



## Home Insurance FAQ

**Question:** Why buy home insurance?

**Answer:** There are several reasons why it is important, if not essential that homeowners buy home insurance. It's highly likely that your home is your largest and most important asset and as such it makes sense to yourself from any loss as a result of damage to your home. If you have a mortgage your mortgage lender will insist that you have house insurance to protect their investment from damage or loss.

Home insurance provides a safety net for you and your family in case unfortunate events happen like theft, fire, burglary or vandalism.

It will also protect you in the event of claim resulting from a guest or domestic employee (e.g. part-time cleaner), for example, if your neighbour slips and falls in your kitchen, you will need the liability cover provided by your home insurance policy in the event of a claim. House Insurance can also cover special items that you may choose to take out of the home – like jewellery, cameras, mobile phones, golf clubs, bicycles and more with additional cover outside the home options.

**Question:** Why buy contents only/renters insurance?

**Answer:** Just like a property owner, as a person renting a property you may also face risks of loss. Whilst you may not own the house/apartment you could still suffer loss or damage to your personal property.

**Question:** What types of risks does Home Insurance protect you against?

**Answer:** The main risks covered by homeowner's insurance are:

1. damage or loss to the home
2. damage or loss to the items of personal property in the home
3. injury or harm to third parties (usually guests and others who come to your home).

The main risks covered by renters insurance are damage or loss to items of personal property contained in the home and liability for third parties who are injured while in the home.

**Question:** Who is covered under this policy?

**Answer:** As the insured, you and the members of your home are covered for the loss of the home and its contents. Third parties -- other people who come to your home -- are covered through the liability portion of the insurance policy for injuries caused by your negligence. In

addition, you and the members of your household have some liability protection to others even away from the premises, e.g. if your child whilst playing accidentally breaks the window of a neighbours house.

With renter's insurance, it is important to note that cover is only provided to the person named in the policy. Even if you share the premises with someone else -- if it is your insurance, the property of your "flatmate" is not covered.