Term	Definition
Actuary	Actuaries are professionals at determining risks through the analysis of facts and statistics. They frequently collaborate with insurance providers to aid in determining insurance product rates.
Declaration	Statements within the insurance contract providing information related to the life or property that is to be insured and used to underwrite and rate and identify the property or life that needs to be covered
Declinature	Refusal on the part of the insurance company to accept a proposed risk or to extend a current policy
Actual Cash Value	An amount equivalent to the fair market value of the stolen or damaged property immediately preceding the loss.
Agent	A certified individual or business that has been given permission by or on behalf of an insurance company to sell insurance.
Lapse	Termination or discontinuance of insurance policy because of non-payment of premium
Co-Insurance	Co-Insurance is the sum that an insured must contribute to a covered claim after the deductible has been met. It is typically represented as a fixed percentage. It frequently occurs in health insurance. Coinsurance clauses are included in several property insurance plans. The amount of coverage that the property owner is required to have for a structure in this instance is known as coinsurance.
Co-pay	Co-payment is the percentage of the claim that the insured agrees to pay from his/her pocket irrespective of the claim

	amount.
Adjuster	An adjuster is a person who looks into claims; they are sometimes referred to as "claim examiners" on occasion. They verify whether the loss is protected by the policy, calculate the damages, and frequently send the insured a check.
Assured	Assured is used to refer to a person who is protected by insurance coverage against any loss or damage mentioned in the insurance policy purchased form an insurance company or an underwriter.
Acceptance	An event where an insurer accepts an application and issues a policy that will safeguard the applicant from risks stated in the policy.
Riders	Purchase of additional benefits or cover on the existing policy
Alien Insurer	An insurer domiciled in and licensed under the laws of a country outside a given jurisdiction. Eg From an Indian perspective, a Bangladesh insurer would be an alien insurer
Annuity	An annuity is a contract between you and an insurance company in which you make a lump-sum payment or series of payments and, in return, receive regular disbursements, beginning either immediately or at some point in the future (commonly known as Pension).
Annuitant	An annuitant is an individual who is entitled to collect the regular payments of a pension or an annuity investment. The annuitant may be the contract holder or another person, such as a surviving spouse. Annuities are generally seen as retirement income supplements
Guaranty Fund	Fund derived through assessments against solvent insurers for

	absorbing losses of the claimants against insolvent insurance service providers
Assignment	Transfer of a person's interest in an insurance policy to another person in the legal sense or transfer of a person interest to any company or financial institution as well.
Insured	This refers to the person(s) (or sometimes organization or entity) that an insurance policy provides coverage for.
Insurer	An insurer is a company or organization that provides insurance policies to the insured. This is another word for an insurance company, like the term "carrier."
Bancassurance	Bancassurance means selling insurance product through banks. Banks and insurance company come up in a partnership wherein the bank sells the tied insurance company's insurance products to its clients.
Baggage Insurance	This insurance coverage protects against damage to or loss of personal belongings and is accessible to the insured or his or her family. Such losses cover such occurrences while the insured is travelling within the nation and can result from theft, fire, or accidents.
Apportionment	Apportionment is a legal term that refers to the distribution of a loss between all of the insurance companies that have insured against that loss.
Dividend	A policy dividend is an amount given to policyholders (usually of certain life insurance policies) by an insurance company every year after meeting certain financial requirements. Dividend is declared on certain occasions only.
Bill of Exchange	Written order that does not pay interest and is used in

	international trade. It obligates one party to pay a predetermined sum to another party on a given day in the future. These transferrable instruments are typically drawn by people and banks.
Overhead Insurance	Overhead Insurance (or Overhead Expense Insurance) is a type of insurance that business owners purchase to cover various business costs in the event that they become disabled. It can help pay for expense like salaries, rent, and utilities.
Blanket Contract	Health Insurance Contract providing benefits like accidental death or dismemberment for all classes of people not identified individually. Primarily used for groups like sport teams, campers, and travel insurance for company personnel
Broker	An expert in marketing who represents buyers of real estate and liability insurance negotiates with brokers or insurers to secure the customers' desired coverage
Cedent	In the context of insurance, the cedent is the party that pays a premium to an insurance company in exchange for insurance coverage.
Binder	Written or verbal agreement that has been made in order to temporarily enforce insurance when it is not possible to issue a new policy at that moment or extend an existing one. The policy's conditions and the premium amount are subject to the binder
Allowable Costs	Allowable costs are the costs that an insurer agrees to cover through a health insurance policy. All other costs will have to be paid out of pocket by the policyholder
Credit Insurance	Payment confirmation guarantee for producers, service

	providers, and wholesalers applies to a portion of working capital represented by the accounts receivable.
Binding Receipt	A receipt provided for payment of the premium and accompanies the insurance application. When the policy is approved, it binds the insurer for making the policy effective from the date on this receipt
Beneficiary	The person(s) or entity(ies) designated in the insurance policy to receive the profits in the event that the insured passes away
Insurance Coverage	Insurance coverage is the amount of risk, liability, or potential loss that is protected by insurance
Claim	A formal request for compensation for damages covered by your insurance policy is known as an insurance claim, which is made to your insurance provider. An insurance policy is a contract between you and your insurer.
Claimant	A person requesting compensation for any loss covered by the insurance policy's terms and conditions
Deductible	The Deductible is the sum that must be paid out of your own pocket before the insurance provider starts covering any incurred costs. This term is related generally to Health Insurance.
Repatriation	The costs associated with bringing a claimant or their body home after they have been hurt or died abroad are known as Repatriation Expenditures.
Bridge Insurance	Bridge Insurance is a type of insurance that covers damage to bridges due to flood, fire, explosions, and more. However, it generally does not cover damage as a result of war, inherent defects, or natural wear and tear.

Reimbursement	In healthcare, "reimbursement" means the payment that your hospital, doctor, diagnostic centre, or other healthcare provider gets for giving you medical care. Most of the time, your health insurance or the government will pay for all or part of your medical costs.
Endowment	A type of life insurance known as endowment insurance pays the face amount to the insured either at the conclusion of the contract term or upon the insured's death.
Fiduciary	If a company sponsors a retirement or health plan for its employees, then the person involved anyway with the management of that plan, is considered a fiduciary. A fiduciary is held personally liable for a breach of his fiduciary duties.
Group Insurance	Insurance firms provide group plans for accident, professional indemnity, and medical insurance for groups of people engaged in similar activities, such as workers of a corporation, members of a professional association, and farmers who have registered as a society for agricultural operations.
Grace Period	A specified period after the premium due date during which the insured can pay the premium amount; all benefits and covers under the policy continue during this period
Capitation	Capitation is a system of health insurance payments in which health professionals are paid fixed amounts per month based on the number of insured people they have as patients
Hull Insurance	Marine Hull Insurance is an insurance policy specifically designed to provide coverage to water vehicles like a boat, ship, yacht, fishing boat etc..
Dwelling Insurance	Dwelling Insurance covers damage to your home, including the

	foundation, frame, walls and roof. It covers your home's structure —not its contents or land
Insurance Retention	The maximum amount of risk retained by an insurer per life is called retention
Peril	In the world of insurance, a "peril" is an event or circumstance that results in property damage
Waiting Period	A waiting period is the amount of time an insured must wait before some or all of their coverage comes into effect. The insured may not receive benefits for claims filed during the waiting period.
Subrogation	To make up for the compensation paid, your insurer can claim the (insured) right over that third party. You surrender your rights over the third party to the insurer. This transfer of all the rights, and remedies, from insured to insurer is called Subrogation.
Nomination	Nomination is the process of determining one person or persons who will receive the benefits from the life insurance policies in case of any casualties to insured
Nominee	Nominee in insurance means nominating a person to receive an insured amount if the policyholder passes away during their policy period
Premium	An insurance premium equates to the money that is paid by any person or company/business for availing of an insurance policy. The insurance premium amount is influenced by multiple factors and varies from one payee to another.
Operating Ratio	Sum of expenditures and losses expressed as certain percentage of the earned premiums

Reinsurance	Reinsurance is insurance that an insurance company purchases from another insurance company to insulate itself from the risk of a major claims event
Renewal	When the term of your insurance policy expires, you'll need to decide if you want to keep your current insurance coverage and insurance provider
Surety Bond Insurance	The Surety Bond Insurance serves as a risk-transfer instrument for the Principal, protecting the Principal from potential damages in the event that the Contractor breaches the terms of the Contract
Third-party Insurance	Third-party insurance, which is also sometimes referred to as 'act-only' insurance is a statutory requirement for all vehicle owners as per the Motor Vehicle Act. It is a type of insurance cover where the insurer offers protection against damage to the third-party vehicle, personal property and physical injury.
Term Insurance	Term insurance provides coverage for the specified number of years, known as the policy term. In case of an unfortunate event during this period (specifically death), your nominee will receive the sum assured in your policy.
Underinsurance	Under-insurance is the condition where the life insurance cover is not enough to take care of the financial needs of your loved ones. It means the sum insured by your policy is not adequate.
Over Insurance	Over-insurance can be described as having excess insurance coverage/policies that covers the same risk or having insurance cover in excess (more than) of the value of the possible loss that the insured can experience.
Accumulation Period	In a Life Insurance Policy, the Accumulation Period is the time

	span in which the life insured pays a regular premium towards the insurance product. This helps in the accumulation of funds for life after retirement. This broadly applies to annuity or retirement plans.
Underwriting	Underwriting — the process of determining whether to accept a risk and, if so, what amount of insurance the company will write on the acceptable risk, and at what rate. Underwriters are companies, individuals, or insurance companies that carry on this critical activity for their own account or for that of others.
Underwriter	A person whose job is to calculate the risk that is involved in an activity or in providing insurance for a particular customer, and to decide how much should be paid for insurance
Unearned Premium	Part of the premium that a company has collected but still has to be earned since the policy's term hasn't expired
Valued Policy	A Valued Policy is an insurance policy in which the amount payable for a claim is agreed upon when the policy is issued, and is not related to the actual value of a loss. With a valued policy, the insurer pays a specified amount of money to or on behalf of the insured upon the occurrence of a defined loss.
Twisting	Twisting is the act of inducing or attempting to induce a policy owner to drop an existing life insurance policy and to take another policy that is substantially the same kind by using misrepresentations or incomplete comparisons of the advantages and disadvantages of the two policies
Waiver of Subrogation	A Waiver of Subrogation is when the insured surrendered the Right of Subrogation. Generally, the third party responsible partially or wholly for the damage in question would want you to

	waive off the right of subrogation for their peace of mind as they can be held liable by the insurer for the damages.