insurance policy.

F

First Amount Payable - The amount payable by an Insured in the event of a claim. (Refer to deductible and excess)

First Loss – An Insurance policy where the Insurer pays all losses up to a selected limit.

G

Geographical Limits – The countries, as defined in the policy, where the insured item is also covered**.**

Goods in Transit – Cover for goods transported between your business premises/home and another location.

H

Householders – ALL the contents of your home, including outbuildings , garages and servants quarters.

Houseowners – These are the buildings you own – and includes all the fixtures and fitting you would not take should you move, i.e Fitted carpets, alarm systems geysers etc.

I

Inception Date – the starting date for the insurance on a particular item or an entire policy

Income Protection – A form of Insurance to provide income when you are unable to work due to illness or accident.

Incompatibility – when the insured item which was damaged or stolen and is replaced with an updated model and is not compatible with your existing equipment.

Indemnity – The placing of the insured in the same financial position after a loss as he/she was in immediately prior to the claim

Insurable Interest – The principle that requires the person to have a legally recognized relationship in the item being insured.

Insured - A person or organization purchasing insurance

Insurer – A company offering insurance policies for a premium

J

Jewellery – Items made of precious metals, “gems stones” and watches .–the total value of all your jewellery items , if not specified, will be subject to a percentage of the total Householders Sum Insured.

L

Licencing – The process of registering your vehicle with the Motor Licencing authorities

Limit of Indemnity - The elected Sum Insured and the maximum Insurers will pay in the event of a claim.

Loss Adjuster – An independent, qualified person who assesses the claim and value of loss/property on behalf of an Insurer.

Loss of Use – See Car Hire

M

Maintenance – The general upkeep of your vehicle: (servicing ,tyres and the like) property: Checking geyser valves, fixing broken tiles/ gutters etc.

Market Value – The value of an insured item decided on by specific industries, ie motor values, building costs , machinery values etc.

Material Fact – Anything that would affect the judgement of a prudent Insurer in declining, accepting or deciding terms for a risk

Maximum Value any one item – When items are insured under an All Risks section – they are limited to a specific value as indicated on the schedule.

N

Natis Number – The number the Road Traffic allocates your vehicle upon registration.

No Claim Bonus – See Claim Free Group

O

Operative Clause – The clause in a policy that sets out the circumstances in which the Insurer will respond to a claim.

P

Peril – An event that causes damage to property / items – covered in the policy wording – ie Storm , Fire, Wind , Impact etc

Personal Accident – Cover can be arranged to insure you for limited medical expenses, temporary total disability , death , permanent disability, if you are injured as a result of an accident.

Personal Effects – See **All Risks** – General

Personal Liability - Liability you as an individual could incur arising from a Third Party (not a member of your household) holding you legally liable for injury to them or damage to their property.

Policy Holder – See **Insured**

Pre- existing damage –Damages that existed prior to a claim i.e dents/rust on vehicles or leaking roofs etc.

Premium – The money paid by the Insured to the Insurer for cover as provided in the policy.

Public Liability – Liability a company could incur arising from a Third Party holding you legally liable for injury or damage to them/their property

Q

Quotations – Theses are obtained , from suppliers, when you have suffered a loss/claim – either to replace or repair the items damaged/stolen .

R

Recovery – Insurers attempt to obtain reimbursed of the damages from the other person (third party) causing the accident. This will include the excess and can, unfortunately , sometimes be a lengthy process.

Reinstatement – The "making good" of damaged property

Renewal – The continuation of the insurance policy for a further period after annual expiry date.

Replacement Value- The value of the property as indicated by the current purchase price of a similar article .

Repudiation – When an Insurer does not pay a claim this can be due to mis representation at inception of the policy i.e non disclosure of claims or driving under the influence etc.

Retail Value – The current value of your vehicle – excluding extras and allowance for condition and mileage

Risk – 1. A situation that cannot be controlled or foreseen
2. The subject matter of an insurance contract

Road Worthy Condition – This applies to all vehicles – their condition must be such that it would pass a road worthy test

S

Salvage – What remains of the damaged item/ vehicle following a loss

SASRIA – Cover for damages caused to property following a riot – which is to bring about political or economic change

Small Craft - Also known as watercraft – can include outboard /inboard motors, jetski's, sailboats and the like.

Specified Items – See All Risks – Specified

Sum Insured – Whatever is recovered of an Insured item or part thereof on which a claim has been made.

T

Territorial Limits – See Geographical Limits

Title Holder- The "owner " of the registered vehicle – this will be the bank until you have paid the finance in full.

Top Up Cover – Cover for the difference between the insured value of your vehicle/property and the outstanding balance via the finance company.

Travel Insurance – Specific cover arranged prior to traveling, to cover accident, illness, loss of personal effects, cancellation and curtailment etc.

U

Underwriter - See **Insurer**

Underinsurance – See **Average**

Unspecified – See **All Risks – General**

V

Valuation Certificates – These are generally obtained from a specialist or a jeweler and are required to be submitted to Insurers at least every two years , on Specified items.

VIN Numbers – Also know as the Chassis number – required by Insurers before cover can incept on a vehicle

W

Warranty – A condition that must literally be complied with.

Water Craft – See **Small Craft**

Wear & Tear - Lack of maintenance to any property / item insured which if a claim occurs, will not be covered as it is not an Insured peril.