

INSURANCE MATTERS

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PLAN OF ATTACK

Millions of UK citizens travel every year without incident. However, in the unfortunate event of an actual or threatened terrorist attack, there may be medical emergencies, airport closures, flight delays and travellers may have to pay for alternative accommodation.



The degree to which these additional expenses are covered by travel insurance policies varies significantly from insurer to insurer, with many policyholders being unaware of the extent of their cover.

While some travel insurance policies do at least cover medical expenses or repatriation costs arising from acts of terrorism, many do not provide any cover for terrorism risks. This has potentially serious consequences for many policyholders should they require treatment abroad or repatriation to the UK.

In response to consumer demand, more insurers are improving the protection under their travel insurance policies by including cover for medical expenses and repatriation costs, hospitalisation benefit and personal accident arising from acts of terrorism. However, for claims of a non-medical nature (e.g. cancellation and curtailment, travel delay and personal possessions), terrorism exclusions do still apply in the main, although some insurers have started to provide an element of cover in these areas.

For more information about travel insurance, please contact us.

SAFE AS HOUSES

Thinking of moving? If so, you've probably done your homework on the area you're planning to move to – key considerations for many being good schools, local shops, pubs and convenient transport links. However, have you researched whether your new home will be in a high flood risk area, or are there any other environmental or subsidence issues that may affect the value and enjoyment of your property? What about the local crime rate statistics? Did you know that much of this information can be obtained online, simply by entering a valid postcode?

If the house you have chosen is in a high flood or subsidence risk area, arranging insurance cover might not be straightforward as the risk might not be acceptable to all insurers. As such, it may be advisable to obtain from the vendor details of their current home insurer.

Are there environmental issues that may affect the value of your property?

Another important issue to consider is identity theft. Before you move, remember to inform all relevant organisations of your change of address, including your bank, credit/debit card and store card providers. Also, consider using Royal Mail's Redirection Service for at least a year to make sure all post is forwarded to your new address. A replacement storecard or mail order catalogue arriving at your old address is a gift to a fraudster.

You may have plans to make structural alterations to your new home. If this is the case, your insurer must be notified before any building work begins so that the level of insurance cover for both the property's existing structure and the building works themselves can be confirmed.

Please contact us if you would like guidance on any of the insurance related issues raised in this article.



THE MOVE ITSELF

- Have you checked that your possessions will be fully covered if they are damaged in the course of the move?
- If you are moving yourself, is there adequate insurance on the vehicle you are using?
- If, for whatever reason, some of your property needs to go into storage, have you checked the extent of your insurance cover?



GOING GREEN

What is the Green Card System? The Green Card System helps to facilitate the free movement of vehicles over borders and to protect the interests of the owners of foreign registered vehicles. Green Cards are recognised in over 40 countries, including all the countries of Europe except Russia. It offers no insurance cover but is proof that the minimum legal requirements for third party liability insurance in any country for which it is valid, is covered by the insured's own motor policy.

A Green Card is necessary in:

- Albania
- Bosnia and Herzegovina
- Belarus
- The Former Yugoslav Republic of (FYROM)
- Israel
- Islamic Republic of Iran
- Moldova
- Morocco
- Serbia and Montenegro
- Tunisia
- Turkey
- Ukraine

A Green Card is not necessary in:

- Andorra
- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Slovak Republic
- Slovenia
- Spain
- Sweden
- Switzerland
- UK

However, if travelling to one of the more remote destinations, although not technically necessary, it may still be advisable to carry a green card as you could be asked to produce it at a border or after an accident. To check your policy cover or for more information, please contact us.

This newsletter contains a general overview of the UK 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.

Whilst we endeavour to provide accurate and up to date information, we cannot guarantee this and you should not rely on the information contained in this newsletter without seeking further more detailed advice to suit your particular needs.

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CHANGING ROOMS

As the costs of moving escalate and mortgage rates remain volatile, more of us are considering home improvements and extensions to increase the living space (and value!) of our homes.

Remember, however, to involve your insurance broker from the planning stage because your insurer will need to be advised of any building work, however small, before it begins and the level of cover confirmed with them.

BEFORE

All building works are governed by contract conditions. Your insurance broker can advise on the contract conditions you should seek to use with your contractors, and can look at arrangements needed to plug any gaps in cover. After all, bricks are easier to steal before they are mortared in. If you are responsible for them, you want them to be protected.

DURING

During the course of the building works, the likelihood of damage may be increased, e.g.:

- **Theft:** security may be compromised by scaffolding
- **Water damage:** parts of the building may be left exposed during the works
- **Fire:** even soldering irons present an increased risk

This can affect your existing cover as well as the portion of your property being worked on. Your broker can help you minimise the risks and confirm what is covered by your insurer.

AFTER

Congratulations! You have improved your home but don't forget to review your sums insured as the cost to completely rebuild your home will have changed.

DRIVE TIME

How many times have you heard someone say: "My car insurance covers me to drive any car"? What is usually meant is that the motor insurance policy has a 'driving other cars' (DOC) extension, which allows the policyholder to drive any motor vehicle not belonging to them nor hired to them under a hire purchase agreement.

The DOC extension was introduced to protect you while driving someone else's car in an emergency or in circumstances where you incorrectly believe the other person's insurance covers you. Be aware, however, that the cover provided by this extension is normally Third Party only. This means if you have an accident in the circumstances described above, the DOC extension will not cover any damage to the vehicle you are driving, even though it may be insured for 'comprehensive' cover in its own right.



DOC is not provided automatically by all insurers. If you have the cover, it will be clearly shown on your motor insurance certificate.

:"My car insurance covers me to drive any car..."

Recently, the police have asked insurers to reconsider providing this extension as it can cause difficulty when checking insurance cover on a vehicle they may have 'stopped'. As a result, some insurers are now withdrawing the extension and you are advised to check the extent of this cover before renewing your policy.

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