Contents

Product Disclosure Statement 2
Policy Wording 8
General Definitions 8
General Conditions 11
General Exclusions 13
Claims Conditions 13
Policy 1 - Insured Property 15
Policy 2 - Liability to Others 21
Policy 3 - Voluntary Workers 23
Policy 4 - Workers Compensation 24
Policy 5 - Fidelity Guarantee 25
Policy 6 - Office Bearers’ Legal Liability 26
Policy 7 - Machinery Breakdown 28
Policy 8 - Catastrophe Insurance 30
Policy 9 - Government Audit Costs, Appeal Expenses and Legal Defence Expenses 32
Policy 10 - Lot Owners’ Fixtures and Improvements 36

Date of preparation: 04 March 2019
Date effective: 1 June 2019
QMS62 - 0619
Product Disclosure Statement (PDS)

This PDS was prepared on 15th March 2018

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) of Level 5, 2 Park Street Sydney. QBE Insurance (Australia) Limited is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE).

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.

CHU is a company within the Steadfast Underwriting Agencies division of Steadfast Group Limited (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.

Your duty of disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms. You have this duty until We agree to insure You. You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:
- reduces the risk We insure You for;
- or is common knowledge;
- or We know or should know as an insurer;
- or We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to tell Us, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

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 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 full list of ways We could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care. 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 +61 2 9307 6656 or by writing to PO Box A2016, Sydney South NSW 1235 or email privacyofficer@steadfastagencies.com.au.

It’s 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:

- all of the 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 proposal form You need to complete to apply for cover (if applicable);
- any 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 the Schedule.

Policy 1 – Insured Property
We insure You up to the Sum Insured shown in the Schedule for Policy 1 – Insured Property 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 otherwise excluded in the Policy.

Policy 2 – Liability to Others
We will indemnify You up to the Limit of Liability shown in the Schedule for Policy 2 – Liability to Others 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 – Voluntary Workers 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 solely and directly by violent, accidental, external and visible means 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 - Workers Compensation 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 – Fidelity Guarantee 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 – Office Bearers’ Legal Liability 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 – Machinery Breakdown 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 if the Sum Insured is not exhausted. Details of the Additional Benefits are set out under the heading ‘Additional Benefits’ in Policy 7 – Machinery Breakdown.

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 – Machinery Breakdown.
Policy 8 – Catastrophe Insurance
We insure You up to the Sum Insured shown in the Schedule for Policy 8 – Catastrophe Insurance for the unexpected 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 sixty (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 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses 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 incurred from time to time provided that the Sum Insured under Policy 1 – Insured Property is exhausted. Replacement of such installations must be following Damage by any Event that is not otherwise excluded under Policy 1 – Insured Property.

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

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. You must pay Your Premium on time otherwise Your insurance may not operate. If You have not paid the Premium by the due date or Your payment is dishonoured We may cancel the Policy. CHU will do so by providing You with written notice.

4. When renewing Your insurance with Us You must advise Us of any changes to Your claims or insurance history. 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:

• 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:

a. annual payment by credit card, BPAY, EFT/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 to cover CHU’s administration cost of preparing and distributing the Policy. The 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 details of the administration fee payable please refer 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. If You cancel the Policy, this commission payment may be non-refundable. 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.

Receiving Your Policy documents
You may choose to receive Your Policy documents:

a. electronically, including but not limited to email; or

b. by post.

If You tell CHU to send Your Policy documents electronically, CHU will send them to the email address that You have provided. This will continue until You tell CHU otherwise or until CHU advises that this method is no longer suitable. Each electronic communication will be deemed to be received by You twenty-four (24) hours after it leaves CHU’s information system. If You do not tell CHU to send Your Policy documents electronically, the Policy documents will be sent to the mailing address that You have provided.

You are responsible for ensuring that the email and mailing address that CHU has is up to date. Please contact CHU to change Your email or mailing address.

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 possible 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 You must:

• provide details of the incident and when requested complete the claim form We send You;

• allow Us to inspect Your Insured Property and take possession of any damaged item(s);

• take all reasonable steps to reduce the damage or loss and prevent further loss or damage;

• inform the police immediately following theft, vandalism, malicious damage or misappropriation of money or property; not dispose of any damaged items without first seeking Our approval; and

• not get repairs done, except for essential temporary repairs, until We give You authority and We reserve the right to choose 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 information
If You want to return Your Policy after Your decision to buy it, You may cancel it and receive a full refund. To do this We must receive Your request either in writing or via email within twenty-one (21) days of You receiving the Schedule. This cooling-off right does not apply if You have made or are entitled to make a claim. Even after the cooling-off period ends You still have cancellation rights. Please see General Conditions.

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. The aims of this Code are fully supported by CHU.

The Code aims to:

a. commit Us to high standards of service;

b. promote better, more informed relations between Us and You;

c. maintain and promote trust and confidence in the general insurance industry;

d. provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You;

e. promote continuous improvement of the general insurance industry through education and training.

You can obtain a copy of the Code from CHU or from www.codeofpractice.com.au.

Resolving Complaints and Disputes
At QBE and CHU, we are committed to providing You with quality products and delivering the highest level of service. QBE and CHU also do everything we can to safeguard Your privacy and the confidentiality of Your personal information.

Something not right?
QBE and CHU know sometimes there might be something You are not totally happy about, whether it be about our staff, representatives, products, services or how we’ve handled Your personal information.

Step 1 – Talk to CHU
If Your complaint relates to a claims decision or CHU service provider, please initially contact the CHU Claims Handler who is handling the Claim. If Your complaint relates to an underwriting decision (or anything else), please contact the CHU representative who originally assisted You. When You make Your complaint please provide as much information as possible. CHU are ready to help You resolve Your issue, aiming to resolve all complaints within fifteen (15) business days.

Step 2 – Escalate Your complaint
If CHU haven’t responded to Your complaint within fifteen (15) days, or If You’re not happy with how CHU tried to resolve it, You can ask for Your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist. The Dispute Resolution Specialist will provide CHU’s final decision within fifteen (15) business days of Your complaint being escalated, unless You have agreed to CHU’s request to be given more time.

Step 3 – Still not resolved?
If You’re not happy with the final decision, or if CHU have taken more than forty-five (45) days to respond to You from the date You
first made Your complaint, You can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to You. CHU is bound by AFCA decisions - but You’re not. You can contact AFCA directly and they’ll advise You if Your dispute falls within their Rules.

Disputes not covered by the AFCA Rules
If Your dispute doesn’t fall within the AFCA Rules, or You are not satisfied with CHU’s decision then You may wish to seek independent legal advice.

Privacy complaints
If You are not satisfied with CHU’s final decision and it relates to Your privacy or how CHU has handled Your personal information, You can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE’s CCU, AFCA or the OAIC

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<tr>
<th>How to contact QBE Customer Care</th>
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<tbody>
<tr>
<td>Phone</td>
<td>1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays) Calls from mobiles, public telephones or hotel rooms may attract additional charges</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:complaints@qbe.com">complaints@qbe.com</a>, to make a complaint <a href="mailto:privacy@qbe.com">privacy@qbe.com</a>, to contact Us about privacy or Your personal information <a href="mailto:customercare@qbe.com">customercare@qbe.com</a>, to give feedback or pay a compliment</td>
</tr>
<tr>
<td>Post</td>
<td>Customer Care, GPO Box 219, Parramatta NSW 2124</td>
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<th>How to contact AFCA</th>
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<tbody>
<tr>
<td>Phone</td>
<td>1800 931 678 (free call)</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:info@afca.org.au">info@afca.org.au</a></td>
</tr>
<tr>
<td>Online</td>
<td><a href="http://www.afca.org.au">www.afca.org.au</a></td>
</tr>
<tr>
<td>Post</td>
<td>Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001</td>
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<tr>
<th>How to contact the OAIC</th>
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<tbody>
<tr>
<td>Phone</td>
<td>1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:enquiries@oaic.gov.au">enquiries@oaic.gov.au</a></td>
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<tr>
<td>Online</td>
<td><a href="http://www.oaic.gov.au">www.oaic.gov.au</a></td>
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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
New South Wales / ACT
Email: info_nsw@chu.com.au
Phone: 1300 361 263

Queensland / Northern Territory
Email: info_qld@chu.com.au
Phone: 07 3135 7900

South Australia
Email: info_sa@chu.com.au
Phone: 08 8394 0444

Victoria / Tasmania
Email: info_vic@chu.com.au
Phone: 03 8695 4000

Western Australia
Email: info_wa@chu.com.au
Phone: 08 9466 8600

Financial claims scheme
Your Policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent You may be entitled to access the FCS, provided You meet the eligibility criteria. More information may be obtained from 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.fcs.gov.au
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.

If We agree to pay Your claim, We will deduct the Excess from the amount of the claim We will pay to You.

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’ve 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
You must pay any Excesses which apply to Your claim. The Excesses 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 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.

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.

Depreciation
means the reduction in the value of the item due to Wear and Tear.

Earth Movement
means heave, 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 and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for 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.

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.

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, 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.
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 calculated on the basis of the annual rentable value (including any ‘outgoings’ payable by a Tenant or lessee) 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 twenty five percent (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.

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. Storm Surge does not include predicted astronomical tides.

Strata Legislation means the respective State Legislation applying where Your Building is situated and includes 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 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 authorized 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.

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;
   iii. 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
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 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 more than one party is named on the Schedule as an insured We will treat each as a separate and distinct party. The words ‘You’, ‘Your’, ‘Yours’ will 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. 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 this Policy or in the Schedule for each claim made. Payment of the Excess may be requested when the claim is lodged, or may be deducted from Our payment.

With the exception of the 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.

The Excess You have to pay or contribute to earthquake or seismological disturbance as shown in the Schedule applies for an Event that occurs during any one period of seventy-two (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 23 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, 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. 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

We agree that where this Policy insures more than one party, where one party:
out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, Storm, Rainwater, water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes.

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, 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
You’re not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

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. inform the Police immediately following theft, vandalism, malicious damage or misappropriation of money or property.

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.

3. How to make a claim
When You make a claim You must:

   a. promptly inform CHU by telephone, in writing or in person.
You may have to contribute towards Your claim if Your notification is late and results in higher costs for Us or harms Our investigation opportunities;
   b. provide details of the Event and when requested complete and return Our claim form promptly together with all letters, documents, valuations, receipts or evidence of ownership that You have been asked to provide;
   c. provide written statements under oath if We require it;
   d. be interviewed about the circumstances of the claim, if We require this;
   e. allow Us to inspect Your Insured Property and take possession of any damaged item to deal with it in a reasonable way;
1. provide Us as soon as possible 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 cost of fees You necessarily incur with Our written consent 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 - Emergency and temporary protection costs of Policy 1 – Insured Property, You are not authorised to commence repairs without Our approval.

6. **Repairs or Replacement**
   We have the right to nominate the repairer or supplier to be used. 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, You will enter into that agreement with the third party as Our agent.

7. **You must assist Us**
   Before We will pay anything under this Policy, You must:
   
   a. comply with all the requirements of this Policy; and
   b. give Us all 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. **Other insurance**
    If at the time any claim arises under this Policy there is any other insurance in force covering the same liability, in part or in full, You must promptly notify Us of full details of such other insurance, including the identity of the insurer(s) and the policy number(s), and such further information as We may reasonably require.

    Subject to the Insurance Contracts Act 1984 (Cth), We reserve the right to seek a contribution from the other insurer(s).
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 – Insured Property 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 – Insured Property 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 – Insured Property 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.

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.

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 – Insured Property 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 – Insured Property. 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 – Insured Property.

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 – Insured Property; or
      ii. reasonable access to or occupancy of Your Lot/Unit being prevented by Damage from an Event claimable under Policy 1 – Insured Property 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 – Insured Property; 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 – Insured Property 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 (3) 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;
   • murder or suicide;
occuring 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 thirty (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 – Insured Property happening to property belonging to or under the control of any such supply authority, provided the failure of services extends for more than forty eight (48) hours We will pay from the time of the failure until the time such services are reinstated, or for a period of thirty (30) days, whichever first occurs.

e. Cost of reletting
When You have leased out Your Lot/Unit We will pay up to $5,000 for the cost of hiring temporary meeting room facilities forming part of Your Insured Property provided:
   i. Damage to Your Insured Property that is admitted as a claim under Policy 1 – Insured Property, We will pay up to $2,500,000 for Damage to the completed works by an Event claimable under Policy 1 – Insured Property.
   ii. the value of such work does not exceed that amount; or
   iii. upon practical completion:
          pay up to $500,000 for Damage to the completed works by an 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;
   • 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 thirty (30) days, whichever first occurs.

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

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 – Insured Property 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 – Insured Property, 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.

The combined total amount We will pay under Special Benefit 1 - Temporary Accommodation / rent / contributions / storage - a. to i.
will be limited to the percentage of the Building Sum Insured for Policy 1 – Insured Property 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 – Insured Property; or
   b. reasonable access to or occupancy of Your Lot/Unit being prevented by Damage from an Event claimable under Policy 1 – Insured Property 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:
   a. during the construction period:
          pay up to $250,000 for Damage to such alterations, additions or renovations by an Event claimable under Policy 1 – Insured Property provided:
              i. the value of such work does not exceed that amount; or
              ii. 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.
   b. upon practical completion:
          pay up to $500,000 for Damage to the completed works by an 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;
         • 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 thirty (30) days, whichever first occurs.
Event claimable under Policy 1 – Insured Property provided:

i. You notify Us within sixty (60) days of the practical completion of such alterations, additions or renovations; and

ii. if requested You pay any extra Premium We may charge.

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 – Insured Property. We will pay the reward to the person or persons providing such information or in such other manner as We may 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 – Insured Property.

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 immediately 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 repairing a sealed unit in 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 settlement.

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 situation and threatening to involve Your Insured Property or its occupants.

How We will settle Your Fusion claim
We will at Our option repair or replace the Insured Property or pay for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Fusion. We will not make any deduction for Depreciation in respect of parts replaced. 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 – Insured Property and the cost to rebuild, replace or repair the Damaged portion is more than twenty-five percent (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 – Insured Property, 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 – Insured Property.

QM562-0619 | Policy 1 - Insured Property / Special Benefits 17
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 one percent (1%) of the Building Sum Insured under Policy 1 – Insured Property 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 – Insured Property.

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 – Insured Property.

This Benefit only applies if the paraplegia or quadriplegia has continued for a period of not less than six (6) 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 – Insured Property.

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 – Insured Property 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 – Insured Property and Temporary Accommodation does not allow pets or security dogs.

19. Purchaser’s interest
We will cover a purchaser’s legal interest in Your Insured Property, in accordance with the terms and conditions of Policy 1 – Insured Property, when the purchaser has signed an agreement to buy part of or all of such property.

20. 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 – Insured Property, 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 – Insured Property.

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.

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 – Insured Property, 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 – Insured Property.
Exclusions

1. We will not pay for Damage caused by or arising directly or indirectly from:
   a. Storm or Rainwater to retaining walls, or caused by Flood if shown in the Schedule as not selected;
   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 vice, latent defect, 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;
   j. the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds;
   k. water in swimming pools, spas or water tanks;
   l. normal settling, creeping, heaving, seepage, shrinkage, or expansion in buildings, foundations/footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements;
   m. smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);
   n. 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 – Insured Property;
   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;
   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 before the commencement of such work. However We will pay for Damage which results from any other Event claimable under Policy 1 – Insured Property.

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, loss of use or Depreciation other than as specifically provided under an operative Additional Benefit or Special Benefit.

Claims - how We will settle Your claim

1. Replacement

If Your Insured Property is Damaged, We may choose to either rebuild, replace, repair or pay the amount it would cost to rebuild, replace or repair.

The amount We pay under Policy 1 – Insured Property 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, 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;
   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 – Insured Property 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:

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.

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 – Insured Property is not otherwise expended.

2. Under Clauses 2. and 4. above, any differences relating to value may by agreement between Us be referred to the President of the Australian Property Institute Inc. who will appoint a registered and qualified valuer whose decision will be final and binding and who will at the same time decide as to payment of the costs of such referral.
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 – Liability to Others, 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 Insured Property that happens during the Period of Insurance.

Further, We will pay:

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.

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.

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. 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 – Liability to Others.

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 – Liability to Others;
   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 – Liability to Others;
   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 – Liability to Others.

7. arising out of or in connection with the ownership of marinas, wharves, jetties, 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 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.

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 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 – Liability to Others 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 violent, accidental, external and visible means; and
- c. which, independently of any other cause results in the following insured events.

### Table of Benefits

<table>
<thead>
<tr>
<th>Insured event</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Death</td>
<td>$200,000</td>
</tr>
<tr>
<td>2. Total and irrecoverable loss of all sight in both eyes</td>
<td>$200,000</td>
</tr>
<tr>
<td>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</td>
<td>$200,000</td>
</tr>
<tr>
<td>4. Total and permanent loss of the use of one hand or of the use of one foot</td>
<td>$100,000</td>
</tr>
<tr>
<td>5. Total and irrecoverable loss of all sight in one eye</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

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 attempt thereat;
- 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 twelve (12) years;
- e. for bodily injury that does not manifest itself within twelve (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 one hundred percent (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, at Our discretion, 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 – Voluntary Workers 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 worker’s compensation for employees in the state or territory where Your Insured Property is situated.

When You are covered for worker’s compensation for employees We will insure You for all amounts You become legally liable to pay to Your employees under the worker’s 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 – Workers Compensation.
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 – Fidelity Guarantee;

4. any claims arising out of losses discovered more than twelve (12) months after the expiry of Policy 5 – Fidelity Guarantee, or any renewal thereof.

Definitions
The word listed below has been given a special meaning and applies to Policy 5 – Fidelity Guarantee 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 thirty (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 – Continuous cover of Policy 6 – Office Bearers’ Legal Liability, the subject of this insurance or any indemnity.

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

Special Benefits
1. Payment of Defence Costs
We agree that in relation to any Claim under Policy 6 – Office Bearers’ Legal Liability:

- where indemnity has been confirmed by Us in writing, We will pay Defence Costs arising from such Claim;
- where indemnity has not been confirmed by Us in writing, We will:
  i. where We elect to conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim; or
  ii. in any other case, We may at Our discretion pay the Defence Costs arising from such Claim.

Provided always that in the event the Claim is withdrawn or that indemnity under Policy 6 – Office Bearers’ Legal Liability 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 We are satisfied that You were not entitled to such Defence Costs, unless We agree in writing to waive recovery of such Defence Costs.

2. Continuous cover
We agree that 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 6 – Office Bearers’ Legal Liability or 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 – Office Bearers’ Legal Liability.

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 – Office Bearer’s Legal Liability under which the notification should have or could have been given.

3. Extended period of cover
We agree that should a Claim, fact or circumstance arise within a period of thirty (30) days following the expiry date of Policy 6 – Office Bearer’s Legal Liability and 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 – Office Bearer’s Legal Liability.

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 – Office Bearer’s Legal Liability 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 – Office Bearer’s Legal Liability 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, 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. 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;
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 – Office Bearers’ Legal Liability;

12. Claims first notified to Us after the expiry of Policy 6 – Office Bearers’ Legal Liability, except as otherwise provided in Insuring Clause b. of Policy 6 – Office Bearers’ Legal Liability;

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.

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 – Office Bearers’ Legal Liability 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 – Machinery Breakdown 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.

Additional Benefits
Additional Benefits are included when the Sum Insured under Policy 7 – Machinery Breakdown 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 – Machinery Breakdown.

We will pay for the reasonable cost of:

1. the cost of Temporary Accommodation You necessarily incur;
2. the actual Rent You lose;
3. expressing repair including overtime working;
4. express or air freight;
5. replacing oil and refrigerant gas from air-conditioning units or refrigeration units;
6. 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.

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 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

We will at Our option repair or replace the Insured Item or pay 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 make any deduction for Depreciation in respect of parts replaced.

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 – Catastrophe Insurance in the Schedule, against the Escalation in the cost of Replacement of Your Insured Property if it is destroyed, or We declare it 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 sixty (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 – Catastrophe Insurance.

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

a. Special Benefit 1. Fifteen percent (15%);
   b. Special Benefit 2. Five percent (5%);
   c. Special Benefit 3. and 4. combined Five percent (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 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 – Catastrophe Insurance 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 – Catastrophe Insurance 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 – Catastrophe Insurance may by agreement between Us be referred to the President of the Australian Property Institute Inc. who will appoint a registered and qualified valuer whose decision will, if we both so agree, be binding and who will at the same time decide as to payment of the costs of such referral.

Conditions

Policy 8 – Catastrophe Insurance 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 – Catastrophe Insurance 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 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses is issued on a Claims made basis. This means Parts A, B and C of Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses 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 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses in the Schedule, for Professional Fees You reasonably incur with Our written consent in connection with an Audit first notified to You verbally or in writing during the Period of Insurance or within thirty (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 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.

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 twelve (12) months prior to the original inception date of Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses; or
   iii. relates to a return for a financial year not more than three (3) 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 You must 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. You must:

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 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.
We will not pay:

- a safe working environment;
- a safe system of work;
- adequate facilities of a prescribed kind for the welfare of Your employees.

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.

We will not pay:

- 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 thirty (30) days thereafter;
- more than the Sum Insured for Part B for:
  - any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;
  - 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;
- 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 thirty (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 at least five (5) clear 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 (5) clear 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 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 any 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 documents 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.

3. Consent
We will not be liable to indemnify You unless You have first obtained Our specific written consent 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
We agree that 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 information and assistance as required. You will give a complete and truthful account of the facts of the case, shall supply all documentary and other evidence in Your possession relating to the Claim, will obtain and sign all documents required to be obtained and signed and will attend any meetings or conferences when 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 accept or refuse such nomination without giving a reason.

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 immediately 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 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 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses when they begin with a capital letter.

Appeal Expenses
means legal costs, professional costs and other disbursements necessarily and reasonably incurred with Our consent 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 written or verbal advice of intent to initiate legal proceedings or a civil or criminal action against You; or
- a civil proceeding commenced by the service of a complaint, summons, statement of claim or similar pleading against You; or
- 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:
- 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;
- 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;
- 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:
- an accountant who is a member of a nationally recognised accounting body, registered tax agent or tax consultant;
- 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:
- form part of an annual or fixed fee or cost arrangement; or
- 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
- were rendered by a third party in relation to which Our written consent was not obtained before those fees were incurred; or
- 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 lodgement 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 – Lot Owners’ Fixtures and Improvements in the Schedule for Damage to Lot Owners’ Fixtures and Improvements. The Event must be claimable under Policy 1 – Insured Property and must occur during the Period of Insurance.

Policy 10 – Lot Owners’ Fixtures and Improvements is subject to the same terms, conditions and exclusions as Policy 1 – Insured Property as they may be expressly varied herein.

Claims - how We will settle Your claim
If Lot Owners’ Fixtures and Improvements are Damaged, We may choose to either replace, repair or pay the amount it would cost to replace or repair.

The amount We pay under Policy 10 – Lot Owners’ Fixtures and Improvements 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 word listed below has been a specific meaning and applies to Policy 10 – Lot Owners’ Fixtures and Improvements 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.