



# CAYMAN ISLANDS MONETARY AUTHORITY

**14 May 2018**

## **PUBLIC ADVISORY – Insurance Preparedness for Hurricane Season**

The hurricane season may be hard to predict, but it is not hard to prepare for it. Insurance plays a critical role in protecting you, your family and dependents from possible financial hardship after an event. It is important that you, as the policyholder, play your part to ensure that following a hurricane, the benefits you receive from your insurance policies are sufficient to address your needs.

You are encouraged to do the following:

- Ensure that your property and motor insurance policies are in-force or active. If your insurance policy is due to expire during the hurricane season, ensure you take note of the renewal date to make prior contact with your insurance company before the policy expires.
- Take time to find your insurance policy and read it. If you cannot locate your policy document, speak to your insurance company or insurance broker to obtain a copy. Familiarise yourself with the Terms & Conditions and Contract wording in particular, and ask your broker/insurance company to explain queries you may have.
- Ensure that you have the correct contact details for your insurance company on file so that you know how to contact your insurance company following a catastrophic event.



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- Ensure that you understand how to file a claim with your insurance company and understand timelines within which a claim must be reported to your insurance company.
- Check the insurance cover provided and your sum insured! Seek advice from your broker and/or insurance company on the **adequacy of the sum insured**. Do NOT underinsure your property/motor vehicle. If your property/motor vehicle is underinsured, you will NOT receive the full value of your asset when claiming from the insurance company.
- If you have insured your property/motor vehicle for mortgage/loan purposes, be certain that it is insured at the correct value. Mortgage providers and lending institutions often only require insurance to cover their loan amounts and not the full rebuilding costs of a property or market values for your motor vehicle. You should therefore be aware of the risk of underinsurance (if your assets are not adequately insured) as following a hurricane event, this could result in your insurance benefits being insufficient to rebuild your home or to replace your vehicle to a similar state that was in effect prior to the hurricane event.
- Use licensed Insurance companies and Insurance brokers. A full list of CIMA licensed domestic Insurance companies and Insurance brokers can be found on our website at [www.cima.ky](http://www.cima.ky) under the Insurance domestic market statistics.

72 hours prior to any expected event, insurance companies might not take on any new business or amendment to your existing policy. Do not wait until it is too late to protect your hard earned assets. Contact your insurance providers now!