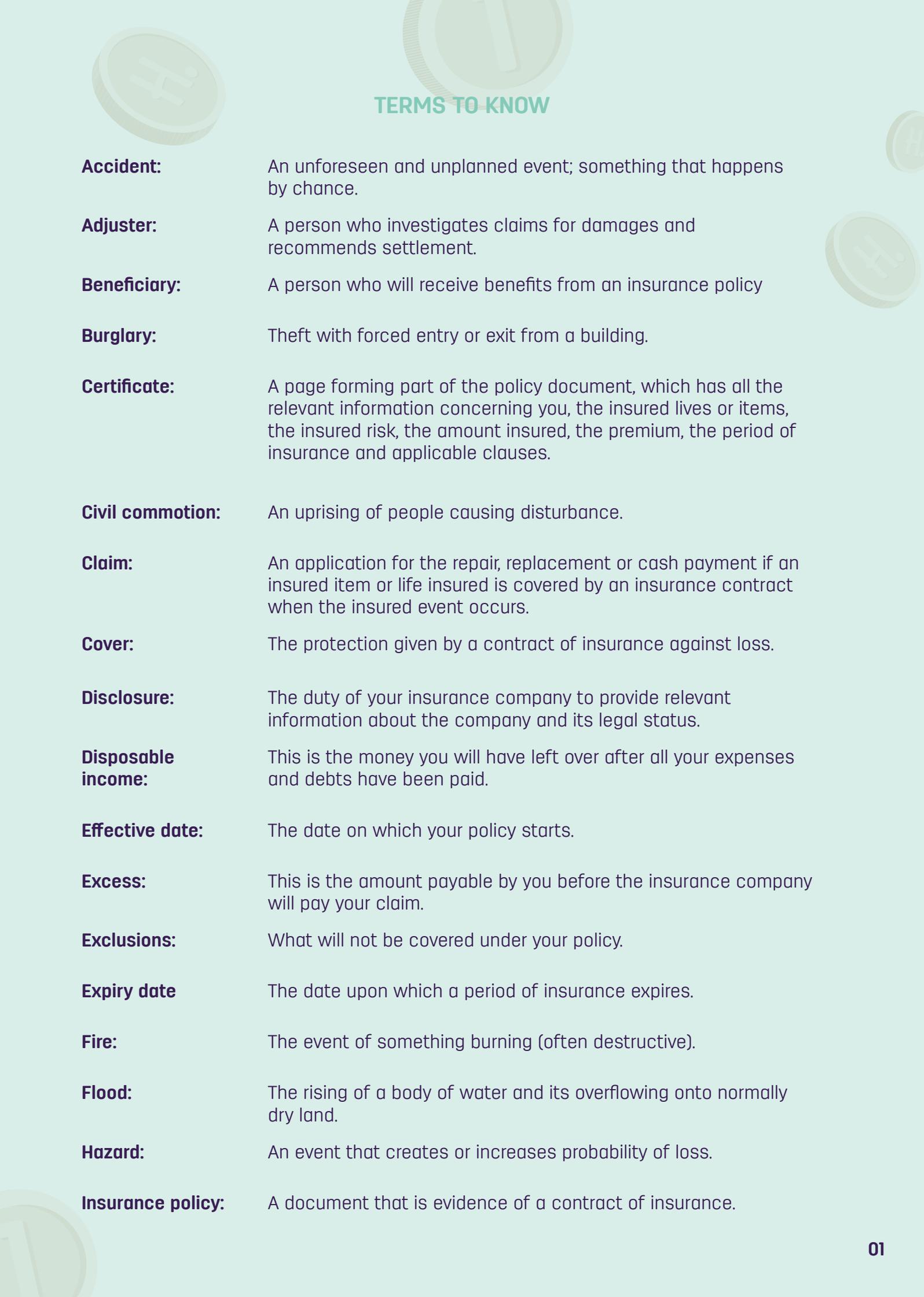
A stylized illustration of a family in a shop. A man on the left is smiling and looking towards the center. A woman on the right is smiling and holding up a piece of fabric. A young girl in the center is holding a soccer ball. The background shows shop shelves and a hanging light fixture. The entire scene is rendered in a dark purple color scheme.

STREETWISE FINANCE

Module 3

USEFUL TERMS TO KNOW

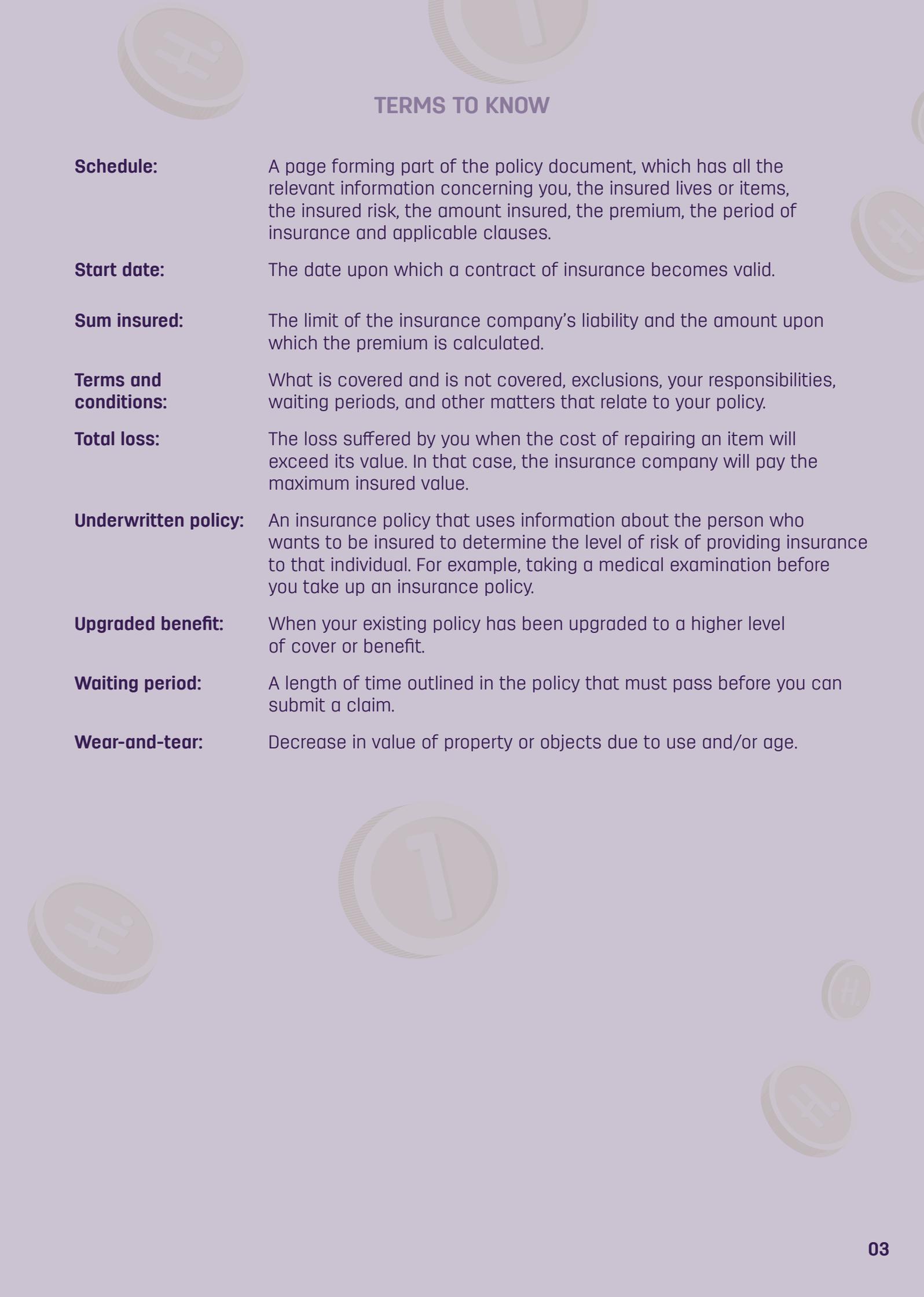


TERMS TO KNOW

Accident:	An unforeseen and unplanned event; something that happens by chance.
Adjuster:	A person who investigates claims for damages and recommends settlement.
Beneficiary:	A person who will receive benefits from an insurance policy
Burglary:	Theft with forced entry or exit from a building.
Certificate:	A page forming part of the policy document, which has all the relevant information concerning you, the insured lives or items, the insured risk, the amount insured, the premium, the period of insurance and applicable clauses.
Civil commotion:	An uprising of people causing disturbance.
Claim:	An application for the repair, replacement or cash payment if an insured item or life insured is covered by an insurance contract when the insured event occurs.
Cover:	The protection given by a contract of insurance against loss.
Disclosure:	The duty of your insurance company to provide relevant information about the company and its legal status.
Disposable income:	This is the money you will have left over after all your expenses and debts have been paid.
Effective date:	The date on which your policy starts.
Excess:	This is the amount payable by you before the insurance company will pay your claim.
Exclusions:	What will not be covered under your policy.
Expiry date	The date upon which a period of insurance expires.
Fire:	The event of something burning (often destructive).
Flood:	The rising of a body of water and its overflowing onto normally dry land.
Hazard:	An event that creates or increases probability of loss.
Insurance policy:	A document that is evidence of a contract of insurance.

TERMS TO KNOW

Insured events:	The cause of a loss, as defined in the policy, that allows you to recover from the insurance company.
Limit of indemnity:	The maximum the insurance company will pay in the event of a claim under the policy.
Loss:	Injury or damage suffered by you which the insurance company is responsible for, if an insured event occurs.
Main insured:	Is the person who has been accepted as the main insured person in terms of the policy.
Ombudsman:	An ombudsman is an official, usually appointed by the government, who represents the interests of the public by investigating and addressing insurance-related complaints reported by individual citizens.
Peril:	A possible cause of loss; a danger.
Policy endorsement:	A written document attached to your insurance policy that confirms the changes made in the policy.
Policy fee:	An amount added to the policy premium, a charge for handling your policy.
Policyholder:	The person applying for the cover under the insurance policy.
Policy inception date:	The date on which your insurance cover starts in terms of your policy and on receipt of first premium.
Policy wording:	A document that is a contract of insurance.
Premium:	The payment made by you to enjoy the cover within the insurance policy.
Premium frequency:	How often you pay premiums e.g. monthly or annually.
Pre-existing condition:	This is a medical condition that you know you have or have been diagnosed with, e.g. diabetes, cancer, high blood pressure etc. before taking out the policy.
Restarted benefit:	When a cancelled or lapsed benefit or policy is restarted.
Risk:	The insured event e.g. flood, death, theft, accident etc.
SASRIA (South African Special Risks Insurance Association):	Protection against loss caused by riots, wars and strikes.



TERMS TO KNOW

Schedule:	A page forming part of the policy document, which has all the relevant information concerning you, the insured lives or items, the insured risk, the amount insured, the premium, the period of insurance and applicable clauses.
Start date:	The date upon which a contract of insurance becomes valid.
Sum insured:	The limit of the insurance company's liability and the amount upon which the premium is calculated.
Terms and conditions:	What is covered and is not covered, exclusions, your responsibilities, waiting periods, and other matters that relate to your policy.
Total loss:	The loss suffered by you when the cost of repairing an item will exceed its value. In that case, the insurance company will pay the maximum insured value.
Underwritten policy:	An insurance policy that uses information about the person who wants to be insured to determine the level of risk of providing insurance to that individual. For example, taking a medical examination before you take up an insurance policy.
Upgraded benefit:	When your existing policy has been upgraded to a higher level of cover or benefit.
Waiting period:	A length of time outlined in the policy that must pass before you can submit a claim.
Wear-and-tear:	Decrease in value of property or objects due to use and/or age.

Hollard.