

## OWNERS CORPORATION STRATA INSURANCE REFERENCE GUIDE

This document is intended to provide unit owners with a summary of the Insurance taken out on behalf of the Owners Corporation by City Central Insurances.

### ***The Building and Common Area Contents***

All owners corporations, except two-lot subdivisions, must take out reinstatement and replacement insurance for all buildings on the common property.

A building is defined as:

- a structure and part of a building or structure
- walls, out-buildings, service installations and other things attached to the main structure
- any pipes or cables used to provide services to a party other than the owners corporation or its members (shared services)
- a boat or a pontoon permanently moored or fixed to land.

The insurance must cover:

- replacement, repair and rebuilding of the damaged property
- costs of demolishing and removing debris from the site
- other costs such as employing an architect or surveyor
- shared services
- replacement of services and structures such as driveways and fences.

Strata Insurance policies generally cover material damage as a result of an insured peril to structural fixtures including fixed plant, machinery and underground services. The strata policy also extends to provide cover for apartment owners improvements, which are defined as "fixtures permanently annexed to the building by, and for the exclusive use of, an apartment owner that thereby legally becomes part of the Building". Permanent fixtures & structural improvements includes items such as walls, ceiling, doors, windows, fitted kitchen, bathroom and laundry, built in ducted air conditioners/heating or built in reverse heating AC units, fixed intercom systems, stoves, ovens, hotplates, hot water would be considered part of the building under the above definition and therefore covered under this policy.

Common Area Contents can include carpets in hallways and lobbies, pot plants, mirrors and other decorations in common areas. Owners Corporation owned washing machines and dryers for use of all owners and kept in a common laundry facility. Other common property assets such as barbecue and gardening equipment, outdoor and patio style furniture is also included.

### ***Personal Contents Insurance on the following items within the lot is the responsibility of the lot / apartment owner:***

*Carpets, Floating Floors, curtains, blinds, personal valuables, furniture, household appliances not wired into the premises such as dishwashers, refrigerators, washing machines and dryers etc. within the apartment owners lot.*

### ***Loss of Rent / Temporary Accommodation***

If a unit becomes uninhabitable as a result of an insured peril, the unit owner can submit for consideration a claim for loss of rent or alternative accommodation during the period that the premises are unfit for occupancy, based on the rental value of a unit and in accordance with the policy terms and conditions.



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### ***Public Liability***

Covers the Owners Corporation as owners of their Building and Common Area Contents for legal liability to pay in respect of personal injury or third party property damage arising out of an occurrence (accident).

This insurance does not cover the liability of the Unit Owner for any occurrence involving their "lot".

Unit Owners should take out either Contents Insurance (for owner / occupiers) or Landlord Contents Insurance (for owners who rent out their unit) to protect themselves from this liability.

### ***Personal Accident for Voluntary Workers***

Personal Accident Insurance coverage is provided for a person who is injured while voluntarily working on behalf of the Owners Corporation.

### ***Fidelity Guarantee***

Covers the Owners Corporation against fraudulent misappropriation of their funds.

### ***Office Bearers Liability***

Covers Office Bearers and/or Owners Corporation Committee Members where liability has arisen from an alleged wrongful act, omission or breach of duty. Covers the liability and legal costs up to the sum insured. Fraudulent acts are not insured under this insurance cover.

This document is a Reference Guide only and is designed as an aid in the understanding of the cover provided under your Owners Corporation Strata Insurance.

Reference should be made to the Strata Insurance Product Disclosure Statement & Policy Document for information on the terms, conditions and policy exclusions in operation under your Owners Corporation Insurance.