



# Property Cover

January 2015

## Summary

This Fact Sheet sets out details and principles of Comcover's property cover as set out in the Comcover *Statement of Cover*.

Under the *Statement of Cover*, Fund members are covered for property losses up to the amount specified in their Asset Schedule on the Comcover Gateway. It is the responsibility of Fund Members to ensure that their Asset Schedule is kept current. If an asset is not declared on the Asset Schedule it is not covered under the *Statement of Cover*.

## About Property cover

Comcover's Property cover is designed for unexpected and unforeseeable loss or damage to property caused by events such as fire, theft, burglary, flood or vehicle impact. The types of cover available for items under the property section of the *Statement of Cover* are set out below.

### (i) Buildings

Buildings should be insured by Fund Members based on their full replacement value. Replacement value should include any reasonable fees necessary to repair or rebuild at that location. The value should also include the costs for such thing as the fees for architects, surveyors, engineers, etc, and include the reasonable cost of removing debris, demolition and any costs necessary to comply with current building requirements. These additional fees must be included in the value declared for the property item in the Asset Schedule. If you engage a registered valuer to value your buildings, ask for an insurance value.

### (ii) Other Property

All other property should be insured for its full replacement value. Other property can include electronic data and records, software and collections, such as artwork.

### (iii) Property-in-transit

Fund Members are insured for property-in-transit, from the point of commencing movement to the point of delivery, whether that is by road, sea or air. Property-in-transit is covered up to the limit shown on a Fund Member's individual *Schedule of Cover* (available on the Comcover Gateway).

If you have a special shipment that you would like insured and the value is in excess of the standard limit of \$5,000,000, such as art works on loan for exhibitions, these must be advised to Comcover in advance of the transit.

#### **(iv) Fraud**

Cover for fraud, committed by, or with the collusion of, staff or officers of the Fund Member is included in the *Statement of Cover*. Your limit should be reviewed in relation to the amount of funds or value of property that might be fraudulently appropriated e.g. liquid funds held in current accounts or in trust funds. The standard limit for fraud related losses is \$5,000,000.

#### **(v) Business Interruption**

Business Interruption cover provides compensation for financial losses consequent upon your business operations being interrupted. This could be caused by a loss or damage to your property or a loss or damage to property owned and occupied by organisations providing essential services e.g. electricity, water, suppliers etc.

Business interruption cover includes lost revenue and additional operating costs to resume or maintain normal business operations.

#### **Limitations on liability**

Comcover's ability to pay compensation for property losses is limited to the amount Fund Members have specified in their Asset Schedule via the online Comcover Gateway at the time the loss occurs. Fund members must ensure adequate cover is specified by keeping their Asset Schedule current at all times. Where a Fund Member decides not to repair or replace damaged property, then Comcover's responsibility is limited to the actual value of the property immediately prior to the loss.

#### **What's not covered**

Exclusions include, but are not limited to, any loss or damage which occurred:

- because you failed to take all reasonable steps to prevent the loss;
- due to wear and tear, rust, latent defect, gradual deterioration, moths, vermin, disease, dampness or dryness of atmosphere, extremes or changes of temperature;
- due to unexplained inventory shortages, disappearances resulting from clerical or accounting errors, shortage in supply or delivery of items to or from your organisation;
- due to nuclear reactions, war or natural disasters such as tidal waves or earthquakes.

Further details in relation to cover and exclusions are available in the *Statement of Cover* that is available at [www.finance.gov.au/comcover/](http://www.finance.gov.au/comcover/).

#### **Questions about cover?**

If you have any questions in relation to Property cover, please contact [comcover@comcover.com.au](mailto:comcover@comcover.com.au) or phone your Relationship Manager on 1800 651 540 (option 3).