



OCTAGON INSURANCE BROKERS LIMITED



WHAT IS INSURANCE?

Insurance is a contract, represented by a policy, in which an individual or entity receives financial protection or reimbursement against losses from an insurance company.

The company pools clients' risks to make payments more affordable for the insured. The insured pays the insurance company premiums and the insurer then agrees to provide cover against risks.

Insurance policies are used to hedge against the risk of financial losses, both big and small, that may result from damage to the insured or her property, or from liability for damage or injury caused to a third party.

TERMINOLOGIES FOR INSURANCE

Insurance Policy: This is a contract between an insurer and the insured. The contract determines the claims which the insurer should cover.

Insurance Premium: This is the amount of money an individual pays for a policy.

Insurance Broker: This is a risk management specialist that provides advice in the interest of their clients.

Insurance Agent: This is an individual or organization that solicits and negotiates contracts on behalf of the insurer.

TERMINOLOGIES FOR INSURANCE

Insurance company: This is a financial institution that provides a range of insurance policies to protect individuals and businesses against the risk of financial losses in return for regular payments of premiums. An insurance company operates by pooling risks amongst a large number of policyholders.

Insurance Underwriter: This is a person who evaluates and analyses risks in insuring people and assets.

TERMINOLOGIES FOR INSURANCE

Insured: (sometimes called the assured) is the one who receives the payment, except in the case of life insurance, where payment goes to the beneficiary named in the life insurance contract