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# OFFICE BEARERS LIABILITY

Office Bearers Liability is not a compulsory cover under the Strata Schemes Management Act, therefore, it's often forgotten about or not seriously considered or only the minimal cover is ever selected.

Realistically, acting as an Office Bearer on behalf of the Executive Committee, whilst voluntary, can have some serious personal implications. Action may be taken against you from decisions made in your capacity as an Office Bearer, for Wrongful Acts including unintended errors, incorrect or misleading statements, breach of duty, failure to act as required, and failure to carry out a duty properly. It does not however provide cover for any intentional, criminal or fraudulent acts, slander, libel or omission.

As a member of an Executive Committee there is an unlimited financial obligation for decisions made (or not made) by you. In short, this means that your own personal assets are at risk of being taken from you if you're found guilty of breaching your duties as an Office Bearer.

It is important to remember that a member of the Executive Committee can also be sued for not taking action on a certain matter. For example, if you, as an Office Bearer, gave approval for a lot owner to install an awning on their balcony, despite council approval not being obtained, then you may be held liable for any fees and costs associated the removal of this awning as a result of a council order. This may be deemed to have been an error made by you, acting in your capacity as an Office Bearer.

## How much Office Bearers cover is enough?

The answer: as much as you can get. A Broker or Strata Manager cannot tell you how much you require. This cover should be discussed at your AGM when you are considering insurances and the decision needs to be made by the Owners Corporation.

If you would like a quote to include Office Bearers Cover on your policy or would like further information, please contact CRM Brokers on 1300 880 494 or crmstrata@crmbrokers.com.au and one of our Account Executives will be more than happy to help.