Commercial Strata
Insurance Plan

CHU

Product Disclosure Statement
and Policy Wording

Commercial Strata
Insurance Plan

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QM569 - 0122

Throughout the Policy Wording there are limits of time and value that may apply to coverages. There are also different excess payments that can apply. The below tables show a summary of any of these limits and excesses.
This summary does not include all details of the limits that apply and You must refer to each limit or excess individually for the full details.

Sub-limit ($) table

POLICY SECTION	SUB-LIMIT	WHAT WE'LL PAY
Policy 1 – Insured Property	**Emergency and temporary protection costs** Reasonable cost of temporary protection and safety or emergency repairs to avoid further losses	No more than $7,500
Policy 1 – Insured Property	**Unauthorised use of gas, water and similar charges** The cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water You are required to pay following damage to Your Insured Property admitted under Policy 1	Up to $2,000 in any one Period of Insurance
Policy 1 – Insured Property	**Special Benefits, (1)e. Cost of reletting** When You have leased out Your Lot/Unit or Common Area We will pay reasonable reletting costs if it is made unfit to be occupied for its intended purpose	Up to $1,500 per Lot/Unit or Common Area
Policy 1 – Insured Property	**Special Benefits, (1)f. Meeting room hire** For the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy the meeting room facilities forming part of Your Insured Property	Up to $5,000 for the cost of hiring temporary meeting room facilities
Policy 1 – Insured Property	**Special Benefits, (1)g. Lot Owners contributions and fees** You are required to pay during the period Your Lot/Unit is made unfit to be occupied for its intended purpose due to Damage to Your Insured Property	Up to $2,000 per Lot/Unit, for contributions, levies, maintenance and other fees
Policy 1 – Insured Property	**Special Benefits, (1)i. Lot Owners travel costs** For reasonable travel costs You incur in visiting Your Lot/Unit for the purpose of consulting with claim adjusters and/or building repairers	Up to $250 per Lot/ Unit for reasonable travel costs
Policy 1 – Insured Property	**Special Benefits 2. Emergency accommodation** The reasonable cost of emergency accommodation You necessarily incur if Your Lot/ Unit is made unfit to be occupied for its intended purpose	Up to $2,500 per Lot/Unit for the reasonable cost of emergency accommodation
Policy 1 – Insured Property	**Special Benefits 3. Alternations/additions** When You make alterations, additions or renovations to Your Insured Property during the Period of Insurance	Up to $250,000 for Damage to such alterations, additions or renovations
Policy 1 – Insured Property	**Special Benefits 5. Electricity, gas, water and similar charges – excess costs** For the cost of increased usage, accidental discharge or additional management charges of electricity, gas, sewerage, oil and water You are required to pay following Damage to Insured Property.	Up to $2,000
Policy 1 – Insured Property	**Special Benefits 6. Electricity, gas, water and similar charges – unauthorised use** In any one Period of Insurance for the cost of metered electricity, gas, sewerage, oil and water You are legally required to pay following its unauthorised use	Up to $2,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water
Policy 1 – Insured Property	**Special Benefits 7. Fusion of Motors** Replacing an electric motor forming part of Your Insured Property damaged by Fusion	Up to $5,000 for the cost of repairing or replacing an electric motor
Policy 1 – Insured Property	**Special Benefits 8. Environmental improvements** For the cost of additional environmental improvements not previously installed such as rainwater tanks, solar	Up to $20,000 for the cost of additional environmental improvements
Policy 1 – Insured Property	**Special Benefits 9. Exploratory costs, Replacement of defective parts** • repairing or replacing the defective part or parts of such tanks, apparatus or pipes • rectifying contamination Damage or pollution Damage to land at Your Situation caused by the escape of liquid	• to a limit of $1,000 • to a limit of $1,000
Policy 1 – Insured Property	**Special Benefits 11. Funeral Expenses** For funeral expenses if the Lot Owner, or a family member who permanently resides with the Lot Owner, dies as the direct consequence of Damage to Your Insured Property	Up to $5,000 per Lot/Unit
Policy 1 – Insured Property	**Special Benefits 12. Key, lock replacement** Reasonable costs in re-keying, re-coding locks or replacing locks if keys to Your Insured Property are stolen as a consequence of forcible entry	Up to $5,000

POLICY SECTION	SUB-LIMIT	WHAT WE'LL PAY
Policy 1 – Insured Property	**Special Benefits 13. Landscaping** Reasonable costs You or a Lot Owners incurs in replacing or repairing Damage trees, shrubs, plants , lawns or rockwork at Your Situation lost or damaged by a claimable Event.	The lesser of 1% of Building Sum Insured under Policy 1 or $100,000. For fallen trees or branches that have caused damage to Insured Property, We will pay up to $5,000 for their removal and disposal
Policy 1 – Insured Property	**Special Benefits 14. Modifications** We will pay for modifications to a Lot/Unit if the Lot Owner permanently resides there and becomes a paraplegic or quadriplegic as a direct consequence of Damage to Your Insured Property admitted as a claim.	Up to $25,000 a Lot/Unit
Policy 1 – Insured Property	**Special Benefits 15. Money** Loss of Your money while in the personal custody of an Office Bearer, committee member or of Your Body Corporate Manager/Agent while acting on Your behalf (excluding fraudulent misappropriation, larceny or theft of employees, Lot Owners including family or a proxy of a Lot Owner)	Up to $25,000
Policy 1 – Insured Property	**Special Benefits 16. Mortgage discharge** To discharge any mortgage over Your Insured Property if it becomes a total loss and is not replaced	Up to $5,000
Policy 1 – Insured Property	**Special Benefits 17. Personal property of others** Pay up to indemnity value of other's personal property which is Damaged by an Event admitted as a claim while in Your physical or legal control	Up to $10,000
Policy 1 – Insured Property	**Special Benefits 18. Pets, security dogs** Costs incurred by a Lot Owner occupying a residential Lot/Unit reasonable costs for boarding pets or security dogs if Lot/Unit is rendered unfit for its intended purpose by Damage to Insured Property admitted as a claim	Up to $1,000 a Lot/Unit
Policy 1 – Insured Property	**Special Benefits 20. Damaged Office Records** Reasonable expenditure You incur in collating, preparing, rewriting or reproducing records, books of account, Electronic Data and valuable papers directly related to Your Insured Property which are Damaged by a claimable Event	Up to $50,000
Policy 1 – Insured Property	**Special Benefits 21. Removal, storage costs** Reasonable costs You incur in removing, storing undamaged portion of Your Insured Property and then returning to the Situation following Damage to Your Insured Property that is admitted as a claim	Up to $25,000
Policy 1 – Insured Property	**Special Benefits 22. Removal of squatters** Legal fees You incur to repossess Your Insured Property or a Lot/Unit if squatters are living in it.	Up to $1,000 any one Period of Insurance
Policy 1 – Insured Property	**Special Benefits 23. Title deeds** Reasonable costs to replace Title Deeds to a Lot/Unit or Your Insured Property if Damaged by a claimable Event	Up to $5,000
Policy 1 – Insured Property	**Special Benefits 24. Water removal from basement** Reasonable costs You incur in removing water from basement or undercroft area of Your Insured Property if such inundation is directly caused by Storm or Rainwater	Up to $2,000
Policy 8 – Catastrophe	**Special Benefits** Total amount payable under Policy 8 for Special Benefits 1 to 4	a. Temporary accommodation/rent: 15% b. Escalation in costs: 5% c. Removal storage and cost of evacuation: 5%
Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	**Additional Benefit 1. Record Keeping Audit** Professional Fees You reasonably incur with Our written consent, which We will not unreasonably with withheld in connection with a Record Keeping Audit.	Up to $1,000 in any one Period of Insurance for Professional Fees

Sub-limit (time) table

POLICY SECTION	SUB-LIMIT	TIME LIMIT
Policy 1 – Insured Property	**Special Benefit 1b – Rent** The cost necessarily incurred to abate the Rent of Your Tenant	Not exceeding a maximum of three months
Policy 1 – Insured Property	**Special Benefits, (1)c. Disease, murder and suicide** If You are not permitted to occupy Your Lot/Unit or Common Area by order of the Police, a Public or Statutory Authority, other body, entity or person so empowered by law, due to: • the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like; • a human infectious or contagious disease, except for communicable disease; • murder or suicide; occurring at Your Situation.	Not exceeding a maximum of 30 days
Policy 1 – Insured Property	**Special Benefits, (1)d. Failure of supply services** If Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Policy 1	Provided the failure of services extends for more than 48 hours We will pay from the time of the failure until the time such services are reinstated, or for a period of 30 days
Policy 7 – Machinery Breakdown	**Special Benefit** Where Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose	Breakdown of plant and equipment must extend for more than seven (7) days Liability for Loss of Rent or Temporary Accommodation will be limited to a period not exceeding a maximum of 30 days and up to a maximum of 20% of the amount shown in the Schedule

Excess table

POLICY SECTION	DESCRIPTION OF EXCESS	EXCESS AMOUNT TO PAY
Policy 1 - Insured Property	**Earthquake excess**	$500 during any one period 72 consecutive hours
Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	**Additional Excess** This excess applies to each and every Claim made under Policy 9 Part C	$1,000

Product Disclosure Statement (PDS)

This PDS was prepared on 30 September 2021.

Important Information and Notices

There are two parts to this booklet. The first part is Important Information about this Policy including information about how We will protect Your privacy and how to make a complaint or access Our dispute resolution service.

The second part is Your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because We don't know Your own personal circumstances, You should treat any advice in this booklet as purely general in nature.

It doesn't consider Your objectives, financial situation or needs. You should carefully consider the information provided with regard to Your personal circumstances to decide if it's right for You.

This booklet is also a Product Disclosure Statement (PDS). Other documents You receive may comprise the PDS. You will know when this happens because it will say so in the document.

We may need to update information in this PDS. If We need to do this, We will either send You a new PDS or a supplementary PDS. You can also get a copy of these simply by calling Us.

About QBE

The Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545. QBE Insurance (Australia) Limited is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886. Our purpose is to give people the confidence to achieve their ambitions.

We have authorised the information contained in this PDS.

About CHU

CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070) (CHU) is a specialist strata and community title insurance intermediary and holds an Australian Financial Services licence (AFS Licence No: 243261) to issue and advise on general insurance products. CHUiSAVER Underwriting Agency Pty Ltd (ABN 85 613 645 239, AFSL 491113) trading as Flex Insurance (Flex) is a wholly owned subsidiary of CHU. CHU is a wholly owned subsidiary of Steadfast Group Ltd (ABN 98 073 659 677) ('SGL').

Authority to act on Our behalf

We have given CHU a binding authority to market, underwrite, settle claims and administer this Policy on Our behalf.

Any matters or enquiries You may have should be directed to CHU. The contact details for CHU are shown on the back cover of this document.

Under the terms of this binding authority CHU acts as Our agent, and not Yours, but liability within the terms and conditions of the Policy remains at all times with Us.

For more information or to make a claim

Please contact CHU to make a claim. They also have an after hours Emergency Claims Hotline that You can contact on 1800 022 444. The Claims section at the end of this booklet sets out the full details of what You need to do in the event of a claim.

Claims made and Notified Insurance

Policy 6 – Office Bearers' Legal Liability and Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses of this Policy provides cover on a claims made and notified basis. This means that this Policy only covers claims first made against You during the period this Policy is in force and notified to the Insurer as soon as practicable in writing while the Policy is in force. This Policy may not provide cover for any claims made against You if at any time prior to the commencement of this Policy You became aware of facts which might give rise to those claims being made against You.

Section 40(3) of the *Insurance Contracts Act 1984* (Cth) provides that where You gave notice in writing to the Insurer of facts that might give rise to a claim against You as soon as was reasonably practicable after You became aware of those facts while this Policy is in force, the Insurer cannot refuse to pay a claim which arises out of those facts, when made, because it was made after the expiry of the Policy.

Privacy

In this Privacy Notice, the use of 'We', 'Our' or 'Us' means QBE and CHU unless specified otherwise.

We take the security of Your personal information seriously.

We will collect personal information when You deal with Us, Our agents, other companies in the QBE group or suppliers acting on Our behalf. We use Your personal information so We can do business with You, which includes issuing and administering Our products and services and processing claims. Sometimes We might send Your personal information overseas. The locations We send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom We collect personal information, as well as where We store it and the ways We could use it. To get a copy at no charge by Us please visit qbe.com.au/privacy or contact QBE Customer Care. You can view CHU's Privacy Policy at www.chu.com.au/privacy-policy or obtain a copy by contacting CHU's / Steadfast's Privacy Officer on +61 2 9307 6656 or by writing to PO Box A2016, Sydney South NSW 1235 or email privacyofficer@steadfastagencies.com.au.

It is up to You to decide whether to give Us Your personal information, but without it We might not be able to do business with You, including not paying Your claim.

What You should read

To understand the features, benefits and risks of this insurance and to determine if it is appropriate for You, it is important that You read:

- this Product Disclosure Statement - this information is designed to help You understand this insurance and Your rights and obligations under it;
- the Policy Wording part which commences on page 8. It tells You about:
  - what makes up the insurance i.e. Your contract with Us which We call a Policy;
  - important definitions that set out what We mean by certain words;
  - the cover We can provide (see Policies 1 to 10);
  - what Excesses You may have to pay;
  - when You are not insured (see General exclusions and other

exclusions under Policies 1 to 10);

- what You and We need to do in relation to claims;
- Yours and Our cancellation rights.

- the relevant quote/proposal form You need to complete to apply for cover (if applicable);
- the Schedule when it is issued to You; and
- any other documents We may give You which vary Our standard terms of cover set out in this document.

These documents should be read together carefully. It is important that they are kept in a safe place.

Significant features and benefits

The following provides a summary of the main covers available only. You need to read the Schedule and the Policy Wording for full details of the available cover, terms, definitions, conditions, exclusions and limits that apply to make sure it meets Your expectations. The cover in each Policy is provided only if specified as applicable in Your Schedule.

Policy 1 - Insured Property for Damage to Your Insured Property (Building and Common Area Contents)

We insure You up to the Sum Insured shown in the Schedule for Policy 1 for Damage to Your Insured Property (Building and Common Area Contents) that occurs during the Period of Insurance not otherwise excluded in the Policy.

If Your Sum insured is not exhausted, We will also pay for the costs or fees incurred as a result of Damage to Your Insured Property under Policy 1. Details of the costs and fees We pay are set out under the heading 'Additional Benefits' in Policy 1.

We also provide cover for Special Benefits in addition to Your Sum Insured for Policy 1. Details of the Special Benefits are set out under the heading 'Special Benefits' in Policy 1 of the Policy. The combined total amount We will pay under Special Benefits arising out of any one Event that is admitted as a claim under Policy 1 is limited to the percentage of the Building Sum Insured for Policy 1 as shown in the Schedule or such other percentage as We may agree in writing.

Policy 2 – Liability to Others

We will indemnify You up to the Limit of Liability shown in the Schedule for Policy 2 if You become legally responsible to pay compensation for Personal Injury or Property Damage resulting from an Occurrence in connection with the ownership of Your Common Area and Your Insured Property that happens during the Period of Insurance.

We also pay the costs of defending a claim in connection with a claim under this Policy.

Policy 3 – Voluntary Workers

We pay to a Voluntary Worker, or that person's estate, the corresponding benefits set out in the Table of Benefits in Policy 3 in the event of such Voluntary Worker sustaining bodily injury during the Period of Insurance whilst voluntarily engaged in work on Your behalf and caused accidentally and which, independently of any other cause results in one of the insured events as set out in the Table of Benefits.

Policy 4 – Workers Compensation

If Your Insured Property is situated in Australian Capital Territory, Tasmania or Western Australia, and You select Workers Compensation cover We will insure You for all amounts You become legally liable to pay to Your employees under the Workers Compensation Legislation in the State or Territory in which Your Insured Property is situated.

The cover under Policy 4 does not include claim preparation, costs and fees.

Policy 5 – Fidelity Guarantee

We will indemnify You up to the Sum Insured stated in the Schedule for Policy 5 for the fraudulent misappropriation of Your funds committed during the Period of Insurance.

Policy 6 – Office Bearers' Legal Liability

We will respond to any claim first made against an Office Bearer in respect of legal liability for any claim made against them.

The amount payable in respect of all Claims under this Policy 6 will not exceed the Limit of Liability shown on the Schedule and is inclusive of the claimant's costs and expenses and the Defence Costs incurred by Us during the currency of any one Period of Insurance.

Policy 7 – Machinery Breakdown

We insure You up to the Sum Insured shown in the Schedule for Policy 7 against Insured Damage which occurs during the Period of Insurance and requires repair or Replacement provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time the Insured Damage occurs.

We also provide cover for Additional Benefits following Damage if the Sum Insured is not exhausted. Details of the Additional Benefits are set out under the heading 'Additional Benefits' in Policy 7.

We also provide cover for Special Benefits in addition to Your Sum Insured for Policy 7 – Machinery Breakdown. Details of the Special Benefits are set out under the heading 'Special Benefits' in Policy 7.

Policy 8 – Catastrophe Insurance

We insure You up to the Sum Insured shown in the Schedule for Policy 8 for any increase in the Replacement cost of Your Insured Property following a loss which occurs during the Period of Insurance:

a. due to the happening of an Event for which the Insurance Council of Australia issues a catastrophe code or other Event which occurs no later than 60 days after the Catastrophe; and

b. the Event giving rise to the loss is admitted as a claim under Policy 1 – Insured Property.

Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses

We insure You on a Claims made basis for Parts A, B and C of Policy 9 which means We will respond to Claims first made against You during the Period of Insurance and notified to Us during that Period of Insurance.

Policy 10 – Lot Owners' Fixtures and Improvements

We insure the cost of replacing Lot Owners' Fixtures and Improvements in their Lot/Unit provided that the Sum Insured under Policy 1 is exhausted. Replacement of such installations must be following Damage by any Event that is not otherwise excluded under Policy 1.

Important information You should understand

In addition to the covers summarised above, there are a number of terms, conditions, limits and exclusions contained in the Policy that can affect how or whether a claim is paid under this Policy. You need

to read the PDS, Schedule and the Policy Wording for full details of the available cover, terms, definitions, conditions, exclusions and limits that apply to make sure it meets Your expectations.

Exclusions

The following provides a summary of the main exclusions to cover only. These are examples only. For full details of the exclusions that apply, please read the Policy in full.

For example, We will not pay for any loss, Damage, benefit, legal liability, compensation, or any other loss, costs, fees, charges or expenses of whatsoever kind, arising directly or indirectly from or in any way connected with:

a. any Act of Terrorism where such act is directly or indirectly caused by, contributed to, resulting from, or arising out of or in connection with biological, chemical, or nuclear weapons, pollution or contamination;

b. the actual or alleged use or presence of asbestos;

c. ionising radiation from, or contamination by radio-activity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

Conditions

You must meet certain conditions for Your insurance cover to apply. If You do not comply with the conditions We may refuse to pay a claim in whole or in part. For full details of all the conditions of cover that apply, please read the Policy in full. The following are examples only:

1. Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment if Your claim is accepted.
2. When Your Insured Property is a total loss and We have paid out the total Sum Insured, this insurance ceases. If You rebuild or replace Your Insured Property, this requires a new insurance contract commencing at that time with an applicable Premium.
3. When You first purchase and when You renew Your insurance if You do not pay the amount by the due date, Your Policy may be cancelled and We will write to let You know when this will happen.
4. When renewing Your insurance with Us, You have a duty of disclosure under the *Insurance Contracts Act 1984*.You must advise Us of any changes to Your claims or insurance history that a reasonable person in the circumstances would tell Us. CHU will notify You in writing of any effect a change may have on Your insurance renewal.

The cost of this insurance

The amount that We charge You for this insurance when You first acquire the Policy and when You renew the Policy is called the Premium. In order to calculate Your Premium, We take various factors into consideration, including but not limited to:

- the Sum(s) Insured;
- the address of Your Insured Property;
- Your insurance history;
- the security features of Your Insured Property.

The total cost of the Policy is shown in the Schedule and is made up of Your Premium plus government taxes such as Stamp Duty, GST, any Fire Service Levy (where applicable).

When You apply for this insurance, You will be advised of the Premium. If You choose to effect cover, the amount will be set out in the Schedule.

Paying Your Premium

Various options are available for paying Your Premium including annual payment by credit card, BPAY, EFT and direct deposit.

Other costs, fees and charges

Other costs, fees and charges which may be applicable to the purchase of the Policy include:

Administration Fee

An administration fee is payable by You for each policy issued or renewed, to cover CHU's administration cost of preparing and distributing the Policy. Any administration fee is noted in the Schedule and is not refundable in the event of cancellation, unless the insurance contract is cancelled within the cooling-off period or is a full-term cancellation. For more information on the administration fee please refer to the CHU Financial Services Guide or contact CHU directly.

Refund of Premium

You may cancel the Policy at any time. If You choose to cancel the Policy We will retain a portion of the Premium which relates to the period for which You have been insured. We will refund the residue for the unexpired period less any non-refundable government taxes or charges, provided that no event has occurred where liability arises under the Policy.

Commissions

SGL or CHU may receive a commission payment from Us when the Policy is issued and renewed. For details of the relevant commission paid, please refer to the Financial Services Guide, or contact SGL or CHU directly.

Confirming transactions

You may contact CHU in either writing, email or by phone to confirm any transaction under Your insurance if You do not already have the required insurance confirmation details.

Sending You documents

We may send letters, policy and other related documents to You. If We email them to You, We'll consider the email to be received by You 24 hours after We send it.

Please make sure We have Your current email and mailing address on record and let Us know as soon as these change.

How to make a claim

Please contact CHU to make a claim. They also have an After Hours Emergency Claims Hotline that You can contact on 1800 022 444.

You should advise them as soon as reasonably practicable of an incident which could lead to a claim. Having the required documentation and possibly photographs of the items will assist in having Your claim assessed and settled. When You make a claim We require You to:

- provide details of the incident and when requested complete the claim form We send You;
- subject to reasonable notice and at a reasonable time that suits You and Us, allow Us or Our appointed representative to inspect

Your Insured Property and take possession of any damaged item(s) if reasonable and required;

- take all reasonable steps to reduce the damage or loss and prevent further loss or damage;
- inform the police as soon as reasonably practicable following theft, vandalism, malicious damage or misappropriation of money or property; and
- where practical and reasonable not dispose of any damaged items without first seeking Our approval; and
- not get repairs done, except for essential temporary repairs, and where reasonable We seek Your cooperation in selecting the repairer or supplier.

These are only some of the things that You must do if making a claim. Please refer to the Claims Conditions section which sets out claims information and what You must do if making a claim.

Cooling off period

If You change Your mind about Your Policy and haven't made a claim, You can cancel it within 21 days of the start or renewal date and We'll give You a full refund. If You cancel Your Policy in these circumstances, You will have no cover under the Policy.

To cancel Your Policy within the cooling off period, contact Us in writing or by email.

This cooling off right does not apply if You have made or are entitled to make a claim.

Cancellation

You may cancel the Policy at any time by notifying Us in writing. We may cancel the Policy where We are entitled to by law.

Further details about cancellation are shown in the General Conditions.

General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. The aims of the Code are fully supported by CHU. You can read the Code at codeofpractice.com.au

We recognise that family and domestic violence is a complex issue and We take it seriously. For more information about support, Our Family and Domestic Violence Customer Support Policy is available at qbe.com/au and at chu.com.au

Complaints

We're here to help. If You're unhappy with any of Our products or services, or the service or conduct of any of Our suppliers, please let Us know and We'll do Our best to put things right.

Step 1 – Talk to Us

Your first step is to get in touch with the team looking after Your Policy, direct debit, or claim. You'll find their contact details on Your policy documents, letters, or emails from uUs. Please provide our team with as much information as possible so they can try to fix the problem quickly and fairly.

For additional assistance in lodging a complaint, please refer to https://www.chu.com.au/resource/complaints-and-disputes/

Step 2 – Customer Relations

If Your complaint isn't resolved by the team looking after Your Policy, direct debit, or Claim, You can ask them to refer Your complaint on to our Internal Dispute Resolution Team. An Internal Dispute Resolution Specialist will review Your complaint independently and provide You with our final decision.

You can also contact the Internal Dispute Resolutions Team directly:

Phone:	1300 361 263
Email:	complaints@chu.com.au
Post:	PO Box 500, North Sydney NSW 2059 or Level 33, 101 Miller Street, North Sydney NSW 2060

Step 3 – Still not resolved?

If we're unable to resolve Your complaint to Your satisfaction within a reasonable time, or You're not happy with our final decision, You can refer Your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We are a member of AFCA and their decisions are binding on Us.

Phone:	1800 931 678
Email:	info@afca.org.au
Post:	GPO Box 3, Melbourne VIC 3001

AFCA will inform You if Your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit afca.org.au

More information

You can find more information about how We deal with complaints on our website at www.chu.com.au/resource/complaints-and-disputes/ or You can call Us on 1300 361 263 to speak with Us or request a copy of our complaints brochure at no cost.

Complaints just about privacy

You can view CHU's Privacy Policy at www.chu.com.au or obtain a copy by contacting CHU's / Steadfast's Privacy Officer on

Phone:	+61 2 9307 6656
Email:	privacyofficer@steadfastagencies.com.au
Post:	PO Box A2016, Sydney South NSW 1235

Request for Information

You may request copies of information We have relied upon to arrive at Our decision(s) in the complaint handling process. In some instances, We may not release the information as requested and You may request a review of Our decision not to release such information. We will comply with Code requirements regarding providing information You request.

Contact CHU

Phone:	1300 361 263
Email:	info@chu.com.au

Financial Claims Scheme

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if You meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

How to contact APRA

Phone:	1300 558 849 (Phone calls from mobiles, public telephones or hotel rooms may attract additional charges).
Online	www.apra.gov.au/financial-claims-scheme-general-insurers

Monetary limits on the cover

We can insure You up to the amount of the Sum Insured or Limit of Liability or other specified limits for Your Insured Property. These amounts are specified in the specific Policies of the Policy Wording or in the Schedule.

You need to decide if the relevant Sum(s) Insured and Limit(s) of Liability are appropriate for You. If You do not adequately insure Yourself You may have to bear the uninsured proportion of any loss Yourself.

You should also advise CHU of any changes in the details of the information You have given Us, otherwise Your insurance may not be sufficient. Changes might include alterations to Your Insured Property.

Payment of Excesses

The Excess is the amount You must contribute towards the cost of any claim You make.

Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment if Your Claim is accepted.

The amount of Excess payable by You is shown in the Policy or in the Schedule.

GST Implications

The Policy has provisions relating to Goods and Services Tax (GST). Please see General Conditions. In summary:

a. the amount of Premium payable by You for this Policy includes an amount on account of the GST on the Premium (including any additional fees that may be charged by CHU;

b. the Sum Insured and other limits of insurance cover shown in Your Policy documentation are GST inclusive. When We pay a claim, Your GST status will determine the maximum amount We pay You.

There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend that You seek professional advice.

Policy Wording

Our Agreement

The agreement between You and Us consists of:

a. the PDS and Policy Wording;

b. the Schedule; and

c. any Endorsement(s).

The cover under this Policy is provided during the Period of Insurance, once You have paid Us Your Premium. There are also:

- Conditions and exclusions which apply to specific covers or sections;
- General exclusions, which apply to any claim You make under this Policy;
- General conditions, which set out Your responsibilities under this Policy;
- Claims conditions, which set out Our rights and Your responsibilities when You make a claim; and
- Other terms, which set out how this Policy operates.

Excesses

Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment.

The Excess(es) which You have to pay are set out in this Policy Wording or on Your Policy Schedule.

How much We will pay

The most We will pay for a claim is the Sum Insured shown on Your Schedule which applies to the cover or section You're claiming under, less any Excess.

General Definitions

The words listed below have been given a specific meaning in this Policy Wording and these specific meanings apply when the words begin with a capital letter. Other words may have special meanings for particular Policies. These words will be defined in those Policies.

Act of Terrorism

means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

a. involves violence against one or more persons; or

b. involves Damage to property; or

c. endangers life other than that of the person committing the action; or

d. creates a risk to health or safety of the public or a section of the public; or

e. is designed to interfere with or to disrupt an electronic system.

Body Corporate

means the owner(s) of Your Insured Property and Common Area incorporated under the Strata Legislation where Your Insured Property and Common Area is situated.

Body Corporate Manager/Agent

means a person or other entity appointed in writing by Your Body Corporate with delegated functions including the authority to act as an Office Bearer in terms of the Strata Legislation applying where Your Insured Property is situated.

Common Area

means the area at Your Situation that is not part of any Lot/Unit. Where the Stata Legislation refers to Common Property, Common Property has the same meaning as Common Area.

Communicable Disease

means:

a. Rabies;

b. Cholera;

c. Highly Pathogenic Avian Influenza;

d. Any disease determined by the World Health Organisation to be a Public Health Emergency of International Concern (PHEIC);

e. Any disease determined to be a 'listed human disease', or any disease in respect of which a 'biosecurity emergency' or 'human biosecurity emergency' is declared, under the *Biosecurity Act 2015* (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation. A reference to Listed Human Disease shall have the meaning found in any replacement definition, in any amendment, re-enactment or successor legislation.

Computer System

means any computer, hardware, information technology and communications system or electronic device, including any similar system or any configuration of the aforementioned and including any associated input, output or Electronic Data storage device, networking equipment or back up facility.

Cyber Incident

means:

a. Unauthorised or malicious acts and/or the threat of unauthorised or malicious acts, regardless of time or place;

b. Malware or Similar Mechanism;

c. Programming or operator error, whether by the insured or any other person or persons;

d. Any unintentional or unplanned outage, wholly or partially, of the insured's Computer System not directly caused by physical loss or Damage;

affecting access to, processing of, use of or operation of any Computer System or any Electronic Data by any person or group(s) of persons.

Damage, Damaged

means any partial or total accidental physical loss of, or destruction of property from any sudden and accidental cause not otherwise excluded by this Policy.

Earth Movement
means heavage, landslide, land-slippage, mudslide, settling, shrinkage, subsidence or collapse.

Electronic Data
means any facts, concepts and/or information converted to a form usable for communications, interpretation and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs, software and/or other coded instructions for the processing and manipulation of data and/or the direction and/or manipulation of such equipment.

Endorsement
means a written alteration to the terms, conditions and limitations of this Policy which is shown in the Schedule.

Erosion
means being worn or washed away by water, ice or wind.

Event, Events
means a happening or an incident not intended to happen which occurs during a particular interval of time and causes or results in Damage or series of Damage happening from that one Event, that is claimable under this Policy.

Excess
means the amount You must pay or contribute towards a claim. The amount of any Excess is shown in the Policy or in the Schedule.

Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment.

Floating Floors
means laminated, veneered or similar type flooring not fastened to the sub-floor but held in position by its own weight with or without skirting at perimeter walls.

Flood
means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

a. a lake (whether or not it has been altered or modified);
b. a river (whether or not it has been altered or modified);
c. a creek (whether or not it has been altered or modified);
d. another natural watercourse (whether or not it has been altered or modified);
e. a reservoir;
f. a canal;
g. a dam.

Fusion
means the process of fusing or melting together the windings of an electric motor following Damage to the insulating material as a result of overheating caused by electric current.

Indemnity Value
means the cost to rebuild, replace or repair property to a condition which is equivalent to or substantially the same as but not better nor more extensive than its condition at the time of loss taking into consideration age, condition and remaining useful life. We will take reasonable steps in determining the indemnity value and will provide You with details of Our calculation if requested by You.

Insured Property

a. Building:

means building or buildings as defined in the Strata Legislation applying where Your Building is situated, including:

i. outbuildings;
ii. fixtures and structural improvements (including floating floors), gates and fences;
iii. in-ground swimming pools and spas;
iv. marinas, wharves, jetties, docks, pontoons, swimming platforms, or similar type facilities (whether fixed or floating) which are used for non-commercial purposes and which do not provide fuel distribution facilities, unless We are advised and otherwise agree in writing;
v. satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
vi. underground and overhead services; vii Stratum Lot or Volumetric Lot;

that You own or have legal responsibility for at, in or adjacent to Your Situation.

b. Common Area Contents:

means:

i. furniture, furnishings, household goods, light fittings, internal blinds, curtains, fire extinguishers and the like;
ii. built-in or freestanding appliances such as dishwashers, washing machines and dryers, other electrical items;
iii. carpets (whether fixed or unfixed), floor rugs;
iv. swimming pools or spas that are not in-ground;
v. swimming pool or spa covers and accessories;
vi. wheelchairs, garden equipment including lawn mowers, golf carts, golf buggies or other similar type items but only if such item is not required to be registered;

that You own or have legal responsibility for:

- at, in or adjacent to Your Situation, or
- temporarily removed elsewhere in Australia including transit to and from Your Situation.

Building and Common Area Contents do not include:

- aircraft, caravans, trailers, Vehicles (other than garden appliances not required to be registered), hovercraft and Watercraft including their accessories or spare parts whether fitted or not;
- livestock, fish, birds or other animals;
- Lot Owners' Contents and any other personal property of theirs;
- money, other than as covered under Special Benefit 15 – Money of Policy 1 – Insured Property;
- plants, hedges, trees, shrubs, gravel, shale, stones, clay or soil on paths or driveways or tennis courts, soil or bark or mulch in gardens other than as covered under Special Benefit 13 – Landscaping of Policy 1 – Insured Property; and

- temporary wall, floor and ceiling coverings within a Lot/Unit, and mobile or fixed air-conditioning units servicing an individual Lot/Unit (if Your Situation is in Queensland).

Where anything in this definition of 'Insured Property' is contrary to the Strata Legislation applying where Your Building is situated the requirements of that Act will apply.

Land Value
means the sum certified by the Valuer General as being the value of the land at the Situation after due allowance has been made for variations or other special circumstances affecting such value either before or after the Damage and which would have affected the value had Damage not occurred.

Limit of Liability
means the applicable Limit of Liability specified in the Schedule or as determined by the Policy where such limits are described for Policy 2 – Liability to Others and Policy 6 – Office Bearers' Legal Liability.

Lot/Unit
means an area shown on a plan as a lot or unit in the Strata Legislation applying where Your Insured Property is situated.

Lot Owner
means a person, persons or other entity registered as a proprietor or owner of an estate in fee simple in a Lot/Unit in Your Building in terms of the Strata Legislation applying where Your Insured Property is situated.

Lot Owners' Contents
means (but not so as to limit the generality thereof):

a. built-in or freestanding appliances such as dishwashers, washing machines and dryers;

b. computers, electronic and electrical equipment, garden equipment;

c. Lot Owners' business and personal effects, furniture, furnishings, carpets, and floor rugs.

Malware or Similar Mechanism
means any program code, programming instruction or other set of instructions intentionally constructed with the ability to Damage, interfere with or otherwise adversely affect computer programs, data files or operations (whether involving self-replication or not), including but not limited to a virus, trojan horse, worm, logic bomb or denial of service attack.

Members
means and is limited to the interest of proprietors, Members, Lot Owners or Shareholders in respect of the ownership of Your Insured Property as defined in the Strata Legislation applying where Your Insured Property is situated. Unless otherwise specifically provided by this Policy, the Proprietors', Lot Owners' or Shareholders' interest or liability as an owner and/or occupier of a Lot/Unit is not included.

Period of Insurance
means the period for which You are insured. It commences at the time We agree to give You insurance and finishes at 4pm on the day of expiry. The expiry date is shown in the Schedule.

Policy
means this Product Disclosure Statement and Policy Wording, the Schedule and any Endorsements issued to You which form Your insurance contract with Us.

Premium
means any amount We require You to pay under the Policy and includes, any state and federal government taxes (including GST) as applicable.

Rainwater
means the rain which falls naturally from the sky. It includes Rainwater run-off over the surface of the land.

Rent
means, as regards to any Lot/Unit or part of Your Common Area leased to a Tenant, an amount of money in accordance with the commercial tenancy agreement that applied immediately prior to Damage.

Replacement
means:

a. the reasonable cost of rebuilding, replacing or repairing to a condition which is equivalent to or substantially the same as but not better nor more extensive than when it was new; and

b. the extra costs necessarily incurred to alter or upgrade Your Insured Property to comply with public, statutory or Environmental Protection Authority requirements, but does not include:

i. any costs that would have been incurred in complying with orders issued prior to the happening of the loss;

ii. any extra costs to alter or upgrade any portion of Your undamaged Insured Property if the cost to rebuild, replace or repair the Damaged portion is less than 25% of what the cost would have been had Your Insured Property been totally destroyed.

Schedule
means the most recent current attachment to the Policy that specifies the Situation, those Policies and benefits that are in force and the details of the Sum(s) Insured or Limit(s) of Liability and includes any one or more of the following:

a. the Policy Schedule;

b. the renewal notice You have paid;

c. the Endorsement(s) sent to You.

Senior Counsel
means a barrister in active practice who is entitled to use the post-nominals QC or SC in any one or more superior courts in Australia or New Zealand.

Situation
means the land at the address(es) shown in the Schedule where Your Insured Property is situated.

Storm
means a violent wind sometimes combined with thunder, heavy falls of rain, hail or snow.

Storm Surge
means the abnormal rise of the sea caused by storm's winds pushing the ocean surface onshore and/or reduced atmospheric pressure.

Storm Surge does not include predicted astronomical tides.

Strata Legislation
means the respective State Legislation applying where Your Building is situated and includes (but is not limited to) the following Acts or similar legislation:

- **a.** *Strata Schemes Management Act 2015* (NSW)
- **b.** *Strata Scheme Development Act 2015* (NSW)
- **c.** *Owners Corporation Act 2006* (VIC)
- **d.** *Community Title Act 2001* (ACT)
- **e.** *Strata Titles Act 1998* (TAS)
- **f.** *Body Corporate and Community Management Act 1997* (QLD)
- **g.** *Strata Titles Act 1985* (WA)
- **h.** *Strata Titles Act 1988* (SA)
- **i.** *Unit Titles Scheme Act 2009* (NT)

Stratum or Volumetric Lot
means an area or lot forming part of the Building required to form part of this insurance Policy excluding a Lot /Unit.

Stratum Lot or Volumetric Lot only extends to Policy 1 and Policy 8.

Stratum Lot Owner or Volumetric Lot Owner
means a person, persons or other entity registered as a proprietor or owner of a Stratum Lot or Volumetric Lot in Your Building as named in the Schedule.

Sum Insured
means the amount shown in the Schedule as the Sum Insured corresponding to the cover selected for Policy 1 – Insured Property, Policy 3 – Voluntary Workers, Policy 4 – Workers Compensation, Policy 5 – Fidelity Guarantee, Policy 7 – Machinery Breakdown and Policy 8 – Catastrophe Insurance, Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses and Policy 10 – Lot Owners' Fixtures and Improvements.

Temporary Accommodation
means, as regards to any Lot/Unit occupied by the Lot Owner, an amount of money calculated on the basis of the annual rentable value (including any 'outgoings' that would have been payable by a Tenant or lessee) that would have applied immediately prior to the Damage.

Tenant
means any person authorised under the terms of a lease, rental or similar type agreement who occupies a Lot/Unit including any other co-inhabitant or family normally resident with that person.

Tsunami
means a sea or ocean wave caused by an earthquake, earth tremor or seismological disturbance under the sea.

Vehicle, Vehicles
means:

- **a.** any type of machine on wheels or self-laid tracks made or intended to be propelled by other than manual or animal power and any trailers or other attachments made or intended to be drawn by any of those machines; and
- **b.** which is or should be registered and/or insured under legislation in the State or Territory of Australia in which it is being used.

Voluntary Worker
means a person engaged solely in work or duties on behalf of the Body Corporate without promise of reward or remuneration, other than an honorarium for duties associated with the position of an Office Bearer.

Voluntary Worker does not mean employees, contractors or any person who receives a payment, reward or remuneration (other than provided herein) for their services.

Watercraft
means any vessel, craft or thing made or intended to float on or in or travel through water.

Wear and Tear
means Damage or a reduction in value through age, ordinary use or lack of maintenance.

We, Our, Us, the Insurer
means QBE Insurance (Australia) Limited ABN 78 003 191 035.

You, Your, Yours
means:

- **a. in respect of Policies 1, 8, and 10:**

  the Body Corporate, Corporation, Owners Corporation, Plan or Company named on the Schedule including:

  i. the interest therein of Members;

  ii. Lot Owners in respect of Special Benefits 1, 2, 11, 13, 18, 22 and 23 of Policy 1 – Insured Property;

  iii. Lot Owners in respect of Special Benefits 1, 2 and 4 of Policy 8 – Catastrophe Insurance.

- **b. in respect of Policy 2 – Liability to Others:**

  the Body Corporate, Corporation, Owners Corporation, Plan or Company named in the Schedule including:

  i. the interest therein of Members;

  ii. the organisers of recreational activities in respect of item 5 of Policy 2;

  iii. a Voluntary Worker whilst engaged solely in work or duties on behalf of the Body Corporate, Corporation, Owners Corporation, Plan or Company named in the Schedule, but excludes Office Bearers whilst acting in that capacity.

- **c.** in respect of Policy 3 – Voluntary Workers:

  a Voluntary Worker whilst engaged solely in work or duties on behalf of the Body Corporate, Corporation, Owners Corporation, Plan or Company named on the Schedule.

- **d.** in respect of Policies 4, 5, 7, and 9:

  the Body Corporate, Corporation, Owners Corporation, Plan or Company named on the Schedule.

e. in respect of Policy 6 – Office Bearers' Legal Liability:

the past, present or future Office Bearers or committee members of the Body Corporate, Corporation, Owners Corporation, Plan or Directors of the Company, including those persons':

i. estate, heirs, legal representative or assigns;

ii. legal representative or assigns if he/she is incompetent, insolvent or bankrupt;

but does not include a Body Corporate Manager/Agent or any other contracted person(s), firm or company when acting in their professional capacity.

General Conditions

These General Conditions apply to all Policies. In addition to these General Conditions, each Policy will be subject to specific conditions.

If any of the General Conditions or specific conditions applicable to each Policy are not met We may refuse a claim, reduce the amount We pay or in some circumstances We may cancel the Policy. Any person covered by the Policy or claiming under it must also comply with these conditions.

1. Acts or omissions of Your Body Corporate Manager/Agent

We will not deny liability for a claim, or reduce the amount thereof, if Our right of denial or reduction is solely caused by an act, error or omission of Your Body Corporate Manager/Agent while acting on Your behalf.

2. Alteration of risk

In accordance with Your duty of disclosure under the *Insurance Contracts Act 1984*, You must promptly advise Us of any changes in the details of the information You have given Us, or if the nature of the occupation or other circumstances affecting Your Insured Property is changed in such a way as to increase the risk of Damage or the likelihood of liability losses.

If You do not do so We may not be liable for any loss, Damage or liability caused or contributed to by any such change or alteration.

3. Cancellation - how Your Policy may be cancelled Cancellation by You

You may cancel this Policy at any time by telling Us in writing. We will retain a portion of Premium which relates to the period for which You have been insured together with any non-refundable government taxes, administration fees or charges.

Cancellation by Us

We may cancel this Policy at any time as allowed by law by notifying You in writing of the date from which cancellation is to take effect. Notification will be delivered to the address last notified to Us and cancellation will take effect no earlier than 4.00pm on the date set out in the cancellation notice unless the Policy was in force by virtue of Section 58 of the *Insurance Contracts Act 1984* (Cth), whereby the cancellation will take effect from the fourteenth business day after the day on which notice was given to You.

4. Goods and Services Tax – how it affects any payments We make

The amount of Premium payable by You for this Policy includes an amount on account of the Goods and Services Tax (GST) on the Premium.

When We pay a claim, Your GST status will determine the amount We pay. When You are:

a. not registered for GST We will pay up to the Sum Insured, Limit of Liability or other Policy limit including GST.

b. registered for GST:

i. and We settle direct with the builder, repairer or supplier We will pay up to the Sum Insured, Limit of Liability or other Policy limit including GST; or

ii. when We settle direct with You We will pay up to the Sum Insured, Limit of Liability or other Policy limit and

iii. where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim We will pay for the GST amount but We will reduce the GST amount We pay by the amount of any Input Tax Credits to which You are or would be entitled.

In these circumstances, the Input Tax Credit may be claimable through Your Business Activity Statement (BAS).

You must advise Us of Your correct Australian Business Number & Taxable Percentage. Any GST liability arising from Your incorrect advice is payable by You.

Where the settlement of Your claim is less than the Sum Insured or the other limits of insurance cover, We will only pay an amount for GST (less Your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover Your loss, We will only pay the GST relating to Our settlement of the claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and related legislation as amended from time to time. Taxable Percentage is Your entitlement to an Input Tax Credit on Your Premium as a percentage of the total GST on that Premium.

There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend that You seek professional advice.

5. Joint insureds

When there is more than one insured on Your Policy, We may treat each as a separate and distinct party. The words You, Your, Yours may apply to each party in the same manner as if a separate Policy had been issued to each party, provided Our liability for any Sum Insured, Limit of Liability or other Policy limit for any one Event or Occurrence is not thereby increased. We may treat what any one insured says or does in relation to Your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel Your Policy or tell Us where a claim payment should be paid. Any act, breach or non- compliance with the terms and conditions of this Policy committed by any one such party shall not be prejudicial to the rights and entitlements of the other insured party(ies), provided that the other insured party(ies) upon becoming aware of any such act, breach or non-compliance which increases the risk of loss, damage or liability give Us written notice within a reasonable time.

6. Excess

You must pay or contribute the amount of any Excess shown in the Policy or in the Schedule for each claim made. Payment of any Excess

shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment

With the exception of an earthquake excess, as shown below, should more than one Excess be payable for any claim arising from the one Event, such Excesses will not be aggregated and the highest single level of Excess only will apply.

You have to pay or contribute in relation to earthquake or seismological disturbance $500 in total of the cost of loss or Damage which occurs during any one period of 72 consecutive hours.

7. Reinstatement of Sum Insured

After We have admitted liability for a claim We will automatically reinstate the Sum Insured and/or Special Benefit limits to their pre-loss amount without any additional Premium having to be paid.

This condition does not apply:

- **a.** when We pay a total loss;
- **b.** when We pay the full Sum Insured;
- **c.** to Policy 6 – Office Bearers' Legal Liability
- **d.** to Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses;
- **e.** to Special Benefits 6 and 22 of Policy 1 – Insured Property.

8. Governing law and jurisdiction

This Policy is governed by the laws of the State or Territory of Australia in which this Policy is issued. Any dispute relating to this Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which this Policy was issued.

9. Subrogation, recovery action & uninsured loss

We may at any time in consultation with You, at Our expense and in Your name, use all legal means available to You of securing reimbursement for loss or Damage arising under Your Policy. In the event We do so, You agree to give all reasonable assistance for that purpose.

If You have suffered loss that was not covered by the Policy as a result of the incident, We may offer to attempt to recover this. You may also specifically ask Us to recover this for You.

You will need to give Us documents supporting Your loss. Before We include any uninsured loss in the recovery action We will also ask You to agree to the basis on which We will handle Your recovery action Where required and within reason, You may need to contribute to legal costs in some circumstances.

10. Related Claims

For the purposes of applying any Excess or Limit of Liability, all loss otherwise recoverable under this Policy resulting from or in connection with:

- **a.** one and the same act error or omission; or
- **b.** a series of acts, errors or omissions arising out of or attributable to the same originating cause, or source;

will be deemed to be one claim.

11. Severability/Non-imputation/Innocent Non-disclosure

Where this Policy insures more than one party, where one party:

- **a.** failed to comply with the duty of disclosure; or
- **b.** made a misrepresentation to Us before the Policy was entered into;

this shall not prejudice the right of any other insured person to indemnity as may be provided by this Policy provided that:

i. You were not aware of the failure or misrepresentation;

ii. as soon as is reasonably practicable upon becoming aware of any such conduct, You advise Us in writing of all known facts in relation to such conduct; and

iii. the conduct of the principals, partners and directors of the Insured are imputed to the Insured.

General Exclusions

These General Exclusions apply to all Policies. In addition to these General Exclusions, each Policy will be subject to specific Exclusions.

We will not pay for any loss, Damage, benefit, legal liability, compensation, or any other loss, costs, fees, charges or expenses of whatsoever kind, arising directly or indirectly from or in any way connected with:

1. Act of Terrorism

Death, injury, illness, loss, damage, liability, cost or expense directly or indirectly caused by contributed to, resulting from or arising out of, or in connection with any:

- **a.** Act of Terrorism, regardless of any other cause or event contributing concurrently or in any sequence to the loss;
- **b.** action in controlling, preventing, suppressing, retaliating against, or responding to any Act of Terrorism.

2. Asbestos

liability to pay for personal injury or property damage caused by or arising directly or indirectly out of or in connection with the actual or alleged use or presence of asbestos.

3. Electronic Data

losses or Damage to Electronic Data, except as provided for by Special Benefit 20 - Damaged Office Records, under Policy 1.

4. Intentional Damage

any deliberate or intentional Damage or liability or omission caused or incurred by You or by any person acting with Your express or implied consent.

5. Nuclear

ionising radiation from, or contamination by radio-activity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

6. War, expropriation

war or warlike activities including invasion, act of a foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, looting, sacking or pillage following any of these, or the expropriation of property.

7. Sanctions limitation and exclusion clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose

Us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

8. Communicable diseases

We will not pay for any loss, Damage, liability, claim, cost or expense of any nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease, regardless of any other contributing cause or event.

9. Cyber Incident

We will not pay for any loss, Damage, liability, claim, cost or expense directly or indirectly caused by, contributed by, resulting from, arising out of or in connection with any Cyber Incident.

10. Laws impacting cover

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is illegal for Us to do so.

Claims Conditions

1. What You must do

As soon as You discover that an Event likely to result in a claim has occurred, You must:

- **a.** take all reasonable steps to reduce the Damage and to prevent any further Damage;
- **b.** report the incident to the police as soon as reasonably practicable following theft, vandalism, malicious damage or misappropriation of money or property and provide details of the report to Us. We may need the police report number to process Your claim or Our recovery action if there is a third party who is liable for Your loss.

2. What You must not do

Whatever the circumstances You must not:

- **a.** admit guilt or fault (except in court or to the police);
- **b.** offer or negotiate to pay a claim;
- **c.** admit or deny liability;
- **d.** dispose of any damaged items without first seeking Our approval. If You do then We will reduce Our liability to the extent of any prejudice caused by Your acts.

3. How to make a claim

When You make a claim You may be required to:

- **a.** promptly inform CHU by telephone, in writing or in person.

  You may have to contribute towards Your claim if Your notification is outside of a reasonable timeframe and results in higher costs for Us or harms Our investigation opportunities. We will reduce Our liability to the extent of any prejudice caused by Your delayed notification;
- **b.** provide details of the Event and when requested complete and return Our claim form as soon as reasonably practicable together with all relevant letters, documents, valuations, receipts or evidence of ownership that You have been asked to provide;
- **c.** provide written statements under oath if We reasonably require it;
- **d.** be interviewed about the circumstances of the claim;
- **e.** allow Us to inspect Your Insured Property and take possession of any damaged item if reasonable and required and to deal with it in a reasonable way;
- f. provide Us as soon as reasonably practicable with every notice or communication received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the Event.

4. Claim preparation costs and fees

We will pay up to $30,000 for the reasonable costs and fees You necessarily incur with Our written consent, which We will not unreasonably withhold, in the preparation of a claim under this Policy.

Claims Condition 4 - Claim preparation costs and fees does not apply to Policy 4 - Workers Compensation and Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses.

5. Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 2 of Policy 1. You are not authorised to commence repairs without Our approval which We will not unreasonably withhold.

6. Repairs or Replacement

We have the right to nominate the repairer or supplier to be used and where reasonable and appropriate We will seek Your cooperation in selecting the repairer or supplier. Unless We otherwise advise in writing, if after We have assessed Your claim, You are required to enter into a contract with a third party to replace or reinstate Damaged Insured Property that We have agreed to pay, where reasonable depending on the claims circumstance You may need to enter into that agreement with the third party as Our agent.

7. You must assist Us

Where reasonable You must:

- a. comply with all the requirements of this Policy; and
- b. give Us all relevant information and assistance which We reasonably require in relation to the claim and any proceedings.

8. False or misleading information

We may deny part or all of Your claim if You are not truthful and frank in any statement You make in connection with a claim or if a claim is fraudulent or false in any respect.

We may also report any suspected fraudulent act to the police for further investigation.

9. Salvage value

We are entitled to any salvage value on recovered items and Damaged items that have been replaced.

10. Contribution and other insurance

When making a claim, You must notify Us of any other insurance that You're aware will or may, whether in who or in part, cover any loss insured under Your Policy.

If at the time of any loss, damage or liability there's any other insurance (whether issued to You or any other person) which covers the same loss, damage or liability You must provide Us with any reasonable assistance We require to make a claim for contribution

from any other insurer(s) subject to *Insurance Contracts Act 1984* (CTH)..

11. Preventing Our right of recovery

If You've agreed with or told someone who caused You loss, damage or liability covered by Your Policy that You won't hold them responsible then, to the extent We've been prejudiced by this act, We won't cover You for that loss, damage or liability.

12. References to legislation

Legislation referenced in this Policy includes subsequent legislation. Any term used in this Policy and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation.

'Subsequent legislation' means:

- an act or regulation as amended, replaced or re-enacted;
- where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

Policy 1 - Insured Property

What We insure

If selected and shown in the Schedule, We will insure You up to the Sum Insured shown for Policy 1 in the Schedule against Damage to Your Insured Property which occurs during the Period of Insurance.

Additional Benefits

When Your Sum Insured under Policy 1 is not otherwise expended We will pay the following incurred as a result of Damage to Your Insured Property that is admitted as a claim under Policy 1 for:

1. Architects' and professional fees, removal of debris

a. the cost of architects' fees, surveyors' fees and other professional fees;

b. the cost of removal, storage and/or disposal of debris, being the residue of Your Damaged Insured Property (including debris required to be removed from adjoining or adjacent public or private land), Damaged Lot Owners' and occupiers' Contents and of anything which caused the Damage;

c. the cost of dismantling, demolishing, shoring up, propping, underpinning, or other temporary repairs;

d. the cost of demolition and disposal of any undamaged portion of Your Insured Property including undamaged foundations and footings in accordance with a demolition order issued by a public or statutory authority;

that You necessarily incur in the Replacement of Your Insured Property.

2. Emergency and temporary protection costs

reasonable cost of temporary protection and safety or emergency repairs in pursuance of Your duty to minimise insured loss and avoid further losses.

We will not pay more than $7,500 for this Additional Benefit unless You first obtain Our written consent prior to You incurring costs in excess of this amount, which will not unreasonably be withheld.

3. Government fees, contributions or imposts

fees, contributions or imposts required to be paid to any public or statutory authority to obtain their authority to rebuild, repair or replace Your Insured Property, but We will not pay for any fine or penalty imposed by any such authority.

4. Legal fees

legal fees You necessarily incur in making submissions and/or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts.

5. Emergency services

Damage to Your Insured Property caused by emergency services such as police, fire brigade, ambulance or others acting under their control, in gaining access to Your Insured Property in the lawful pursuit of their duty.

6. Lot/Unit Internal wall coverings or paint

Where the Strata Legislation excludes paint and wallpaper within Lot Owners' Lots/Units from the definition of Building, and Your Sum Insured under Policy 1 is not otherwise expended in respect of any one Event We will pay for the cost of repainting or re-wallpapering the internal walls or ceilings of a Lot/Unit at Your Situation if they are Damaged by an Event claimable under Policy 1. Our liability under this Additional Benefit is limited to the room, hallway or passageway where the Damage occurs.

Special Benefits

The following Special Benefits are included in addition to Your Sum Insured for Policy 1.

1. Temporary Accommodation / Rent / contributions / storage

a. Temporary Accommodation

When You occupy Your Lot/Unit We will pay the reasonable cost of Temporary Accommodation You necessarily incur if Your Lot/Unit is made unfit to be occupied for its intended purpose due to:

i. Damage to Your Insured Property that is admitted as a claim under Policy 1 ; or

ii. reasonable access to or occupancy of Your Lot/Unit being prevented by Damage from an Event claimable under Policy 1 happening to other property in the immediate vicinity.

We will pay:

- under Clause a.i. from the time of the Event until the time You reoccupy Your Lot/Unit following completion of rebuilding, repairs or replacement; and
- under Clause a.ii. from the time of the Event until the time when access to Your Lot/Unit is re-established.

b. Rent

When You have leased out or can substantiate by means of a signed agreement that You would have leased out Your Lot/Unit or Common Area We will pay the actual Rent You lose or would have lost if Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose due to:

i. Damage to Your Insured Property that is admitted as a claim under Policy 1; or

ii. reasonable access to or occupancy of Your Lot/Unit or Common Area being prevented by Damage from an Event claimable under Policy 1 happening to other property in the immediate vicinity;

iii. disruption to Your Tenants' occupancy of Your Lot/Unit or Common Area that is made partially unfit to be occupied for its intended purpose.

We will pay:

- under Clause b.i. from the time of the Event until the time Your Lot/Unit or Common Area is relet following completion of rebuilding, repairs or Replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant; and
- under Clause b.ii. from the time of the Event until the time when access to Your Lot/Unit or Common Area is re-established;
- under Clause b. iii, the cost You necessarily incur to abate the Rent of Your Tenant during this disruption from the time of the Event until the time when this disruption has ceased but in all not exceeding a maximum of three months.

c. Disease, murder and suicide

We will pay for:

i. the cost of Temporary Accommodation You necessarily incur;

ii. the actual Rent You lose;

if You are not permitted to occupy Your Lot/Unit or Common Area by order of the police, a public or statutory authority, other body, entity or person so empowered by law, due to:

- the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like;
- a human infectious or contagious disease, except for Communicable Disease;
- murder or suicide;

occurring at Your Situation.

We will pay from the time the order is invoked until the time the order is revoked, or for a period of 30 days, whichever first occurs.

d. Failure of supply services

We will pay for:

i. the cost of Temporary Accommodation You necessarily incur;

ii. the actual Rent You lose;

if Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Policy 1 happening to property belonging to or under the control of any such supply authority, provided the failure of services extends for more than 48 hours We will pay from the time of the failure until the time such services are reinstated, or for a period of 30 days, whichever first occurs.

e. Cost of reletting

When You have leased out Your Lot/Unit or Common Area We will pay reasonable reletting costs up to $1,500 a Lot/Unit or Common Area if it is made unfit to be occupied for its intended purpose due to:

i. Damage to Your Insured Property that that is admitted as a claim under Policy 1; and

ii. Your Tenant at the time of the Event subsequently advises they will not be reoccupying the Lot/Unit or Common Area they previously leased.

f. Meeting room hire

We will pay up to $5,000 for the cost of hiring temporary meeting room facilities for the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy the meeting room facilities forming part of Your Insured Property due to Damage to Your Insured Property that is admitted as a claim under Policy 1.

We will pay from the time of the Event until the time when access to Your meeting room facilities are re-established.

g. Lot Owners' contributions and fees

We will pay, up to $2,000 per Lot/Unit, for contributions, levies, maintenance and other fees You are required to pay during the period Your Lot/Unit is made unfit to be occupied for its intended purpose due to Damage to Your Insured Property that is admitted as a claim under Policy 1.

h. Lot Owners' removal and storage costs

We will pay the reasonable costs You necessarily incur in:

i. removing undamaged Lot Owners' Contents to the nearest place of safe keeping;

ii. storing undamaged Lot Owners' Contents at that place or an equivalent alternate place;

iii. returning undamaged Lot Owners' Contents to Your Situation when occupancy of their Lot/Unit is permitted;

iv. insuring undamaged Lot Owners' Contents during such removal, storage and return;

following Damage to Your Insured Property that is admitted as a claim under Policy 1 that renders the Lot/Unit unfit to be occupied for its intended purpose.

i. Lot Owners' travel costs

When You have leased out Your Lot/Unit We will, if Your Lot/Unit is made unfit to be occupied for its intended purpose due to Damage to Your Insured Property that is admitted as a claim under Policy 1, We will pay up to $250 per Lot/ Unit for reasonable travel costs You incur in visiting Your Lot/Unit for the purpose of consulting with claim adjusters and/or building repairers.

We will not pay unless You first obtain Our consent to incur such travel costs, which will not unreasonably be withheld.

The combined total amount We will pay under Special Benefit 1 - Temporary Accommodation / rent / contributions / storage - a. to i. arising out of any one Event that is admitted as a claim under Policy 1 is limited to the percentage of the Building Sum Insured for Policy 1 as shown in the Schedule or such other percentage as We may agree in writing.

2. Emergency accommodation

When You occupy Your Lot/Unit for residential purposes We will pay up to $2,500 a Lot/Unit for the reasonable cost of emergency accommodation You necessarily incur if Your Lot/Unit is made unfit to be occupied for its intended purpose due to:

a. Damage to Your Insured Property that is admitted as a claim under Policy 1; or

b. reasonable access to or occupancy of Your Lot/Unit being prevented by Damage from an Event claimable under Policy 1 happening to other property in the immediate vicinity.

3. Alterations/additions

When You make alterations, additions or renovations to Your Insured Property during the Period of Insurance We will during the construction period pay up to $250,000 for Damage to such alterations, additions or renovations by an Event claimable under Policy 1 provided:

a. the value of such work does not exceed that amount; or

b. You notify Us and We otherwise agree in writing before the commencement of such work;

but We will not pay if, under the terms and conditions of the contract You have signed with the builder, contractor or similar entity, such party is required to effect cover under a Contract Works or similar insurance policy that insures material Damage.

4. Arson reward

We will pay a total reward of up to $10,000 for information (irrespective of the number of people supplying information) which leads to a conviction for arson, theft, vandalism or malicious Damage provided such Damage to Your Insured Property is claimable under Policy 1. We will pay the reward to the person or persons providing such relevant information or in such other manner as We may reasonably decide.

5. Electricity, gas, water and similar charges – excess costs

We will pay up to $2,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water You are required to pay following Damage to Your Insured Property that is admitted as a claim under Policy 1.

6. Electricity, gas, water and similar charges – unauthorised use

We will pay up to $2,000 any one Period of Insurance for the cost of metered electricity, gas, sewerage, oil and water You are legally required to pay following its unauthorised use by any person taking possession or occupying Your Insured Property without Your consent.

We will not pay unless all practical steps are taken to terminate such unauthorised use as soon as reasonably practicable after You become aware of it.

7. Fusion of motors

We will pay up to $5,000 for the cost of repairing or replacing an electric motor forming part of Your Insured Property Damaged by Fusion.

If the motor forms part of a sealed unit We will also pay for the cost of replacing gas.

If the motor in a sealed unit cannot be repaired or replaced because of the unit's inability to use a different type of refrigerant (a new gas as required by regulation) or parts are no longer available then We will only pay the cost that would have been incurred in replacing with an equivalent modern day appliance. If an equivalent modern day appliance is not available, then one as close as possibly equivalent will be the basis of any claim.

We will not pay for:

- **a.** motors under a guarantee or warranty or maintenance agreement;
- **b.** other parts of any electrical appliance nor for any software;
- **c.** lighting or heating elements, fuses, protective devices or switches;
- **d.** contact at which sparking or arcing occurs in ordinary working.

How We will settle Your Fusion claim

If Your Claim is accepted, We will settle Your claim by repairing or replacing the Insured Property or paying for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Damage. We will not pay for the cost of any alterations, additions, improvements, modifications or overhauls.

Where components or manufacturers' specifications are no longer available due to obsolescence, the basis of settlement will be the cost of providing alternative suitable components equal to but not better or more extensive than the original component being substituted.

8. Environmental improvements

If Damage to Your Insured Property is admitted as a claim under Policy 1 and the cost to rebuild, replace or repair the Damaged portion is more than 25% of what the cost would have been had Your Insured Property been totally destroyed We will, in addition to the cost of environmental improvements claimable under Policy 1, also pay up to $20,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

9. Exploratory costs, Replacement of defective parts

We will pay for the reasonable exploratory costs You necessarily incur in locating the source of bursting, leaking, discharging or overflowing of tanks, apparatus or pipes used to hold or carry liquid of any kind.

We will also pay for reasonable costs incurred in:

- **a.** repairing the area of Your Insured Property Damaged by such exploratory work;
- **b.** repairing or replacing the defective part or parts of such tanks, apparatus or pipes, to a limit of $1,000;
- **c.** rectifying contamination Damage or pollution Damage to land at Your Situation caused by the escape of liquid, to a limit of $1,000.

We will not pay for any of these costs if the bursting, leaking, discharging or overflowing is caused by a building defect, building movement, faulty workmanship, rust, oxidation, corrosion, Wear and Tear, gradual corrosion, gradual deterioration, Earth Movement or by trees, plants or their roots.

10. Fire extinguishing

We will pay for the reasonable costs and expenses You necessarily incur in:

- **a.** extinguishing a fire at Your Situation, or in the vicinity of Your Situation and threatening to involve Your Insured Property or for the purpose of preventing or diminishing Damage including the costs to gain access to any property;
- **b.** replenishing fire fighting appliances, replacing used sprinkler heads, and resetting fire, smoke and security alarm systems;
- **c.** shutting off the supply of water or any other substance following the accidental discharge or escape of such substances from fire protective equipment.

11. Funeral expenses

When a Lot/Unit is occupied by the Lot Owner We will pay up to $5,000 a Lot/Unit for funeral expenses if the Lot Owner, or a family member who permanently resides with the Lot Owner, dies as the direct consequence of Damage to Your Insured Property that is admitted as a claim under Policy 1.

12. Keys, lock replacement

We will pay up to $5,000 for the reasonable costs You necessarily incur in:

a. re-keying or re-coding locks together with replacement keys; or

b. replacing locks with locks of a similar type and quality if they cannot be re-keyed or re-coded;

if the keys to Your Insured Property are stolen as a consequence of forcible entry into or out of:

i. any building forming part of such property;

ii. the premises of a keyholder; or

iii. during the hold-up of a person who normally has the keys in their possession.

We will not pay if there are reasonable grounds to believe the keys or codes have been stolen or duplicated by any occupant or previous occupant of Your Insured Property, or by their family or friends.

13. Landscaping

We will pay the lesser of 1% of the Building Sum Insured under Policy 1 or $100,000, for the reasonable costs You or a Lot Owner necessarily

incur in replacing or repairing Damaged trees, shrubs, plants, lawns or rockwork at Your Situation lost or Damaged by an Event claimable under Policy 1.

For fallen trees or branches that have caused Damage to Your Insured Property, We will pay up to $5,000 for the reasonable professional costs You necessarily incur for their removal and disposal.

We will not pay for removal or disposal of trees or branches that have fallen and not Damaged Your Insured Property.

14. Modifications

When a Lot/Unit is occupied by the Lot Owner We will pay up to $25,000 a Lot/Unit for modifications to that Lot/Unit if the Lot Owner is physically injured and becomes a paraplegic or quadriplegic as the direct consequence of Damage to Your Insured Property that is admitted as a claim under Policy 1.

This Benefit only applies if the paraplegia or quadriplegia has continued for a period of not less than six months from the date of the Event and is substantiated by a legally qualified medical practitioner.

15. Money

We will pay up to $25,000 for loss of Your money while in the personal custody of an Office Bearer or committee member of Yours, or of Your Body Corporate Manager/Agent while acting on Your behalf.

We will not pay for fraudulent misappropriation, larceny or theft or any attempt thereat by:

a. any person in Your employment;
b. a Lot Owner, including any family member permanently residing with them; or
c. a proxy of a Lot Owner.

16. Mortgage discharge

We will pay up to $5,000 to discharge any mortgage over Your Insured Property if it becomes a total loss, is not replaced and We have paid the Sum Insured payable under Policy 1.

17. Personal property of others

We will pay up to $10,000 for the Indemnity Value of personal property of others (including employees) which is Damaged by an Event claimable under Policy 1 while in Your physical or legal control.

18. Pets, security dogs

When a Lot/Unit is occupied solely for residential purposes, We will pay up to $1,000 a Lot/Unit for the reasonable costs You necessarily incur for boarding pets or security dogs if the Lot/Unit is rendered unfit for its intended purpose by Damage to Your Insured Property that is admitted as a claim under Policy 1 and Temporary Accommodation does not allow pets or security dogs.

19. Purchaser's interest

We will cover a purchaser's insurable interest in Your Insured Property, in accordance with the terms and conditions of Policy 1 and in accordance with the *Insurance Contracts Act 1984*, when the purchaser has signed an agreement to buy part of or all of such property.

20. Damaged office records

We will pay up to $50,000 for the reasonable expenditure You necessarily incur in collating information, preparing, rewriting or reproducing records, books of account, Electronic Data and valuable papers directly related to Your Insured Property which are Damaged by an Event claimable under Policy 1, while anywhere in Australia.

21. Removal, storage costs

We will pay up to $25,000 for the reasonable costs You necessarily incur in:

a. removing any undamaged portion of Your Insured Property to the nearest place of safe keeping;
b. storing such undamaged portion at that place or an equivalent alternate place;
c. returning such undamaged portion to the Situation when restoration work is completed;
d. insuring Your undamaged Insured Property during such removal, storage and return;

following Damage to Your Insured Property that is admitted as a claim under Policy 1.

22. Removal of squatters

We will pay up to $1,000 any one Period of Insurance for legal fees You necessarily incur to repossess Your Insured Property or a Lot/Unit if squatters are living in it.

We will not pay unless You first obtain Our consent to incur such legal fees which We will not unreasonably withhold.

23. Title deeds

We will pay up to $5,000 for the reasonable costs You necessarily incur in replacing Title Deeds to a Lot/Unit or Your Insured Property if Damaged by an Event claimable under Policy 1, while anywhere in Australia.

24. Water removal from basement

We will pay up to $2,000 for the reasonable costs You necessarily incur in removing water from the basement or undercroft area of Your Insured Property if such inundation is directly caused by Storm or Rainwater.

We will not pay if the inundation is caused by any other Event that is not claimable under Policy 1.

Exclusions

1. We will not pay for Damage caused by or arising directly or indirectly from:

a. Storm or Rainwater to retaining walls;
b. lack of maintenance, rust, oxidation, corrosion, mould, Wear and Tear, fading, concrete or brick cancer, developing flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain Your Insured Property in a reasonably good state of repair. This includes when the Damage to the Insured Property is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;
c. overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.

However We will pay if the Damage is due to:

i. Fusion of electric motors as covered under Special Benefit 7;
ii. lightning;
iii. power surge when such Event is confirmed by the supply authority; or
iv. resulting fire Damage;

d. any action of the sea, high water or high tide or tidal wave. However We will pay if the Damage is due to Tsunami;

e. Storm Surge;

f. vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, Erosion or Earth Movement. However We will pay if the Damage is due to:

i. earthquake or seismological disturbance, Tsunami, explosion, physical impact by aircraft;

ii. bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus;

g. underground (hydrostatic) water; however We will pay if the Damage is due to bursting, leaking or overflowing of water tanks, pipes, or drains;

h. the invasion of tree or plant roots nor for the cost of clearing pipes or drains blocked by any such invasion. However We will pay for water or liquid Damage resulting from blocked pipes or drains;

i. inherent defect or latent defect;

j. vermin, mice, rats, termites, insects, mildew, or by pecking, biting, chewing or scratching by birds or animals. However We will pay if any of these causes directly result in Damage from any other Event claimable under Policy 1 – Insured Property such as fire or glass breakage;

k. the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds;

l. water in swimming pools, spas or water tanks;

m. normal settling, creeping, heaving, seepage, shrinkage, or expansion in buildings, foundations/footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements;

n. smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);

o. any process involving the application of heat being applied directly to any part of Your Insured Property. However We will pay if any other part of Your Insured Property is Damaged or destroyed by fire.

2. We will not pay for Damage to:

a. glass caused by artificial heat, during installation or removal, which has a crack or imperfection, or is required to be insured by any other party in terms of an occupancy agreement;

b. carpets and other floor coverings resulting from staining, fading or fraying. However We will pay if the Damage directly results from any other Event claimable under Policy 1;

c. boilers (other than boilers used for domestic purposes), economisers or pressure vessels and their contents resulting from the explosion thereof;

d. Your Insured Property if it is vacant and undergoing demolition unless Our written consent to continue cover has been obtained before the commencement of demolition which will not unreasonably be withheld;

e. Your Insured Property directly resulting from construction, erection, alteration or addition where the value of such work exceeds $500,000 unless Our written consent to continue cover has been obtained, which will not unreasonably be withheld, before the commencement of such work. However We will pay for Damage which results from any other Event claimable under Policy 1.

3. We will not pay for:

a. demolition ordered by any public or statutory authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your Insured Property;

b. Damage caused by non-rectification of an Insured Property defect, error or omission that You were aware of, or should reasonably have been aware of;

c. the cost of rectifying faulty or defective materials or faulty or defective workmanship, design or specification;

d. consequential loss, including but not limited to any:

i. loss of use;

ii. loss of contract;

iii. loss of profit/revenue;

iv. loss of opportunity;

v. loss of goodwill and/or reputational Damage; or

vi. special damages;

other than specifically provided under an operative Additional Benefit or Special Benefit.

e. Wear and Tear.

4. We will not pay for Damage caused by Flood

Claims - how We will settle Your claim

1. Rebuilding, replacement or repair

If Your Insured Property is Damaged and Your claim is accepted, after consulting with You, We will either rebuild, replace, repair or pay the amount it would cost to rebuild, replace or repair.

The amount We pay under Policy 1 will be the cost of Replacement at the time of Replacement subject to the following provisions:

a. the necessary work of rebuilding, replacing or repairing (which may be carried out upon another site or in any manner suitable to Your requirements provided Our liability is not increased), must be commenced and carried out without unreasonable delay;

b. where Your Insured Property contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available We will use the nearest equivalent available to the original materials;

c. if it is lawful, and with Our prior written consent, which will not unreasonably be withheld, You will not be required to actually rebuild any building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed.

Such Replacement will be deemed to constitute Replacement for the purpose of this insurance provided Our liability is not increased;

d. if You cause unreasonable delays in commencing or carrying out Replacement, We will not pay any extra costs that result from that delay;

e. when We wish to rebuild, replace or repair and You do not want this to occur and submit a claim for cash settlement in lieu, We will only pay Indemnity Value which means We will:

i reduce the amount payable after due consideration of age and condition of the property at the time of loss, We will ensure any reduction of the amount payable is fair and reasonable;

ii not pay in excess of Indemnity Value of Your Insured Property; and

iii seek release from further liability under this Policy.

We will not pay under Policy 1 as part of the cost of Replacement for the cost to:

i. rebuild or replace Your undamaged Insured Property;

ii. rebuild, replace or repair illegal installations.

2. Undamaged part of Insured Property, foundations and footings

If Your Insured Property is Damaged and any Public or Statutory Authority requires replacement to be carried out on another site We will pay for the value of any undamaged part of Your Insured

Property, including foundations and footings, as though they had been destroyed.

If the sale value of the original Situation with such undamaged part is greater than without them We will deduct the amount of such difference from any settlement otherwise payable by Us.

3. Floor space ratio

If Your Insured Property is Damaged and Replacement is limited or restricted by any public or statutory authority requirement which results in the reduction of the floor space ratio index, We will pay:

a. the difference between:

i. the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; and

ii. the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied;

alternatively We will pay:

b.

i. the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; plus

ii. the cost of purchasing an existing building or part thereof equivalent in size to the area by which the floor space ratio index has been reduced; or

iii. the cost of purchasing a block of land and the cost of Replacement thereon of Insured Property equivalent in size to the area by which the floor space ratio index has been reduced;

provided that Our liability does not exceed the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied

4. Land Value

We will pay the difference between Land Value before and after Damage if any public or statutory authority refuses to allow Your Insured Property to be replaced or only allows partial Replacement, less any sum paid by way of compensation by any such authority.

5. Electronic data

We will pay the cost of reasonable and necessary expenses incurred to recreate, gather or assemble lost or Damaged Electronic Data, but not the value of the Electronic Data to You or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

Special Provisions

1. Under Clauses 2., 3. and 4. above, Our liability is limited to the extent to which the Sum Insured for Policy 1 is not otherwise expended.

2. Under Clauses 2. and 4. above, if there are any differences relating to value these may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be final and binding.

Policy 2 – Liability to Others

What We insure

If selected and shown in the Schedule, We will insure You up to the Limit of Liability shown in the Schedule for Policy 2, if You become legally responsible to pay compensation for Personal Injury or Property Damage resulting from an Occurrence that happens during the Period of Insurance in connection with the ownership of Your Common Area and Insured Property.

In addition to the Limit of Liability shown in the Schedule for Policy 2 – Liability to Others We will pay:

a. all legal costs and expenses incurred by Us;
b. reasonable cost of legal representation You necessarily incur with Our written consent, which We will not unreasonably withhold, at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under Policy 2;
c. other reasonable expenses You necessarily incur that We have agreed to reimburse; and
d. all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment;

For the avoidance of doubt, We agree to insure You up to the Limit of Liability specified in the Schedule for Policy 2 for:

1. Bridges, roadways, kerbing, footpaths, services

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from bridges, roadways, kerbing, footpaths, underground and overhead services You own at the Situation.

2. Car park liability

compensation You become legally responsible to pay for Personal Injury or Property Damage to Vehicles in Your physical or legal control where such Property Damage occurs in a car park You own at the Situation.

We will not pay if the Vehicle is owned or being used by You or is being used on Your behalf.

3. Fertiliser, pesticide, herbicide application

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from the application of any fertiliser, pesticide or herbicide to Insured Property.

We will not pay:

a. unless the fertiliser, pesticide or herbicide has been applied in conformity with any public or statutory authority requirement or, in the absence of any such requirement, in conformity with the manufacturer's recommendations;
b. for Damage to Insured Property, or its improvements including gardens and lawns, to which the fertiliser, pesticide or herbicide was being applied.

4. Hiring out of sporting and recreational facilities

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from the hiring out of sporting or recreational facilities (such as but not limited to tennis courts or swimming pools) owned by You.

5. Recreational activities

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from recreational or social activities arranged for and on behalf of Lot Owners and occupiers of Lots/Units.

6. Services

compensation You become legally responsible to pay for Personal Injury or Property Damage arising out of the service or services You provide for the benefit, general use and enjoyment of Lot Owners and occupiers of Lots/Units at Your Situation.

Services includes local council requirements for contractors (e.g. garbage) to enter Your Insured Property to perform related services.

We will not pay for any act of negligence of any council contractors on their part.

7. Watercraft

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from any Watercraft (not exceeding eight (8) metres in length) owned by You, in Your possession or physical or legal control.

We will not pay if any such item is or should have been insured under legislation of the State or Territory of Australia in which it is being used.

8. Wheelchairs, garden equipment, other vehicles

compensation You become legally responsible to pay for Personal Injury or Property Damage arising from any wheelchair, garden equipment including lawn mowers, golf cart, golf buggy or other Vehicle owned by You, in Your possession or physical or legal control. We will not pay if any such item is or should have been registered and/or insured under legislation in the State or Territory of Australia in which it is being used.

9. Court appearance

We will pay compensation of $250 per day if We require a Member or Your Body Corporate Manager/Agent to attend a Court as a witness in connection with a claim under Policy 2.

Exclusions

We will not pay for any claim:

1. in connection with any liability for Personal Injury to any employee arising out of or in the course of their employment with You.

2. in respect of liability imposed by the provisions of any workers compensation, accident compensation or similar legislation applying where Your Insured Property is situated.

3. in respect of:

a. Damage to property belonging to, rented by or leased by You or in Your physical or legal control, other than as provided under the operative items of Policy 2;
b. Damage to property belonging to any person who is deemed a worker or employee within the provisions of any workers compensation, accident compensation or similar legislation applying where Your Insured Property is situated;
c. injury to or death of animals on Your Common Area;
d. Personal Injury or Property Damage caused by animals on Your

Common Area other than guard or watch dogs You employ for security purposes.

4. arising out of the rendering or failure to render professional advice by You or any error or omission connected therewith. This exclusion does not apply to the rendering or failure to render professional medical advice by a legally qualified medical practitioner, legally qualified registered nurse, dentist or first aid attendant You use to provide first aid services at Your Situation.

5. arising out of the publication or utterance of a defamation, libel or slander:

   a. made prior to the commencement of Policy 2;

   b. made by You or at Your direction when You knew it to be false.

6. arising out of the ownership, possession or use by You of any Vehicle, Watercraft, hovercraft, aircraft or aircraft landing areas other than as provided under the operative items of Policy 2.

7. arising out of or in connection with the ownership of marinas, wharves, jetties, docks, pontoons or similar type facilities (whether fixed or floating) if such facilities are used for commercial purposes or provide fuel distribution facilities, unless We otherwise agree in writing.

8. arising out of construction, erection, demolition, alterations or additions to Your Insured Property where the cost of such work exceeds $500,000, unless You advise Us and obtain Our written consent, which We will not unreasonably withhold, to continue cover before commencement of such works.

9. arising from vibration or from the removal or weakening of or interference with the support of land or buildings or any other property.

10. arising under the terms of any agreement unless liability would have attached to You in the absence of such agreement.

    However this exclusion does not apply to:

    a. liability assumed by You under any contract or lease of real or personal property;

    b. liability assumed by You in the course of ownership of Your Common Area and Insured Property under the terms of any written agreement with the company, person or firm appointed to manage ownership of Your Common Area and Insured Property except where liability arises out of:

       i. any act of negligence on their part; or

       ii. by their default in performing their obligations under such agreement.

11. arising out of or caused by the discharge, dispersal, release of or escape of Pollutants into or upon property, land, the atmosphere, or any water course or body of water. This exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place during the Period of Insurance.

12. arising out of or incurred in the prevention, removing, nullifying or clean-up of any contamination or pollution. This exclusion does not apply to clean-up, removal or nullifying expenses only which are incurred after a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place during the Period of Insurance.

13. for fines or penalties or for punitive, aggravated, exemplary or additional damages (including interest and costs) imposed against You.

14. made or actions instituted:

    a. outside Australia;

    b. which are governed by the laws of a foreign country.

Definitions

The words listed below have been given a specific meaning and apply to Policy 2 when they begin with a capital letter.

Occurrence

means an Event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended to happen by You.

Personal Injury

means:

a. bodily injury (including death and illness), disability, fright, shock, mental anguish or mental injury;

b. false arrest, wrongful detention, false imprisonment or malicious prosecution;

c. wrongful entry or eviction or other invasion of the right of privacy;

d. a publication or utterance of defamatory or disparaging material;

e. assault and battery not committed by You or any Lot Owner or at Your or their direction unless committed for the purpose of preventing or eliminating danger to person or property;

which happens during the Period of Insurance anywhere in Australia.

Pollutants

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Property Damage

means:

a. physical Damage to or destruction of tangible property including its loss of use following such physical Damage or destruction; or

b. loss of use of tangible property which has not been physically Damaged or destroyed provided that the loss of use has been caused by an Occurrence;

which happens during the Period of Insurance anywhere in Australia.

Policy 3 – Voluntary Workers

What We insure

If selected and shown in the Schedule, We will pay to a Voluntary Worker, or that person's estate, the corresponding benefit set out in the Table of Benefits below in the event of such Voluntary Worker sustaining bodily injury during the Period of Insurance:

- **a.** whilst voluntarily engaged in work on Your behalf; and
- **b.** caused solely and directly by accidental, external and visible means; and
- **c.** which, independently of any other cause results in the following insured events.

Table of Benefits

Insured event	Benefit
1. Death	$200,000
2. Total and irrecoverable loss of all sight in both eyes	$200,000
3. Total and permanent loss of the use of both hands or of the use of both feet or the use of one hand and one foot	$200,000
4. Total and permanent loss of the use of one hand or of the use of one foot	$100,000
5. Total and irrecoverable loss of all sight in one eye	$100,000
6.a. Total Disablement from engaging in or attending to usual profession, business or occupation in respect of each week of Total Disablement up to a maximum of 104 weeks. The maximum benefit per week is:	$2,000
6.b. Partial Disablement from engaging in or attending to usual profession, business or occupation in respect of each week of Partial Disablement up to a maximum of 104 weeks. The maximum benefit per week is:	$1,000
7. The reasonable cost of domestic assistance certified by a qualified medical practitioner that a Voluntary Worker is totally disabled from performing his/her usual profession, business, occupation or usual household activities – in respect of each week of disablement a weekly benefit not exceeding $500 up to a maximum of:	$5,000
8. The reasonable cost of travel expenses necessarily incurred at the time of, or subsequent to, the sustaining of bodily injury to obtain medical treatment – up to maximum of::	$2,000
9. The reasonable cost of home tutorial expenses if the Voluntary Worker is a full time student – in respect of each week of Total Disablement a weekly benefit not exceeding $250 up to a maximum of:	$2,500
10. The reasonable cost of burial or cremation of a Voluntary Worker up to maximum of:	$5,000

Exclusions

We will not pay any benefits with respect to any insured events referred to in the Table of Benefits above:

- **a.** arising out of intentional self-injury or suicide, or any attempted threat;
- **b.** attributable wholly or in part to childbirth or pregnancy, notwithstanding that miscarriage or childbirth may have been accelerated or induced by the bodily injury sustained;
- **c.** arising out of a Voluntary Worker being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner;
- **d.** to children under the age of 12 years;
- **e.** for bodily injury that does not manifest itself within 12 months of sustaining such bodily injury;
- **f.** arising out of a Voluntary Worker failing to procure and follow proper medical advice from a legally qualified medical practitioner;
- **g.** which is covered by Medicare, any workers compensation legislation, any transport accident legislation, any common law entitlement, any government sponsored fund, plan or medical benefit scheme or any other insurance policy required to be effected by or under law;
- **h.** which would result in Us contravening the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or the National Health Act 1953 (Cth);
- **i.** For more than one of insured events 6.a. and 6.b. in respect of the same period of time.
- **j.** Under insured events 6.a. and 6.b. in respect of persons not in receipt of wages, salaries or other remuneration from their personal exertion.

Conditions

The following conditions apply:

- **a.** If a Voluntary Worker becomes entitled to benefits under more than one of the insured events 1 to 5 in respect of the same bodily injury, the benefits payable will be cumulative up to 100% of the benefit payable for insured event 1.
- **b.** After the occurrence of any one of the insured events 2 to 5 there will be no further liability under Policy 3 – Voluntary Workers for these insured events in respect of the same Voluntary Worker.
- **c.** In the event of a claim involving the death of a Voluntary Worker We will be entitled to have a post- mortem examination carried out at Our expense.

Definitions

The words listed below have been given a specific meaning and apply to Policy 3 when they begin with a capital letter.

Partial Disablement

means partial disablement **which entirely** prevents a Voluntary Worker from carrying out the normal duties of such person's usual occupation, profession or business or, where such person engages in more than one occupation, profession or business, any of them.

Total Disablement

means total disablement **which entirely** prevents a Voluntary Worker from carrying out all of the normal duties of such person's usual occupation, profession or business or, where such person engages in more than one occupation, profession or business, all of them.

Policy 4 – Workers Compensation

The Schedule will show if You are insured for workers compensation for employees in the state or territory where Your Insured Property is situated.

When You are covered for workers compensation for employees We will insure You for all amounts You become legally liable to pay to Your employees under the workers compensation legislation in the state or territory in which Your Insured Property is situated.

Claims Conditions 4 – Claim preparation costs and fees, does not apply to this Policy 4.

Policy 5 – Fidelity Guarantee

What We insure

If selected and shown in the Schedule, We will pay, up to the Sum Insured shown in the Schedule, in respect of fraudulent misappropriation of Your Funds committed during the Period of Insurance.

Exclusions

We will not pay for:

1. any fraudulent misappropriation unless and until You have exhausted Your rights and entitlements to payment pursuant to any other fidelity bond or fidelity fund of whatsoever nature which might exist whether effected pursuant to statute or otherwise;
2. any fraudulent misappropriation committed after the initial discovery of loss;
3. any losses arising out of fraudulent misappropriation committed prior to the commencement of Policy 5;
4. any claims arising out of losses discovered more than 12 months after the expiry of Policy 5, or any renewal thereof.

Definitions

The word listed below has been given a special meaning and applies to Policy 5 when it begins with a capital letter.

Funds

means money, securities or tangible property received by You, or collected on Your behalf, which has been or was to be set aside for the financial management of Your affairs. Funds do not include the personal money, securities or tangible property of Lot Owners or Members.

Policy 6 – Office Bearers' Legal Liability

What We insure

If selected and shown in the Schedule, We will, subject to any Excess specified in the Schedule:

- pay on Your behalf all Loss for which You are not indemnified by Your Body Corporate; or
- pay on behalf of Your Body Corporate all Loss for which they grant indemnification to You, as permitted or required by law, or for which Your Body Corporate is vicariously liable at law, arising from any Claim:

  a. first made against:

  i. You, individually or otherwise; or

  ii. Your Body Corporate Manager/Agent while acting as an Office Bearer;

  during the Period of Insurance; and

  b. reported to Us during the Period of Insurance or within 30 days thereafter.

Provided that Claims which do not comply with all of Clause a. and b. of this insuring clause are not, other than as provided under Special Benefit 2 of Policy 6 the subject of this insurance or any indemnity.

The amount payable in respect of all Claims under Policy 6 will not in the aggregate exceed the Limit of Liability stated in the Schedule, inclusive of claimant's costs and expenses and Defence Costs incurred by Us, during the currency of any one Period of Insurance.

Special Benefits

1. Payment of Defence Costs

In relation to any Claim under Policy 6:

a. where indemnity has been confirmed by Us in writing, We will pay Defence Costs arising from such Claim;

b. where indemnity has not been confirmed by Us in writing, We will:

i. where We conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim; or

ii. in any other case, reasonably decide to pay the Defence Costs arising from such Claim.

Provided always that in the event the Claim is withdrawn or that indemnity under Policy 6 is subsequently withdrawn or denied, We will cease to advance Defence Costs and You will refund any Defence Costs advanced by Us to the extent that You were not entitled to such Defence Costs, unless We agree in writing to waive recovery of such Defence Costs.

2. Continuous cover

Should a Claim, fact or circumstance arise which should have been or could have been notified to Us during a prior Period of Insurance of Policy 6or under an earlier Office Bearers' Legal Liability Insurance Policy issued by Us, We will accept the notification of such Claim, fact or circumstance under Policy 6 .

Provided always that:

a. We have continuously been the Insurer under an Office Bearers' Legal Liability Insurance Policy between the date when such notification should have been given and the date when such notification was in fact given; and

b. the terms and conditions applicable to this Special Benefit 2 – Continuous Cover and to that notification will be the terms and conditions, including the Limit of Liability and Excess, applicable to this Policy 6 under which the notification should have or could have been given.

3. Extended period of cover

Should a Claim, fact or circumstance arise within a period of 30 days following the expiry date of Policy 6and Your renewal instructions have not been received We will, subject to Your renewal instructions being received by Us within that period, accept the notification of such Claim, fact or circumstance under Policy 6.

Provided always that the terms and conditions applicable to this Special Benefit 3 – Extended period of cover and to that notification will be the terms and conditions, including the Limit of Liability and Excess, applicable to this Policy 6 during the immediate prior Period of Insurance.

Exclusions

We will not pay for:

1. Claims arising from circumstances which You knew of prior to the Policy 6 inception, or a reasonable person in the circumstances could be expected to know, to be circumstances which may give rise to a Claim against You;

2. any dishonest or fraudulent act, criminal act or malicious act or omission of Yours or of any person at any time employed by You, but this exclusion will not apply to the costs incurred by You in successfully defending any Claim or suit made against You;

3. Claims for death, bodily injury, sickness, disease (including Communicable Disease), or Damage to property. However this exclusion will not apply to loss or Damage to documents which are Your property, or entrusted to You, or costs and expenses incurred by You in replacing or restoring such documents;

4. Claims resulting from Your intentional decision not to effect and maintain insurances as required by the Strata Legislation applying where Your Insured Property is situated;

5. Claims arising out of a publication or utterance of a libel or slander or other defamatory or disparaging material;

6. fines, penalties, punitive or exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;

7. You gaining or having gained any personal profit or advantage to which You were not legally entitled or for which You may be held accountable to the Body Corporate or any individual Member thereof;

8. monies or gratuity given to You without authorisation by the Body Corporate where such authorisation is necessary pursuant to the Articles of the Body Corporate or prescribed law;

9. a conflict of duty or interest of Yours;

10. any intentional exercise of the powers of You for a purpose other than the purpose for which such powers were conferred by the Articles of the Body Corporate;

11. any Wrongful Act made or threatened or in any way intimated on or before the inception date specified on the Schedule, except as otherwise provided in Special Benefit 2 – Continuous Cover of Policy 6;

12. Claims first notified to Us after the expiry of Policy 6, except as otherwise provided in Insuring Clause b. of Policy 6;

13. Claims brought against Your Body Corporate Manager/Agent, other than as covered under a. ii. of the insuring clause hereof, or other contracted person(s), firm or company when acting in their professional capacity;

14. Claims brought against You in a Court of Law outside Australia.

Conditions

Defence and settlement

If You refuse to consent to any settlement recommended by Us and elect to continue any legal proceedings in connection therewith, Our liability for the Claim will not exceed the amount for which the Claim could have been settled including the costs and expenses incurred up to the date of such refusal.

The amount for which the Claim could have been settled (including the costs and expenses incurred up to the date of such refusal) is either:

- **a.** the amount for which the claimants offer to settle the Claim; or
- **b.** the amount assessed by a Senior Counsel, taking into account:
  - (i) the economics of the matter;
  - (ii) the damages and costs which are likely to be recovered from the claimants;
  - (iii) the likely defence costs; and
  - (iv) Your prospects of successfully defending the claim.

If You and We cannot agree on the Senior Counsel, We will ask the President of the Bar Association in the relevant State or Territory to nominate one.

We will include the cost of the Senior Counsel's opinion in Your defence costs.

Reporting and notice

A specific Wrongful Act will be considered to have been first reported to Us:

- a. at the time You first give written notice to Us that a Claim has been made against You for such Wrongful Act; or
- b. at the time You first give written notice to Us:
  - i. having the potential of giving rise to a Claim being made against You;
  - ii. of the receipt of written or oral notice from any party that it is the intention of such party to hold You responsible for such Wrongful Act;

whichever first occurs.

Definitions

The words listed below have been given a specific meaning and apply to Policy 6 when they begin with a capital letter.

Claim, Claims

means:

- **a.** a written or verbal allegation of any Wrongful Act; or
- **b.** a civil proceeding commenced by the service of a complaint, summons, statement of Claim or similar pleading alleging any Wrongful Act; or
- **c.** a criminal proceeding commenced by a summons or charge alleging any Wrongful Act.

Defence Costs

means costs, charges and expenses (other than Your fees, salaries or salaries of Your employees) incurred by Us or with Our written consent (such consent not to be unreasonably withheld) in the investigation, defence, monitoring or settlement of any Claim or proceedings and appeals therefrom together with the costs of appeal.

Documents

means deeds, wills, agreements, maps, plans, records, books, letters, certificates, forms and documents of any nature whether written, printed or reproduced by any other method but does not include currency notes or negotiable instruments of any kind.

Loss

means the amount payable in respect of a Claim made against You for a Wrongful Act and will include damages, judgements, settlements, orders for costs and Defence Costs.

Office Bearer

means:

- a. a person appointed by the Body Corporate to act as an Office Bearer or committee member in terms of the Strata Legislation applying where Your Insured Property and Common Area is situated;
- b. a Body Corporate Manager appointed as an agent of an Office Bearer and/or committee member;
- c. a person invited by an Office Bearer and/or committee member to assist in the management of the Body Corporate affairs.

Wrongful Act

means any error, misstatement, act or omission, or neglect or breach of duty made, committed, attempted or allegedly made, committed or attempted by You or any matter claimed against You solely by reason:

- a. of You serving as an Office Bearer or committee member or director of the Body Corporate; or
- b. as an Office Bearer on a related building management committee provided at the time of serving as an Office Bearer on that committee You are also an Office Bearer or committee member or nominee or director of Your Body Corporate.

Where any such Wrongful Act results in more than one Claim all such Claims will jointly constitute one Loss and be deemed to have originated in the earliest Period of Insurance in which any of such Wrongful Acts is first reported to Us.

Policy 7 – Machinery Breakdown

What We insure

If selected and shown in the Schedule, We will insure You up to the Sum Insured for Policy 7 shown in the Schedule against Insured Damage provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time Damage occurs.

The amount We pay will:

- be calculated in accordance with the clause herein titled 'Claims - how We will settle Your claim';
- be subject to the application of any Excess shown in the Schedule; and
- not exceed the Sum Insured stated in the Schedule except for the Special Benefit below.

Additional Benefits

Additional Benefits are included when the Sum Insured under Policy 7 is not otherwise expended in respect of any one Event. We will pay for the reasonable cost of:

1. expediting repair including overtime working;
2. express or air freight;
3. replacing oil and refrigerant gas from air-conditioning units or refrigeration units;
4. hiring a temporary replacement item provided such cost is necessary to maintain a vital service provided by You.

These costs must be incurred as the result of Insured Damage.

Special Benefit

Special Benefit for Loss of Rent and/or Temporary Accommodation following a breakdown of plant and equipment is included in addition to the Sum Insured under Policy 7.

We will pay for the reasonable cost of:

1. the cost of Temporary Accommodation You necessarily incur;
2. the actual Rent You lose;

if Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose by the breakdown of plant and equipment resulting from Damage by an Event claimable under Policy 7provided the breakdown of plant and equipment extends for more than seven days We will pay from the time of the breakdown of plant and equipment until the time such plant and equipment is repaired or replaced.

Unless otherwise agreed in writing, Our liability for Loss of Rent or Temporary Accommodation will be limited up to a maximum of 20% of the amount shown in the Schedule as applying to Policy 7, and not exceeding a maximum of 30 days following the breakdown of plant and equipment.

Exclusions

We will not pay for:

1. Damage caused by:
   - **a.** Wear and Tear;
   - **b.** chipping, scratching or discolouration of painted, polished or finished surfaces;
   - **c.** the deterioration of any pre-existing crack, fracture, blister, lamination, flaw or grooving which had not previously penetrated completely through the entire thickness of the material of the Insured Item, notwithstanding that repair or renewal of the part affected may be necessary either immediately or at some future time, except where caused by Insured Damage and You did not know or should not reasonably have known of the pre-existing condition;
   - **d.** the wearing away or wasting of material caused by or naturally resulting from atmospheric conditions, rust, Erosion, corrosion, oxidation or ordinary use;
   - **e.** the tightening of loose parts, recalibration or adjustments;
   - **f.** the carrying out of tests involving abnormal stresses or the intentional overloading of any Insured Item.
2. Damage to:
   - **a.** glass or ceramic components;
   - **b.** defective tube joints or other defective joints or seams;
   - **c.** any valve fitting, shaft seal, gland packing joint or connection except where caused directly by Insured Damage;
   - **d.** foundations, brickwork, and refractory materials forming part of an Insured Item;
   - **e.** television, video or audio equipment other than security system equipment;
   - **f.** expendable items, including electrical and electronic glass bulbs, tubes, lamps, x-ray tubes, electrical contacts, fuses, heating elements, commutators, slip rings, conducting brushes, thermal expansion (TX) valves, thermostats, protective and controlling devices, over-loads, chains, belts, ropes, tyres, pressure switches, bearings, valves, valve plates, filters and dryers;
   - **g.** computers, telecommunication transmitting and receiving equipment, electronic data processing equipment, electrical office machines, coin operated machines, gaming machines, storage tanks and vats, stationery and mobile pressure vessels containing explosive gases, mobile machinery, ducting, reticulating electrical wiring, water and gas piping and all other plant and equipment not owned by You;
   - **h.** plant which has been hired or is on loan unless We specifically agree in writing.
3. consequential loss of any kind, including but not limited to loss of use, loss of contract, loss of profit/revenue, loss of opportunity, loss of goodwill and/or reputational Damage, or special damages, other than that which is specifically stated.
4. Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul.
5. Damage occurring during installation or erection other than the dismantling, movement and re-erection for the purpose of cleaning, inspection, repair or installation in another position within the Situation.
6. Damage which is claimable from any manufacturer, supplier, engineer or other person under the provisions of any maintenance or warranty agreement.
7. loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts.

8. the cost of converting refrigeration/air-conditioning units from the use of CFC (chlorofluorocarbon) refrigerant gas to any other type of refrigerant gas.

Claims - how We will settle Your claim

If Your claim is accepted, We will, in consultation with You, settle Your claim by either repairing or replacing the Insured Item, or paying for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Insured Damage.

We will not pay for the cost of any alterations, additions, improvements, modifications or overhauls.

Where components or manufacturers' specifications are no longer available due to obsolescence, the basis of settlement will be the cost of providing alternative suitable components equal to but not better or more extensive than the original component being substituted.

Definitions

The words listed below have been given a specific meaning and these specific meanings apply to Policy 7 – Machinery Breakdown when the words begin with a capital letter.

Insured Damage

means Damage which occurs during the Period of Insurance and requires repair or Replacement to allow continuation of use, other than by a cause:

a. which is covered under Policy 1 – Insured Property; or
b. which is not claimable under Policy 7 – Machinery Breakdown.

Insured Item

means:

a. lifts, elevators, escalators and inclinators provided they are subject to a current comprehensive maintenance agreement;
b. all other electrical, electronic and mechanical machinery, boilers and pressure vessels and similar plant; that forms part of Your Insured Property or its services.

Policy 8 – Catastrophe Insurance

What We insure

If selected and shown in the Schedule, We insure You up to the Sum Insured shown for Policy 8 in the Schedule, against the Escalation in the cost of Replacement of Your Insured Property if it is destroyed, or it is assessed as a constructive total loss, following a loss which occurs during the Period of Insurance:

1. **a.** due to a Catastrophe; or

   b. other Event which occurs not later than 60 days after a Catastrophe, provided Your Insured Property has been continuously insured with Us for that period; and

2. the Event giving rise to the loss is admitted as a claim under Policy 1 – Insured Property.

Special Benefits

Special Benefits are included in addition to the Sum Insured for Policy 8.

The total amount We will pay under Special Benefits 1 to 4 arising out of any Event claimable under Policy 8 is limited to the percentages shown hereunder of the Sum Insured for Policy 8 or such other percentage as We may agree in writing.

a. **Special Benefit 1.** 15%;
b. **Special Benefit 2.** 5%;
c. **Special Benefit 3. and 4**. combined 5%;

1. **Temporary Accommodation / Rent - extended period of cover**

   a. **Temporary Accommodation**

   When You occupy Your Lot/Unit We will pay the reasonable cost of Temporary Accommodation You necessarily incur if Your Lot/Unit is Damaged and made unfit to be occupied for its intended purpose:

   - due to the happening of a Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure'; and
   - the Damage to Your Insured Property is admitted as a claim under Policy 1 – Insured Property.

   We will pay from the time indemnity provided under Special Benefit 1.a. of Policy 1 – Insured Property is expended until the time You reoccupy Your Lot/Unit following completion of rebuilding, repairs or Replacement.

   b. **Rent**

   When You have leased out or can substantiate by means of a signed agreement that You would have leased out Your Lot/Unit or Common Area We will pay the actual Rent You lose or would have lost if Your Lot/Unit or Common Area is Damaged and made unfit to be occupied for its intended purpose:

   - due to the happening of a Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure';
   - and Damage to Your Insured Property is admitted as a claim under Policy 1 – Insured Property.

   We will pay from the time indemnity provided under Special Benefit 1.b. of Policy 1 – Insured Property is expended until the time Your Lot/ Unit or Common Area is relet following completion of rebuilding, repairs or Replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant.

2. **Temporary Accommodation – escalation in cost**

When You occupy Your Lot/Unit We will pay for Escalation In The Cost of Temporary Accommodation You necessarily incur if Your Lot/Unit is Damaged and made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure';
- and the Damage to Your Insured Property is admitted as a claim under Policy 1 – Insured Property.

We will pay from the time Temporary Accommodation is obtained until the time You reoccupy Your Lot/Unit following completion of rebuilding, repairs or replacement.

3. **Removal, storage**

We will pay for the costs You necessarily incur in:

a. removing any undamaged portion of Your Insured Property to the nearest place of safe keeping;
b. storing the undamaged portion at that place or an equivalent alternate place;
c. returning the undamaged portion to Your Situation when occupancy of Your Insured Property is permitted;
d. insuring Your undamaged Insured Property during such removal, storage and return.

We will pay if the Damage to Your Insured Property is due to:

- the happening of a Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure';
- and the Damage to Your Insured Property is admitted as a claim under Policy 1 – Insured Property.

The amount We pay will be reduced by any amount payable for such costs under Policy 1 – Insured Property.

4. **Cost of Evacuation**

When You occupy Your Lot/Unit for residential purposes We will pay for the Cost of Evacuation You, or any person or persons permanently residing with You at the time immediately prior to such a happening, necessarily incur following an order issued by a public or statutory authority, body, entity or person so empowered by law, to evacuate Your Lot/Unit:

- due to the happening of a Catastrophe; and
- the Damage to Your Lot/Unit is admitted as a claim under Policy 1 – Insured Property.

Any Cost of Evacuation so payable will be reduced by any amount paid or payable by way of compensation by any public or statutory authority.

Claims - how We will settle Your claim

The basis upon which the amount payable as escalation in the cost of Replacement is to be calculated as the difference between:

a. the actual cost necessarily incurred to rebuild, repair or replace Your Insured Property following a Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure'; and
b. the greater of either:
   i. the cost that would have applied to rebuild, repair or replace Your Insured Property in terms of Policy 1 – Insured Property immediately prior to the Catastrophe; or

ii. the Sum Insured in force under Policy 1 – Insured Property at the time of the Catastrophe, or other Event referred to in Clause 1.b. of 'What We insure'.

Special Provisions

1. No payment will be made under Policy 8 until such time as the greater amount determined in accordance with the provisions of Clause b. of 'Claims – how We will settle Your claim' has been fully expended in Replacement of Your Insured Property.

2. In certifying the cost of Replacement of Your Insured Property at the time immediately prior to a happening giving rise to a claim under Policy 8 the qualified valuer, loss adjuster or other suitably qualified person will use as the basis of certification:

   a. the accepted building industry cost standards or recognised cost of materials guide in force on the day immediately prior to the happening of the Catastrophe or a day as close as practicable thereto;

   b. any extra cost necessarily incurred to comply with any public or statutory authority requirements but will not include any cost that would have been incurred in complying with orders issued prior to the Damage;

   c. architects' fees, surveyors' fees and any other professional fees;

   d. legal fees necessarily incurred in making submissions or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts as a result of Damage to Your Insured Property;

   e. fees, contributions or imposts payable to any public or statutory authority to obtain consent to rebuild, replace or repair Your Insured Property.

3. Any differences relating to the cost of Replacement at the time immediately prior to a happening giving rise to a claim under Policy 8 maybe referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be binding.

Conditions

Policy 8 is subject to the same terms, conditions and exclusions as Policy 1 – Insured Property and except as they may be expressly varied herein.

Definitions

The words listed below have been given a specific meaning and apply to Policy 8 when they begin with a capital letter.

Catastrophe

means an Event which is sudden and widespread and which causes substantial Damage to property over a large area, and as a result of which the Insurance Council of Australia issues a catastrophe code.

Cost of Evacuation

means costs necessarily incurred for road, rail, air or sea transport to the designated place of evacuation and returning to Your Situation from the place of evacuation to resume permanent residency.

Escalation in the Cost of Temporary Accommodation

means, when a Lot/Unit in Your Insured Property is occupied by a Lot Owner, the difference between:

a. the amount of money payable for rental of a residential building or similar type accommodation of substantially the same size, containing similar facilities and in an equivalent suburban environment as Your Insured Property, following a Catastrophe or other loss referred to in Clause 1.b. of 'What We insure'; and

b. the cost of Temporary Accommodation that would have applied had the Catastrophe not occurred.

Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses

This Policy 9 is issued on a Claims made basis. This means Parts A, B and C of Policy 9 respond to Claims first made against You during the Period of Insurance and notified to Us during the same Period of Insurance.

Part A: Government Audit Costs

What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part A: Government Audit Costs of Policy 9 in the Schedule, for Professional Fees You reasonably incur with Our written consent, which We will not unreasonably withhold, in connection with an Audit first notified to You verbally or in writing during the Period of Insurance or within 30 days thereafter.

We will not pay more than the Sum Insured for Part A: Government Audit Costs for:

a. any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;

b. all Claims reported in any one Period of Insurance.

Additional benefit

1. Record Keeping Audit

We will pay up to $1,000 in any one Period of Insurance for Professional Fees You reasonably incur with Our written consent, which We will not unreasonably withhold, in connection with a Record Keeping Audit.

Exclusions

1. We will not pay for Professional Fees:

a. if prior to the commencement of the Period of Insurance You, or any person acting on Your behalf:

i. received any notice of a proposed Audit;

ii. had information that an Audit was likely to take place;

iii. had information that would indicate to a reasonable person that an Audit was likely to take place.

b. if a return, or a document required to be lodged in relation to an Audit, has not been lodged:

i. at all;

ii. properly;

iii. by the due date.

c. for any Audit that is conducted specifically for the purposes of determining if a fine, penalty or prosecution should be imposed in connection with:

i. any act or omission by You; or

ii. any failure, act or omission arising from or in connection with Your statutory obligations.

d. charged by someone other than a Professional Adviser unless We have given Our prior written consent, which We will not unreasonably withhold.

e. relating to the Audit of Your taxation and financial affairs unless the return is first lodged:

i. during the Period of Insurance; or

ii. not more than 12 months prior to the original inception date of Policy 9; or

iii. relates to a return for a financial year not more than three years prior to the date You receive notification of an Audit.

f. relating to an Audit if You fail to comply with any requirement or obligation imposed upon You by any relevant legislation if a return in relation to the Audit was not prepared or reviewed by Your Professional Adviser prior to dispatch.

g. if You breach any conditions in this Policy, including failing to comply with any requirement imposed by any relevant legislation or failing to do what We require You to do if You intend to make a claim or You make a claim.

2. We will not under any circumstances pay for the cost of:

a. any fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar charges;

b. any review pertaining to You maintaining any industry status, licence, membership or compliance with any employee related legislation or regulations;

c. the gathering of data or information by any government, statutory body, authority or agency that is not directly part of an Audit.

Conditions

1. We require You to:

a. make all efforts to comply with the relevant legislation, procedures and guidelines issued by the Australian Taxation Office, or Commonwealth, State or Territory Department, Statutory Body or Agency in relation to the maintenance of records, books and documents;

b. lodge taxation and other statutory returns within the prescribed time limits or if an extension is granted within the further period granted;

c. upon becoming notified of an Audit or impending Audit promptly inform CHU by telephone, in writing or in person;

d. obtain CHU's written approval, which We will not unreasonably withhold, before engaging a Professional Adviser, other than Your accountant, and notify them of all Professional Fees Your accountant proposes to charge.

2. An Audit commences:

a. at the time You first receive notice that an Auditor proposes to conduct an Audit; and

b. is completed when:

i. the Auditor has given written notice to that effect; or

ii. the Auditor notifies You that it has made a Final Decision of a Designated Liability; or

iii. when the Auditor has issued an assessment or amended assessment of a Designated Liability.

Part B: Appeal Expenses - common property, health and safety breaches

What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part B: Appeal Expenses of Policy 9 in the Schedule for Appeal Expenses You necessarily incur with Our consent, which We will not unreasonably withhold, in appealing against:

a. the imposition of an improvement or prohibition notice under any workplace, occupational health, safety or similar legislation applying where Your Insured Property is situated; or

b. the determination under any workplace occupational health, safety or similar legislation applying where Your Insured Property is situated of a review committee, arbitrator, tribunal or Court.

We will not pay:

a. unless any such notice or determination is first made or first brought against You during the Period of Insurance and You report it to Us during that Period of Insurance or within 30 days thereafter;

b. more than the Sum Insured for Part B – Appeal Expenses for:

i. any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;

ii. all Claims reported in any one Period of Insurance.

The imposition of an improvement or prohibition notice must arise out of Your failure to provide and maintain so far as is reasonably practicable:

- a safe working environment;
- a safe system of work;
- plant and substances in a safe condition;
- adequate facilities of a prescribed kind for the welfare of Your employees.

Part C: Legal Defence Expenses

What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part C: Legal Defence Expenses of Policy 9 for Legal Defence Expenses You necessarily incur with Our written consent, which We will not unreasonably withhold, in connection with litigation arising out of a Claim made or brought against You less any Excess shown in the Schedule:

a. in connection with the ownership of Your Common Area and Insured Property;

b. under the Competition and Consumer Act 2010 (Cth) or under any other consumer protection legislation;

c. arising out of any dispute with an employee, former employee or prospective employee:

i. concerning the terms and conditions of their contract of employment or alleged contract of employment with You;

ii. leading to civil or criminal proceedings under any racial or sexual discrimination legislation.

We will not pay:

a. unless:

i. any such Claim is first made or first brought against You during the Period of Insurance;

ii. You report it to Us during that Period of Insurance or within 30 days thereafter;

iii. there are reasonable grounds for the defence of any such Claim.

b. more than the Sum Insured for Part C: Legal Defence Expenses for:

i. any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;

ii. all Claims reported in any one Period of Insurance.

Excess

For each and every Claim You must, pay or contribute a minimum amount of $1,000 unless otherwise shown in the Policy Schedule.

Exclusions

1. We do not insure Legal Defence Expenses for any Claim:

a. which You have pursued or defended without Our written consent, which We will not unreasonably withhold;

b. which You have pursued or defended contrary to or in a different manner from that advised by the Appointed Representative;

c. arising from an act, omission, liability or Event for which indemnity is otherwise provided under Policy 2 – Liability to Others and Policy 6 – Office Bearers' Legal Liability or would have been provided Policy 2 – Liability to Others and Policy 6 – Office Bearers' Legal Liability were operative;

d. arising from circumstances that You knew of prior to the inception of this Policy, or a reasonable person in the circumstances could be expected to know, to be circumstances that may give rise to a Claim against You;

e. arising from a deliberate act, including a deliberate act of fraud or dishonesty, on Your part if a judgment or other final adjudication adverse to You establishes that such act was committed or attempted by You with actual dishonest purpose or intent and was material to the cause of action so adjudicated;

f. between You and Us including Our directors, employees or servants;

g. which involves a conflict of duty or interest of Yours;

h. made or threatened or in any way intimated on or before the inception date shown in the Schedule, except as otherwise provided by Condition 4 – Continuous Cover;

i. first notified to Us more than 30 days after the expiry of this Policy, except as otherwise provided by Condition 4 – Continuous Cover.

2. We will not be liable for:

a. the cost of litigation or proceedings initiated by You;

b. the payment of any compensation or damages of any kind other than Your liability to pay fees, expenses and disbursements of other persons or entities by reason of an order of any Court, Arbitrator or Tribunal.

Conditions

1. Appeal procedure

If You are dissatisfied with any decision made by a Court or Tribunal and wish to appeal against that decision, You must:

a. make a further written application to Us for Our written consent, which We will not unreasonably withhold, at least five business days prior to the expiry of the time for instituting an appeal; or
b. if the time allowed by law to appeal is less than five business days, You must advise Us as soon as practicable.

Your application or advice must state the reasons, as fully as possible, for making an appeal.

If We are dissatisfied with any decision made by a Court or Tribunal and wish to appeal that decision You must reasonably co-operate with Us in the bringing of such an appeal. In this event We will pay all costs involved.

2. Bill of costs

You must forward Us all bills of costs or other communications relating to fees and expenses as soon as practicable after receipt by You. If requested by Us, You will instruct the Appointed Representative to submit the bill of costs for taxation or adjudication by any relevant professional body, Court or Tribunal.

You must not without Our written approval, which We will not unreasonably withhold, enter into any agreement with the Appointed Representative as to the level of fees and expenses to be charged. Further You must not represent to the Appointed Representative that all fees and expenses charged to Your account are insured by this Policy.

3. Consent

We will not be liable to indemnify You unless You have first obtained Our specific written consent, which We will not unreasonably withhold, to incur Legal Defence Expenses in the defence of any Claim instituted against You. The granting of any such consent will not be unreasonably withheld after You have given notice to Us of any occurrence or circumstance that might result in a Claim being made or proceedings instituted against You.

4. Continuous cover

Should a Claim arise which should have been or could have been notified to Us during a prior Period of Insurance when this Policy was operative We will accept the notification of such Claim.

Provided always that:

a. We have continuously been the insurer between the date when such notification should have been given and the date when such notification was in fact given; and
b. the terms and conditions applicable to Condition 4 – Continuous Cover and to that notification will be the terms and conditions, including the Limit of Liability and Excess, applicable to this Policy under which the notification should have or could have been given.

5. Information to be given to the Appointed Representative

You will at all times and at Your own expense give to the Appointed Representative all such relevant information and assistance as reasonably required. You will give a complete and truthful account of the facts of the case, shall supply all relevant documentary and other evidence in Your possession relating to the Claim, will obtain and sign all relevant documents required to be obtained and signed and will attend any meetings or conferences when reasonably requested.

6. Nomination of Appointed Representative

You may request Us to nominate a solicitor to act as Your Appointed Representative or if You elect to nominate Your own solicitor to act as the Appointed Representative, You must submit the name and address of that solicitor to Us. We may reasonably accept or refuse such nomination and provide You with Our reason for reaching this decision.

If agreement cannot be reached on the appointment the President of the Law Society within Your State will be requested to nominate an Appointed Representative. During this period We will be entitled but not bound to instruct an Appointed Representative on Your behalf

if We consider it necessary to do so to safeguard Your immediate interests. In all cases the Appointed Representative will be appointed in Your name and will act on Your behalf.

7. Offer of settlement

You must inform Us as soon as possible if You receive an offer to settle a Claim.

If such offer of settlement is, in Our judgment, considered to be fair and reasonable and You withhold Your agreement to such a

settlement and elect to continue legal proceedings Our liability will not exceed the amount of Legal Defence Expenses incurred up to the date of such settlement offer.

Further if You refuse a recommendation by the Appointed Representative to settle a Claim and elect to continue legal proceedings, Our liability will not exceed the amount of Legal Defence Expenses incurred up to the date of such refusal.

8. Our access to the Appointed Representative

You will do all things reasonably necessary to allow Us to obtain from the Appointed Representative any relevant information, report documents or advice relating to the Claim. However You will not be prejudiced if the Appointed Representative refuses to make such information, report documentation or advice available to Us on the grounds that to do so might prejudice Your interests in any litigation that is involved or may be commenced.

9. Recovery of Legal Defence Expenses

If You are awarded costs, You must take all reasonable steps to recover such fees and expenses for which You are indemnified by this Policy. All such fees and expenses actually recovered will be taken into account when calculating Our liability.

10. Reporting and notice

A specific Claim will be considered to have been first reported to Us at the time You first give written notice to Us of the receipt of written or oral notice from any party or entity that it is the intention of such party or entity to hold You responsible for a civil or criminal act.

Definitions

The words listed below have been given a specific meaning and apply to Policy 9 when they begin with a capital letter.

Appeal Expenses
means legal costs, professional costs and other disbursements necessarily and reasonably incurred with Our consent, which We will not unreasonably withhold, in connection with a Claim brought against You.

Appointed Representative
means a solicitor, barrister, assessor, consultant, investigator or other appropriately qualified person instructed to act on Your behalf in connection with any Claim with respect to which Legal Defence Expenses are payable under this Policy.

Audit
means an audit or investigation of Your taxation and financial affairs by the Australian Taxation Office, or by a Commonwealth, State or Territory Department, Statutory Body or Agency in relation to and following the lodgement of Your return(s), including but not limited to Business Activity Statement (BAS), Capital Gains Tax, Fringe Benefits Tax, Income Tax, Prescribed Payment and Group Tax Returns, Payroll Tax, Stamp Duty, Compliance with Superannuation Industry Supervision Act 1993 and Workers Compensation Returns.

Auditor
means an officer who is authorised under Commonwealth, State or Territory legislation to carry out an Audit of Your taxation or financial affairs.

Claim, Claims
means:

a. a written or verbal advice of intent to initiate legal proceedings or a civil or criminal action against You; or
b. a civil proceeding commenced by the service of a complaint, summons, statement of claim or similar pleading against You; or
c. a criminal proceeding commenced by a summons or charge against You.

Designated Liability
means Your obligation to pay an amount under Commonwealth, State or Territory Legislation.

Final Decision
means a written notification of the Auditors' completed views in connection with a Designated Liability and includes any written statement which is intended by the Auditor to be its findings or the basis upon which it proposes to act in connection with a Designated Liability.

Legal Defence Expenses
means:

a. fees, expenses and other disbursements necessarily and reasonably incurred by an Appointed Representative in connection with any Claim brought against You including costs and expenses of expert witnesses as well as those incurred by Us in connection with any such Claim;
b. fees, expenses and disbursements incurred by persons or entities other than You in so far as You are liable to pay such fees, expenses and disbursements by reason of an order of any Court, Arbitrator or Tribunal;
c. legal fees, expenses and other disbursements reasonably and necessarily incurred in appealing or resisting an appeal from the judgment or determination of a Court, Arbitrator or Tribunal.

Professional Adviser
means:

a. an accountant who is a member of a nationally recognised accounting body, registered tax agent or tax consultant;
b. any other professional person or consultant engaged by or at the recommendation of the accountant with Our prior written approval, but does not mean You or any person working for You under a contract of employment.

Professional Fees
means the reasonable and necessary fees, costs and disbursements incurred in connection with an Audit that would be payable by You to Your Professional Adviser for work undertaken in connection with an Audit, but does not mean or include fees, costs and disbursements that:

a. form part of an annual or fixed fee or cost arrangement; or
b. relate to any subsequent objection or appeal or request for review in respect of the Audit, or any assessment, amended assessment or Final Decision of the Auditor; or
c. were rendered by a third party in relation to which Our written consent was not obtained before those fees were incurred; or
d. relate to or are associated with the preparation of any accounts, financial statements or documents or to any attendance or service which would have been or would or should ordinarily or prudently have been prepared prior to or at the time that the lodgment of any return or document was required to be lodged in connection with a Designated Liability.

Record Keeping Audit
means any enquiry or investigation to determine the extent of Your compliance with the record keeping requirements of relevant legislation that You have to comply with.

Policy 10 - Lot Owners' Fixtures and Improvements

What We insure

If selected and shown in the Schedule and You have exhausted the Sum Insured under Policy 1 - Insured Property, We insure You up to the Sum Insured shown for Policy 10 in the Schedule for Damage to Lot Owners' Fixtures and Improvements. The Event must be claimable under Policy 1 and must occur during the Period of Insurance.

Policy 10 is subject to the same terms, conditions and exclusions as Policy 1 as they may be expressly varied herein.

Claims - how We will settle Your claim

If Lot Owners' Fixtures and Improvements are Damaged and Your claim is accepted, We will either replace, repair or pay the amount it would cost to replace or repair.

The amount We pay under Policy 10 will be the cost of Replacement at the time of Replacement subject to the following provisions:

a. the necessary work of replacing or repairing must be commenced and carried out without unreasonable delay;
b. if You cause unreasonable delays in commencing or carrying out Replacement or repair, We will not pay any extra costs that result from that delay;
c. where materials used in the original construction are not readily available We will use the nearest equivalent available;
d. when We wish to replace or repair and You do not want this to occur We will only pay Indemnity Value.

We will not pay for the cost to:

i. replace undamaged Lot Owners' Fixtures and Improvements;
ii. replace or repair illegal installations.

Definition

The words listed below have been given a specific meaning and apply to Policy 10 when it begins with a capital letter.

Lot Owners' Fixtures and Improvements

means any fixture or structural improvement, installed by a Lot Owner for their exclusive use and which is permanently attached to or fixed to Your Building so as to become legally part of it, including any improvements made to an existing fixture or structure.

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Product Disclosure Statement and Policy Wording

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