

## Frequently Asked Questions: HomeSure

### Home Contents

**1. Why do I need HomeSure insurance when my home is already insured under the mortgage fire insurance with my bank?**

The cover under your mortgage fire insurance or HDB fire insurance usually related to the building structure, permanent fixtures and fittings (in connection with your home loan with the bank). Your household contents, personal belongings, improvements and additions to your home, may not be covered under the mortgage fire insurance.

**2. Are there unique features offered by HomeSure home insurance?**

HomeSure home insurance covers a wide range of risks from fire, weather-related losses or damage to break-in to the home, personal legal liabilities and many more. Certain unique features are benefits like payment of monthly service and conservancy charges that are still payable after the home is uninhabitable after a loss, and dishonesty or fraudulent acts of your domestic servants, to name a few.

**3. What are “Contents” and how much are they covered for?**

“Contents” refers to household goods and personal effects belonging to you and members of your household including your domestic servant e.g. furniture, furnishings, home appliances, personal computers, books, toys, clothing and other personal belongings including Valuables.

**4. What are “Valuables” and how much are they covered for?**

“Valuables” refers to jewellery, watches, furs, curios, works of art, antiques, stamps and coin collections and other collectable property, manuscripts, medals, items of gold, silver or other precious metals or precious stones kept in the home. Each article or items is covered up to 15% of the Sum Insured on Contents and an overall limit of up to 30% of the Sum Insured on Contents, e.g. Contents under the Supreme Plan is \$300,000, the limit per article is \$7,500, and the maximum limit for all Valuables shall not exceed \$90,000.

**5. How do I compute the sum to be insured?**

The Sum Insured should represent the full value of your home renovations, household contents and personal effects belonging to you and members of your household including any domestic servants living in your home at current day values.

**6. Do I need to provide a detailed listing of the contents to be insured?**

You do not need to do so. There are, however, specific limits applicable – refer to answer for FAQ 4 above. Where an article is part of a pair or set, suite, group or collection of articles of similar pattern, colour or design, it will be regarded as an article on its own without reference to the special value that such article bears to the pair or set, suite, colour, pattern or design. The specific limits do not apply to furniture, personal computers, audio and video equipment, pianos or organs.

**7. What is the sum I can recover after a loss?**

Payment is based on the cost of repairs in the case of partial damage or replacement as new for property totally lost or destroyed. The Sum Insured for Contents and Renovations must represent the full value as new at the time of the loss or damage; otherwise, a deduction will be made for any wear and tear or depreciation.

**8. How does HomeSure home insurance cover me if I am a tenant of a rental home?**

Your home insurance plan will include all the benefits in the Benefit table including legal liability arising out of a negligent act for loss or damage to the Contents, fixtures and fittings where these do not belong to you but are under your responsibility and the rented residential Building while under your occupation. Normal wear and tear will not be covered.

**9. What are the policy exclusions?**

The key exclusions are radioactive contamination, war terrorism, political risks, deliberate or malicious acts of the Insured or members of the Insured's household. The full details of the exclusions are contained in the policy document.

## **Building**

**1. Why do I need to buy Building cover for my home?**

It is important to insure your residential building to safeguard against the financial strain as a result of any loss or damage to the property caused by fire, water damage, theft or burglary and other incidents. Cover can be arranged under the optional "Building" section of the HomeSure policy at a very affordable premium of \$4.28 (includes GST) per annum for every \$10,000 Sun Insured.

**2. Do I need Building cover for my condominium apartment when the Management Corporation has in place fire insurance for my property?**

If your condominium apartment is a Strata Title property, the Management Corporation is required to effect fire insurance for the structure of the building(s) and the common areas. You may want to take up separate building cover for the improvement and renovations done to your home such as flooring, walls and doors.

**3. What is the definition of "Building"?**

"Building" refers to the physical structure of the house, apartment or flat (excluding foundations and drains) and includes walls, gates, fence, footpath, swimming pool, patios, terraces, driveways; and all other permanent fixtures and fittings which were originally part of the building when it was transferred by the developer or builder to the first owner.

**4. How do I determine the sum to be insured for my Building?**

The Sum Insured should represent the cost of rebuilding or reinstating the building as new at the time of the occurrence of an insured event. This excludes foundations, drains and the value of the land.

Please review the Sum Insured regularly to take into account the increased cost of construction and general inflation. The General Insurance Association of Singapore provides information on general insurance for consumers at [www.gia.org.sg](http://www.gia.org.sg). You may refer to their FAQ as a guide to determine the property valuer or quantity surveyor, approximately every 3 years to keep abreast with the rebuilding cost at current day prices.

**5. What happens if my Sum Insured is insufficient?**

You will not receive full compensation for your loss or damage where the insured amount is less than 80% of the full rebuilding cost at the time of the occurrence of an insured event. The amount payable will be proportionately reduced by the sum of the under-insurance to the full replacement cost. See illustration below:

- Sum Insured for Building \$750,000
- Cost to replace/reinstate Building \$1,000,000



- Percentage of under-insurance 25%
- Cost of repair/rebuild damage \$200,000
- Claim amount \$200,000
- HomeSure pays \$150,000 (75%)
- You bear \$50,000 (25%)

**6. What can I do if I wish to increase my Building Sum following extensive additions or upgrading or re-valuation of my building?**

Please contact us to update the Sum Insured as soon as possible. The premium for the additional Sum Insured will be pro-rated from the date of increase to the expiry of the policy period. This is subject to a minimum premium of \$10 for mid-term increase to endorse your policy,

**7. Are there any exclusions besides those mentioned in answer 9 under the Home Contents FAQ?**

Exclusions applicable to Home Contents apply to Building cover as well. Please refer to the policy for the full details of the exclusions.

### **Important Consideration**

**Ever wondered if HDB Fire Insurance is the same as Home Contents Insurance? Here is what you need to know:**

HDB Fire Insurance offers only basic protection for reinstating damaged internal structures, permanent fixtures and fittings provided by HDB, up to the sum insured. What you HDB Fire Insurance does not cover are home contents such as furniture, renovations, personal belongings, prized collections and valuables. A comprehensive home insurance should cover both the house structure and home contents, in other words, it's a combination of a fire insurance and a home contents insurance.

There are many benefits to a comprehensive home insurance. Besides alleviating your financial stress in reinstating your home, it usually comes with additional benefits such as coverage for temporary accommodation costs, emergency cash, third party liabilities and importantly, personal accident protection for your family in the event they are injured in a fire or in a break-in.

Even if your HDB loan is paid up, it pays to be prudent to buy a fire insurance and a home contents insurance, or a comprehensive home insurance to cover for what is probably your biggest financial asset.