

OVERSEAS
HOME
INSURANCE

THE HISCOX GUIDE

TO INSURING YOUR
OVERSEAS HOME



**HISCOX**

Insuring your overseas home

We all know how important it is to have the right insurance cover for your home. Comprehensive protection against risks such as fire, flood, theft and accidental damage can make sure that, in the unfortunate event of making a claim, your home quickly returns to normal.

For overseas holiday home owners, all these risks are just as relevant. In some cases, they can be more extreme. If your holiday home is vacant for long periods for example, the risk of theft is much greater. If it's in an area more susceptible to natural weather threats such as earthquakes, flooding, wildfires or lightning, the importance of making sure you have the right insurance in place is critical. Inadequate cover could leave you with a costly bill.

Finding the best cover, getting the best advice

Whether it's a villa, ski chalet, apartment or country estate, the 'Hiscox guide to insuring your overseas home' has been put together to help you consider the different insurance options for your overseas property. It will help you explore some of the issues when looking for the best cover for your needs so that if the worst happens, you have peace of mind that your overseas property and possessions are well protected and your claims' management well handled.



What to consider when insuring an overseas property

Insuring your overseas holiday home can seem more complicated than insuring your main property. Each country has its own different laws, regulations and practices in place, as well as differences in insurance policies. In addition, there could be language problems in understanding a complex insurance document either written in a foreign language or poorly translated.

And should the worst happen:

- are you confident that you would be able to navigate your way through the process of making a claim?
- what about coordinating with the insurance professionals sent to inspect your property or dealing with the local tradespeople required to rectify any damage?
- can you be sure that the policy you have bought would stand up to the test and cover your loss?
- expert guidance and advice at a time of crisis is critical. Would you prefer to receive guidance from a personal contact you have met, or have spoken to in your native language?

If you are buying insurance for your overseas holiday home for the first time or renewing a policy, these are all areas you will need to consider. Many issues will be influenced by whether you choose to arrange your insurance directly with an insurer, or use an independent insurance broker either in your home country or abroad where your property is located.

In the following sections we look at the pros and cons of each option as well as other points that are important to remember when insuring your overseas holiday home.



How you can buy: direct or via an independent broker

When looking to buy a policy for your overseas holiday home, you can either go direct to an insurer, or use an independent insurance broker. In both cases you could choose to use a provider from your own country or one based abroad.

Buying direct

If you decide to go straight to an insurer (possibly via a tied-agent who sells insurance for only one company), you will usually benefit from ease and speed of purchase, but you have to invest the time in finding the policy that best suits your need.



Buying via an independent broker

Alternatively, you also have the option of using an independent broker in your own country to buy your insurance policy. This approach means:

- a broker will search the market for the best value in terms of money and for the cover you need
- your interests will always be protected
- it's easy and straightforward – one insurance broker for all your requirements.

Designed for you

A local broker can also advise you on making sure you buy a policy suitable to your needs which might, though not always, be a high net worth policy from a specialist insurer.

A specialist policy can offer:

- all risks cover (everything is covered unless excluded) – including personal possessions taken out of the home
- additional protection for alternative accommodation and loss of rent – should the property become inhabitable following a fire or flood for example
- the benefit of a broker service – you are getting a broker to do all the fact finding and research on your behalf.

What to think about when insuring abroad: getting the right cover

Whichever route you choose, it's key to remember that insuring an overseas holiday home is different to insuring your main home. There are often country specific terms and conditions that don't exist in other countries such as:

- a policy often cannot be cancelled until renewal and requires two months' notice
- many local policies include security warranties for second/holiday homes (warranties are conditions stipulated by an insurer such as the requirement to fit a certain type of alarm for example or restricted cover depending on levels of occupancy)
- there may be limited liability limits – the policy might not be sufficient to pay the whole of a liability claim following a member of the public or an employee having an accident on your property
- claims support often not included – you could be left to handle claims directly with the insurer.

What to think about when insuring abroad: language and claims

Should the unfortunate occur and you have to make a claim, a local specialist broker will be able to guide you through the claims process. This might be a stressful period for you so the value of a multi-lingual team, with a duty to protect your best interests, dealing with your claim efficiently and effectively without getting lost in translation, can help relieve some of that stress.

You may be proficient in the local language where your overseas home is located, but are you confident you could interpret:

- insurance policy wordings in a local language – requires a good standard of the local language or might simply be poorly translated
- local legal terms
- local claims handling teams, surveyors and loss adjusters who might not speak fluent English.

A specialist broker/insurer will also understand the local regulations and requirements in the country where your overseas property is, as well as saving you time, hassle, confusion and paperwork.

What next?

We hope that this guide has helped you navigate through the various options when it comes to insuring your overseas holiday home. Making sure you have comprehensive insurance in place will mean you can spend more time enjoying your holiday home, secure in the knowledge that you will be protected if something should go wrong.

About Hiscox

As a specialist insurer, based in the UK and abroad, we work with high net worth insurance brokers and pride ourselves on the quality of the cover we offer for overseas holiday homes. We also know that the real test of insurance is when you come to make a claim which is why our overseas holiday home insurance is underpinned by a team of experienced and dedicated claims handlers.



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