

PROPERTY DAMAGE AND CLAIMS PROCEDURE FOR THE PARK APARTMENTS OC 433545Q

Overview:

In October 2011, the Owners Corporation Plan No. 1 Committee arranged insurance of the buildings within "The Park Apartments" complex, for accidental loss and damage in accordance with the Owners Corporation Act. The insurance is with Chubb and administered through MCA Insurance Brokers Pty Ltd.

All claims on behalf of the Owners Corporation and individuals are processed by MCA Insurance Brokers. Claims should be submitted through the Owners Corporation Manager, Victoria Body Corporate Services, who will then forward the claim to MCA. MCA will then communicate directly with the claimant.

The following deductibles apply in respect of each loss for The Park Apartments:

Earthquake, subterranean fire or volcanic eruption

- 1) \$100,000 or
- 2) an amount equal to 1% of the total Declared Values at the Situation where the damage occurs whichever is the lesser.

Water Damage including any discharge, leakage and or escape of any liquid whatsoever, however so occurring and or any resultant loss whatsoever \$25,000

Damage directly or indirectly caused or occasioned by or arising from; Defects, deficiencies or faults relating to the Building \$100,000

All other losses \$5,000 each and every claim

For claims in regard to common property, the excess will be met by the specific Owners Corporation in which the common property is vested. For claims lodged in regard to a lot, the excess will be met by the owner of the unit making the claim.

Details:

ALL PROPERTY DAMAGE CLAIMS OR POTENTIAL CLAIMS should be notified by the resident initially to:

Victoria Body Corporate Services Pty Ltd (VBCS)
Suite 101, Level 1, 204 Ingles Street,
Port Melbourne, Victoria 3207
(Locked Bag 1291, Port Melbourne, Vic 3207)

Tel: (03) 8531 8100
Direct: (03) 8531 8119

Email: mwhite@vbcs.com.au
Contact: Matthew White

INITIAL NOTIFICATION SHOULD INCLUDE:

- 1. Date, Type and Brief Description of Occurrence**
- 2. Apartment Number and Location**
- 3. Name and Contact Details of Resident**

VBCS will evaluate the nature of the loss or damage, and:

- a) VBCS will arrange repair / rectification of urgent work;
- b) if deemed a potential insurance matter, VBCS will notify:

**MCA Insurance Brokers Pty Ltd
Level 4, Ricketts Road
Mt Waverley VIC 3149
(PO Box 917, Mt Waverley 3149)**

**Tel: (03) 9550 6000
Fax: (03) 9558 8312
Email: christinea@mcains.com**

**CONTACT: (a) Christine Arsenis – Claims Manager
or
(b) Mark Christoffelsz – Managing Director**

Note: The OC Insurer does NOT require completion of a claim form

(a) PROPERTY CLAIMS

In the event of damage or loss of property:

- (1) Resident to ensure that the remainder of your property is not exposed to further loss or damage.
- (2) In the event of BURGLARY, THEFT, OR MALICIOUS DAMAGE the resident must notify the Police immediately.
- (3) Owner or owner's Agent to obtain a quotation for repairs (if required). VBCS has an on-line directory of certified service providers through VBCS Plus (www.vbcplus.com.au). Each service provider on VBCS Plus undergoes a certification process guided by their professional reputations, track record for quality work and trade compliance with the necessary licences and insurance.

In the event of serious damage, your Insurers (currently Chubb) will appoint a Loss Adjuster to inspect the damage and authorise repairs.

Repairs for minor damage will be authorised upon receipt of the relevant details required for **initial notification** and a repair quotation.

(b) LIABILITY CLAIMS

In the event of a claim by a Third Party:

- (1) **DO NOT ADMIT LIABILITY**
- (2) Ask the Third Party to submit the claim or complaint in writing.
- (3) Immediately forward all correspondence to MCA Insurance Brokers Pty Ltd.

***IF ANY PROBLEMS OR DIFFICULTIES ARE ENCOUNTERED ON ANY INSURANCE
RELATED MATTER, CONTACT SHOULD BE MADE WITH
MCA INSURANCE BROKERS PTY LTD.***

**VICTORIA BODY CORPORATE SERVICES PTY LTD
NOTICE TO OWNERS**

INSURANCE

1. The Building and Public Liability policy is arranged in the name of the Owners Corporation.
2. The policy covers the accidental loss and/or damage to the building and legal liability in relation to Owners Corporation common property.

The cover does not include wear and tear, or damage arising from inadequate or improper maintenance. An example of excluded cover would be water damage from porous tiles or grout in a bathroom.

3. The building insurance policy covers damage caused to fixtures but not damage to fittings.

The Owners Corporation policy does not extend to cover owner's contents such as furniture, carpets, floating floors, curtains, blinds, light fittings or electrical appliances that are not built into the apartment or integral to the apartment. If, for example, a fire causes damage to a kitchen, the Owners Corporation insurance policy will reinstate the damaged walls and ceilings and the fire damaged kitchen cupboards, bench tops and built-in appliances such as cook top, wall oven and dishwasher. These items will be reinstated because fixtures are considered part of the building.

Damage caused to the carpets, floating floors, curtains and personal furnishings would not be covered under the Owners Corporation policy because those items are deemed to be fittings and are specifically excluded even if the loss is caused by the same act that damaged the fixtures. This exclusion extends to personal possessions such as furniture, electrical goods, bedding and clothing.

4. The public liability policy only covers parties injured on common property where the Owners Corporation is found to be liable.

Areas of common property include stairwells, lifts, lobbies, gymnasiums and swimming pools. The public liability policy does not extend to cover injuries sustained by parties such as owners, visitors and friends which occur inside an apartment, courtyard or on a balcony or terrace, car space or storage unit.

5. All owners, whether resident or absentee, should effect appropriate contents insurance policy which includes personal liability cover for injuries sustained inside a unit, the owner's car space or other areas which are not common property.
6. The loss of rent cover provides compensation if an apartment is rendered uninhabitable due to an event under the policy. For an owner who occupies an apartment, this cover provides for rental of a comparable apartment whilst their apartment is uninhabitable. For an apartment subject to a tenancy agreement, it provides compensation of the rent payable under the agreement during the period of the apartment being uninhabitable.

For this cover to operate there is a requirement that the apartment is not fit for habitation, not merely that damage causes inconvenience or a lessened rental opportunity. For example, a fire in a kitchen which damages part of the kitchen cabinets would not cause the apartment to be uninhabitable and thus the loss of rent cover would not operate.

7. Any excess applicable to a claim will be met by the party making the claim. If the claim is for damage to common property, the Owners Corporation meets the excess. Where the claim is for damage to a member's unit, the excess is met by the member making the claim.