

## **Step 1. The other driver said that if I paid the excess it would be ok**

The other party may offer to settle a claim if you pay the excess. The excess is the cost an insured person must pay their insurance company if they choose to make a claim with their insurer. You should not agree to pay the excess because:

- you will get no benefit from paying the excess
- the insurer can still legally pursue you for the full amount of the claim.

Note: Paying another person's excess should not be confused with settling a dispute 'in full and final settlement' of the claims they may have against you. **If you are insured** (comprehensive or third party property insurance), you should consider making a claim with your insurer immediately rather than paying the other party's excess. **If you pay the excess then want to make an insurance claim** If you have already paid the other party's excess, but now want to make a claim on your own policy, you must let your insurer know about the payment. You should provide evidence of the payment. If your insurer accepts the claim and agrees you were at fault, you can ask your insurer to credit the amount you paid towards any excess on your own policy. You may need to pay your excess in full and raise a dispute about this later. Click "**I want to pay my excess and dispute whether I had to pay it later**" below).

Note: If you pay the excess, it may look like you accept fault for the car accident. Your insurer may:

- argue you have prejudiced (hurt) its ability to negotiate and settle the claim
- reject or reduce your claim.

If this happens, get legal advice.