

TERMS OF INSURANCE

General Terms

1. Premium: The amount paid by the policyholder to purchase insurance.
2. Policy: A contract between the insurer and policyholder outlining terms and conditions.
3. Insurer: The company providing insurance coverage.
4. Policyholder: The person or entity purchasing insurance.
5. Beneficiary: The person or entity receiving benefits from the policy.

Types of Insurance

1. Life Insurance: Covers death or terminal illness.
2. Health Insurance: Covers medical expenses.
3. Disability Insurance: Covers loss of income due to disability.
4. Property Insurance: Covers damage to property (e.g., home, car).
5. Liability Insurance: Covers damages to others (e.g., car accidents).

Policy Terms

1. Deductible: The amount paid by the policyholder before insurance kicks in.
2. Copayment: A fixed amount paid by the policyholder for each claim.
3. Coinsurance: A percentage of costs paid by the policyholder.
4. Excess: An amount paid by the policyholder in addition to the deductible.
5. Limit: The maximum amount paid by the insurer.

Claims and Payouts

1. Claim: A request for payment from the insurer.
2. Payout: The amount paid by the insurer for a claim.
3. Settlement: An agreement between the insurer and policyholder on a claim payout.

Other Terms

1. Underwriting: The process of assessing risk and determining premiums.
2. Rider: An optional add-on to a policy providing additional coverage.
3. Lapse: When a policy is terminated due to non-payment.
4. Renewal: The process of extending a policy beyond its original term.