What is Compulsory Vehicle Insurance?

Worksheet

Compulsory insurance is mandatory third-party liability coverage protecting others from your vehicle's damage. Proof (card, certificate or policy) must be carried while driving.

Questions

1. Compulsory insurance covers...

A) your own car damage
B) third-party liability
C) theft of your vehicle
D) broken windows

2. What must you carry while driving?

A) Insurance policy document
B) Policy number only
C) Certificate or proof of insurance
D) Nothing required

3. Driving without insurance results in...

A) warning
B) fine + possible impound
C) license points only
D) nothing

4. Does your insurance cover damage to your own car?

A) Yes, always
B) No — compulsory only covers third-party
C) Only if full coverage purchased
D) Never

5. A driver causes a collision injuring two people. Compulsory insurance covers their medical costs (up to policy limit).

6. A driver's car damage property worth €50,000. Compulsory insurance covers repairs for the damaged property owner.

7. Driving without proof of insurance: fined €500 and vehicle impounded until proof is provided.

8. Define: What is compulsory insurance?

9. Define: What does compulsory insurance cover?

10. Define: Is proof of insurance required while driving?

Answer Key

1. B) third-party liability — Compulsory insurance covers liability to others; your own damage needs additional coverage.
2. C) Certificate or proof of insurance — Proof of active insurance (card, certificate or digital) must be in your vehicle.
3. B) fine + possible impound — Fines, vehicle impound, and in serious cases, license suspension or jail.
4. C) Only if full coverage purchased — Compulsory third-party liability does NOT cover your own vehicle; you need comprehensive coverage.
5. Event: Collision Injured: 2 people Covered: Medical expenses, lost income (third-party coverage) Limit: Depends on policy (typically €1M–€5M)
6. Damage: €50,000 Covered party: Property owner Insurance pays: Up to policy limit Uncovered: Driver's own car (needs comprehensive insurance)
7. Offense: No insurance certificate Penalty: €500 fine Vehicle: Impounded Resolution: Provide proof + pay fine
8. Legally required third-party liability insurance covering injuries/damages to others caused by your vehicle.
9. Liability for injuries to people, damage to others' vehicles/property. NOT your own vehicle's damage.
10. Yes — you must carry a certificate, card, or digital proof of active insurance in your vehicle.