

Domestic Package: Insurance for Everything in Your Home

If a house had a security guard and security cameras, but a group of burglars managed to come into the house and steal furniture, the TV and the sound system, is the security company going to compensate the client? If the electricity suddenly fluctuated and damaged the PC, will Tanesco refund the cost of a new processor? If the servant is injured during their working hours and the client is held responsible by the court, who will pay the legal fees, costs and expenses? The solution to all these questions and many more is the Domestic Package insurance cover. The article shall explain this extremely important but relatively less known and/or less purchased cover in the market.

Domestic Package (DP) covers all the risks associated with owning or occupying a building

The DP cover is a package policy that protects the client against fire, burglary, liability, and all risks in the case of portable items. Additional covers such as pet insurance and personal accident insurance are options depending on the client's requirements. It is important to note that tenants can also purchase the domestic package cover, meaning that building ownership is not a prerequisite to purchase it.

We will summarize the sections of the policy with a view towards informing of where we place the various assets and potential liabilities.



Section A covers the building, fixtures and fittings

This section covers the building itself, as well as fixtures such as boundary walls, electrical lines, the plumbing, swimming pools, telephone connections, fences, tennis courts, saunas and spa baths. This section is for protection against loss or damage caused by fire, lightning, explosion and other allied perils. As stated before, this section is not mandatory if the client is a tenant in the property.



Section B covers the contents

Contents can include clothes, furniture, kitchen appliances such as pots, pans, cutlery, books and any other property belonging the client and his family living within the

premises, which does not operate on electricity, although that may be covered as well if required but not advised. As stated before, the contents section protects the listed items against the risk caused by loss/damage due to fire and theft.



Section C covers portable items such as mobiles, laptops, watches, jewellery, accessories, sports equipment and the like

An all risks policy is when, for all items listed in the schedule, all risks are on cover except for the specific exclusions stated in the policy. For example, this means that if a client's watch is stolen while travelling to another country, the insurer would pay the claim as per the value of the watch at the time of the loss.

The following section shall explain the domestic compensation cover, which covers the client for claims made against them by domestic workers such as house cleaners and guardsmen for suffering a physical injury or illness while working at the client's premises.



Section D covers the tenant or homeowners against legal costs incurred due to injury or illness to the worker

If the client's workers are cleaning an area of the house that is dirty and unhygienic, they might contract an illness that renders them temporarily incapable of working. If they decide to pursue legal action against the client, the client would have to compensate them for the damage and until they are able to resume work duties. That is, legal liabilities that the insured shall pay under the Common Law Employer's Liability consequent upon death of or bodily injury to or illness of any employed person.

Sections E & F are for Owner's Liability and Occupier's Personal Liability respectively, and due to

their similarity in meaning will be conjoined.



Section E&F covers the homeowners or tenants against legal costs incurred due to death, bodily injury, illness, accidental loss, or damage to property of a third party

Owner's Liability applies when the client owns the building. Occupier's Liability applies when the client is a tenant in the building and pays rent.

For example, if the client is cooking and the oil spills and catches on fire spreads to a nearby apartment, the neighbour is suffering due to the client's error. The neighbour shall come to the claimant's house to claim damages to his house. However, the occupier's liability cover shall indemnify the client for legal costs, expenses, and compensate the neighbour as determined by the court.

The next section covers Electronic Equipment, which simply put is any electrical or electronic system such as TV's, fridges, microwaves, ovens, speakers, home theatre

systems, desktop computers, fans, blenders, telephones and similar items.

Section G covers



physical loss or damage to electronic equipment

For example, due to electricity fluctuations, the client's TV stops working, because the electronic equipment insurance is an all risks cover as previously defined, the insurer shall pay the replacement cost of the TV or replace the TV with a similar make or model after the client provides all supporting documents.

An important closing to this article is that the DP cover is a cover that will endow peace of mind to any person with a home. It is a smart and necessary investment. Do take note however that each of the sections stated are subject to exclusions and clauses, which are crucial to understand prior to purchasing the cover.

For more information, please visit our office or give us a call.