



## Home Insurance Guide

### 1. Why is Home Insurance necessary?

In Cyprus, a lot of households are not protected by any form of Home Insurance. With other unfortunate occurrences such as flood, storm damage, fire, earthquake and much more, threatening our homes and its contents, by not having insurance, we are leaving ourselves unattended to a serious financial loss.

The buildings of our home are as essential as the contents we keep in life and the belongings we treasure within. That is why we have compiled an exclusive guide to home insurance to help you offer the right protection for the buildings of your home and the valuables you keep within them.

**Gan Direct** Home Insurance Guide has examined the different types of Home Insurance covers and provides all the information needed to help you choose the right type of Home Insurance, customized to your needs.

This simple Home Insurance guide provides hints and tips on keeping your premiums low and on lessening the risk of accidents and damage to your home.

### 2. What is Home Insurance?

**Home insurance** is the coverage of your property and includes all the items that are situated into your property and belong to you. **Gan Direct** offers two core Home Insurance Policies: Standard Fire & Theft and Eurocomp Home Policy. There are several optional benefits that you are able to include into your policy. Eurocomp Home Policy consists of a complete Household Policy which includes both Building and Content Insurance. It also offers optional covers such as cover for your pedal cycle, pet (s), classic vehicle, contents of your freezer, valuable items, personal money and credit cards within European Union, speed boat and hunters liability. Furthermore, **Gan Direct** offers Standard Fire & Theft Policy which covers your building and your contents against damage caused by Fire, Theft, Explosion, Riot, Strike, Smoke etc.

## Buildings Insurance

Building insurance covers the cost of rebuilding your home should the worst happen. It generally covers you for damage to your home caused by fire, bad weather, natural disasters; damage caused by theft or attempted theft, man-made disasters like riots, explosions, vandalism etc.

Mortgage lenders tend to require proof of Buildings Insurance as part of their mortgage offer so if you have just bought a house, you should get a home insurance quote. The amount of buildings insurance you take out needs to cover the cost of replacing the building itself and all permanent fixtures and fittings inside it.

You have the right to switch to another Insurance Company. At Gan Direct, we undertake the responsibility to notify your previous insurance company about your decision to switch to us. We will then forward all necessary documents to your Mortgage Providers.

Standard “Fire & Theft” and “Eurocomp Home” Policies include the following covers as basic benefits:

- Fire, Lighting , Explosion
- Earthquake and Volcano Explosion
- Escape of water from any Tank, Apparatus or Pipe
- Riot, Strikes, Labour Disturbance or Malicious Damage
- Hurricane, Cyclone, Tornado, Windstorm or Flood
- Aircraft and other Aerial Devices or Articles Dropped therefrom
- Smoke
- Theft
- Impact

Beside the above covers “Eurocomp Home” Policies include the following additional benefits for your Building:

- Escape of oil from a fixed domestic oil-fired heating installation and smoke damage resulting from a defect in ANY fixed domestic heating installation

- Subsidence, Landslip or Heave
- Falling of fixed radio and television aerials fixed satellite dishes, their fitting and masts
- Damage caused by falling trees, telegraph poles and lamp posts
- Loss of rent and costs of alternative accommodation up to 10% of the sum insured
- Increased Metered water charges
- Accidental breakage of fixed glass, double glazing, solar panels, sanitary fixtures and ceramic hobs
- Legal Liability to the Public
- Accidental damage to domestic oil pipes, sewers, drains, underground gas pipes, underground electricity and telephone cables.

## **How much building cover do I need?**

If you're just going through a house purchase or have recently moved, your valuation report is a good estimation for the amount of cover you need. Be careful not to confuse its market value with its rebuild cost, as there could be a big difference between them.

Buildings insurance is of vital importance – for example, if your house burnt down do you have the money to cover your losses? Mortgage providers insist that you have building insurance so that in the event of a disaster it can be repaired or rebuilt, as lenders don't want to be left without security for their loan. For landlords, building insurance is crucial, as it is for all homeowners. For tenants, building insurance is usually covered by the landlord and only contents insurance needs to be considered.

Hence, a home policy should cover funds to rebuild your home in the event of it being totally destroyed or damaged to the point that complete rebuilding is necessary.

## Contents Insurance

Home sweet home; there are few things more valuable in life than our own personal space or the home we make for our families. Our place to live is often the most valuable commodity in our lives and the contents within are frequently not just expensive, but of great personal value.

If you're looking to take out home insurance you might want to consider the valuables within your home. Home contents insurance is compulsory if you would like to insure your personal belongings against the threat of burglaries and fire.

Contents insurance gives protection to anything that is not a fixed part of your home, for example your appliances, electronic goods, furniture and clothing.

Your home contents insurance could also include cover for some items you take away from the home such as bicycles or speed boats and even valuable and personal effects and specified items within European Union.

Similarly to building insurance, contents insurance offers protection against various perils including:

- Fire, Lighting , Explosion
- Earthquake and Volcano Explosion
- Escape of water from any Tank, Apparatus or Pipe
- Riot, Strikes, Labour Disturbance or Malicious Damage
- Hurricane, Cyclone, Tornado, Windstorm or Flood
- Aircraft and other Aerial Devices or Articles Dropped therefrom
- Smoke
- Theft
- Impact

Beside the above covers Eurocomp Home Policy includes the following additional covers for your Contents:

- Escape of oil from a fixed domestic oil-fired heating installation and smoke damage resulting from a defect in ANY fixed domestic heating installation
- Damage caused by falling trees, telegraph poles and lamp posts
- Loss of rent and costs of alternative accommodation up to 10% of the sum insured
- Increased Metered water charges
- Golfers Liability

Contents insurance would cover you for legal liability if someone was injured in your home due to your negligence or lack of maintainance of the property.

**Additional Covers for your Contents given within the Eurocomp Home Policy without any additional premium:**

- Accidental Damage to Audio and Audio Visual Units including Television sets, Video Recorders and Home Computers
- Accidental breakage of mirrors, glass tops and fixed glass in furniture
- Tenants Liability
- Loss or Damage to Property of Servant(s)
- Contents in the Open
- Contents temporarily removed
- Fatal injury to the Insured and/or Spouse
- Funeral Cost of the Insured and/or Spouse
- Legal Liability for Domestic Staff
- Legal Liability to the Public
- Replacement Locks
- Christmas Seasonal Increase

When searching for the cost of your home insurance cover, the price you receive, depends on your circumstances and the amount of cover you need. However, there are ways to reduce the cost of your policy without leaving yourself short of cover.

### **Choosing the right amount of cover for contents insurance**

If you have estimated your contents' value you will not face any problems insuring your contents. If not, think about how much it would cost to replace everything you own as new. Take a walk through your home – open wardrobes, kids cupboards, jewellery cases - it's usually more than you think.

If you have particular valuables that you want extra protection for, mention this when you are choosing your policy or include them in the 'specified items' amount in your policy.

### **Extra cover when you need it most**

**Gan Direct** offers a competitive range of additional cover options including:

- Cover for valuable and personal effects and specified items outside of the home – this protects your property within European Union
- Accidental damage to the building and your Contents
- Contents of frozen food cabinet (s) or domestic refrigerator
- Pedal Cycles within European Union
- Personal Money and Credit Cards within European Union
- Classic Vehicle Cover
- Third party Liability for Speed Boats
- Pet Insurance
- Hunters Liability

### **3. How to cut the cost of your Home Insurance premium**

If you are buying Home insurance there are practical things you can do to lower your premiums. In general, you may reduce your premiums if you:

- Improve your home security – fitting window and door locks, outside lighting, or using a timed light if you are away from home, may all have a positive impact on your premiums.

- Cut your fire risk by fitting and testing smoke alarms.
- A good money saving tip is to take out your building and contents insurance Policy together as discounts can be available.
- One of the best ways to reduce your home insurance premium is to cut the risk of making a claim. This can be done in a number of ways:
  - o Security measures to reduce theft risk – Fit a burglar alarm, change locks, install time-switch lights, install security lighting.
  - o Reduce fire risk – Fit and maintain smoke alarms.

### What are high risk items?

High risk items aren't necessarily the most expensive ones in your home, they are things that are the most likely to be stolen should your home be broken into. These include jewellery and anything that can be quickly and easily taken and sold or passed on by thieves.

Indeed, having high risk items in your home doesn't automatically mean higher premiums. **Gan Direct** offers cover for a range of high risk items (see the following list) and will insure any single item. If you have anything of this value you'll need to specify this when you take out your cover. Anything of a higher value might need additional cover.

#### Example of high risk items:

- antiques
- gold
- silver
- gold & silverplated articles
- works of art
- furs
- jewellery
- paintings

## High risk items do not include:

- household goods
- any domestic appliance which is part of fitted units
- interior decorations
- motor vehicles, caravans, trailers, boats, canoes, windsurf boards, surfboards, sailboards, personal watercraft, hovercraft, aircraft, gliders and any parts and accessories which are designed to be used with any of these
- property owned or used totally or partly for business purposes or connected with any employment (but not property defined as business equipment)
- data, information or computer programs which have been created by, or specifically for members of your household
- property more specifically insured by this or any other policy.

## **4. Making a claim**

When it comes to making a claim you should report it as quickly as possible.

All our Home Insurance Policies provide free 24hours Claim Assistance 7 days a week, 356 days a year. Contact us on our free phone at **800 5 10 15** or at 00357 **25 885 885** (for overseas calls) to report your claim in the unfortunate incident of a fire, theft, vandalism, storm, flood, earthquake, though in the case of a theft, it is necessary to contact the police first, as a crime reference number will be required.

Where necessary contact us on our 24hours Home Assistance Service on **800 5 10 15** and one of our associates will arrive at your property to help you fill in your claim forms and authorize Emergency Repairs. For a major claim one of our repairers will arrive at your property to help you repair your damage.

## Exclusions

It is crucial to be aware of elements that might threaten your claim. These can include:

- Falsified information.
- Lack of maintenance – any repair work due to your negligibility is unlikely to be covered.
- Failure to carry out repair work from previous claims.

## **5. Advice and guidance for protecting your Home**

### **Top tips for protecting your home**

Insurance is there to protect your property and your possessions - and **Gan Direct** is there for you if you need us.

But what can you do to protect your premium, reduce claims and improve your home environment? Maybe more than you think! Below you can find some advice and tips to protect your home and avoid the claims on your home Insurance.

### **Common sense ways to avoid incidents**

From fire damage, flood and theft to everyday spillages and breakages, there are many ways that you can find yourself needing your home insurance. With a bit of forward planning, not only can you cut the risks to your home and reduce the likelihood of a claim, you can also reduce your home insurance premiums over time.

### **Health check for your home to avoid a claim:**

#### **Fire prevention**

- DON'T leave pans unattended.
- Only fill a pan one third full when frying.
- NEVER throw water over a chip pan fire. The effects can be devastating.

- Kitchens are where most home fires start. Use a thermostatically controlled deep fat fryer if you regularly cook with oil. DO keep toasters away from curtains.
- DO keep a BBQ away from timber sheds, fences, canopies and any material that may catch fire.
- Avoid fuel accelerants to get your BBQ going and let it cool before getting rid of the ashes.
- DO place a fireguard around your fireplace to catch any spitting embers.
- DO keep portable heaters away from soft furnishings or other flammable materials.
- DON'T overload electricity sockets - one plug per socket.
- DON'T leave TVs or stereos on standby - and unplug them when on holiday.
- DON'T leave your appliances on standby when you're not using them.
- NEVER leave candles unattended and always put them out before leaving or heading for bed.
- Keep them on a surface that won't burn and away from anything that might burn - your television in particular.
- DO fit a smoke alarm and a carbon monoxide detector - they're cheap and the early warning of fire or dangerous gases may save your life one day.
- DO buy a fire extinguisher or fire blanket to tackle minor fires.
  - Have an accredited professional check for your extinguisher once a year.
  - Use a dry powder extinguisher for electrical fires.
  - Use a CO<sub>2</sub> or foam extinguisher for fuel, paint or fat fires.

- Use a water extinguisher for wood, paper or textile fires.
- If a fire is serious, call the Fire Brigade by dialling 199/112.

## Save energy and money

You can do many simple eco-friendly things to reduce the carbon footprint of your home and cut your bills for a more energy efficient home.

Let's have a look at where you could make some quick and valuable savings:

### Heating

You can cut out a surprising amount of wasted energy just by using your central heating controls - such as thermostats for heating and hot water, radiator controls with thermostats included and electronic timers.

These few steps can pay financial and environmental dividends:

- Use the timer to make sure the heating is only on when you need it.
- If you're having a new boiler or hot water cylinder put in, ask the installer to talk you through the controls - and ask for a follow-up visit.
- Try turning the thermostat down by just 1 degree Celsius - you could save as much as 10% on your heating bills.
- When you replace your existing boiler, buy a more energy efficient one. Just look for the energy-saving recommended label on the product - it can only be used on the most energy efficient products and could save you a packet

### Theft - General safety and security tips

#### **DO fit a burglar alarm.**

If you have one, keep it serviced once a year and use it when you are out.

If you haven't, do get one - it will normally reduce your home insurance premium and make your home more secure.

## **DO keep your valuables safe.**

- DON'T leave jewellery and other valuables where they can be easily found, instead use a safe to protect them.
- Have a safe fitted. For high value items that you only need occasional access to, why not pop them in a safety deposit box at the bank or a safe box at home?
- DO buy an invisible UV security pen and mark your property with your name and address.
- DO compile a photographic or video record of your valuables - it'll make things easier if you need to make a claim on your contents insurance.
- DO get items valued professionally if you're unsure how much they're worth - this is particularly important for antiques.

## **DO fit locks on your windows.**

- A lock on each window cuts the chance of a break-in. They are cheap and easy to fit and will often reduce your home insurance premium too.
- Remember to lock your doors and windows each night or when you go away.
- DO make sure your door locks are solid.

## **Don't give burglars a chance.**

- When you go on holiday do not give the impression that your home is unoccupied by leaving your letterbox full etc.
- DON'T leave valuables on open view
- DO use timer switches or fit motion sensitive exterior lighting that will automatically turn certain lights on around your home.
- DO keep any outbuildings or sheds locked.
- DO fit - a strong padlock and fittings on any outbuildings or sheds will deter most opportunistic break-in attempts.

- DO lock doors and windows
- DO place high value portable items such as tools and electrical equipment within locked containers.

## **Prepare for the worst**

### **Make sure you're prepared**

You can do a lot to head off the threat from flooding. Below you can find practical information on how to minimise the risk of your home flooding, and how to reduce the damage if it does.

If you find that your home is in an area prone to flooding, then think like a scout: plan ahead and be prepared.

### **Flood protection preparation**

- DO listen out for severe weather warnings on local radio and TV - that little bit of preparation time can make all the difference.
- DO keep a supply of sandbags and sand handy if you live in an area prone to flooding. Place them against the base of your external doors to help stem the flow.
- Keep an emergency pack in your home with a torch, batteries and bulb, bottled water, long life or canned food, a radio and something to help you pass the time – games or books.
- DO move as much of your furniture and electrical kit upstairs as you can.
- DO lift rugs and curtains off the ground.
- DO turn electricity, water and gas off at the mains.
- DO make sure you repair any broken or damaged fencing.
- DO park your car away from large trees if you can.

## Earthquake

- Secure items on tables or counters. For units such as television sets, computers, and lamps, use buckle and safety straps that can be attached to tabletops and allow for easy movement when needed.
- Secure glass, chinaware, and pottery using non drying putty or microcrystalline wax.
- Lock kitchen cabinet doors with childproof latches or hook-and-eye closures.
- Anchor refrigerator to wall.
- Cover windows with shatter-resistant film, or replace with safety glass.
- Secure overhead objects. Anchor hanging objects, such as lights and fans, with a cable bolted to ceiling joist. Hang framed pictures from closed hooks.

## Tornados

- If you're replacing your existing windows, install impact-resistant window systems, which have a much better chance of surviving a major windstorm. As an alternative, install impact-resistant shutters that close over window openings to prevent flying debris from breaking windowpanes.
- Make certain your doors have at least three hinges and a dead bolt security lock with a bolt at least one inch long.
- Sliding glass doors are more vulnerable to wind damage than most other doors. If you are replacing your patio doors or building a new home, consider installing impact-resistant door systems made of laminated glass, plastic glazing or a combination of plastic and glass.

- Make sure your roof and the sheathing it attaches, resist high winds.
- When landscaping, plant species of trees that are appropriate to your area and soil conditions. Regularly examine trees for damage or other trouble signs and take corrective action if necessary.

## **Subsidence and heave**

- Subsidence is when the ground supporting your home sinks and heave is the opposite - when the ground expands and pushes upwards.
- It's usually caused by changes in the amount of water in the ground.
- Clay for example, is more likely to shrink in long periods of hot weather and cause subsidence while damage to drains by tree roots can cause heave.
- Trees can increase the likelihood of damage if they're too close to your property.
- Before you plant any trees think about how big it will grow when fully matured.

