

## **Make sure you have insured your engagement ring**

If you are planning to buy an engagement ring this Valentine's Day, the last thing on your mind is insurance. However, before you put a dent in your savings, be sure to check that the ring is covered under your home contents insurance.

Engagement rings are an expensive purchase; Brits spend an average of £1,800 on an engagement ring so making sure you have adequate insurance cover is essential.

Mike Powell, Insight Analyst at Defaqto said: "Always check your home insurance cover as many policies have specific single item limits for valuables kept in the home. In fact, 34% of home contents policies available state that they have a valuables single item limit of £1,500 or less for items kept in the home. This means that you need to specify any 'valuable' that is worth more than £1,500 to ensure that full cover is given".

Mr Powell added: "You should also consider the cover needed for outside of the home. Typically, most insurance providers will provide cover under 'personal possessions' either on an unspecified or specified basis. This is usually provided as an optional extension, which will incur an additional cost."

If cover is required, you should also check whether your insurance provider has specific limits for unspecified items. For example, some state that you would not need to specify any item valued at £1,500 or less, but for items of a higher value, these would need to be specified on your policy, to ensure that full cover is given.

Mr Powell continued: "You should also check where cover is given. Generally most insurance providers cover your personal possessions anywhere in the world. There are however, some insurance providers who state that cover is only provided within the policy 'geographical limits' and for a specific number of days anywhere in the world. For example, cover is only given for 60 days in any one period of insurance for personal possessions taken anywhere in the world."

### **Quick checklist:**

1. Does your home insurance have a single item limit?
2. Do you have cover for items outside the home?
3. Does your policy have specific limits for unspecified items?
4. Where are you covered?

### **Key facts**

Defaqto conduct an annual review of home contents insurance policies and award each with a Star Rating of 1 to 5 according to the features and benefits contained within. There are currently 261 standard home contents insurance policies (excluding mid and high-net-worth policies).

90 home contents policies have a single item limit of £1,500 or less.

Only 24 policies provide personal possession cover as standard.

For more information on Defaqto Star Ratings please visit [www.defaqto.com/star-ratings](http://www.defaqto.com/star-ratings)

**Notes to Editors:**

1. Average spend on engagement rings in the UK £1,800 according to [www.confetti.co.uk](http://www.confetti.co.uk)
2. There are various definitions of what is meant by 'valuables', but generally most insurance providers define them as being jewellery, gold and silver articles, watches, gemstones, clocks, furs, pictures, sculptures, other works of art and collections of stamps, medals and coins.
3. All financial product information is sourced from Defaqto's independently researched product database and has been based on a typical three bedroom semi detached house with an assumed contents sum insured of £40,000.
4. Policies analysed are from the standard home insurance market and exclude mid and high net worth products.

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**About Defaqto:** [www.defaqto.com](http://www.defaqto.com)

Defaqto is an independent financial research company specialising in rating, comparing and analysing financial products.

Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

Our products and services include the following:

**Aequos Online**

An extensive, independent, financial product analysis and comparison database available in the UK. The database contains feature, rate and fees information on more than 30,000 products from nearly 2,000 providers. Our customers include leading insurance and assurance companies, banks and building societies and investment organisations.

**Defaqto Engage**



An integrated system for independent financial advisers (IFAs) and insurance brokers. The system makes the reporting, analysis, recommendation and review process easy, delivering the perfect product to meet client needs.

### **Defaqto Compare**

An interactive, comparison tool enabling consumers to easily compare product features against each other on a host of key features, using a simple 'traffic light' system.

### **Defaqto Star Ratings**

Our Star Ratings reflect the quality of a financial product and help to identify the range of features and benefits in each one. We review and assess every financial product across various categories and award a Star Rating from 1 to 5. The ratings are aimed at helping consumers and advisers decide which product suits their specific needs. Providers also use the ratings to ensure they offer products to meet differing consumer demands.

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