

10 June 2011

Dear Sir/Madam

**NRMA Flood Cover Website Change - Private Insurer Submission - Confidential**

I write to you in relation to a matter that might impact a number of Queenslanders.

**NRMA Flood Cover**

From the **attached** correspondence you will note that NRMA changed its website representations as to flood cover in Queensland immediately following the flood.

This means that any Queenslanders who looked at the site prior to the flood would have thought that they were covered.

I note that NRMA does not deny that this is the case.

I wonder if I am the only person affected by this?

**Conclusion**

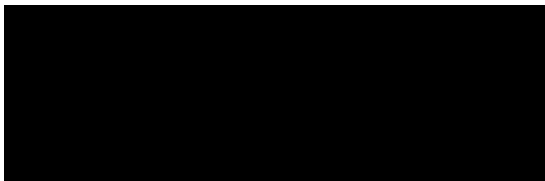
It occurs to me that I cannot have been the only person to have been misled into thinking that my cover in Queensland had been "automatically extended", though I might be the only person who printed out the web page pre-flood.

Is this a matter that you might look into?

If so, would it be possible to please keep my name confidential?

Please let me know.

Thank you.



FILE COPY

Claims Department  
NRMA Insurance  
GPO Box 5730  
BRISBANE QLD 4001

21 February 2011

Dear Sir/Madam

Policy No:

Claim No:

I am writing in relation to my claim on my policy after the events relating to the January floods.

I confirm that I have met with your assessor and he indicated that you are currently determining whether or not to extend indemnity.

It has come to my attention that there have been some recent changes to your website.

In particular, I **enclose** marked "Initial Flood Cover" a copy of your website prior to the January flood.

I also **enclose** a second document which was printed from your website last night headed "Post Flood Cover".

It would appear that prior to the flood, the website indicated that cover had been "extended" to include floods and that indeed customers "will automatically receive flood cover as part of their policy".

I note from the copy that was taken from your website last night that the website has now been changed. It now appears that you are saying that this situation only occurs "with our NSW, ACT and Tasmanian NRMA Insurance policies".

Further, you appear to also have changed your website to remove the reference to the fact that flood cover has automatically been "extended".

I bring these matters to your attention due to the fact that I am disturbed at the potential impact this change might have on my claim.

Would you please let me know what my position is with my claim?

Thank you.

Yours faithfully

[Redacted signature block]

Car Insurance - CTP Insurance (Greenslip) - Home Insurance - Travel Insurance - Motorcycle Insurance  
NRMA Insurance

## Flood cover

### What it means for you

Insurance cover for flood has been a concern for many people and communities for some time. Floods can cause extensive damage to the structures of homes and buildings and to kitchens, carpet and furniture.

To help alleviate this concern we've improved our policy coverage. Flood cover is now automatically included within NRMA Insurance's home contents, buildings, landlord and strata title policies.

Read our [Frequently Asked Questions](#) about flood cover.

### Water and storm cover

All of our home contents, buildings, landlord and strata insurance policies include cover for storm, such as:

- Damage caused by violent winds, cyclone, tornado, thunderstorm, hail, rain or snow
- Sudden, excessive run-off of water as a direct result of a storm in your local area. For example, where a storm causes water to build up in your street gutters

You're also covered for water leaking or escaping from swimming pools, pipes and appliances, such as washing machines or dishwashers.

### Flood cover

We've extended our cover to include other causes of flooding, as a result of:

- Rainfall outside your local area causing a river or creek near you to overflow. For example, when rain falls a distance from your home and as a result a river near you overflows three days later, causing flooding to your home
- Water escaping or being released from a river, lake, stormwater channel, canal or a dam but not the sea

You will also be covered for storm surge if it causes damage at the same time as a flood. Storm surge is an increase in sea level that usually happens when there is an intense storm or cyclone.

[Car Insurance](#) - [CTP Insurance \(Greenslip\)](#) - [Home Insurance](#) - [Travel Insurance](#) - [Motorcycle Insurance](#)  
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# Flood cover in NSW, ACT and Tasmania

## What it means for you

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You will also be covered for storm surge if it causes damage at the same time as a flood. Storm surge is an increase in sea level that usually happens when there is an intense storm or cyclone.

The majority of our customers have a low flood risk. If we've identified that your address is more prone to flooding we give you the choice of removing flood cover and reducing your premium. You can do this at anytime.

Customers who choose not to include flood cover will still be covered for certain other types of water and storm damage.

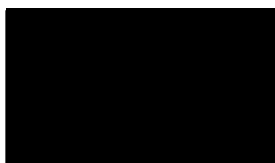
## Need more information?

- Read our [Frequently Asked Questions](#) about flood cover
- Give us a call on **132 132** or visit your nearest NRMA Insurance office
- For full details of our flood cover please refer to the [Product Disclosure Statement and Policy Booklet](#).

NRMA Insurance is a provider of [car insurance](#), [motorcycle insurance](#), [home insurance](#), [business insurance](#), [travel insurance](#), [boat insurance](#) and [caravan insurance](#) in NSW, ACT & TAS. Get your [insurance quotes](#) today. For insurance in other states and territories visit [NRMA Insurance in QLD](#), [SGIO insurance in WA](#) or [SGIC insurance in SA](#). NRMA Insurance is part of the Insurance Australia Group, who also own The Buzz [Car Insurance](#) and [Home Insurance](#).

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23 February 2011



**Insurance Australia Limited**  
ABN 11 000 016 722  
AFS Licence No. 227681  
trading as NRMA Insurance

GPO Box 1162  
Brisbane QLD 4001 Australia  
Telephone 131 123  
Facsimile 07 3135 1470  
nrmaql.com.au



**Date of Loss:** 12/01/2011



Recently you made the above claim for water damage to your home.

Your NRMA Insurance Product Disclosure Statement and Policy Booklet explains what can be claimed under your policy.

Your policy covers loss or damage to your home caused by storm (see page 15 of the Booklet). However your policy does not cover loss or damage caused by flood (see pages 15 & 35 of the Booklet).

As such we needed to determine how your home was damaged and an assessor attended your premises. We also appointed a Hydrologist to determine what caused the water damage to properties.

The Hydrologist concluded the cause of damage to properties was flood.

As such we regret that we are unable to cover your claim.

If you disagree with our decision and wish to request a review of the determination you can contact Customer Relations:

Free Call: 1800 045 517  
Free Fax: 1800 649 290  
Email: [Customer.Relations@iaq.com.au](mailto:Customer.Relations@iaq.com.au)  
Mail: Customer Relations  
Reply Paid 62759  
Sydney NSW 2000  
(Free post, no stamp required)

Customer Relations will treat your complaint as a dispute and assign one of their staff members to review your claim. Customer Relations will contact you with a decision usually within 15 business days of receiving your dispute.

If you are unhappy with the decision made by Customer Relations, you may seek an external review. Customer Relations will provide you with information on external review options, such as referring you to the Financial Ombudsman Service (FOS).

Please note your No Claim Bonus will not be affected.

We collect, use and disclose personal information to administer, investigate and assess this claim. Our Privacy Charter explains how we handle personal information. If you would like a copy, please contact us.

Yours sincerely,

A large black rectangular redaction box covering the signature of the Claims Manager.A black rectangular redaction box covering the name of the Claims Manager.

Claims Manager

FILE COPY

Customer Relations  
Reply Paid 62759  
SYDNEY NSW 2000

9 March 2011

Dear Sir/Madam

Policy No: [REDACTED]  
Claim No: [REDACTED]  
Date of Loss: 12 January 2011

I am writing in relation to my flood claim which has been rejected by letter dated 23 February 2011 by [REDACTED] Claims Manager.

I **enclose** copies of:

- My letter dated 21 February 2011 to NRMA Insurance; and
- [REDACTED] letter to me dated 23 February 2011.

It appears to me that our letters crossed in the mail. That is, that your letter dated 23 February 2011 does not deal with the issues raised in my letter dated 21 February 2011.

I spoke to a person called Matt yesterday, and he indicated to me that I had "a valid point" in relation to my claim that I was misled by the now changed website.

Despite the fact that it appears our letters have crossed, Matt indicated to me by phone that I was to request a review of the determination to this address.

Yours faithfully

[REDACTED]



FILE COPY

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NRMA Insurance  
GPO Box 5730  
BRISBANE QLD 4001

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## Need more information?

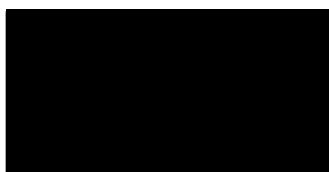
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23 February 2011



Insurance Australia Limited  
ABN 11 600 016 722  
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trading as NRMA Insurance

GPO Box 1162  
Brisbane QLD 4001 Australia  
Telephone 131 123  
Facsimile 07 3135 1470  
nrmaql.com.au

**Policy Number(s):** [REDACTED]  
**Claim Number(s):** [REDACTED]  
**Date of Loss:** 12/01/2011



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Your policy covers loss or damage to your home caused by storm (see page 15 of the Booklet). However your policy does not cover loss or damage caused by flood (see pages 15 & 35 of the Booklet).

As such we needed to determine how your home was damaged and an assessor attended your premises. We also appointed a Hydrologist to determine what caused the water damage to properties.

The Hydrologist concluded the cause of damage to properties was flood.

As such we regret that we are unable to cover your claim.

If you disagree with our decision and wish to request a review of the determination you can contact Customer Relations:

Free Call: 1800 045 517  
Free Fax: 1800 649 290  
Email: [Customer.Relations@iaq.com.au](mailto:Customer.Relations@iaq.com.au)  
Mail: Customer Relations  
Reply Paid 62759  
Sydney NSW 2000  
(Free post, no stamp required)

Customer Relations will treat your complaint as a dispute and assign one of their staff members to review your claim. Customer Relations will contact you with a decision usually within 15 business days of receiving your dispute.

If you are unhappy with the decision made by Customer Relations, you may seek an external review. Customer Relations will provide you with information on external review options, such as referring you to the Financial Ombudsman Service (FOS).

Please note your No Claim Bonus will not be affected.

We collect, use and disclose personal information to administer, investigate and assess this claim. Our Privacy Charter explains how we handle personal information. If you would like a copy, please contact us.

Yours sincerely,

A black rectangular redaction box covering a signature.A black rectangular redaction box covering a name.

Claims Manager



3 May 2011

Insurance Australia Limited  
ABN 11 000 016 722  
AFS Licence No. 227681  
trading as NRMA Insurance

GPO Box 1162  
Brisbane QLD 4001 Australia  
Telephone 131 123  
Facsimile 07 3135 1470  
nrmaqlld.com.au

Dear [REDACTED]

**Our Reference:**

**Site Address:**

We refer to the above claim and your request that this matter be reviewed as part of our internal dispute resolution process.

We have conducted a thorough review of the circumstances of your claim taking into account your concerns together with reports from our assessor, [REDACTED] and an independent hydrology report from WorleyParsons Services Pty Ltd (WorleyParsons).

In your NRMA Home Insurance Building and Contents Product disclosure statement and policy booklet (PDS), under the heading of "**WHAT YOU ARE COVERED FOR**", the policy lists the incidents for which cover is provided. The details of cover are outlined on pages 6 to 17 and while the incident of "Storm" is covered, damage caused by flood is specifically excluded (see pages 15 and 35 of your PDS). Cover for storm includes damage caused by sudden and excessive run off as a result of storms in your local area.

In your case, the expert advice confirms there was no significant rain in your local area at the time of the flooding. Rather, the flooding was caused by rain upstream in the upper catchments west of Brisbane which some time later overflowed the banks of the Brisbane River downstream and caused damage to your home.

Whilst we acknowledge the unfortunate nature of your loss and the difficulties faced as a result of the flooding in Brisbane, your policy excludes damage caused by flood and as a result we must maintain the previous decision not to pay your claim.

To help you understand our decision we have enclosed a copy of the NRMA PDS which sets out the terms and conditions of the cover we provide.

We are also aware that you have previously been provided with a copy of the Worley Parsons report dated 17th February 2011, which sets out the cause of the flooding in the Brisbane area on 12 and 13 January 2011. However, should you require another copy, please contact Customer Relations and we will arrange for this to be sent to you.

Please note our industry body, the Insurance Council of Australia has established a panel of hydrologists to provide public reports on the nature and causes of flooding in various localities across Queensland. You may find some additional information in these reports which are available at <http://www.insurancecouncil.com.au/> refer 'Qld Floods – Hydrology reports'.

We have also considered your concerns about information on the NRMA Insurance website. We note all of our web pages carry a map and notation at the top of each page to identify the relevant state - in this case the pages relate NSW, ACT and Tasmania, not Queensland.

More importantly, the details of your policy coverage including any exclusions are set out in the PDS most recently sent to you. The policy coverage has not changed since that time and, unfortunately, does not include cover for flood.

Please accept this letter as our final decision. Should you not accept this decision, you may wish to pursue this further and your options are now external to NRMA Insurance and include:

- Financial Ombudsman Service  
GPO Box 3,  
Melbourne Victoria 3001  
Ph: 1300 780 808  
[www.fos.org.au](http://www.fos.org.au)

*Please note that this matter must be pursued within 2 years from the date of this letter.*

- Referral to your solicitor and/or other legal avenues.

Thank you for your patience during the review of your claim.

Yours sincerely,

  
Case Manager  
Customer Relations  
