

Summary of Changes to Key Benefits

Residential Strata Insurance Plan

This policy has been updated to encompass additional and increased benefits, to comply with recent legislative changes relating to insurance policies and has been reworded to make it more 'user friendly'.

The information contained in this Summary of Changes to Key Benefits provides a snapshot of the important changes that have been made and should be read in conjunction with the new updated policy document.

Policy 1 – Insured property

What we insure

Covers 'Insured property' (see Definition) which incorporates both 'Building' and 'Common Contents'.

Additional benefits

Emergency cost of minimising losses	Limit increased to \$2,000.
Temporary protection	New - includes protection for both property and resident persons.

Special benefits

1a	Temporary accommodation	'Uninhabitable' replaced by 'made unfit for its intended purpose'. Cover applies until lot/unit is reoccupied.
1b	Rent	'Uninhabitable' replaced by 'made unfit for its intended purpose' and cover applies until Lot/Unit is relet. Cover also includes Lots/Units subject to a signed lease effective after date of loss.
1c	Disease	Includes escape of legionella at the premises.
1d	Failure of supply services	Cover applies for 30 days provided failure exceeds 48 hours. 48 hour excess removed.
1e	Cost of reletting	New
1f	Lot Owners' contributions and fees	Covers such costs if the Lot/Unit is unfit for its intended purpose. 'Unable to collect by the Body Corporate' condition no longer applies.
2	Emergency accommodation	Cover increased to \$1,000 without a daily limit.
3	Alterations/ additions	Covers alterations/additions if the value of such work does not exceed \$100,000.
4	Arson reward	Benefit increased to \$10,000 from \$5,000 and includes theft, vandalism and malicious damage.
5	Electric motors	Size of motor increased to 5 k'ws from 4 k'ws and age limitation of 20 years removed.
6	Excess electricity and gas	New
7	Exploratory costs	Benefit includes its own exclusions - General and Policy 1 exclusions do not apply. Repair of parts and pollution damage increased to \$1,000 from \$500. \$20 excess has been removed.
8	Fallen trees	Benefit increased to \$5,000 from \$2,000
10	Key, lock replacement	Benefit increased to \$5,000 from \$1,000
11	Landscaping	Benefit increased to \$10,000 from \$1,000 and includes lot owners' landscaping.
12	Modifications	New
13	Money	Benefit increased to \$10,000 from \$5,000
14	Mortgage discharge	New
16	Pets, security dogs	Benefit increased to \$1,000 from \$500
17	Purchasers interest	New
18	Records	Benefit increased to \$50,000 any one claim from \$5,000 any one period of insurance. Clause requiring records to be in the custody of an office bearer or strata manager has been removed.
19	Removal, storage costs	Benefit increased to \$10,000 from \$5,000
20	Title deeds	Benefit increased to \$5,000 from \$500
21	Water removal from basement	New

Exclusions

1 c	Includes failure to maintain property in a reasonably good state of repair
1r	New
1 s	New
1 t	Limit increased to \$500,000 from \$200,000



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Claims - how we will settle your claims

1	Replacement	Revised wording. Clause d) clarifies the circumstances where matching materials are not available. Clause i) clarifies the situation regarding undamaged property.
2	Undamaged part of insured property	Now incorporates property and foundations and includes footings.
3	Floor space ratio	Revised wording with an alternate basis of settlement including the previous 'Statutory Authority' clause.

Special conditions

Excesses - No change

Policy 2 – Liability to others

What we insure

No change

Additional benefits

1	Bridges, roadways, kerbing	New
3	Fertiliser, pesticide application	New
7	Watercraft	Boat length increased to 8 m's from 7.5 m's.
8	Wheelchairs, garden equipment	Revised wording

Special benefit

1	Cost of defending a claim	Revised wording Legal Expenses (OH&S) and Legal Defence Expenses have been removed and are now included in Policy 9.
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Exclusions

Exclusions previously applicable to Legal Expenses (OH&S) and Legal Defence Expenses have been deleted and now appear in Policy 9.

8	Construction limit increased to \$500,000 from \$200,000.
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Special definitions

Pollutants	New
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Policy 4 – Workers compensation

Clause regarding General Condition 3 included.

Wording of 'Special Provision' amended to comply with NSW Act

Policy 5 – Fidelity guarantee

No wording change - however benefit increased to \$100,000 from \$40,000.

Policy 6 - Office bearers legal liability

What we insure

2nd dot point	Now includes the words 'or for which Your Body Corporate is vicariously liable at law'.
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a ii)	New
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Exclusions

4	New
13	New

Special definitions

Office bearer	New
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Policy 7 – Machinery breakdown

Additional benefits

4	Previous limit of 5% removed.
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Special definitions

Insured item	Includes lifts, escalators and inclinator if there is a comprehensive maintenance agreement in force.
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Policy 8 – Catastrophe

Special benefits

1 a	Temporary accommodation	'Uninhabitable' replaced by 'made unfit for its intended purpose'. Cover applies until Lot/Unit is reoccupied.
1 b	Rent	'Uninhabitable' replaced by 'made unfit for its intended purpose' and cover applies until Lot/Unit is relet. Cover also includes Lots/Units subject to a signed lease effective after date of loss.
2	Temporary accommodation - escalation in cost	'Uninhabitable' replaced by 'made unfit for its intended purpose'. Cover applies until Lot/Unit is reoccupied.

Policy 9 – Government audit costs and legal expenses

Part A - Government audit costs

New

Part B - Appeal expenses (OH&S)

Previously insured as Special Benefit 1 of Policy 2.

Reference to the sum insured of \$100,000 has been removed from the policy wording and appears on the Schedule.

Part C - Legal defence expenses

Previously insured as Special Benefit 2 of Policy 2.

Sum insured increased to \$50,000 from \$20,000

Reference to the sum insured has been removed from the policy wording and appears on the Schedule.

Policy 10 – Lot owners' fixtures and fittings

New

