Employee Relocation Protection

FACTSHEET

WHAT IS EMPLOYEE RELOCATION PROTECTION?

Employee Relocation Protection (ERP) is a cover provided to Seventh-day Adventist Church Organisations (church organisations) and responds when the personal property of nominated employees (employees) is damaged, lost or stolen while being relocated subject to the terms, conditions and exclusions outlined in this factsheet.

The ERP cover is not an insurance policy, rather it is an internal loss fund operated for the benefit of the Seventh-day Adventist Church by Risk Management Service (RMS).

WHEN CAN A CHURCH ORGANISATION NOMINATE AN EMPLOYEE FOR ERP COVER?

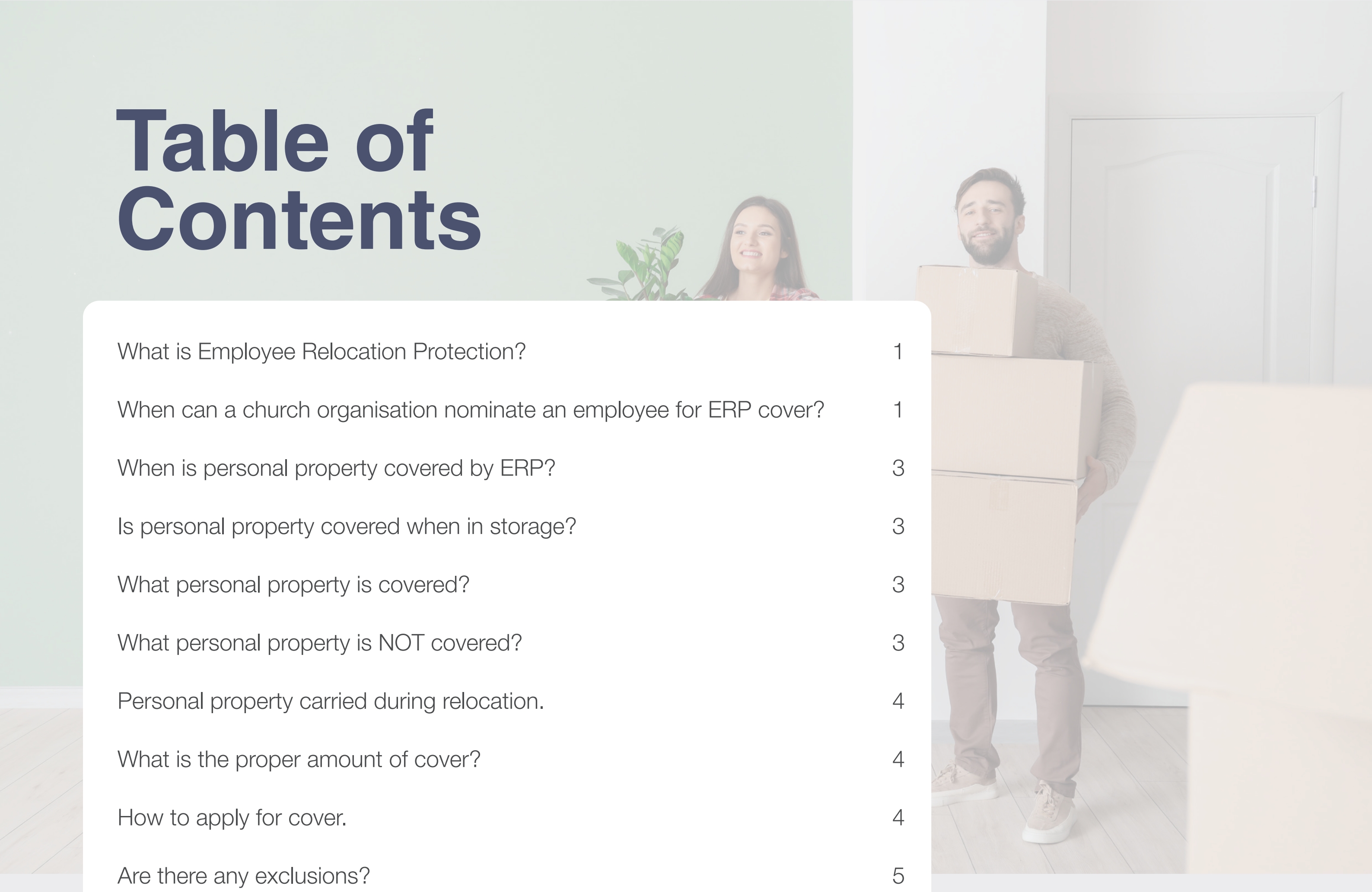
Employees (including new employees) can be nominated for ERP cover by a church organisation if:

- The employee and their property is being moved from one location within the territory of the South Pacific Division to another location also within the territory of the South Pacific Division; and
- The church organisation nominating the employee is responsible for the cost of the ERP cover.

Important: Employees relocating to or from another Division will need to apply for relocation cover through Adventist Risk Management at the General Conference. Please contact RMS for forms and assistance.

RISK MANAGEMENT SERVICE
Est. 1972

Table of Contents



Resource: FERP-003
Release date: 2026 09 24

RISK MANAGEMENT SERVICE
Est. 1972

WHEN IS PERSONAL PROPERTY COVERED BY ERP?

ERP does not permanently cover an employee's personal property.

ERP cover applies from the time packing of the employee's personal property commences at their former place of residence and continues uninterrupted until it is delivered to their new place of residence, subject to the following maximum periods of cover:

- Domestic relocations: 3 months
- International relocations: 6 months

The maximum periods of cover are extended to include any storage cover that RMS agrees to provide - please refer to the "Is personal property covered when in storage" section of this Factsheet.

IS PERSONAL PROPERTY COVERED WHEN IN STORAGE?

ERP covers the personal property of employees while being stored during the relocation provided that storage cover was requested on the ERP application form and approved by RMS.

The maximum period of storage cover is 6-months unless special arrangements are agreed by RMS. International Service Employees from Australia and New Zealand serving in the South Pacific Division island field can request storage cover for their personal property stored in their homeland for the term of their international service.

It is the responsibility of the International Service Employee to request an extension of their storage cover if they extend their term of service.

WHAT PERSONAL PROPERTY <u>IS COVERED</u>?

ERP covers the personal household property belonging to the employee and the employee's spouse and dependent children such as:

- ✓ Furniture, furnishings, carpets & rugs.
- ✓ Electrical items – for example, fridges & washing machines.
- ✓ Home entertainment items – for example, audio, television & computer equipment.
- ✓ Clothing and footwear.
- ✓ Manchester – for example, blankets, linen & towels.
- ✓ Kitchen items – for example, crockery, cutlery, pots & glassware.
- ✓ Toys, craft & hobby items, musical instruments & sporting equipment.
- ✓ Books, CDs, & DVDs.
- ✓ Gardening and handyman tools – for example, lawnmowers & power tools.
- ✓ Special Valuables – but only if properly declared on the ERP application form together with copies of recognised valuation certificates and subject always to approval by RMS. Special valuables include antiques, works of art, curios, items containing silver or gold, collections, oriental carpets & fine art items worth more than AUD$1,000 each.

WHAT PERSONAL PROPERTY IS <u>NOT COVERED</u>?

The following personal property is **not** covered:

- × Accounts, bills, currency, deeds, evidence of debt, money, notes or securities of whatever type.
- × Jewellery and precious stones.
- × Livestock and pets.
- × Motor vehicles, motorcycles/dirtbikes, e-scooters.
- × Bicycles and compliant e-bikes worth more than $1000 per item, <u>unless</u> professionally packaged for airfreight by a bike shop. (Tax invoice must be retained.)
- × Other sporting, gym or recreational equipment worth more than $4000 per item, <u>unless</u> approved by RMS prior to uplift of goods.
- × Pianos, <u>unless</u> moved by a specialist piano removalist.
- × Other musical instruments worth more than $4000 per item, <u>unless</u> approved by RMS prior to uplift of goods.
- × Wine, tobacco and other items inconsistent with the beliefs of the Seventh-day Adventist Church.
- × Goods or articles which are perishable in their own nature or which may deteriorate or perish due to changes in climate, temperature or other ordinary exposure or because of length of time in transit – for example, food & plants.

If an employee requires cover for such excluded items it is their responsibility to arrange and pay for cover.

PERSONAL PROPERTY CARRIED DURING RELOCATION

The ERP cover includes a small amount of cover for personal property actually carried by an employee from their former residence to their new residence such as clothes and other luggage.

This part of the ERP cover is provided under the Employee Effects Travel Protection cover. The terms and conditions of this cover are outlined in the Employee Effects Travel Protection FactSheet which is available from the RMS website or by contacting RMS.

WHAT IS THE PROPER AMOUNT OF COVER?

The employee's personal property should be covered for replacement value - which is the amount it would currently cost to replace each item of property with a new identical or equivalent item.

The South Pacific Division (SPD) determines the maximum amount of ERP cover that a church organisation will pay for. This amount is reviewed on July 1 each year. The current limit can be obtained from the SPD or RMS.

Additional cover in excess of the SPD limit may be provided subject to the agreement of both RMS and the church organisation paying for the cover.

How to apply for cover.

The process of applying for ERP cover involves both the employee and the church organisation responsible for paying the costs of the cover.

NOTE: Pianos MUST be relocated by a specialist piano removalist, please provide these details to RMS if your personal property includes a piano.

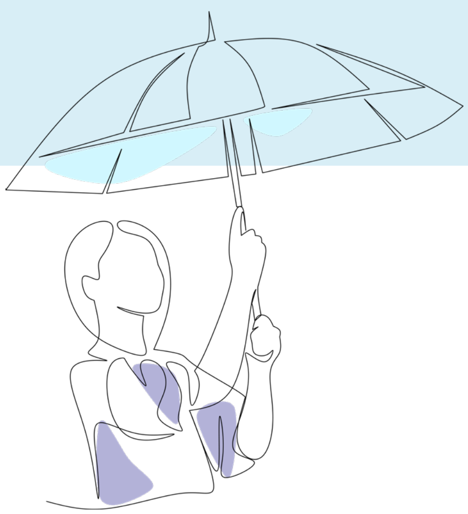
1. COMPLETE THE FORM

The employee must **complete an ERP application form** which includes a **Detailed Schedule of Household Contents**. All eligible personal property being relocated must be listed on the Detailed Schedule of Household Contents.

IMPORTANT: Property not listed on the Detailed Schedule of Household Contents is not covered.

RMS will consider all amounts on the application form (including the Detailed Schedule of Household Contents) to be denominated in AUD$ unless otherwise indicated.

A Microsoft Excel application form can be downloaded from the RMS website.



2. RETURN THE FORM TO THE EMPLOYING ORGANISATION

When complete the employee must send the application form to the church organisation that will be paying for the cover. The church organisation will authorise the application and forward it to RMS.

RMS will place the cover as soon as the authorised form is received providing that:

1. All the required information is provided. Failure to provide all the required information may cause delay in the placement of the cover or may prevent RMS from placing the cover at all.
2. The authorised application form is received before packing of the employee's personal property commences. RMS reserves the right to not provide cover once packing and/or relocation has commenced.

ARE THERE ANY EXCLUSIONS?

There are some exclusions you should be aware of.

Firstly, some types of personal property are not covered by ERP – please refer to the ***"What personal property is covered?"*** and ***"What personal property is not covered?"*** section of this FactSheet for further information.

IN ADDITION, ERP COVER DOES NOT COVER:

1. Damage or loss
   a. directly or indirectly occasioned by war, invasion, civil war, mutiny, insurrection, rebellion, military or usurped power.
   b. resulting from radioactivity arising from the use of nuclear fuels or weapons.
   c. due to wear and tear, gradual deterioration, moth, insects, rodents, vermin, mildew or other deterioration, inherent defect, variations in climatic or atmospheric conditions or extremes of temperature unless such loss or damage would be recoverable under an ordinary policy of fire insurance.
   d. due to confiscation or destruction by customs officials or order of any government or public authority.
   e. recoverable under any insurance or from any other party except to the extent that such recovery falls short of the amount otherwise payable under the ERP cover.
   f. To a special valuable exceeding AUD$1,000 unless a recognised valuation for the special valuable is provided with the ERP application form prior to the commencement of packing of the employees personal property – please refer to the *"What type of personal property is covered?"* and *"What type of property is not covered?"* sections of this FactSheet for further information.
   g. where the total damage or loss is less than AUD$20
2. Mechanical, electrical or electronic derangement except when caused by accidental external means.
3. Re-tuning of musical instruments.
4. Any consequential loss.

HOW TO CANCEL OR MAKE CHANGES TO COVER.

ERP cover can be cancelled or changed as outlined below by providing a written request to RMS.

CANCELLATIONS

Cancellations of cover will be accepted by RMS where packing of the employee's personal property has not commenced. In such circumstances RMS will issue a full refund to the church organisation paying the cost of the ERP cover. All other requests for cancellation of cover will be subject to the discretion of RMS.

CHANGES

Changes to cover will also be accepted by RMS where packing of the employee's personal property has not commenced. If the change varies the cost of the ERP cover RMS will issue an adjusting invoice or credit note to the church organisation paying the cost of the ERP cover (refunds less than AUD$10 will not be issued). All other requests for changes to cover will be subject to the discretion of RMS.

WHAT IS THE COST OF COVER?

The cost of ERP cover for your relocation is carried by your employing organisation. There are three components that make up the cost of ERP cover:

1. Relocation
2. Storage
3. Employee Effects Travel Protection (EETP)

RELOCATION

The cost is calculated as a percentage of the value of the property being covered plus GST if applicable.

The percentage used depends on the type of transit, whether suburban (under 100km), road (over 100km), sea (PNG), sea (other parts of the Pacific).

STORAGE

The cost is calculated as a small percentage of the value of the property being covered per month (or part thereof) plus GST if applicable.

EMPLOYEE EFFECTS TRAVEL PROTECTION

The cost depends on how long cover is required for. Most relocations require cover for less than 15 days.

WHAT TO DO IN THE EVENT OF A LOSS

In the event that property covered by ERP is damaged or lost or an incident occurs that is likely to cause loss, the employee should follow the steps outlined below:

1. NOTIFY RMS IMMEDIATELY

You must notify RMS of the incident immediately via the online Loss Notification Form on our website, providing all available information.

This is important as RMS may refuse to pay for a loss if RMS has not been notified of the loss within six weeks from:

a. The date the property is delivered to the employee's new place of residence or the date the ERP cover for the relocation ceases – whichever is earlier

b. The happening of any event giving rise to a loss

See also the Limitation of Time Clause in the Important Information about ERP Cover section of this Factsheet.

Once RMS is notified of the loss it will be registered in our system and the process of assessing the circumstances and amount of the loss will begin.

2. PREVENT FURTHER LOSS

Take all reasonable precautions to prevent further damage or loss.

3. DO NOT DISPOSE OF DAMAGED PROPERTY

Do not dispose of any damaged property until RMS advises that it is no longer required or assessment of the loss is complete.

4. IF LOSS VALUE EXCEEDS AUD$1500

If the total loss is likely to exceed AUD$1,500:

a. Contact RMS for further instructions; and

b. Immediately write a letter of claim to the carrier or shipping company (or where applicable have the clearing agent do it). This is important as the loss may be recoverable from the carrier or shipping company if the loss is due to their negligence.

5. IF LOSS VALUE IS LESS THAN AUD$1500

If the total loss is expected to be less than AUD$1,500 proceed with repair and/or replacement of damaged/lost items in accordance with the "How much will RMS pay in the event of a loss" section of this FactSheet.

6. PROVIDE DOCUMENTATION

During any loss process, RMS may ask you to provide evidence to support your claim, including but not limited to:

a. Quotes or invoices to substantiate the cost to reinstate the loss suffered. RMS will not normally pay any loss for which quotes or invoices are not provided. If this requirement causes any difficulty please contact RMS for assistance. RMS is normally happy to pay the reasonable cost for a supplier to provide a quote. If in doubt please check with us.

b. Photos that show the damage to the property (if applicable and where possible).

c. A copy of the packing list if available.

d. A copy of the "Bill of Lading" and the "Wharf Receipt" if the personal property was sent by ship.

e. Where applicable, a copy of any letter of claim sent to the carrier or shipping company together with their response (refer to step 4 above).

For large or unusual losses RMS may appoint a third-party loss adjuster to assist with the assessment of the loss.

When the assessment is complete RMS will finalise the loss by issuing payment (where appropriate) or advise the reasons why payment is not being made.

NOTE: If the loss relates to cover provided under the Employee Effects Travel Protection cover please see that FactSheet for loss instructions. For more information please refer to the "Personal property carried during relocation" section of this FactSheet.

HOW MUCH WILL RMS PAY IN THE EVENT OF A LOSS?

In the event that an item of property covered by ERP is damaged or lost the amount that RMS will pay depends on a number of factors outlined below.

The employee may choose to replace, repair or restore the damaged or lost item in a manner suitable to their requirements (such as replacing rather than repairing or purchasing a larger or better replacement), **subject always to the following:**

RMS will pay <u>the lesser</u> of;

1. **Where the item will be replaced or repaired:**
   a. The cost to repair the damaged portion of the item to a condition substantially the same as but not better or more extensive than its condition when acquired; or
   b. The cost to replace the item with a similar item in a condition equal to, but not better or more extensive than, its condition when acquired; or
2. **Where the damage is cosmetic or the item will not be replaced or repaired:**
   a. A reasonable estimate of the reduction in value of the item as a result of the cosmetic damage; or
   b. An amount equal to the value of the item at the time it was damaged or lost (the amount the item could reasonably be sold for on the second-hand market immediately before the damage or loss occurred); or
3. **The amount of cover in place for the damaged or lost item, as shown on the Detailed Schedule of Household Contents that forms part of the ERP Application Form.**

The work of repairing or replacing shall be carried out within a reasonable timeframe. If this does not occur, RMS shall not be responsible for increased costs of repair or replacement caused by the delay.

IMPORTANT

All loss payments are subject to the following conditions:

SETS: In the case of damage or loss to any item or items that are part of a set, the amount payable by RMS shall be a reasonable and fair proportion of the total value of the set, giving consideration to the importance of the item/s, but in no event shall such damage or loss be considered to mean the total loss of value of the complete set.

SPECIAL VALUABLES: In the case of damage to special valuables, RMS reserves the right to pay the loss on a repair costs only basis.

GST: If the employee or a church organisation is entitled to claim an input tax credit for any GST paid when reinstating the loss, RMS will use the GST exclusive cost to determine the amount payable.

SALVAGE VALUE: RMS reserves the right to the salvage value of any damaged items except where the loss is paid by RMS:

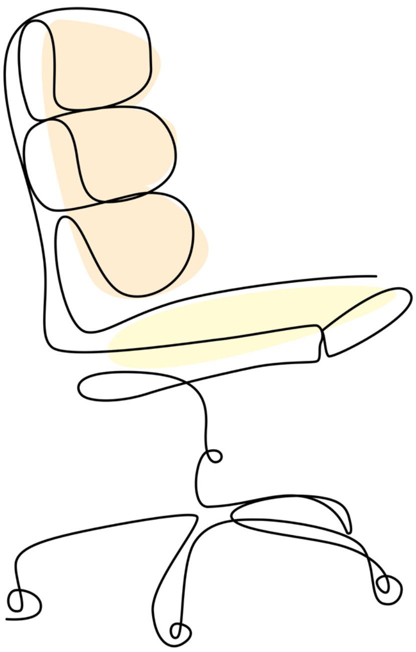
- on a repair costs only basis; or
- as a reasonable reduction in value of the item.

IS THERE AN EXCESS?

No, there is no excess deducted from losses payable under the ERP cover.

PAYMENTS

All payments are sent to the employing organisation who will be responsible for passing on the payment to the employee who has suffered the loss.



IMPORTANT INFORMATION ABOUT ERP COVER

1. The employee and church organisation have a **duty to disclose** to RMS all material facts that they know, or could reasonably be expected to know, that are relevant to RMS's decision whether to provide cover and the terms on which cover may be provided. RMS reserves the right to void cover where relevant information is not disclosed.
2. The employee has a duty of care to, at all times, exercise reasonable care to safeguard their personal property against damage or loss.
3. **Limitation of time clause:** In no case whatsoever shall RMS be responsible for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless a claim is being processed.
4. Under no circumstances shall ERP cover benefit directly or indirectly any carrier or bailee.

CONTACT US FOR MORE INFORMATION:

Phone +61 2 9847 3375
Email info@rms.org.au
Web rms.org.au
Mail Locked Bag 2014
Wahroonga NSW 2076

RISK MANAGEMENT SERVICE
Est. 1972