

INSURANCE MATTERS

SPRING/SUMMER 2009

REVALUE YOUR VALUABLES

Leading insurers are warning that your prestigious watches and jewellery may be significantly under-insured due to unusual market circumstances. Items that you have purchased or had valued in recent years may have increased dramatically in value and your insurance cover may no longer be enough to replace your items on a like-for-like basis.

Severe fluctuations in the stock markets and monetary exchange rates have contributed to the price of precious metals and gems rising rapidly over the past few years, with extreme fluctuations seen in the last 12 months. According to Norwich Union, the cost of raw materials such as platinum and gold have increased dramatically over the last year - gold rose by 18% from January to December 2008 and platinum has seen increases of up to 80%.

Precious engagement rings are extremely susceptible to under-insurance. Diamonds are valued in US Dollars per carat and with the US Dollar/GB Pound exchange rate nearer \$1.4 (March, 2009) than last year's \$2, you may find that the value of your ring now exceeds your insurance policy's limits. A standard household policy will generally only cover individual items worth up to £1500 unless they are specified separately. However, enhanced policies which offer superior cover and higher limits for your belongings are available and may be more suitable for those whose possessions may exceed the limits available under a standard home insurance policy.

If you are concerned that your valuables may be affected by the changes, please speak to a jeweller to arrange up to date valuations. Please contact us to discuss your options or to amend an existing insurance policy.



STUDENT TERMS

At the end of this Summer, thousands of teenagers will head off to university, taking with them their hoard of 'essential' student survival gear. Whilst your child boxes up the contents of their bedroom, insisting on taking every pair of jeans and CD they own - along with their MP3 player, laptop, digital camera and mobile phone, don't forget their insurance protection.

While some home contents insurance policies will cover your child's possessions while they are temporarily away from home, there are a few things that you should check before they head off:

THE VALUE OF THEIR POSSESSIONS

Some home contents insurance policies impose a monetary limit for items away from the home. Others provide cover up to a specified percentage of the overall contents sum insured, yet others may just cover specific items. As you can imagine, the value of a student's possessions can add up so check with us that everything is covered!

LENGTH OF COVER

The length of cover for contents temporarily removed from your home does vary among Insurers. Some home contents policies will only cover items for several weeks at a time so additional insurance will need to be arranged. Other policies will cover student's possessions for the duration of their university year or during term time only. In the event of the latter, they will need to bring home all of their possessions for the Christmas and Easter breaks. Alternatively, you can look to arrange extra insurance cover during this high risk time, student houses often being theft targets during holiday periods.

SECURITY

Many students live in well secured halls of residence with entry phones and locked bedroom doors. However, even the most sensible student might be careless with security around their new-found friends. Many policies will cover a theft only if force or violence has been used to enter the property, so encourage your child to be security conscious.

ACCIDENTAL DAMAGE

We all know that students like to socialise and with high jinx comes the possibility of accidents. You may want to consider a policy that includes accidental damage cover for possessions away from the home!

For more information about comprehensive cover for your and your family's possessions, please speak to us.

AL FRESCO THEFT

The rising interest in gardens and outdoor living, fuelled by inspiring television shows and magazines, has led to expensive items being bought for the garden. These items have become easy targets for thieves. Apart from the usual garden tools and furniture; gas barbecues, decorative trees, ornaments and expensive shrubs are being stolen

Ensuring that your home contents policy sum insured covers your new garden-based assets is important, as is ensuring that expensive items are specified separately. It is also good to know that most burglars are lazy so a few simple precautions can reduce the risk of theft in the first place:

LIGHTING

Good garden lighting can do wonders to deter a would-be thief. Continuous low level lighting will put off criminals who don't want to risk being seen. Sensor activated security lights can also be used to alert you to an intruder on your premises and lighting angles can be changed to cover your most precious items or expensive new trees until they establish roots.

STORAGE

If property can be locked away, make sure that it is. Don't be tempted to leave tools lying around for use the next day or bikes out for your morning ride. Your shed should have a secure approved lock or a lock bar across the door, which will protect both the lock and the hinge. If your items are too big for the shed, you may want to consider using a chain to secure them. This is a must for ladders as they can be used by burglars if left lying around.



DETERRENENTS

Footfall noise on gravel driveways and paths may expose intruders, as will their yelps if they catch themselves on prickly shrubs - canopy junipers and rose shrubs look great, make good barriers and can protect your home as well.

Thieves prefer items that they can remove easily and sell on quickly. Marking your property with your postcode will make it harder to sell and help police with recovery. Pebbles or bricks in the bottom of garden pots will make them difficult to remove, as will wire anchors securing newly planted trees.

COMMON SENSE

Finally, don't make a burglar's life easier by leaving tools lying around to steal or use as a tool to break into your home. Lock your garden gate, put tools away and don't leave bikes in the driveway.

For more advice on home and garden contents cover, please call us. For further advice on how to protect your garden, visit <http://www.met.police.uk/crimeprevention/gardens>

COVER UP BEFORE YOU TAKE THE PLUNGE



Holiday resorts offer a wide range of fun activities to add to your experience. These are often booked impulsively on the day but caution is advised as your travel insurance may not cover you if you are injured during some fairly common pursuits. These may include:

- Moped riding
- Scuba-diving
- Water-skiing
- Boating
- Bungee jumping
- Go-karting
- Mountain biking
- Surfing
- White water rafting
- Canoeing
- Rock climbing

So before you jet off, it is wise to have a look at the types of activities that may be available at your resort and check with us that you will be covered in the unlikely event of an accident.

SUMMER CLAIMS CALENDAR

Burst frozen pipes may not be a problem during summer months but sadly the warmer weather brings a whole host of other potential insurance claims:

- Whether it's Wimbledon or The Ashes, sporty kids and flying balls could be the cause of a 20% increase in broken window claims during the summer.
- Summer is also the worst season for fire claims with drier weather and barbecues contributing to blazes in the home and garden. Further, bright sunshine, sun stroke, flimsy footwear and summer drinking have all been cited as contributing towards the 50% increase in motor incidents.
- Water damage claims also peak during the summer months. More frequent use of showers, baths and air-conditioning units put pressure on potentially leaky hot spots. Plus, plastic pipes are more likely to crack as temperatures rise.

All figures from Norwich Union Claims Data 1998-2007 (December 2008)

This newsletter contains a general overview of the U.K. insurance market based on our understanding as insurance brokers and risk consultants. It is not intended that it be used, and should not be used, to replace specific advice relating to individual situations. In particular, we do not offer either legal or accounting advice.

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