



Advice Circular to Fund Member Agencies

Queensland, New South Wales and Victorian Floods – Advice No 2

This circular is to provide Fund Member agencies with information on:

- The Comcover Insurance Policy as it applies to the recent floods; and
- the claims lodgement and assessment process.

The Comcover Insurance policy (the Policy) provides for an agency to recover losses arising from the floods, as the policy does not exclude damage incurred as a result of flood. It is anticipated that agencies will make claims against the policy in relation to property and infrastructure losses, business interruption costs and motor vehicle loss or damage. Detailed below is an outline of both the **Property** and **Business Interruption** cover provided by Comcover.

Property (s2.7)

This includes cover for:

- *property lost, destroyed or damaged during the floods;*
- *reasonable costs incurred in the removal, storage and disposal of debris;*
- *reasonable costs incurred in securing the premises following a loss; and*
- *costs incurred in engaging experts such as architects, surveyors and /or engineers to restore or rebuild damaged property.*

Please refer to your Comcover Assets Schedule for the locations of your properties and sums insured.

Business Interruption (s2.8)

If your Agency's business operations have been interrupted as a result of your property being destroyed or damaged you may be entitled to:

- *reimbursement of reasonable additional costs incurred for the purpose of resuming or maintaining normal business operations; and*
- *loss of revenue.*

Business interruption costs incurred will be associated with complying with your agency's Business Continuity Plans. Examples of losses may include rent costs under a lease, the cost of your employees to the extent you can't use their services, costs incurred to set up additional IT infrastructure, costs incurred to outsource key functions following material damage, extra costs to relocate your employees, and recreating any records lost or damaged by flood waters.

The level of Business Interruption will be reflected in the limits you nominated for both *increased cost of working*, and *loss of revenue*, as contained in your Agency's Schedule of Cover.

Overview of the Claim Process

Step One - Advising Comcover of a potential claim

Comcover recognises the safety of staff and the public are paramount. It is essential that you notify Comcover Member Services of any incidents that may result in a claim being lodged as soon as possible. This can be done by contacting claims@comcover.com.au or calling 1800 651 540.

Download a claim form at <http://www.finance.gov.au/comcover/claim-forms.html> and send to Comcover Member Services by email claims@comcover.com.au or fax (03) 9297 9375.

As a high volume of incidents are expected it is vital that Comcover Member Services receive notification from Fund Member agencies of all potential claims as soon as practicable to ensure appropriate resources are allocated to resolving claims.

Step Two – Lodging a claim

Completed claim forms may be forwarded directly to claims@comcover.com.au. Please take the time to review your Agency's Schedule of Cover, Assets Schedule and the Comcover policy wording.

Once a claim has been reported to Comcover Member Services an assessor will be appointed to determine the extent of damage.

Your assessor will be able to provide advice on issues such as:

- remedial action that can be undertaken immediately;
- the extent of cover provided under the policy in relation to property cover and business interruption;
- guidance on how to identify the information required to lodge a claim under business interruption cover.

Assessors will be appointed as soon as possible but they may be delayed due to demand, therefore emergency remedial work may need to be commenced prior to their attendance.

Agencies should take steps to identify and retain documentation to substantiate claims (this includes such records as invoices, asset schedules, items that were discarded). When it is safe, pictures should be taken of the damaged property prior to commencing any remedial repairs. Ensure that any salvageable assets and equipment are separated and stored safely. Remove property damaged beyond repair but retain a sample of these items for inspection by the assessor.

Where there are multiple claims within a 72 hour period, resulting from the floods, these will be treated as one claim for the purposes of determining the excess. Please that your applicable excess has been nominated on your Schedule of Cover.

Contact Details

The information provided above is for guidance purposes only. Comcover Member Services is available to assist you and your Agency, if you have any questions regarding policy coverage or information contained in this circular please do not hesitate to contact your Account Manager directly or call CMS on 1800 651 540.