

Step 1. The driver of the other car said that if I paid his/her excess then it would be ok

You may be approached by a third party who offers to settle a claim they may have against you on the condition that you pay their “insurance excess”. The insurance excess is the cost an insured person may incur if they choose to make a claim with their insurer. You should never agree to pay the excess because:

- You usually will obtain no benefit from paying somebody else’s insurance excess; and
- The insurer can still legally pursue you for the full cost of the claim.

Paying the third party's excess should not be confused with settling a dispute ‘in full and final settlement’ of the claims they may have against you. Seek legal advice about what a full and final settlement should include for your matter. For contact details and links see the [Getting Help Fact Sheet](#).