



Finance expert, David French recalls his family's unfortunate experience with a lithium battery in their family home.

Be sure insurance in order

Leaving the hospital after visiting a client a few weeks ago, I was dismayed to take a call from my wife saying she'd just dealt with a fire in our home. Out on the back deck, she smelled smoke and thinking it was coming from the neighbour's place she went down the side of the house, only to see a lick of flame flash out of the window of our study. All hands on deck, she raced back in and filled a saucepan with water, while yelling instructions to our two sons who luckily, were at home. One called triple-zero, and the other ran downstairs to get the fire extinguisher.

Turns out our youngest son, home for university holidays, was charging lithium-ion batteries for a remote-control car outing. One of the batteries caught on fire, and despite it being in a fire-proof bag, it created a blaze hot enough to melt glass, and cover one quarter of the house in greasy, plastic soot.

We were very, very lucky. According to my wife, another two minutes and the fire, which had already reached the insulation in the ceiling, would have been too big to confront, even with an extinguisher. Despite several douses of water and emptying the powder-based extinguisher, the batteries were still hissing a spluttering when the fire brigade arrived. If no one had been at home we would have most certainly lost the house. Hats off to my brave and

SPEAKING FRENCH

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resourceful family!

We tend to think of house fires as a rarity; something that happens to unlucky or perhaps careless people. But consider my Sunshine Coast based friend and client who some years ago went with friends to a State of Origin match in Brisbane. Calling at 5am in the morning, I thought he was pranking after a big night out. In fact, he was concerned that his home and contents insurance was all in place. It turned out that around 1am, his wife, at home with their three young girls, heard a fire alarm go off. Getting out of bed to investigate, she opened the bedroom door and was greeted by a massive tongue of flame which shot out from one of the air conditioning vents in the ceiling.

Bundling the kids out of their rooms, by the time they reached the back door they were crouching down to avoid the billowing smoke, by now at waist level. Turns out that recently

installed insulation had caught fire, having not been left clear of light fittings.

Or what about my mother-in-law, who preparing for winter turned on the lounge room gas heater to be engulfed in a sea of flame? Evacuated by helicopter to Sydney she spent weeks in Royal North Shore Hospital with major burns. She was dreadfully rattled, but amazingly, survived. Gas had been leaking from the fitting on the wall, and being heavier than air, it pooled on the lounge room floor. It exploded when the heater was turned on.

That I can report three instances involving people close to me makes me think that these sorts of happenings are not at all rare. Just this morning two houses went up in Albert Street, and a week ago, one in Alma Street. Ten days ago or so, a house in Penlington Street suffered extensive damage. Rockhampton in fact, according to the Queensland Fire and Rescue Service, has a higher-than-average incidence of house fires.

There are a few lessons from these experiences. The first is the need to have actually thought about how you might deal with a fire, including an escape plan. We do have a fire blanket at home and afterward my wife said she might have been able to use that rather than using water initially - it just didn't come to mind at the time. The fire extinguisher was

downstairs, when we really should have had one upstairs too - just lucky that my middle son is focussed and speedy! Lithium batteries should not be charged in the house, and you cannot trust the claims made of fire-proof bags.

Insurers are always in the press for supposedly ripping off policy holders, but there is one thing that all of these experiences have in common and that is how professional and proactive the insurers have been (AAMI in our case). Each time they have gotten the process underway quickly, provided alternative accommodation where required and I would say, bordered on generous in terms of having the damage repaired.

Bagging insurance companies is a popular pastime, but regardless of whether the payouts concerned property or personal protection/life policies, I am not aware of any cases where the insurers offered any undue resistance. In fact, looking behind the scenes, it seems to me that problems mainly arise when people buy cheap policies that they don't understand, they choose exclusions that are to their own detriment or they are loose with the truth in making claims and abiding by the terms of the claims. My advice is to make it a priority to make sure your insurances are in order, and to that, you will need a competent insurance adviser.

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