

MAJOR INSURABLE EVENT: INITIAL INSURANCE PROCEDURES



For Residential/Commercial Strata Insurance via Body Corporate Brokers.

This advice is provided by Body Corporate Brokers to assist in determining what repairs can be undertaken immediately after an event and what may or may not be claimable.

The Insurer's rights are reserved, all claims are subject to their determination at the time of submission and each claim will be considered on its own merits according to the policy terms and conditions.

INSURED'S RESPONSIBILITIES

- All reasonable steps must be taken to prevent further loss from occurring. This includes electrical, emergency repairs to roofing or tarping, glazing, making unsafe areas safe and clean-up of debris which may pose a hazard and therefore a liability issue.
- Emergency insurable damage repairs may be carried out to the limit in the policy wording. Insurers may increase these limits where a state of emergency has been declared and BCB will notify the Insured of any temporary increase to the policy limits.
- Maintenance repairs are not covered by the policy and are the responsibility of the Insured. Maintenance repairs should be carried out as soon as possible at the Insured's expense, with no permission required to be given by the Insurer. Resultant damage will be covered if no policy exclusions apply.
- Body Corporate Brokers are to be advised immediately if claimable damage is major or where there may be liability issues. The Major Event Damage Notification Form must be completed and forwarded immediately to BCB who will request the Insurer appoint a loss adjuster where it is deemed necessary.
- Damage or circumstances of a minor or non-urgent nature (eg shade sails, no displacement of occupants, minor water damage not affecting occupancy) should NOT be notified in the immediate aftermath, ***allow those most in need to be afforded assistance first***. Please have the Major Event Damage Notification Form completed IN FULL, the causes rectified where necessary (maintenance works), quotes obtained, photos supplied and submit the claim in due course with any invoices for works undertaken, including maintenance invoices.
- ***All contractors engaged by the Insured must be paid by the Insured.*** Insurers will not pay contractors direct unless they or their loss adjuster have provided instructions to the contractor to invoice them direct.

MAJOR DAMAGE

- **Major Damage must be reported to BCB as soon as possible. Please ensure the following are provided:**
 - Contact Details (name, phone number & title/position) for onsite access to units by a loss adjuster or panel builder where necessary;
 - A description of the damage (number of units affected and type of damage), and photos where possible and,
 - Advice as to what action has been taken by the Insured.
- The insurer will appoint either a loss adjuster or a builder to attend the site as soon as possible dependent upon need. Please ensure you provide to BCB a description of the damage and photos or, provide the contact details of a person who can provide this information.

GLASS BREAKAGE

- Glass breakage can be rectified or temporary repairs (boarding up) undertaken as broken glass poses a serious risk of injury. Where possible glass clean-up should be undertaken by professionals and the area cordoned off in the interim.
- O'Brien Glass should be called as they are the insured's preferred repairer, however, if they are unable to attend please use other glaziers if available and submit their invoices for reimbursement.

HAIL/STORM

- Sizeable hail will cause damage to roofs, skylights, glass, guttering, downpipes, EPS mouldings and may result in internal water damage and electrical issues due to water entry. Metal roofs can be punctured and tiles broken by large hailstones.
- Any plastic type structures on the roof (skylights, plumbing fittings, etc) may be damaged and may allow water entry. These need to be checked by tradespeople after the event for damage along with TV aerials and other roof structures.
- The Insured has a Duty of Care to mitigate further loss and this includes "make safe" works such as electrical, glass breakage, removal of debris and any other issues which may pose a danger.
- Hail may cause blockages in gutters and downpipes causing a backflow of water from the blocked gutters into the ceiling space resulting in internal water damage.
- A roofer/plumber needs to be called to carry out any emergency works required (ie tarping of skylights or roof damage) to prevent further loss from rain entry. SES will attend to tarping of buildings less than 3 storeys only.
- Following a hail or severe wind/storm event arrange for a contractor to provide a report on the condition of the entire roof and if there is damage caused by hail, flying debris or other insurable cause they should provide a quote. Please note maintenance works to the roof are not covered by insurance and the contractors will need to specify the cause of the damage on their quote.

FENCES

- Boundary fences are subject to State legislation which generally determines that where a fence separates two properties each neighbour is responsible for 50% of repair costs for both maintenance and insurance purposes. This does not apply to fences separating lots within the Scheme unless the lots are insured individually (ie the Scheme insurance is for common property only).
- Where the neighbour is Government/Council owned property (public schools, railway lines, national & Council parks, public property, public roadways, footpaths, etc), the Insurer will settle 100% of boundary fence costs.
- **Please advise the status of the boundary fence at the time of lodgement.**

LOSS RENT/TEMPORARY ACCOMMODATION:

- Loss of rent and temporary accommodation are Additional or Special Benefits where the insurable damage to the building, as defined by the policy, renders a unit or lot unfit for its intended purpose.
- Loss of rent/temporary accommodation benefits are not available to tenants.
- If occupants have been displaced you will be advised what information is required to claim for this Additional or Special Benefit.

REMOVAL OF DEBRIS

- Strata insurance generally provide cover for removal of debris that has caused material damage to the building and insured structures only. However, in the event of a major insurable event they may provide cover for immediate and necessary clean-up, especially where there may be liability issues or where doing so will prevent further loss from occurring. Please submit the invoices for consideration with an explanation of any extenuating circumstances where the Insured feels cover should be provided.
- General clean-up of storm debris (leaves, garden litter) is not covered under normal circumstances.
- Trees may be removed if they have caused damage to or pose a threat to the insured structures and these invoices may be an admissible part of the claim. Removal of trees damaged by the event, but posing no threat of damage to the property, may not necessarily be covered, but invoices should still be submitted for consideration under landscaping cover. Photos of the tree in the fallen position to be supplied prior to removal, stump grinding is excluded.

FLOODING

The *Insurance Contracts Act 1984* defines flood as:

The covering of normally dry land by water that has escaped or been released from the normal confines of:

- any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or
- any reservoir, canal, or dam.
- Flooding caused by “action of the sea” is not covered (ie tidal surge) but flooding attributable to stormwater may be covered. A tsunami is covered as it is resultant from an underwater seismological event (earthquake). Please refer to your policy wording and schedule in respect to your flood cover.
- The insurer may appoint a Hydrologist to determine whether storm surge or ‘action by the sea’ has taken place.

LANDSLIDE OR SUBSIDENCE

- Most policies will provide cover if the landslip or subsidence occurs within 72 hours of the cyclonic/storm event.

LEVEL OF URGENCY: - With “1” being minor damage & “5” being severe damage.

1 - Very Low to Low (minor): Poses no threat or danger and will not worsen if left unrepaired – Carry out any maintenance required then carry out the claimable repairs. Submit invoices, Major Event Damage Notification Form and photos to substantiate the damage **at a later date**.

2 - Low to Medium: Poses no threat or danger but may worsen if left unrepaired – Carry out any maintenance required then carry out minor repairs. Submit invoices, Major Event Damage Notification Form, and photos. Obtain quotes for the Medium damage repairs, submit with the claim and await instructions from the insurer.

3 - Medium: May worsen if left unrepaired – Obtain quotes, submit Major Event Damage Notification Form & photos and wait for instructions from the Insurer.

4 - Medium to High: No failure of utility services but immediate attention & loss adjuster required – submit photos of the damage to substantiate the severity with Major Damage Notification Form and onsite contact details. Obtain quotes if possible but do not delay lodging the claim as the Insurer may either engage a panel builder or provide further instructions.

5 - Severe: Immediate attention, loss adjuster required – severe damage, occupants displaced and/or failure of utility service(s) – Submit photos of the damage to substantiate the severity, details of number of units unfit for occupation, description of the damage and what utility services may have failed, with Major Event Damage Notification Form and onsite contact details.

What will Body Corporate Brokers be doing to assist?

- ✓ Where we have pre-warning of an impending disaster, we will email a Major Damage Notification Form to capture the information required to enable BCB to evaluate the damage and take appropriate action.
- ✓ We will email information on initial insurance requirements and what can be done following a disaster without first obtaining the insurer's permission.
- ✓ We will ensure we have sufficient information from you to lodge a claim to the Insurer with advice as to the severity and the level of action or emergency required.
- ✓ ***We will request Insurers provide increased agreed pre-approved limits for insurable damage to proceed, above those allowed for in the policy wording, and will advise these limits prior to the event, where possible.***
- ✓ Upon receipt of your claim, description of the damage, photos and contact details we will notify the Insurer and request appointment of a loss adjuster, dependent on the severity level.
- ✓ If the damage does not warrant an adjuster appointment (from the advice given) we will provide instructions to you on how to progress the claim and repairs.

We will be communicating directly with insurers, loss adjusters and any relevant parties in order to manage the claim as quickly as possible

Your cooperation is sought in minimising loss and to take initiative to proceed with works that must be carried out to ensure the safety and security of the premises and its occupants. Please ensure all invoices are retained and submitted but, should you be unsure of how to proceed please contact BCB Claims Staff.

Please complete the attached Major Event Damage Notification Form IN FULL as failure to do so may delay the processing of your claim.

Please lodge claims via email to your Body Corporate Brokers office or if there is immediate urgency please lodge by telephone with the information required at hand, including contact details for a person onsite to provide access.

BODY CORPORATE BROKERS CONTACT DETAILS:

NEW SOUTH WALES

PO Box 20288, World Square, NSW 2002
Level 11, 338 Pitt Street, Sydney, NSW 2000
For Enquires: nsw@bodycorporatebrokers.com.au
For Claims: claimsnsw@bodycorporatebrokers.com.au
T: 02 9024 3850

QUEENSLAND

PO Box 5579, Gold Coast MC QLD 9726
Suite 1, 7-9 Burra Street, Chevron Island QLD 4217
For Enquires: goldcoast@bodycorporatebrokers.com.au
For Claims: claimsgc@bodycorporatebrokers.com.au
T: 07 5668 7800 F: 07 5668 7801

VICTORIA

Level 3, 100 Albert Road, South Melbourne VIC 3205
For Enquires: vic@bodycorporatebrokers.com.au
For Claims: claimsvic@bodycorporatebrokers.com.au
T: 03 8695 4040

WESTERN AUSTRALIA

PO Box 2258, Ellenbrook WA 6069
Unit 12, 24 Victoria Street, Midland WA 6056
For Enquires: wa@bodycorporatebrokers.com.au
For Claims: claimswa@bodycorporatebrokers.com.au
T: 08 9274 8004 F: 08 9274 7993

(Ver. RW 01/02/2017)