

Exchange Students – Homeowners Coverage

This article briefly discusses how a homeowner policy responds to coverage for exchange students. Please be sure to read the companion article, "Exchange Students – Automobile Coverage."

Note: Check with your exchange student program coordinator to see what kinds of coverage are automatically provided for the child. But don't take anyone's word; get copies of documents that prove the coverage situation.

An exchange student in your care who is younger than 21 years is automatically insured under a homeowners policy, treated as if the child were a relative. An exchange student's property is covered while located at or away from your home. Off-premises coverage is normally limited to 10% of your policy's Personal Property limit, subject to a minimum of \$1,000. On-premises, the policy's full content limit is available. If your homeowners policy had a \$70,000 limit for Personal Property, up to \$7,000 would be available to handle damage or loss to an exchange student's property while it's away from your home, say while at a summer camp. Liability coverage that applies to your family also applies for damage and bodily injury caused by an exchange student who is younger than 21 years of age.

If the exchange student is older than age 21, then the policy treats he or she as a guest. A policyowner can volunteer to extend his insurance coverage to include a guest's property while at your residence premises or even while you and the guest are at some other location. However, it is sometimes difficult to determine whether an older exchange student is a guest or a tenant - someone who is paying you a reasonable rent for staying in your home.

Hosting an exchange student creates questions you should discuss with an insurance professional who can help make sure your coverage needs are met.

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