

Insurance 3: Car Insurance and Claims



Warm up

- Are drivers in your country careful or reckless? What about in other countries you know or have visited?
- Are driving tests in your country difficult or easy? Should they be stricter?
- Imagine you lent your car to a friend, and they crashed it. Who should pay, you or your friend? Why?
- If car insurance were optional, would people still buy it? Why or why not?
- What kind of driver do you think insurance companies trust more - older, younger, men, women? Why? Is it fair?
- Do you know what type of car insurance is required in your country? What does it cover?



1. Match the car insurance vocabulary to the definitions.

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| <p>a. Third-party</p> <p>b. Fully comprehensive</p> <p>c. Deductible</p> <p>d. Premium</p> <p>e. No-claims bonus</p> <p>f. Collision</p> <p>g. Damage report</p> | <p>1. The amount you pay before the insurance covers the rest.</p> <p>2. A discount if you don't make any claims for a year or more.</p> <p>3. A crash between two vehicles or with something (e.g., a wall or tree).</p> <p>4. Covers damage to your car and others, even if the accident is your fault.</p> <p>5. A written description of what was damaged in an accident.</p> <p>6. Covers damage or injury to other people or vehicles, not your own car.</p> <p>7. The price you pay for your insurance (monthly or yearly).</p> |
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2. Read the two policies and answer the following questions.

Policy A: *Budget Basic*

Provider: *RoadSure Insurance*

Policyholder: Sofia Mendes

Policy Number: RS-415823

Vehicle: 2016 Renault Clio – Black – Reg. PT-29-RJH

Coverage Type: Third-Party Liability

Policy Period: 12 Months (Start Date: 01/03/2025 – End Date: 28/02/2026)

◆ Coverage Summary

Included:

- Damage caused to other vehicles or property
- Bodily injury to other drivers, passengers, or pedestrians
- Legal fees resulting from accidents where the policyholder is at fault

Excluded:

- Damage to the policyholder's own vehicle (including collision damage)
- Theft, vandalism, and natural disasters
- Damage to electronics or personal belongings
- Use by drivers under 25 not listed on the policy

Financial Details

Annual Premium: €540

Deductible (Excess): €400 per claim

No-Claims Bonus: 10% discount after 1 full claim-free year

Claims Process

To make a claim:

- Submit a completed damage report within 5 working days
- Provide photos and witness statements if applicable
- A claim adjuster will be assigned based on severity

Collision damage to your own vehicle is not covered under this policy.

 Policy B: *SafeDrive Plus*

Provider: Sentinel Mutual

Policyholder: Luca Moretti (Age 27)

Policy Number: SM-839471

Vehicle: 2020 Volkswagen Golf – Silver – Reg. ITL-098KL

Policy Period: 12 Months

Start Date: 01/03/2025 End Date: 28/02/2026

Intended Use: Daily commuting, occasional travel

Coverage Type: Fully Comprehensive

Driver Eligibility: The Primary driver must be 25 or older

◆ Coverage Summary

Included:

- Damage to your own vehicle, even if you are at fault in a collision
- Damage to other vehicles or property
- Fire, theft, vandalism
- Storm or flood damage
- Windshield repair (no deductible)
- Temporary rental vehicle for up to 5 days (max 200 km/day)
- Declared electronics up to €1,000 (must be stored securely)

Excluded:

- Racing, off-road use, or reckless driving
- Use by drivers under 25 not listed on the policy
- Items stolen from unlocked vehicles
- Undeclared high-value items (e.g., laptops, phones)

 Financial Details

Annual Premium: €1,180

Deductible (Excess): €300 per claim (except for windshield damage)

No-Claims Bonus: 20% discount after 2 consecutive years without claims

Penalty: +10% premium increase after any at-fault accident

 Claims Process

To file a claim:

- Submit a full damage report within 5 working days
- Include photo evidence and witness statements if available
- A licensed claims adjuster will contact you within 48 hours
- Your no-claims bonus and premium may be affected depending on fault

1. Which policy offers more coverage? Why? *Policy B (SafeDrive Plus), it covers your own vehicle, theft, fire, vandalism, weather damage, electronics, and a rental car.*
2. How do third-party and fully comprehensive insurance differ? *Third-party only covers damage or injury to others, while the fully comprehensive policy also covers your own car.*
3. Who is not allowed to drive the car under either policy? *Drivers under 25 who are not listed on the policy.*
4. How much would Sofia Mendes have to pay if she caused an accident? *She would pay €400 (the deductible) plus any repair costs to her own car, since her policy doesn't cover it.*
5. Would Luca have to pay a deductible for a cracked windshield? *No, windshield repair is covered with no deductible.*
6. What happens to the premium if Luca causes an accident? *His premium increases by 10%, and he may lose his no-claims bonus.*
7. Which policy is better for a young driver who parks on the street? Why? *Policy B, because it covers theft, vandalism, and weather damage, which are risks when parking outside.*



3. Read the email below and refer to Luca's insurance policy to write a professional reply on the following page.

Subject: Claim After Storm Damage

Dear Sir or Madam,

I'm writing to report problems with my vehicle after last night's storm. The car was parked on the street outside my flat when a large tree branch fell and cracked the windshield. I didn't notice the damage until this morning, and by then, rainwater had already leaked through the crack and affected the dashboard electronics.

I had a dashcam and a GPS device installed, both of which seem to be water-damaged and no longer working. Unfortunately, I also realised that the back passenger door may not have been fully locked, and when I checked the glovebox, a pair of noise-cancelling headphones that I usually keep there were missing.

I've taken photos of the windshield, the dashboard, and the area where the headphones were stored. Please let me know what I need to do to make a claim, and what is covered under my policy, as this is my first claim.

Kind regards,
Luca Moretti



4. Some useful email phrases are provided to help you structure your response. Use them to write a clear, polite, and informative message.

<p>1. Opening the Email</p> <ul style="list-style-type: none"> • Dear [Customer Name], • Thank you for your message. • I'm sorry to hear about the situation. • I understand your concern, and I'm here to help. 	<p>2. Referring to the Situation</p> <ul style="list-style-type: none"> • Regarding your recent claim... • Based on the details you provided... • According to your policy... • This type of incident is included/excluded...
<p>3. Giving Information or Instructions</p> <ul style="list-style-type: none"> • This is covered under your current plan. • You may be required to pay a deductible. • Please provide photo evidence/documentation. • A claims adjuster will be in touch with you. 	<p>4. Closing the Email</p> <ul style="list-style-type: none"> • Let us know if you need anything else. • I hope this clarifies the situation. • We look forward to resolving your claim. • Kind regards, • [Your Name], Claims Department

Subject: Claim for Storm Damage – Policy B

Dear Luca,

Thank you for your message. I'm sorry to hear about the situation, and I understand your concern.

Regarding your recent claim, based on the details you provided, this type of incident is included under your current plan. You may be required to pay a €400 deductible. Please provide photo documentation of the damage so that we can continue processing your claim. A claims adjuster will then be in touch with you.

I hope this clarifies the situation. Let us know if you need anything else. We look forward to resolving your claim.

Kind regards,

[Name]

Claims Department