

Is your responsibility to know exactly what your insurance policy covers, when you can claim, how much you can claim for and how much will end up coming from your pocket

Bonny Fourie

DO YOU know how to get the most out of home insurance? Read on for our top 10 tips to help you understand your insurance.

1 Read your policy wording carefully An insurance policy is a contract subject to exclusions, terms and conditions which are set out in your policy wording. As a party to the contract, it is your responsibility to familiarise yourself with the wording.

2 Disclose everything Disclose all facts that might reasonably be expected of you to enable the insurer to properly assess the risk and decide whether to accept cover. For example, you must tell them if the property is vacant or unoccupied, if it is used for business purposes, or if it has an alarm etc.

3 Home insurance vs content insurance House owner's insurance covers the building and whatever is permanently fixed to it. You must, therefore, insure your household contents separately.

4 Do not wrongly assume the insurer is liable for all loss The insurer does not have an open-ended liability to compensate for any loss or damage which might be suffered by the insured. The insurer is liable only if the claim made falls within the ambit of cover provided in the policy.

5 Ensure your property is covered for the correct and full replacement value Make sure your property is not undervalued. Do not rely on bank and municipal valuations for insurance purposes.

If you do not obtain cover for the correct replacement value, the insurer will compensate you only for the percentage of insurance which you do have.

6 Make sure the security in your home complies with the insurer's security requirement Your insurer might request you install a burglar alarm and/or security gates as a condition of cover. Ensure that these security devices are in working order and maintained.

7 Damage resulting from poor design and faulty workmanship on your property are not covered by the contract of insurance Although the property might have been assessed by the mortgagee, the purpose of the assessment is to show that the property offers sufficient security to settle the bond. This assessment does not guarantee the structural integrity of your property. It is your responsibility as the

owner/buyer to ensure that the structure complies with building regulations.

8 If your house is built on clay-type soil, cover for subsidence is normally excluded Although you might be paying a separate premium for subsidence and landslip cover, check the policy wording as exclusions still apply to this type of cover.

9 It remains the insured's responsibility to ensure that the building is properly maintained Damage as a result of a lack of maintenance, gradually operating causes and normal deterioration remain the responsibility of the homeowner.

10 There is an obligation on you to prevent or minimise loss and/or damage Examples include cutting down a tree which is leaning over the building or switching off the water supply in the event of a leak.



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