



## **BH ASSURANCES OCTOBER 2018 NEWSLETTER**

### **Summary:**

Page 2 & 3: Isabelle Want 's article of the Month

Page 4, 5 & 6: Understanding depreciation in house insurance

Page 7: The story of Jim and Jan Pearson: House fire

Page 8: Events in October and What has happened in September

Page 9 & 10: Living in France: traffic fines!

Page 11: Professional of the Month

Page 12: Some French vocabulary

Page 13: Useful information and contact details

# ARTICLE OF THE MONTH

## HOUSE INSURANCE: BEING UNDER INSURED AND SOME FACTS

It often comes as a surprise to some people that when they want a quote for their house insurance, I ask to come and visit it. If it is too far, I asked them for a complete description of the house. This is because in France, you are insured in accordance to the number of rooms you have and not on the value of the house. So, I will explain how the contract works and what are the consequences of being under insured.

1) **How do you count the rooms:** In France, your insurance company will ask you how many "pieces" your house has. What counts as rooms (pieces) are bedrooms/ living room/ dining room/offices/mezzanine/verandas that are over 9m<sup>2</sup> (with Allianz). Bathrooms, toilets, kitchen, landing, corridors are not counted as rooms. Rooms over 40 m<sup>2</sup> counts as 2 rooms! Kitchens that have a separation like a bar or if only half the room is kitchen and the other half is dining room could count as one room. To make sure of what counts as rooms, better check the "Dispositions Générales" of your contract. This is the booklet that comes alongside your contract (Dispositions particulières) and you would have a description of what the rooms are (written in the first few pages under definitions "pieces").

2) **What happens if you are not insured for the right number of rooms:** In these circumstances, the insurer may choose to "apply average" to the claim under an "average clause". This means that where the number of rooms insured is inadequate, the insurer can reduce its liability for a claim by applying a proportionate approach. The sum to be paid out is usually calculated as follows:

$$\frac{\text{sum insured}}{\text{true value at risk}} \times \text{loss} = \text{claim sum paid}$$

Basically, it means you get less money for your claim! That is why you should inform us when you do some renovation work on your house.

3) **What are you insured for:** Fire, damage caused by a vehicle (plane, space craft or meteorite!), theft, vandalism, terrorism, natural and technological catastrophe, water damage, electrical damage, Storm-snow-hail damage, glass breakage and public liability. Those are the basic guaranties on house insurance contract. Note that each company is different so check your booklet. For instance, with Allianz, if a car hits your fence and does not stop, we cover it. Most companies do not cover it if the guilty party is not identified!

4) **Chimney:** If you have a wood burner, insert or fireplace, you must inform your insurance company. Yes, it increases the premium as it is an extra risk of fire. Inserts are the riskiest. You must also inform the company if the wood burner or insert was installed by a professional (send copy of invoice). It reduces the premium if so. Not all insurance companies want proof of chimney sweep but some do. We don't!

5) **Content:** The house and content is on the same contract in France. Content is movable things. So, imagine you are moving to a new house, it is the value of everything you put in the removal truck. Equipped kitchen is part of the house. Being insured for 100 000 euro does not mean you will get that if the house gets burned down so make sure you are covered properly. Yes, amount of content affects the premium.

6) **Valuables:** Valuables are jewelry and precious metals and stones. With Allianz, for a furniture to be classed as valuable, it has to be worth more than 8000 euro. But depends on the

company so check definitions on the booklet. Valuable objects are not covered in holiday houses during your absence.

- 7) **Theft:** To claim for a theft or robbery, we need a police report. Padlocks are not recognized by insurance company as locks so anything stolen that was protected by a padlock is not covered for theft. You can opt to have personal items covered for theft outside your house but it's an option so ask for it to be added to your policy (up to 1500 euro with Allianz). Loss is not covered! Cash is not covered either.
- 8) **Outbuildings:** If you have a garage or a barn, etc., it is insured under the same contract as the house. It is measured by the surface on the floor (walls included). There is a limit of cover for content inside outbuildings so check your booklet. With Allianz, it is up to 1500 euro. Can be increased to 4500 euro as an option.
- 9) **Business:** If you use part of your house for business (gîte, chambre d'hôte, hairdressing, beauty, etc.) you must inform your insurance company as there is a professional insurance for that and the professional material is not covered under house content.
- 10) **Garden:** It is a house insurance contract so if you want garden things like pergolas, Spas, barbecue, garden furniture etc. to be covered, it's optional! Pergolas must be fixed to the ground to be covered. It is also an option if you want trees to be removed in case of storms or your outside water pipes covered for leaks.
- 11) **Storm:** For a storm to be officially recognized, the wind must blow higher than 100km/h and loose garden furniture is not covered so bring it in if a storm is coming!
- 12) **Holiday house:** You must turn off the water in winter and don't forget to drain it as toilets can freeze and break and would then not be covered fully. You must also shut the shutters and get someone to check the house regularly. Some insurance companies don't cover theft on holiday houses if you don't have shutters (not Allianz).
- 13) **Lack of maintenance:** Insurances do not cover if the damages come from a lack of maintenance so if you have a decrepit barn or roof and it collapses, insurances won't pay!
- 14) **New for old:** With Allianz this option is automatic but New for old does not mean you get new for old! You only get new for old is the wear and tear of the house covered is less than 25%. If it is more, you will have to cover the loss above 25% yourself. Egg: The roof is 35% wear and tear and it cost 10 000 to repair, then 10% so 1 000 is left for you to pay. Check your contract as it depends on each insurance company. See next article for more details. New for old for content is not automatic but it is really new for old for object (no wear and tear (apart see below)).
- 15) **New for old for electrical damage:** You can add an option so that in case of electrical damages, the electrical equipment is replaced by new. It only works if the equipment is less than 10 years old (with Allianz). It is different with other companies (check the booklet).
- 16) **Options:** There are loads of them: Swimming pool, garden cover, horses, electrical damages, new for old, extra cover for outbuildings, outside water pipes and septic tank, renewal energy equipment, theft cover outside the house, etc.

You must think this is a bit heavy reading (and I agree) but note that all of us have the famous booklet "dispositions générales" in our office so we can check whether a claim made by a customer is covered or not or what are the limit of guaranties. The Allianz booklet is 81 pages long! So, we can't remember it all. Mine is in my bag and when someone asks me if this is covered or not, I double check with it!

Some of you only look at the premium of your insurance, but you can't just stop at this. Banks are the first one to give you quotes stating it is the same cover but it's probably not! As my husband always says, buy cheap buy twice!

## UNDERSTANDING DEPRECIATION IN HOUSE INSURANCE CLAIMS

Your house may lose value over time due to factors such as age and wear and tear. This loss in value is commonly known as depreciation, “vétusté” in French.

Under most insurance policies, claim reimbursement begins with an initial payment for the Actual Cash Value (ACV) of your damage, or the value of the damaged or destroyed item(s) at the time of the loss.

If you have replacement cost coverage (new for old-remplacement à neuf in French) included on your policy, you may be able to receive additional money to cover the depreciation of these items. If this is the case, reimbursement may involve two or more payments – one for your initial payment based on the ACV of your items and then additional payment(s) once you repair and/or replace the damaged or destroyed items and provided us with documentation (invoices).

However, this replacement cost coverage is limited to conditions which depends on each insurance company and contracts.

### Calculating depreciation

Generally, depreciation is calculated by evaluating an item’s Replacement Cost Value (RCV) and its life expectancy. RCV represents the current cost of repairing the item or replacing it with a similar one, while life expectancy is the item’s average expected lifespan.

The notion of Depreciation/vétusté in insurance is set by law for all insurance companies by article L121-1 du Code des Assurances :

*« The indemnity due by the insurance company cannot exceed the value of the object insured at the time of the claim »*

This is why an assessor is affected to a claim to assess the extent of the damages but also the depreciation of the object insured and damaged. The value of the object is calculated as follow:

### **Value of the object new – Percentage of wear and tear**

*Example: For an object new worth 10 000 € but with 40 % wear and tear, the insurance company will pay 6 000 € (10 000-40%).*

The percentage of wear and tear can vary depending on:

- The life expectancy of the item. For example: for an item with a 10-year life expectancy, it would lose 10% of value per year.

- Characteristic of the object in regards to technological progress, lack of usage now, etc (mostly for electronic goods such as computer or tv who lose value quicker due to progress of technology- VHS to DVD player to Blue ray, etc)
- How old it is.

The assessor uses a table list on which you will find a part where all the type of equipment is on such as:

- **plumbing**
- **Heating system and equipment**
- **Electrics**
- **Household devices ;**
- **Carpentry inside and outside**
- **Wood floors/carrelage**
- **paint/wall paper**

The other column establishes for each equipment:

- Their life expectancy
- The excess, meaning no wear and tear for the first so many years.
- The percentage of wear and tear per year,
- The percentage of value left at the end of life expectancy

Example :

- Life expectancy for wall paper and paint: 7 years;
- Life expectancy for carpets: 7 years;

**Exemple de table list :**

<b>Equipements</b>	<b>Life expectancy</b>	<b>Excess</b>	<b>% of wear and tear/ year</b>	<b>% of value after life expectancy</b>
Wood floor	20 ans	5 ans	5%	25%
Carpets	7 ans	1 ans	15%	10%
Carrelage,	20 ans	5 ans	5%	25%
Wall carrelage	20 ans	10 ans	8%	20%
Wall paper	7 ans	1 an	15%	10%

Paint	7 ans	1 an	15%	10%
Plumbing	15 ans	5 ans	8%	20%
Heating	25 ans	5 ans	4%	20%
Electrics	20 ans	5 ans	5%	25%
Household devices	8 ans	5 ans	2%	25%

However, these columns are used as guidelines but the final assessment of the wear and tear is left to the appreciation of the assessors. Some people take care of their house better than others!!

Certain objects never lose value such as jewellery, valuables and can even take more value in time.

### **New for old/remplacement à neuf**

To counteract or diminish this wear and tear, you can choose insurance contracts that have the “new for old” option. This is the case with Allianz (not for every insurance company).

With Allianz, if you have the “new for old” option and the depreciation is less than 25%, then we reimburse it all. If the depreciation is above 25%, then Allianz reimburse minus the depreciation that is above 25%.

E.g.: Your roof is destroyed in a storm but the assessor states in his report that it's 20% wear and tear (depreciation/vétusté), then your insurance company reimburse it all as new for old (it is less than 25%). If the assessor state that the depreciation is 35%, then the insurance company reimburse the cost minus 10% (35-25) which is left for you to pay.

This depends on who your insurance company is, so you must check your contract to see what % of new for old they apply if any!

Therefore, when you search for house insurance contract, make sure you ask the conditions of new for old. And contact me for a quote!!

# HOUSE FIRE, THE STORY OF JIM AND JAN PEARSON



How do I Start, can I say that my wife and I brought a house in France and took out the required insurance with BH-Assurances Allianz. I am very glad we did.

We moved into our dream house in March in a village in the Limousin in 2016. We are both retired people so our French is almost none existent, and we are

taking a long time to learn the new language. After two days living in the maison in the early hours of a March Monday morning a fire broke out in the upper corner of the loft. By the time the pompiers arrived the roof was well alight. Five hours later when we managed to access the damage, it was a total loss, just four walls standing. We had lost everything clothes furniture a whole lifetime of memorabilia. We had just what we stood up in which was not a lot.



House after the fire

We phoned the insurance company and told them the problem. They came out to assess the damage and told us not to worry as they would make sure the maison was rebuild, and true to their word, that's what they did.

What an insurance company, they made our life so much easier by putting us in touch with English speaking people to help us. They put us in touch with company who sent an architect to help with the design of the build, a company who sent a loss adjuster to work on our behalf and help with all the French red tape.

They deposited monies into our bank account within the week for us to be able to replace clothes etcetera, and paid the rental on the house we rented until ours was rebuild. Nothing was too much trouble for them, as they seemed to bend over backwards to help us.

It does not matter which office you phone the staff are always only too happy to help sort out any queries, most staff even speak at least some English. What a company, best thing we ever did by using them as our insurance company. I would recommend anybody looking for insurance give them a try, they are always happy to help you.

Kind Regards

Jim and Jan Pearson

## EVENTS IN OCTOBER in CHARENTE

Sadly, no bank holiday!

**6<sup>th</sup> & 7<sup>th</sup>:** Jam festival in St Fraigne

**6<sup>th</sup> & 7<sup>th</sup>:** Pavane Venicienne in La Rochefoucauld from 3pm to 7pm. People dressed up in Venice costumes walking around town!

**7<sup>th</sup>:** Autumn fair, ginger cat brewery, at Availles Limouzines

**6<sup>th</sup> to 9<sup>th</sup>:** "Piano en Valois" in Angouleme. Piano concerts

**14<sup>th</sup>:** Autumn fair at Champagne Mouton

**14<sup>th</sup>:** Fête du pain at lezignac Durand

**13<sup>th</sup> & 14<sup>th</sup>:** Wedding exhibition in Espace Carat in Angouleme.

Everything to do with getting married and organising weddings! Enough to make you change your mind!

**19<sup>th</sup> & 20<sup>th</sup>:** Hope book sale at Clussais La pommeraie

**20<sup>th</sup>:** Marché du Goût at La Rochefoucauld (food festival)

**20<sup>th</sup> & 21<sup>st</sup>:** Squash vegetable festival in Chateaubernard.

**27<sup>th</sup>:** Clock go back one hour.

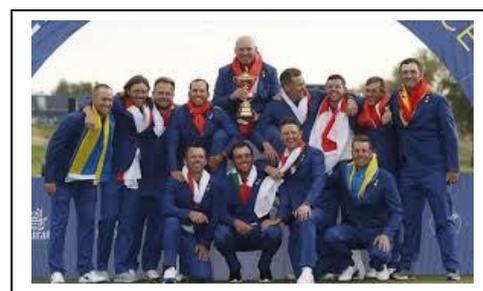
**28<sup>th</sup>:** Autumn festival in St Maurice des Lions



## WHAT HAPPENED IN FRANCE IN SEPTEMBER 2018

**In sport,** Europe has won the Ryder cup which took place in Paris.

**In general,** a man has died in St Pierre des Corps, near Tours, after being beaten up in front of his 3 sons and his wife. The reason for the fight was a simple parking place in a supermarket!!



**In politics,** Our President Macron is becoming more and more unpopular after telling someone unemployed that he only had to cross the road to find some work!

# LIVING IN FRANCE

## Traffic fines

As the speed limit in secondary road is now 80km/h, I thought I would give you a sum up of traffic offences and fines! Note that in France, your driving licence starts with 12 points (unless you are a novice driver) and losing points is not good!! As you need to have at least one point left on it for it to still be valid. Yes, in the UK you do the opposite, as usual!



Note that the amount you pay depends on when you pay it.

Fines	Fine reduced -FR	Fine normal -FN	Fine increased -FI
<b>Fine given to you by hand</b>	Less than 3 days	4 to 45 days	-
<b>Fine sent to you by post</b>	Less than 15 days	16 to 45 days	after 45 days
<b>Payment by internet</b>	Delay + 15 days	Delay + 15 days	Delay + 15 days

- Driving in a bus lane - FN 135€ - FR 90€
- [Non-présentation of the registration paperwork of the car](#) - FN: 11€ - FI: 33€
- [No MOT](#) - FN : 135€ - FR : 90€
- Non readable number plate - FN : 68€ - FR : 45€
- [Non-respect of orange traffic light](#) - FN: 35€ - FR: 22€
- [Staying in the middle lane or left lane on the motorway](#) - FN: 35€ - FR: 22€
- [Bad parking](#) : 35€ to 135€
- [Too much use of the horn](#) - FN: 35€ - FR: 22€
- [Tyre non conform](#) - FN : 135€ - FR : 90€
- [Smoking while driving](#) - FN: 35€ - FR :22€
- No helmet on cycling bike for children of less than 12 years old - FN: 135€ - FR: 90€
- [Speed to high in regard to circumstances](#) - FN: 135€ - FR: 90€

### Lose 1 point on your driving licence:

- [Overlap of white line](#) - FN: 135€ - FR: 90€
- [Excess of speed under 20km/h](#) - AF: 68€ (135€ in town) - AM: 45€ (90€ in town)
- No gloves while riding a motorbike - FN: 68€ - FR: 45€

### Lose 2 points :

- [Accelerating when being overtaken](#) - FN: 135€ - FR: 90€
- [Excess of speed by over 20kmh and below 30km/h](#) - FN : 135€- FR : 90€

### Lose 3 points :

- [Holding or using your phone \(includes handfree head set\) while driving](#) - FN: 135€ - FR: 90€
- [Tainted windows](#) - FN: 135€ - FR: 90€

- [No seatbelt](#) - FN : 135€ - FR : 90€
- [No helmet or helmet non EU compliant](#) - FN : 135€ - FR : 90€
- [No respect of the security distances](#) - FN: 135€ - FR: 90€
- [Crossing the white line](#) - FN: 135€ - FR: 90€
- Important change of direction without indicating or no indicating - FN: 35€ - FR: 22€
- [Driving on the emergency lane](#) - FN: 135€ - FR: 90€
- [Dangerous stop or parking](#) - FN: 135€
- [Dangerous overtaking](#) - FN : 135€ - FR : 90€
- [Overtaking by the right](#) - FN: 135€ - FR: 90€
- [Excess of speed by over 30km/h and below 40km/h](#) - FN : 135€ - FR : 90€

#### **Lose 4 points and your driving licence:**

- No-respect of priority for the car coming from the right - FN: 135€ - FR: 90€
- [No-respect of priority for emergency cars](#) - FN: 135€ - FR: 90€
- [No-respect of Stop](#) - FN: 135€ - FR: 90€
- [No-respect of red light](#) - FN: 135€ - FR: 90€
- [Driving in no entry sign](#) - FN: 135€ - FR: 90€
- Reversing on a motorway - FN: 135€ - FR: 90€
- [Excess of speed by over 40km/h and below 50km/h](#) - FN: 135€ - FR: 90€

#### **Lose 6 points and your driving licence:**

- [Alcohol](#) : Driving with a level between 0,25 et 0,4 mg of alcohol per litre of air (0,5 and 0,8 g / litre of blood): FN:135€ - FR: 90€
- [Excess of speed of over 50 km/h](#) – Up to 1500€ fine (Have to go to tribunal where the judge will decide how long you lose your licence for).
- [Use of a radar detector](#) - 1500€ fine
- [No-respect of the pedestrian crossing](#) - FN: 135€ - FR: 90€

#### **Lose 6 points and your driving licence and go to jail!! Between 2 Months and 10 years**

- Driving with a level of alcohol above or equal to 0,8 g / l of blood) or under influence of cannabis: up to 4500€ fine
- [Refusing the test for alcohol or drugs](#) : Up to 4500€ fine
- Homicide or injuries leading to a total inability to work: Up to 100000€ fine
- Failure to stop: Up to 75000€ fine
- Driving without a licence – Up to 4500€ fine

The driving licence suspension or cancellation is between 6 Months and 5 years depending on the offence! For some offences, you have to go to tribunal and a judge will decide. If it is just a suspension, you get it back after 6 Months minus the points you lost.

You can also lose your licence by running out of points!! If you had too many speeding tickets for instance!! In this case you have to pass your test again! Same if you did one of the bad things in “6 points and go to jail” category.

# PROFESSIONAL OF THE MONTH

## YOGA CLASSES

House of Vinyasa offers weekly yoga classes with Jessica, in and around Charroux and Confolens. Classes are open to all levels, from complete beginners to more experienced students, and aim to loosen up the body while increasing flexibility and strength.

You do not need to be young, fit or flexible to do yoga, for some it is a way to heal and connect to the body, to become strong and healthy, for others a way to calm the mind and let go of stress.

Join a 'Flow' yoga class to feel energised and strong, or explore a more gentle and restorative approach in the 'Relax & Restore' session.

Drop-in classes are €8,00 per person, yoga matts and props are provided.

### Classes & Times – Summer 2018

#### Vinyasa Yoga Classes

Mondays 17:00-18:00

The Green Man Inn (in the yoga room), Charroux

Wednesdays 10:00-11:00

ARThé (on the river terrace), Confolens

A fun and dynamic class that connects breath and movement to 'flow' from one pose to another. With a focus on building physical strength and endurance, this class is open to beginners, with multiple options for more advanced students who want to deepen or develop their practice further.

#### Relax & Restore Yoga Classes

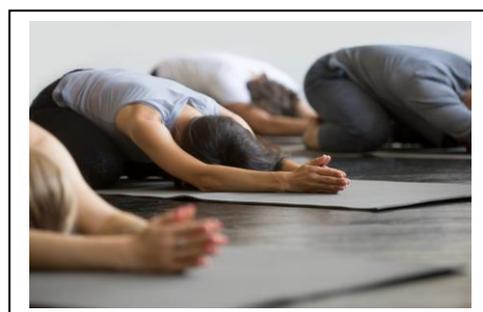
Thursdays 17:00-18:00

The Green Man Inn, Charroux

In this class postures are sequenced to create strength, flexibility, openness, and relaxation throughout the practice, with an emphasis on strengthening and loosening up the body and increasing concentration. Ideal for all ages, and especially beginners and those with injuries.

**For more details** about classes and one-to-one/private sessions visit

[www.facebook.com/houseofvinyasa](http://www.facebook.com/houseofvinyasa) or call Jessica on 06 08 92 81 17



# INSURANCE FRENCH VOCABULARY



<b>French</b>	<b>English</b>
Franchise	Excess
Sinistre	Claim
Assistance	Breakdown cover
Assurance	Insurance
Bris de glace	Windscreen cover (In France it also covers head lights and all windows)
Remboursement	Reimbursement
Cotisation	Premium
Echéance	Renewal date
Date d'effet	Contract start date
Résiliation	Cancellation
Avenant	Amendment
Devis	Quote
Incendie	Fire
Dégats des eaux	Water damage
Damage électrique	Electrical damages
Accident de voiture	Car accident
Pneu	Tyre
Chevreuil/ Sanglier	Roe Deer/ Wild boar
Fossé	Ditch
Clôture	Fence
Portail	Gate
Tempête	Storm
Arbre	Tree
Grêle	Hail
Neige	Snow
Pluie	Rain
Verglas	Black ice
Toiture	Roof
Maison	House
Murs	Walls
Portail	Gate
Grange	Barn
Contenu	Content
Objet de valeur	Valuable items
Carte grise	Car registration paperwork
Permis de conduire	Driving licence

## CONTACT DETAILS AND USEFULL INFORMATION

We have 3 offices based in the Charente:

22 rue Jean Jaures

16700 Ruffec

Tel:+33(0)5 45 31 01 61

Fax:+33(0)5 45 29 68 55

10 Bd du 8 mai 1945

16 110 LA ROCHEFOUCAULD

Tél: +33(0)5 45 63 54 31

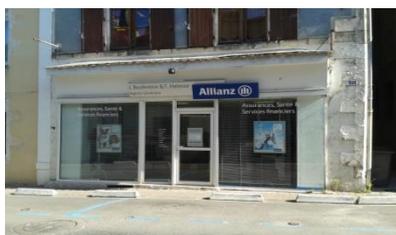
Fax: +33(0)5 45 62 19 79

102 Avenue de la Republique

16260 Chasseneuil sur Bonnieure

Tel:+33(0)5 45 39 51 47

Fax:+33(0)5 45 22 55 54



All our offices are open :

Monday: 2 to 5.30pm

Tuesday to Friday: 9 to 12am and 2 to 5.30pm

Saturday: 9am to 12

Email Ruffec: [ruffec@allianz.fr](mailto:ruffec@allianz.fr)

Email Chasseneuil sur Bonnieure : [chasseneuil-sur-bonnieure@allianz.fr](mailto:chasseneuil-sur-bonnieure@allianz.fr)

Email La Rochefoucauld: [la-rochefoucauld@agents.allianz.fr](mailto:la-rochefoucauld@agents.allianz.fr)

Facebook page: "Allianz Jacques Boulesteix and Romain Lesterps"

Web site : [www.bh-assurances.fr/en](http://www.bh-assurances.fr/en)

Allianz car insurance **breakdown** telephone number : 0140255886

Thelem car insurance **breakdown** telephone number:0140251616

Generali car insurance **breakdown** telephone number :0141858483

Novelia car insurance **breakdown** telephone number :0549348086

CPAM English speaking helpline: 08 11 36 36 46

EDF helpline in English: 0562164908

Medical Emergency guide:<http://www.paysduruffecois.com/category/services-a-la-population/actu-services-pop/>

Go to [www.bh-assurances.fr/en/practical-informations/](http://www.bh-assurances.fr/en/practical-informations/) to register to receive our Monthly Newsletter. You can also view all the previous Newsletter on the same page.

As usual, feel free to contact us for any suggestion on subject you wish to see on this Newsletter!