

This type of cover is usually included in a homeowners or household contents or motor insurance policy. Cover can be for:

- Medical costs, present and future;
- Restoring or replacing damaged property;
- Pain and suffering of the injured party;
- Loss of income; and/or
- Legal costs and expenses.

Personal liability insurance does not cover all situations for which you or a family member may be legally responsible for causing bodily injury or property damage. It's important that you read your policy to learn what is covered and not covered.

ALL RISKS

All Risk insurance (also known as Portables insurance) covers movable items like handbags, clothing, wrist watches etc. that you own against loss, theft or damage. The risk is not limited to a specific location (like your house), but covers loss/damage occurring anywhere.

The policy will specify a limit on the amount you may claim per event (e.g. break-in or accidental damage of an item) for low-value items (for example clothes, shoes or a cycling helmet). But you could specify additional items to be covered at a certain amount over and above this limit for an extra premium. High value items such as laptops, diamond rings, cameras, smart-phones, jewellery, bicycles, golf clubs or any other single expensive item needs to be specified separately in the policy in order to be covered in full. The relevant details (make, shape, colour, cost and serial number) that defines each single item must be provided for specified items. For certain specified items, such as jewellery or antiques, your insurer could ask you to provide a valuation certificate, to determine how much the item should be insured for.

Remember, you may be asked to provide proof of ownership (particularly for expensive items) when you claim and your insurer may require that you report the loss/theft to the police.

All Risks insurance is sometimes included in a comprehensive motor or homeowner's insurance policy and buying it this way is often cheaper than taking out a stand-alone All Risks policy, e.g. cellphone insurance.

Important to know about All Risks insurance:

- your loss is covered anywhere
- you have to specify items of significant value

Do not assume when it comes to All Risks insurance. Always ensure that you are covered as per your understanding by checking your policy. If in doubt, discuss the details with your broker/insurer to ensure you know what is covered and what is not. Then if needed, specify the items that need to be specifically covered.

Not happy with the way your insurer handled your claim? Take your concerns to the Ombudsman for Short-term insurance at 011 726 8900 or info@osti.co.za, or www.osti.co.za or P O Box 32334 Braamfontein 2017.

If you are not happy with the advice you received you can talk to the FAIS Ombud at 012 762 5000 / 012 470 9080 or info@faisombud.co.za or www.faisombud.co.za

The Ombud's services are free and accessible to all consumers.

Still not fully happy? You can reach the Financial Services Board at 0800 20 20 87 or info@fsb.co.za or www.fsb.co.za

Contact details

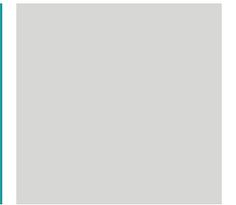
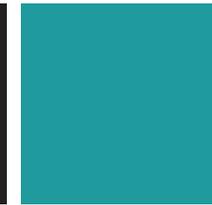
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SAIA

South African
Insurance
Association



PERSONAL ACCIDENT PERSONAL LIABILITY ALL RISKS

A GUIDE TO HELP YOU PURCHASE THE RIGHT COVER



PERSONAL ACCIDENT

Accidents can happen at any time... personal accident insurance is designed to provide financial help if you have become disabled, hospitalised, injured or in the event of your death from an accident.

The amount paid is set out in the policy document and depends on the length of hospitalisation, the severity of the disablement or your death. The payment can be used to cover anything including medical bills, adjustments you need to make to your home to cater for your disability, a funeral or anything else you need.

You can choose to cover your partner and/or children as part of your policy as well.

Remember personal accident insurance is not meant to replace medical aid, as it only pays in terms of very specific incidents occurring, as set out in the policy terms. The injury, disability or death must directly be a result of an accident.



There are usually some instances where you won't be covered by personal accident insurance, which means you won't be eligible for any cash benefits. Examples include (this list is not a complete list and you must check your policy for all exclusions):

- If your injuries are a result of sickness or disease.
- If you deliberately or recklessly expose yourself to danger.
- If your injuries are sustained while you're under the influence of alcohol or drugs.
- If your injuries are self-inflicted or if you attempt to commit suicide.
- If your injuries are sustained while you're committing or attempting to commit a crime.
- If you participate in war, riots, etc.
- If your injuries are a result of stress fractures, sprains and strains.
- Non-accident-related hospitalisation.
- Death as a result of natural causes.
- Age limits, for example the policy wouldn't cover you when you reach the age of 75.

With personal accident cover, you pay a monthly premium and you will receive a cash payment if you have an accident, are hospitalised or receive a serious injury during the policy term. The cover also helps to ensure your family are provided for if you have a fatal accident.

You must keep paying your premiums or you will not be covered. If you cancel your plan or stop paying your premiums, you won't get back any payments you've made.

Check your policy carefully. This will spell out what's covered and what's not covered. Look closely at the limit of your policy's cover, at the various percentages in the schedule and at whether or not medical expenses are also covered. This type of cover is usually not comprehensive and should not be relied upon to cover all your medical expenses, it should rather be seen as an additional benefit to your medical aid or life policy.

For personal accident cover, it is particularly worth being picky about the policy chosen. You will find large differences between different policies. If you believe it is worth purchasing this cover in the first place, you will probably find that a small amount of extra time spent comparing different policies can lead to greatly enhanced benefits at little or no extra costs.

You do not need a medical examination to take out this insurance.

Never fear to ask your insurer or advisor loads of questions. They are there to answer your questions and provide you with the best service possible. Insurers and advisors are unable to read minds, so it is up to you to let them know how they can assist you.

THE DEFINITION OF AN ACCIDENT

An accident is an unexpected and unintentional event, caused by violent, external and visible means, commonly leading to injury and/or resulting in hospitalisation, disablement or death following an accident.

PERSONAL LIABILITY

The possibility of you having a personal liability claim against you may not seem very likely, but if it happens, it could cripple you financially, as these types of claims can run into millions of rands.

Personal Liability insurance provides cover for bodily injury and property damage sustained by others for which you or your family members are legally responsible. For example, if your dog bites the postman, you may be legally liable for his medical bills associated with the treatment or if the walls surrounding your house fell into your neighbour's car, you may be legally liable for the costs of repairing the car. Claims are not paid to the insured; it is rather paid to the other party that suffered a loss. Essentially, it is cover against a party suing you, in your personal capacity, for financial loss, physical injury or death.