

Case 13

Type of Insurance: Household

The Complaint

Mr Sin submitted a claim to the insurer under his household policy for damage caused to the wall of the insured premises because of heavy rainstorm on 11 May 2022. As stated in the claim form, rainwater dripped down from the ceiling above the windowsill, causing damage to the wall with paint peeled off.

The insurer noted that the damage was caused by seepage of rainwater but the seepage was not caused by rain through openings to the fabric of the building by direct force of typhoon or windstorm. As the situation fell within the policy exclusion, the insurer refused to entertain Mr Sin's claim.

Findings of the Complaints Panel

It is stated in the "exclusion under Home Contents" section of the policy that "this section does not cover loss or damage directly or indirectly caused by or contributed to by... seepage of water except damage caused by rain through openings made to the fabric of the buildings by direct force of typhoon or windstorm."

The Complaints Panel noted from the weather summary of May 2022 issued by Hong Kong Observatory that the trough of low pressure brought heavy showers and squally thunderstorms to the Pearl River Estuary areas on 11 to 13 May 2022. Locally, more than 300mm of rainfall were generally recorded over the territory. According to the weather summary, neither typhoon nor strong monsoon signal was issued between 11 and 13 May 2022.

Given that only heavy rainfall or rainstorm were recorded during the material time, the Complaints Panel concurred that there was no evidence showing that the incident of water seepage was caused by rain through openings made to the fabric of the buildings by direct force of typhoon or windstorm.

Ruling of the Complaints Panel

The Complaints Panel endorsed the insurer's decision in declining Mr Sin's household claim of nearly HK\$41,000 in accordance with the policy exclusion.

Message from the Complaints Panel

Policy exclusions list out all the losses, perils, situations, conditions or circumstances that are excluded from the policy coverage. The purpose of which is to limit the coverage to only those risks the policies are intended to cover at the agreed premium. If a claim falls within the policy exclusion, the insurer will not be liable to pay the claim.