



Halifax press release

Don't let the underinsurance trap catch you out this Christmas

Saturday 15th December 2007

Halifax Home Insurance is warning homeowners to ensure they have enough contents cover over the festive period.

- Seasonal increases offered by some insurers don't cover new possessions into the New Year
- Halifax offers all year round unlimited cover*, so homeowners can relax

Some home insurers seek to solve the problem of festive underinsurance by increasing their levels of contents cover for a short period before and after Christmas. But Halifax Home Insurance warns that, as soon as this period expires, many people may find themselves underinsured, since most expensive gifts for immediate family remain in the home.

David Rochester, Senior Underwriter for Halifax Home Insurance comments: "Halifax customers can relax at Christmas as, unlike most insurers, it offers unlimited contents cover all year round. Although some insurers will increase contents cover over Christmas, this still leaves the problem of re-evaluating your contents in the New Year. It's vital for people without unlimited cover to remember to update their insurer with any changes to their contents value and be aware that some insurers will penalise customers who underestimate the value of their belongings**."

The insurer also urges anyone planning to hide Christmas presents bought in advance at a friend, relative or neighbour's home to check that their home insurance provider will cover their contents away from the home.

David adds: "It's important to remember that the onus is on homeowners to have the correct insurance in place to cover your gifts from loss or damage, even if they are being stored away from your home."

Halifax Home Insurance covers items stored away from the owner's house if they are left in an occupied house or dwelling for up to 90 days**, but not every insurer offers this level of cover.

David concluded: "With high-value items such as MP3 players and games consoles high on many people's most-wanted lists this Christmas, presents could boost the value of home contents by hundreds or perhaps even thousands of pounds."

Ends

Contact:

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Notes to editors

*Certain inner limits apply to Contents cover, including single item and high-risk items, money and contents in the open. Details available within policy and schedule. High-risk items are subject to limits of £1,500 per item and up to a total limit of £15,000

*Some companies will penalise policyholders who underestimate the value of their contents by averaging. Averaging means that the policyholder may only be able to recover a percentage of the total value – which equates to the total that was covered. For example, if the contents of a home is insured for £30,000 but really it's worth £40,000 then when you make a claim, the pay out value will be reduced by the amount you are under insured – in this case 25% - e.g. a £600 claim would only receive a settlement of £450.

Halifax Home Insurance

- Further details of Halifax Home Insurance products can be found online at www.halifax.co.uk/insurance, by calling 0800 169 8785 or by visiting their local branch
- New customers receive up to 35% discount when buying Halifax Home Insurance online