

Residential  
Multi Unit  
Endorsement –  
June 2014



# New Automatic Extensions

The following Automatic Extensions are now included in the Policy.

## 1. Alternative Accommodation

If we agree *your unit* that is occupied by *you* as a domestic residence becomes *uninhabitable* we will also pay or reimburse *you* for the reasonable additional costs of:

- i) temporary accommodation;
- ii) boarding out of *your* domestic pets or security dogs which *you* normally keep at the situation.

We will pay for the period *your unit* is *uninhabitable* up to a maximum of 12 months or \$25,000 per *unit*, whichever is the lesser.

If *your unit* is *uninhabitable* *you* can only claim under this automatic extension or under the Loss of Rent automatic extension. *You* cannot claim under both of these automatic extensions.

If *you*, or a member of *your* household, have an alternative accommodation benefit with us under any other policy, *you* are only entitled to payment of this benefit under one policy or section of a policy per event.

## 2. Contents Removal and Storage

If we agree *your unit* that is occupied by *you* as a domestic residence becomes *uninhabitable* we will also pay or reimburse *you* for the reasonable additional costs of:

- i) removing *your undamaged* contents to the nearest place of safe keeping;
- ii) storing *your undamaged* contents at that place;
- iii) returning *undamaged* contents to *your* situation described in the *schedule*.

The maximum amount we will pay is limited to \$1,000 for any one *unit* and \$10,000 in total for any one event.

### 3. Loss of Rent

If we agree that *your unit* that is rented by *you* to a tenant as a domestic residence becomes *uninhabitable* we will also pay or reimburse *you* for *your* loss of rent, provided that:

- i) *your unit* was occupied by a tenant at the time of the *damage*; or
- ii) at the time of the *damage*, *you* had a signed tenancy agreement for a new tenant to let *your unit* for an ongoing period intended to be no less than 90 days.

#### **We will pay:**

- an amount equal to the average weekly rental *you* received for renting out *your unit* during the weeks it was rented in the 12 months prior to the *damage*, or where a tenancy agreement was signed prior to the *damage*, the amount of the weekly rental in the agreement; and
- any other costs incurred with *our* written consent.

We will not pay *your* loss of rent where the *unit* is not *uninhabitable*, or where *you* or *your* tenants choose to or are encouraged to move out of *your unit* while repair or rebuilding is effected.

The maximum amount that we will pay for *your* loss of rent is, for the period necessary to replace or repair the *unit* up to a maximum of 12 months, or \$25,000 per *unit*, whichever is the lesser.

If *your unit* is *uninhabitable* *you* can only claim under this automatic extension or under the Alternative Accommodation automatic extension. *You* cannot claim under both of these automatic extensions.

### 4. Cost of Re-letting

If we agree that *your unit* that is rented by *you* to a tenant as a domestic residence becomes:

- i) *uninhabitable*; and
- ii) *your* tenant at the time of the loss or *damage* subsequently advises that they will not be reoccupying *your unit* they previously leased.

We will pay or reimburse *you* for reasonable letting costs up to \$1,000 per *unit* and \$5,000 in total for any one event.

## 5. Landlord's Contents

If any *unit* is rented by *you* to a tenant, then any dishwashers, stoves, refrigerators, washing machines, dryers, built in microwaves, drapes, curtains, blinds, and fixed light fittings will be covered within the sum insured for the replacement value, up to a maximum of \$25,000 per *unit*.

If *you* make a claim for *damage* to *your* drapes, curtains, or blinds, *we* will only pay for those items that are in the room or rooms where the *damage* occurred.

## 6. Common Property

*We* will cover *you* for *damage* to carpets, drapes and light fittings that are in common areas of the insured building(s), whilst they are owned by *you*.

The maximum amount that *we* will pay is \$100,000 in total for any one event.

The indemnity provided by this extension will not increase *our* liability under this policy beyond the sum(s) insured shown on the *schedule* for the *damaged insured property*.

## 7. Margins Clause

The amounts shown on the *schedule* of *insured property* are the sums insured declared by *you* for insurance purposes. Except where expressly provided to the contrary, *our* liability for *damage* to any item of *insured property* will not exceed 105% of the sum insured shown on the *schedule* for that item up to a maximum of the total sum insured.

Any provision in this policy for *our* liability to be greater than the sum insured for any item does not apply to *natural disaster damage*.

## 8. Total Loss Stress Cover

In the event that *we* settle a claim for the total loss of a *unit*, *we* will also pay the individual owner of that *unit* for the stress caused by the loss.

The maximum amount that *we* will pay is \$2,000 per *unit* that is a total loss, or \$50,000 in total for all *units* that are a total loss in any one event, whichever is the lesser.

For the purposes of this extension, total loss means so *damaged* that the *unit* or *units*, by reason only of that *damage*, cannot be repaired.

## 9. Machinery Breakdown

Notwithstanding Exclusion 4 Damage to machinery in the material damage policy, *we will cover you* for machinery breakdown of any machine at the *insured property*, where the machinery breakdown is of a kind described in Exclusion 4 Damage to machinery.

The maximum amount that *we will pay* for any one event is \$10,000 and the maximum amount that *we will pay* in any one *period of insurance* is \$10,000.

Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual *unit* owner is not covered.

## 10. Computer Breakdown

*We will cover you* for the breakdown of any computer at the *insured property*.

The maximum amount that *we will pay* for any one event is \$5,000 and the maximum amount that *we will pay* in any one *period of insurance* is \$10,000.

Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual *unit* owner is not covered.

## 11. Landslip

*We will cover you* for *damage* to any *insured property* directly or indirectly consequent upon:

- (a) landslip that is neither gradual nor progressive; and/or
- (b) the movement (whether by way of falling, sliding or flowing) of ground:

### **but excluding:**

- subsidence: and/or
- the expansion, shrinkage, compaction or erosion of soil.

*Our liability* under this extension is limited to \$250,000 for any one event.

The *excess* under this extension will be \$20,000 unless a higher amount is shown in the *schedule*.

## 12. Subsidence

We will cover *you* for *damage* to any *insured property* directly or indirectly consequent upon:

- (a) subsidence that is neither gradual nor progressive, of land beneath or adjacent to the affected property; and/or
- (b) the movement (whether by way of sinking, collapsing, sliding or flowing) of ground:

### but excluding:

- landslip;
- compaction or erosion of soil;
- the normal settling, expansion or shrinkage of any building or its foundations; and/or
- movement as a result of the water-table drying out from atmospheric or climatic conditions.

*Our* liability under this extension is limited to \$250,000 for any one event.

The *excess* under this extension will be \$20,000 unless a higher amount is shown in the *schedule*.

## 13. Reservoirs, Tunnels and Bridges

We will cover *you* for *damage* to reservoirs, tunnels and/or bridges that are located on any site occupied by *you* and noted on the policy *schedule*.

*Our* liability under this extension is limited to \$100,000 for any one event.

## 14. Landscaping

We will cover *you* for *damage* to *your* gardens (including hedges, trees, shrubs, and plants) garden edging, lawns and permanently installed ornamental fish ponds and water features that are not connected to the building's water supply.

*Our* liability under this extension is limited to \$10,000 for any one event.

### 15. Reinstatement of Records

We will cover *you* for clerical, legal, and other charges reasonably incurred by *you* in consequence of the *damage*, in the replacement or restoration of deeds and other documents (including stamps thereon), manuscripts, plans, specifications and writings of every description and books (written and printed), books of accounts, card indexes, computer systems records, electronic records and other business records.

*Our* liability under this extension is limited to \$20,000 for any one event.

### 16. Meeting Room Hire

We will cover *you* for the cost to hire temporary meeting room facilities for the purposes of holding annual general meetings or committee meetings where a designated meeting room within *your insured property* is unable to be occupied for its intended purpose due to *damage*.

We will only pay for temporary meeting room facilities for meetings held during the period of time that is reasonably necessary for repairs to be carried out and access to be established.

The maximum amount that *we* will pay is \$5,000 in any one *period of insurance*.

### 17. Removal of Trees

We will cover *you* for the professional removal of trees or parts of trees, including the costs of treating the stump to prevent regrowth, that have fallen and *damaged your insured property* or landscaped gardens.

The maximum amount that *we* will pay for any one event is \$5,000 and the maximum amount that *we* will pay in any one *period of insurance* is \$10,000.



# Amendments to existing Material Damage Automatic extensions

## **1. Automatic extension 2. Capital Additions**

Our liability under this extension is now limited to \$250,000 for any one event.

## **2. Automatic extension 9. Gradual Damage – Residential portion of building**

Our liability under this extension is now limited to \$5,000 for any one event and \$20,000 in any one *period of insurance*.

## **3. Automatic extension 10. Hazardous Substance Emergencies**

Our liability under this extension is now limited to \$50,000 for any one event and \$100,000 in any one *period of insurance*.

## **4. Automatic extension 11. Money**

Our liability for Money B under this extension is now limited to \$2,000 for any one event.

Cover under this extension only applies to Money owned by the Body Corporate. Money owned by any individual *unit* owner is not covered.

## **5. Automatic extension 23. Stolen Keys**

Our liability under this extension is now limited to \$10,000 for any one event.

## **6. Automatic extension 26. Transit**

Our liability under this extension is now limited to \$10,000 for any one event.

Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual *unit* owner is not covered.



# Amendments to existing Material Damage Optional extensions

## **1. Optional Extension MD027 Refrigerated Goods**

This extension is now deemed to be an automatic extension under the policy.

*Our* liability under this extension is now limited to \$2,000.

Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual *unit* owner is not covered.

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## New Material Damage Condition

On a claim for *damage* to a *building*, caused by *natural disaster*, where the *damage* is solely to property described in part 2 of the definition of *buildings*, the *excess* is \$5,000.

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## New Policy Definitions

For the purposes of this Vero Residential Multi Unit Endorsement, the following definitions apply.

**Uninhabitable** means the *unit* is no longer a safe or sanitary place to live, as determined by government or local authorities, or by *us*, due to physical *damage* to the *unit*, and where notice to this effect has been issued. It does not mean a disinclination by *you* or *your* tenant(s) to remain in occupancy of an otherwise safe or sanitary *unit*.

**Unit** means each self contained part of the buildings designated for separate residential occupancy.

**You** or *your* means the Body Corporate named in the *schedule*, its registered owners and duly appointed secretary.