

IMPORTANT NOTES

Last Update: 2023-10-30 02:09 pm

ADDITIONAL INSURANCE – WHEN IT IS PUT IN PLACE OR REQUIRED

Transfer of Units/Increasing of Bond Amounts or Second Bonds

It is not uncommon for bondholders to increase the sum insured of a unit, where the unit is financed. This will take place:

- At the time, a unit may be transferred.
- If a second bond is initiated
- If an increase in the current bond amount is actioned.

In such instances additional insurance is applicable over and above the base sum insured already in place. The owner becomes liable for the insurance premium that is associated with this additional cover. This premium is typically recovered through the levy statement of the complex that is issued, however dependent on the managing agent or the complex's processes in place, this may be processed through a different method.

Alterations/Renovations/Upgrades

If you have made any changes or upgrades to your unit, or if you have recently purchased your unit and are unsure if the current fittings and fixtures are standard or upgraded, please contact TI Brokers to inquire whether a change in your unit's insurance cover is required. This will result in a quotation being obtained from the insurer, and additional insurance charges may apply if the quotation is accepted.

Some examples of this are:

- The installation of bulkhead lights, chandeliers or upgraded light fittings
- An upgrade of your oven or any fitted kitchen appliance
- Crown moldings or decorative fittings installed in the unit
- Heat pumps, solar geysers, or additional electrical installations
- Solar installations and inverters
- Gas installations, including gas geysers
- Any home automation that has been added to the unit
- Garage motors being installed to previously manual garage doors
- Air conditioning units

PQ Schedule

Each unit's sum insured is reflected on the PQ schedule that is attached to the policy schedule or sent as a separate attachment. Where applicable, details of each owner and the banks interest may be noted. If any of this information is outdated, please do not hesitate to contact us on insurance@tibrokers.biz for any changes or amendments that need to be made.

Unoccupied Units

We have noticed a trend that a number of units are being utilized as holiday or business homes. This results in them only being occupied minimally during the year. Each insurer

has advised that this poses additional risk from an insurance aspect due to the lengthy period of time that the unit does not have anyone able to report on claimable items.

The insurance policy has been put in place to cover sudden and unforeseen once off events, and as such, the date of loss may not be accurately recorded if an event is discovered upon inspection of the unoccupied unit. This has led to specific policy wording that states cover is restricted if a unit is unoccupied for more than 30 consecutive days or an additional excess may apply at the time of claiming. In some instances, this may result in your claim being repudiated due to the fact that the event and its resultant damages may be unresolved for a period that would change the event to a gradual deterioration state. In this instance, the event would be an automatic exclusion on the policy schedule.

As a precautionary measure and to minimize the negative impact this may have on owners, TI Brokers, request that those whose units are unoccupied for more than 30 days at a time advise as follows:

- The complex and unit number which is or will be unoccupied
- The length of time this unit is expected to be unoccupied for
- Is there a representative (i.e., rental /estate agent) or family member who can carry out inspections at 6-8-week intervals to confirm that everything is still in order and provide a written report to our offices, as evidence for the insurance company. An email stating that the unit is in order will suffice.

If any additional information or clarity is required, then please contact us on insurance@tibrokers.biz

What Can Delay the Claim & How Can it be Processed Quicker

When it comes to an insurance claim, whilst we know at times, the submission of a claim can be a tedious process, part of what slows the process down and hinders the finality of a claim, can be attributed to the following factors:

- The lack of information presented,
- The incorrect information or omitted information that is presented.
- The lack of detail included in the quotations and report provided.
- The claim form being incomplete or being completed and not signed.

Whilst we know this task can be daunting and the process (not yet paperless) can require a lot of information being requested, it is important to note that no insurer will finalize on a claim, when the information is incomplete or not made available. The claim will be delayed until such information has been provided. This means that every bit of information must be presented, so an informed decision can be made.

What you can do to experience the fastest possible claim process

- Complete the claim form with all the details required, including your signature and the date.
- Take photos of all damages caused by the event and present these when submitting the claim.
- When a repair/replacement quotation is obtained, make sure the quotation includes:
 - Details of what is needing to be repaired/replaced.

- The quantity in square metres of the area/items that needs to be repaired is represented.
- The pricing per square metre as well as the total cost (Inclusive of VAT where applicable)
 - This is for the contractor to put in place; however, it is wise to advise of what information would be required from the get-go to speed up the process.
- Where a report for the event/proximate cause of the damages is required, this needs to be detailed and specific. Specific means the cause of the event must be represented clearly and the proximate cause is explained in detail with as much information as possible.
 - For example: if it was a burst pipe, then the detail would state that the pipe had burst due to the increased pressure by the council or that the pipe had burst due to a contractor that was working at the complex, contacting the pipe with their pickaxe.
- When an invoice is presented, it is best for the invoice to be detailed and include as much information as possible.
- In the case of a geyser claim, the details of the old geyser that is being replaced and the new geyser that is being installed must be represented. The information required can include make, model, size and code.
- If it is for the repair/replacement of an area, for example the ceiling or cupboards, then a breakdown of the area and size being repaired/replaced needs to be presented as well as the costing per square metre.
- It is Important to note that none of the repair/replacement work should be completed before the insurance company has made their decision and presented it to you, as this could prejudice the insurer and cause them to repudiate (reject/decline) your claim, as they did not have the opportunity to assess the damages.

There are events can be attended to immediately, for example a geyser that needs to be repaired/replaced, or a burst/leaking pipe, however the water damage caused by this event cannot be attended to until the decision from the insurer is reached. Should the unit be flooded, the excess water may be removed as well as the underfelt where there is carpeting installed. However, the salvage/damaged items must always be kept for assessment as this affords the insurer the opportunity to have a detailed look at the damages if required to do so.

There are other factors that can contribute to a delay in the claim process:

- If an assessor is appointed, this can delay the claim as they are required to do a site visit for inspection of the damages. Following the site visit, the assessor will draft their report and present it to the insurance company with their findings and recommendation. This report is often presented to the insurers management team to sign off and will result in a delay in finalising the claim.
- The insurer may request alternate quotations to establish if the presented quotations are competitive and in line with the industry standards.
- Dependent on the claim, the insurers may require additional information to be presented to finalise their decision. For example, with a water loss claim, there may be a request for additional water consumption invoices for the complex. For

a loss a rental/alternate accommodation portion of a claim there may be a request for a lease agreement or confirmation of the rental/bond payments for the unit.

- Insurers may be slow to respond to claims dependent on the time of the year, the volume of claims at the time, as well as which insurer has been engaged on the claim, however with all the information being presented this can help in getting the claims finalised as quickly as possible.

If any additional information or clarity is required, then please contact us on insurance@tibrokers.biz

How to Lodge a Routine Complaint

Any client who feels that he/she has been treated inappropriately or unfairly may do so in writing if they wish; or by contacting the FSP by phone; or by calling at the office of the FSP in person and speaking to the Routine Complaints Officer who will record the complaint and ensure that it is resolved to the satisfaction of all parties.

Kindly email your complaint to complaints@tibrokers.biz

How to Lodge a Serious / Non-Routine Complaint

Any client who feels that he/she has been prejudiced in any way by the FSP or its staff and who wishes to lodge a complaint against the FSP must do so in writing as well as provide full details accompanied by supporting documentation.

Kindly email your complaint to complaints@tibrokers.biz