eclipse

RESIDENTIAL STRATA

PRODUCT DISCLOSURE STATMENT AND POLICY WORDING

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CONTENTS

PRODUCT DISCLOSURE STATEMENT (PDS)

Important Information & Notices

This document is a Product Disclosure Statement (PDS) and is also **Our** insurance **Policy** wording. Please note that it operates as a PDS under the *Corporations Act 2001 (Cth)*.

Other documents may also form part of **Our** PDS and **We** will specifically tell **You** if this is the case in the relevant document.

It is important that **You** carefully read the contents of the PDS and **Policy** wording, including any other documents **We** may have issued that vary the standard terms of this document, before **You** decide to buy this product. If **You** purchase this product, **You** will need to keep this PDS and **Your Schedule** in a safe place.

Any advice in this document is of a general nature only and has not considered **Your** objectives, financial situation or needs. **You** should carefully consider the information provided having regard to **Your** personal circumstances to decide if this insurance is right for **You**.

About Eclipse

Eclipse Business Insurance Pty Ltd **ABN** 82 635 338 662 (Eclipse) is an Authorised Representative and wholly owned subsidiary of Eclipse Insurance Pty Ltd **ABN** 90 629 644 846 the holder of an **Australian Financial Services License** Number is 516081.

About the Insurers

The insurance is underwritten by certain underwriters at Lloyd's.

The definitive numbers and the proportions underwritten by them, can be supplied on application. In consideration of the **Premium** specified in the **Schedule**, the underwriters are bound, severally and not jointly, each for their own part and not one for another, their executors and administrators, to insure in accordance with the terms and conditions contained in the **Policy** or any **Endorsement**.

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 12. It tells **You** about:
  - **Our** Agreement (**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 *Sections 1 to 7*);
  - what **Excesses You** may have to pay (see **Excesses** on page 8 for guidance);
  - when **You** are not **Insured** (see General Exclusions and other Exclusions under *Sections 1 to 7*);
  - what **You** and **We** need to do in relation to claims (see *Sections 1 to 7*);
  - **Your** and **Our** cancellation rights (see Cancelling **Your Policy** on page12).
- any **Schedule** (refer to the definition of **Schedule** on page 15) 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.

It is important that these documents are read together carefully and that they are kept in a safe place.

Updating the PDS

The information in this PDS was current at the date of preparation. **We** may from time-to-time update some of the information in the PDS. If, due to any material changes it becomes necessary, **We** will issue a Supplementary PDS (SPDS) or replacement PDS.

You can obtain a copy of any updated information by contacting **Your** insurance broker.

Summary of Cover

The information contained in this table below provides **You** with a summary of the Covers available under this **Policy**.

In addition to this, under some Sections of the **Policy** there are further optional covers or limits that **You** can select subject to Eclipse agreeing to provide those covers. **You** should refer to the relevant Section for full details.

You should also read the relevant Section for a full description of the Section Cover together with any relevant limits, specific exclusions and conditions that apply as well as the general conditions and general exclusions contained in this Policy-booklet.

Policy Section	Benefits
Property Damage Insurance	This Section covers **You** against accidental **Loss or Damage** to **Your Building** and **Common Area Contents** which occurs at the site during the **Period of Insurance**. It also includes optional covers for **Floating Floors**, Loss of Market Value and Catastrophe Cover.
Public or Legal Liability	This Section covers **You** against any claim for compensation or expenses that **You** become legally liable to pay for: • **Personal Injury**; or • **Property Damage**, happening during the **Period of Insurance** and caused by an Occurrence in connection with **Your** Business.
Personal Accident	This Section covers death or Injury sustained by any person in the **Period of Insurance** while engaged as a **Volunteer**.
Fidelity Guarantee	This Section covers **You** against loss of **Funds** in the **Period of Insurance** as a result of theft, embezzlement, misappropriation, conversion or fraud.
Machinery Breakdown	This Section Covers the cost to repair or replace **Machinery** and electronic equipment damaged as a result of accidental **Breakdown**.
Office Bearers Legal Liability	This Section covers the legal liability of **Office Bearers** and committee members for **Wrongful Acts** they commit including where applicable, reimbursement of the **Body Corporate** for payments made in respect of such **Wrongful Acts**. This Section is issued on a claims made basis which means it responds to claims first made against **You** during the **Period of Insurance** and notified to **Us** during that same period.
Government Audit Costs & Legal Expenses	This Section provides cover for: **Part A** - the cost of **Professional Fees** if **You** are audited by the Australian Tax Office or another government organisation; **Part B** - the cost of appealing against common property health and safety breaches; **Part C** - the cost of defending specific litigation (see page 42) brought against **You** other than as covered under *Section 2* and 6. A special **Excess** payment applies to Part C. This Section is issued on a **claims** made basis which means it responds to claims first made against **You** during the **Period of Insurance** and notified to **Us** during that same period.

Significant Benefits & Risks

The information contained in this table below provides **You** with a summary of the Significant Benefits & Risks available under this **Policy**.

In addition to this, under some sections of the **Policy** there are further optional covers or limits that **You** can select subject to **Us** agreeing to provide those covers. **You** should refer to the relevant Section for full details.

Policy Section	Benefits	Not Covered
1. Property Damage Insurance	• **Loss or Damage** to Buildings and **Common Area Contents** • Architects fees, surveyors fees, other professional fees • Removal, storage and/or disposal of debris • Dismantling, demolishing, shoring up, propping up, underpinning or other temporary repairs • Demolition and disposal of undamaged portion of **Your Building** in accordance with any order issued by a public or statutory authority • Fees, contributions or imposts for any public or statutory authority to obtain their authority to rebuild • Legal fees incurred in making submissions to any public or statutory authority, building licensing board, or land and environment courts • **Loss or Damage** to fences and gates as a result of **Storm** • **Loss or Damage** caused by **Tsunami** • **Loss or Damage** caused by emergency services • **Loss or Damage** caused by smoke or smut • Emergency repair costs • Cost of temporary protection and safety of **Insured Property** and residents • Arson, theft, vandalism, Malicious damage reward • **Fusion** of electric motors • Electricity, gas, water and similar charges - excess costs • Electricity, gas, water and similar charges - unauthorised use • Environmental Improvements • Exploratory costs, replacement or defective parts • Removal or disposal of fallen trees or branches • Fire extinguishing • Keys and locks replacement • Meeting room hire • Loss of money • Mortgage discharge • Modifications to property to cater for physical needs of **Lot Owner** as a result of personal injury	• **Loss or Damage** caused by non-rectification of an **Insured Property** defect, error or omission • **Loss or Damage** caused by lack of maintenance or failure to maintain **Your Insured Property** in a reasonably good state of repair • Cost of clearing blocked pipes or drains unless the blockage causes or is the result of physical damage to the pipe or drain

Significant Benefits & Risks (continued)

Policy Section	Benefits	Not Covered
1. **Property** Damage Insurance	• Personal property of others • Purchaser's interest • Rewriting or reconstructing records • Removal, storage costs - **Property** • Removal of illegally deposited rubbish • Removal of water from basement • Loss of rent • Temporary Accommodation • Emergency accommodation • Cost of reletting • Landscaping • Removal of squatters • Title deeds • Funeral expenses • Travel costs • Boarding pets, security dogs (per Lot) • Claims preparation costs • Optional covers including, Floating Floors, Loss of Market value and • Catastrophe Cover	
2. Public or Legal Liability	• Personal Injury • **Property** Damage • Car park liability • Services • Cost of defending a claim • Court appearance	• Liability imposed by the provisions of any workers compensation, accident compensation or similar legislation • Personal injury or **Property** Damage caused by animals on **Your** Common Area • Fines or penalties or for punitive, aggravated, exemplary or additional damages imposed • Watercraft • Fertiliser, pesticide, herbicide application • Wheelchairs, garden equipment, Other vehicles • Bridges, Roadways, Kerbing, Footpaths
3. Personal Accident	• Death • Total loss of sight in both eyes • Total loss of **Use** of both hands or both feet or the **Use** of one hand and one foot • Total loss of **Use** of one hand or foot • Total loss of sight in one eye • Total disablement from engaging in Weekly profession, business or occupation • Partial disablement from engaging in Weekly profession, business or occupation • The costs of hiring or employing domestic assistance in the event a Volunteer is totally disabled from performing profession, business or occupation or Usual household duties. • Travel expenses incurred at the time of or subsequent to bodily injury.	• Compensation for intentional self- injury or suicide • Cover for children under the age of 12 • Compensation where the claim arises out of the Volunteer being under the influence of alcohol or any other drug • Tutorial Expenses for Volunteer who is a full time student • Cost of Burial or Cremation of Volunteer • The cost of home tutorial expenses if the Volunteer is a student and is totally disabled.

Significant Benefits & Risks (continued)

Policy Section	Benefits	Not Covered
4. Fidelity Guarantee	• Fraudulent misappropriation of **Your** funds • Continuity of Cover	• No cover is provided unless **We** are notified within 90 days of **You** discovering the fraudulent misappropriation of **Your** funds • External Audit Costs
5. Machinery Breakdown	• Fraudulent misappropriation of **Your** funds • Continuity of Cover	• Fraudulent misappropriation of **Your** funds • Continuity of Cover
6. Office Bearers Legal Liability	• Fraudulent misappropriation of **Your** funds • Continuity of Cover	• Fraudulent misappropriation of **Your** funds • Continuity of Cover
7. Government Audit Costs & Legal Expenses	• Government audit costs • Appeal expenses-common property, health and safety breaches. • Legal defence expenses	• No cover when audit notification occurred prior to commencement of cover. • No cover when there is a failure to lodge returns or documents on time or properly. • Fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar • Record Keeping Audit

Cooling Off Period

We will refund the entire **Premium** paid for cover under this insurance **Policy** if **You** cancel the **Policy** within 21 days of its commencement. To do this, **You** must advise **Us** in writing and return the **Schedule** to **Us** business Insurance Pty Ltd. **You** will not receive a refund if **You** have made a claim under the insurance **Policy**.

Even after this cooling off period ends **You** still have cancellation rights. Further details about these rights can be obtained in the *Cancelling Your Policy* section.

Duty of Disclosure

Before **You** enter into a contract of insurance, **You** have a duty under the *Insurance Contracts Act 1984 (Cth)*(ICA) to disclose anything that **You** know, or could reasonably be expected to know, or in the case of consumer contracts (as defined in Part IV of the ICA)(Consumer Contracts) to take all reasonable care to disclose anything that **You** know, or could reasonably be expected to know, that may affect **Our** decision to insure **You** and on what terms. **You** have that duty after application, and up until the time **We** agree to insure **You**.

You have the same duty before **You** renew, extend, vary, or reinstate a contract of insurance.

You do not need to tell **Us** anything:

- that reduces the risk that is **Insured**;
- that is of common knowledge; or
- that **We** know or, in the ordinary course of **Our** business as an Insurer, ought to know; or
- where compliance with **Your** duty is waived by **Us**. If **You** are uncertain about whether or not a particular matter should be disclosed to **Us**, please contact **Us**.

Non-disclosure

If **You** fail to take reasonable care in disclosing information to **Us** in the case of Consumer Contracts, or do not tell **Us** anything **You** are required to, **We** may cancel **Your** contract or reduce the amount that **We** are required to pay **You** if **You** make a claim or both. If **Your** failure to disclosure is fraudulent, **We** may refuse to pay a claim and treat the contract as it if never existed.

Monetary Limits

We insure **You** up to the amount of the **Sum Insured** or other specified limits for **Your Insured Property.** These amounts are specified in the relevant clauses in the **Policy** Wording or on the **Schedule**.

Covers for Liability to others, Fidelity Guarantee, **Office Bearers** Legal Liability, Machinery Breakdown, Government Audit Costs and Legal Expenses insure **You** up to a set **Limit of Liability** which is shown on the **Schedule**.

You need to make sure **You** are happy with all of the relevant **sum(s) Insured** and limits. If **You** do not adequately insure **Yourself**, **You** may have to bear the uninsured proportion of any loss **Yourself**.

For example, if **You** don't have a sufficient **Sum Insured** to replace **Your Insured Property** at new cost **You** will bear the shortfall.

You should factor in the possibility of all possible expenses such as the cost of demolition and removal of debris from the site, the cost of employing an architect or surveyor, the **Replacement** of other structures such as driveways, roadways, kerbing, above and below ground services should all be included in the **Sum Insured**. If **You** are unsure whether **Your Insured Property** is **Insured** for the correct amount, **You** should seek professional advice.

You should also advise **Us** of any material 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.**

Excesses may apply. See **Excesses** section below.

Excesses

Excesses may apply to any claim under this insurance.

An **Excess** is an amount **You** may have to pay each time **You** make a claim under this insurance **Policy**. The **Excesses** that are applicable are shown on the **Schedule**, and/or within the relevant Sections.

An **Excess** will be applied for each incident where a claim is made.

We will tell **You** the amount of any **Excess** when **You** apply for cover. They may vary according to a number of factors, such as **Your** risk location and **Your** insurance history.

Costs of this insurance

In order to calculate **Your Premium**, **We** take various factors into consideration, including:

- the cover options selected;
- the sum(s) **Insured** selected;
- the address of **Your Insured Property;**
- **Your** claims insurance history.

The **Premium** also includes amounts payable in respect of compulsory government charges including Stamp Duty, GST, any Fire Service Levy (where applicable) and any applicable administration fee (as shown in **Your Schedule**).

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

Applying for Cover

When **You** apply for cover under this **Policy We** may, based on the information **You** provide, be able to offer cover and terms specific to **You**. Once **We** have agreed to cover **You**, **We** will issue **You** with a **Schedule** confirming this, including the following information:

- the Sums **Insured** applicable and **Situation** of **Your Insured Property;**
- **Excess**(es) applicable;
- **Premium** including taxes and charges and any administration fee charged by **Us**.

Privacy

We are committed to complying with privacy laws and protecting **Your** personal information. By purchasing this product, **You** agree to:

- the collection, use and disclosure of **Your** personal information to evaluate, effect, manage and administer **Your** insurance Cover, financial service or product provided to **You** by **Us**, any related company, or in conjunction with **Us**. This applies to personal information provided previously, currently and in the future;
- the collection, use and disclosure of **Your** personal information to inform **You** of other products and services offered by **Us**, **Our** related entities or **Your** representative;
- the use and disclosure of **Your** personal information to test and improve upon the systems Used to manage **Your Policy**;
- the collection from, and/or disclosure of, **Your** personal information to a third party which may include **Your** employer and **Our** service providers (including but not limited to other insurers, medical practitioners, lawyers, claims consultants, loss assessors and investigators), where this is relevant for the administration of **Your Policy** or a claim under this **Policy**;
- the disclosure of **Your** personal information to overseas recipients, where relevant, such as some of **Our** reinsurers; and
- the disclosure of **Your** personal information to a person, regulatory bodies or other entities if **We** are required or permitted to do so by law. If **You** do not provide the requested personal information, **We** may not be able to evaluate, effect, manage or administer **Your Policy** and **You** may also be in breach of **Your** duty of disclosure

Our Privacy Policy which is available at http://www.eclipse.insure or by calling **Us**, sets out how:

- **We** protect **Your** personal information;
- **You** may access **Your** personal information;
- **You** may correct **Your** personal information held by **Us**;
- **You** may complain about a breach of the *Privacy Act 1988 (Cth)* or Australian Privacy Principles and how **We** will deal with such a complaint.

If **You** would like additional information about privacy or would like to obtain a copy of the Privacy **Policy**, please contact

Eclipse's Privacy Officer by:
Address: Level 10, 4 Martin Place, Sydney, 2000
Phone: 1300 325 773
E-Mail: privacy@eclipse.insure

You can download a copy of Eclipse's Privacy **Policy** by visiting http://www.eclipse.insure/privacy/

Complaints & Dispute Resolution

We are committed to meeting and exceeding **Our** clients' expectations whenever possible and would like to know if **Your** expectations haven't been met. **You** are entitled to make a complaint about any aspect of **Your** relationship with **Us** including the conduct of **Our** agents and authorised representatives. The complaints process also applies to complaints regarding a declined claim, the value of a claim or financial hardship.

Complaints

There are established procedures for dealing with complaints and disputes regarding **Your Policy** or claim. If **You** have any concerns or wish to make a complaint in relation to this **Policy**, **Our** services or **Your** claim, contact **Us** using the details below, and **We** will attempt to resolve **Your** concerns in accordance with **Our** Internal Dispute Resolution procedure.

Complaints Officer
Eclipse Business Insurance Pty Ltd
Address: Level 10 4 Martin Place, Sydney, 2000
Email: complaints@eclipse.insure

We will acknowledge receipt of **Your** complaint and do **Our** utmost to resolve the complaint to **Your** satisfaction within ten (10) business days. If **We** cannot resolve **Your** complaint to **Your** satisfaction, **We** will escalate **Your** matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team.

Lloyd's contact details are:

Address: Suite 1603 Level 16, 1 Macquarie Place, Sydney 2000
Phone: (02) 8298 0783
Email: idraustralia@lloyds.com

A final decision will be provided to **You** within thirty (30) calendar days of the date on which **You** first made the complaint unless certain exceptions apply.

Dispute Resolution

You may refer **Your** complaint to the Australian Financial Complaints Authority (AFCA), if **Your** complaint is not resolved to **Your** satisfaction within thirty (30) calendar days of the date on which **You** first made the complaint or at any time.

AFCA can be contacted as follows:

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

Your complaint must be referred to AFCA within two (2) years of the final decision, unless AFCA considers special circumstances apply. If **Your** complaint is not eligible for consideration by AFCA, **You** may be referred to the Financial Ombudsman Service (UK) or **You** can seek independent legal advice. **You** can also access any other external dispute resolution or other options that may be available to **You**.

General Insurance Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice ("the Code"), which is a voluntary self-regulatory code. The Code aims to raise the standards of practice and service in the insurance Industry.

Lloyd's has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit *http://www.codeofpractice.com.au.* The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the Code Governance Committee (CGC) go to *http://www.insurancecode.org.au*

Vulnerability Support and Financial Hardship

Financial Hardship involves an inability of the customer to pay a debt, rather than an unwillingness to do so. Financial Hardship can arise from a variety of situations and can be either of limited duration or long term.

If **We** are informed that **You** are experiencing Financial Hardship, **We** are required to supply **You** with an application form for Financial Hardship assistance and contact details for the National Financial Counselling hotline 1800 007 007.

We will review any applications for Vulnerability Support and/or Financial Hardship in accordance with Part 9 (Supporting customers experiencing vulnerability) and Part 10 (Financial Hardship) of the General Insurance Code of Practice and any applicable guidelines.

Litigation Dispute Resolution (Service of Suit)

Lloyd's Underwriters agree that;

- In the event of a dispute arising under this Insurance, Lloyd's Underwriters at the request of the **Insured** will submit to the jurisdiction of any competent court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such court.

- Any summons notice or process to be served upon the Lloyd's Underwriters may be served upon:

Lloyd's Underwriters' General Representative in Australia

Address: Suite 1603 Level 16, 1 Macquarie Place, **Sydney** 2000
Phone: (02) 8298 0700
Facsimile: (02) 8298 0788

who has authority to accept service and to enter an appearance on the Lloyd's Underwriters' behalf, and who is direct at the request of the Lloyd's Underwriters' to give a written undertaking to the **Insured** that they will enter an appearance on the Lloyd's Underwriters' behalf.

if a suit is instituted against any one of the Lloyd's Underwriters', all Lloyd's Underwriters' hereon will abide by the final decision of such court or any competent Appellate court.

GST

This **Policy** has a Goods and Services Tax (GST) provision in relation to **Premiums** and to payments **We** may make in respect of claims under this **Policy**.

It may have an impact on how **You** determine the amount of insurance **You** need.

It is **Your** responsibility to ensure that **Your** Cover is adequate in light of the impact of GST on **You**.

Please contact **Your** intermediary or seek professional advice if **You** have any queries about GST and **Your** insurance.

GST and Your Sums Insured

If **You** are not registered for GST the **Sum Insured You** choose should be GST inclusive.

If **You** are registered for GST the **Sum Insured** that **You** choose should exclude GST.

GST and Claim Payments to You

In the event of a claim under this **Policy**:

if **You** are not registered for GST **We** will reimburse **You** the GST component in addition to any other amount **We** pay **You**; or if **You** are registered for GST **You** will need to claim the GST component from the Australian Taxation Office. Where **You** cannot claim the GST component in full **We** will reimburse **You** the unclaimed GST component in addition to the amount **We** pay **You**.

Your Policy contains claims conditions in respect of:

- GST and claim payments for acquisition of goods and services and other supply;
- GST and claim payments for compensation;
- GST and claim payments for legal and other costs; and,
- **Our** limitation for GST payment.

You should read the claims conditions contained in this **Policy** booklet to make sure **You** understand both **Our** and **Your** obligations in respect of how GST will be treated in respect of the payment of claims under this **Policy**.

How to make a claim

You should contact **Your** broker as soon as reasonably practicable to advise of any incident that could lead to a claim.

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;
- take reasonable steps to reduce the **Loss or Damage** and prevent further **Loss or Damage**;
- inform the police as soon as reasonably practicable following theft, vandalism, malicious damage or misappropriation of money or property;
- not dispose of any damaged items without first obtaining approval from **Us**, which will not be unreasonably withheld; and
- not get repairs done, except for essential temporary repairs, until **We** give **You** authority (which will not be unreasonably withheld) and subject to **Our** 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 *Claims Procedures* in the *Policy Wording* part which sets out claims information and what **You** must do if making a claim.

POLICY WORDING

Important Information

Our Agreement

Subject to all of the terms and conditions contained in **Your Policy** document and payment of the **Premium**. **We** will provide **You** with the cover shown in the relevant cover sections of **Your Policy** document up to the appropriate **Sum Insured** or **Limit of Liability** shown in **Your Schedule** or other limits shown in **Your Policy**.

You must disclose all previous claims

You are asked at the time **You** take out this insurance and when **You** renew, extend, vary or reinstate this insurance to give **Us** full and correct details concerning any:

- renewal or insurance **Policy** declined, cancelled or refused, or where any additional **Excess** was imposed;
- claims made by **You** relating to this class of property and insurance because any of these may affect the **Premium** and extent of insurance.
- For example **We** may be entitled to:
- charge **You** an additional **Premium**;
- impose (back dated) restrictions declining **Your**
- insurance back to when this information should have been advised to **Us**;
- decline to insure **You**;
- refuse a claim.

When renewing **Your Policy** with **Us You** must also advise **Us** of any changes to **Your** claims or insurance history. **We** will notify **You** in writing of the effect a change may have on **Your** renewal.

Adjustments on renewal

We will send **You** a renewal **Schedule** at least fourteen (14) days before **Your Policy** expires detailing any changes to **Your** Sums **Insured**, **Premium** and charges, and, if any, changes to the terms, conditions and **Excesses** that previously applied.

You should carefully check all these details and, where necessary, seek the advice of a building professional to ensure that the **Building Sum Insured** is adequate to cover the costs of reinstating **Your Building** should damage occur at any time during the next **Period of Insurance**.

You should promptly advise **Your** insurance broker if **You** wish to vary any of the limits.

Cancelling Your Policy

- **You** may cancel all or part of this **Policy** at any time by giving **Us** notice in writing.
- **We** may cancel this **Policy** on any of the grounds set out in the *Insurance Contracts Act 1984* and **We** will always tell **You** of this in writing.
- On cancellation, a refund of **Premium** will be calculated equal to the unexpired period of this **Policy** less an administration fee equal to 10% of the annual **Premium** and any non-refundable Government charges and any component of the **Premium** relating to levies where applicable.
- where **We** have paid the total **Sum Insured** on a claim under any Section, that Section of **Your Policy** with **Us** is deemed to have been fulfilled and there is no refund of any **Premium**.

General Definitions

The following Definitions shall apply to these words when used in **Your Policy**, unless otherwise defined in the individual cover sections.

Act of Terrorism

means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Body Corporate

means the owner(s) of **Your Insured Property** and **Common Area** incorporated under the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of a State or Territory applying 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 *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of a State or Territory applying where **Your Insured Property** is situated.

Common Area
means the area at **Your Situation** that is not part of any **Lot/Unit**.

Computer System
means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including

any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the **Insured** or any other party.

Cyber Act
means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber Incident
means:

- any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
- any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Computer Virus
means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. **Computer Virus** includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

Data
means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

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

Earth Movement
means headage, landslide, land-slippage, mudslide, settling, shrinkage, subsidence (settlement of newly made-up ground or settlement caused by the bedding down of new structures), 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 interpretation 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 the processing and manipulation of data or the direction and manipulation of such equipment.

Endorsement
means a written alteration to the terms, conditions and limitations of this **Policy** whether issued by **Us** as a separate document or shown on the **Schedule**.

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

Event, Events
Event For the purposes of the application of any **Excess** or **Limit of Liability**, including aggregate **limits of liability** and Additional Benefits, all, injury, loss and damage resulting from: Earthquake, Subterranean Fire, Volcanic Eruption, Bushfires, **Flood** or **Storm** occurring during each period of 72 consecutive hours will be deemed to be continuous and due to the same conditions and will be considered as one **Event**. Each **Event** will be deemed to have commenced on the first happening of any such injury, loss and damage and not within the period of any previous **Event**; or Named Cyclone or **Storm Surge** occurring during the period of 48 consecutive hours from when the

Named Cyclone is first declared by the *Australian Reinsurance Pool Corporation*.

This condition does not apply to *Section 2*: Public or Legal Liability

Excess
means the amount **You** must pay as a contribution towards a claim. **You** will find the amount of any **Excess** shown on the **Schedule** or within the **Policy**.

Floating Floors
means laminated, engineered, 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 lake (whether or not it has been altered or modified);
- a river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal;
- 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
1. **Building**

Building means:

Building or buildings as defined by the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of any State or Territory applying where **Your Building** is situated, including:

a. outbuildings;
b. fixtures and structural improvements other than **Floating Floors** and carpets;
c. tennis **courts**, in-ground swimming pools and spas;
d. marinas, wharves, jetties, docks, pontoons, swimming platforms, or similar type facilities (whether fixed or floating) but only where these are used for non- commercial purposes and which do not provide fuel distribution facilities, unless **We** are advised and otherwise agree in writing;
e. satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
f. underground and overhead services;
g. Fixed or built in plant, equipment and appliances.

2. **Common Area Contents**

Common Areas means (but not so as to limit the generality thereof):

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

that **You** own or have legal responsibility for:

g. at, in or adjacent to **Your Situation**, or
h. temporarily removed elsewhere in Australia including
   - transit to and from **Your Situation**.
   - **Building** and **Common Area Contents** do not include:

i. 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;

j. livestock, birds, animals or fish unless contained in a fish tank for decorative purposes;
k. **Lot Owners' Contents** and any other personal property of theirs; money, other than as covered under Special Benefit 24 of *Section 1*;
l. 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 22 of *Section 1*; and
m. Temporary wall, floor and ceiling coverings within a **Lot/Unit**;
n. Mobile or fixed air-conditioning units servicing an individual **Lot/Unit**.

Where anything in this definition of **Insured Property** is contrary to the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of any State or Territory applying where **Your Building** is situated the requirements of **Your** 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.

Loss or Damage
means direct physical loss of, destruction of, or damage to **Insured Property** from any sudden and accidental cause not otherwise excluded by this **Policy**. Lost or Damaged is deemed to have a corresponding meaning.

Lot/Unit
means an area shown on a plan as a lot or unit in terms of the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of any State or Territory applying where **Your Insured Property** is situated.

Lot Owner(s)
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 *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of any State or territory applying where **Your Insured Property** is situated.

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

- built-in or freestanding appliances such as dishwashers, washing machines and dryers;
- computers, electronic and electrical equipment, garden equipment;
- **Lot Owners**' business and personal effects, furniture, furnishings, carpets, and floor rugs.

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 Insured Property** so as to become legally part of it, including any improvements made to an existing fixture or structure.

Members
Means, and is limited to, the interest of Proprietors, **Members**, **Lot Owners** or Shareholders in respect of the ownership of **Your Insured Property** in terms of the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of an State or Territory applying where **Your Insured Property** is situated. Their interest or **liability** as an owner and/or occupier of a Lot/ Unit is not included unless otherwise specifically provided by this **Policy**.

Period of Insurance
means the period of time specified in the **Schedule**, subject to prior termination in accordance with the conditions of this **Policy**.

Policy
means **Your** insurance contract which consists of this **Policy** wording, the information **You** supplied in **Your** application, the **Schedule** and any **Endorsements We** issue to **You** attaching to or contained within those documents.

Premium
means the cost of the **Policy** and includes Government charges.

Rainwater
means the rain which falls naturally from the sky. It includes **Rainwater** run-off over the surface of the land but not **Flood**.

Rent
means, 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 **Loss or Damage**, to any **Lot/Unit** or part of **Your Common Area** leased to a **Tenant**.

Replacement
means:

- the 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
- work necessarily undertaken to alter or upgrade **Your Insured Property** to comply with Public, Statutory or Environmental Protection Authority requirements, but **We** will not pay:
- any costs that would have been incurred in complying with orders issued prior to the happening of the loss;
- 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 **Your** most recent **Schedule** of insurance. **We** give **You** this **Schedule** when **You** first buy this insurance and each time **You** request an addition, alteration or renewal. The **Schedule** of insurance forms part of **Your Policy**.

Situation
means the land at the address(es) shown on 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 an abnormal rise or fall in the level of the sea caused by the winds of an intense **Storm** or Named Cyclone.

Sum Insured
means the amount shown on the **Schedule** for the Policies **We** have agreed to cover and is the maximum amount **We** will pay, inclusive of claimant's costs and expenses recoverable from **You**, for all claims under each of the Policies during the **Period of Insurance**, unless otherwise stated in the **Policy**.

Limit of liability or Limit of Insurance
means the limit or limits of liability stated in the **Schedule** to apply to any **Policy**, Section or sub-section.

Temporary Accommodation
means, where a Lot is occupied by the **Lot Owner**, alternative accommodation that is the reasonable equivalent of the Lot.

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

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

Unoccupied
means any **Building** not occupied for its usual purpose, and shall include buildings that are empty, untenanted or no longer in active use.

Vehicle, Vehicles
means:

- 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
- which is or should be registered and/or **Insured** under legislation in the State or Territory of Australia in which it is being Used.

Volunteer
means a person who does voluntary unpaid work organised by and at the direction of the **Body Corporate** or **Body Corporate** Manager without promise of reward or remuneration. **Volunteer** does not mean employees, contractors or any person who receives a payment, reward or any form of remuneration for voluntary work.

Watercraft

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

Wear, Tear

means damage or a reduction in value through age, ordinary use or lack of maintenance.

We, Our, Us, the Insurer

means the Underwriters shown on the **Schedule**.

You, Your, Yours

means:

in respect of *Section 1*:

- the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named on the **Schedule** including the interest therein of **Members**;

in respect of Section 2:

- the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named on the **Schedule** including:
  a. the interest therein of **Members**;
  b. the organisers of recreational activities in respect of *Extra Benefit 5 of Section 2*;
  c. a **Volunteer** whilst engaged solely in work or duties on behalf of the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named on the **Schedule**.

in respect of Section 3:

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

in respect of Section 4, 5, and 7:

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

in respect of Section 6:

- 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':
  a. estate, heirs, legal representative or assigns;
  b. legal representative or assigns if he/she is incompetent, insolvent or bankrupt;
- but does not include a **Body Corporate Manager/Agent** or any other contracted person(s), firm or company when acting in their professional capacity.

General Conditions

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.

Alteration of risk

You must advise **Us** as soon as reasonably practicable of any material 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 **Loss or 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.

Excess

You must pay or contribute the amount of any **Excess** shown in this **Policy** or on 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** of *Section 1*, 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 amount payable by **You** as an **Excess** shall not apply in reduction of any **Sum Insured**, **Limit of Liability** or any other **Policy** limit.

Fraudulent Claims

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Assured or anyone acting on the Assured's behalf to obtain any benefit under this **Policy**, or if any loss hereunder be occasioned by the wilful act or with the connivance of the Assured, the Underwriters, without prejudice to any other right(s) they might have under this **Policy**, shall be entitled to refuse to pay such claim.

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** 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.

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:

- when **We** pay a total loss;
- when **We** pay the full **Sum Insured**;
- to *Sections 6 and 7;*
- to *Special Benefits 15 and 32 of Section 1;*
- to *Optional Cover 3 Catastrophe Cover of Section 1.*

Unoccupied Property

If the property is totally **Unoccupied** for a period of more than 90 consecutive days, **You** must tell **Us** in writing and obtain **Our** written agreement for cover to continue beyond that period. If **You** do not do so, the cover under **Your Policy** is limited to damage caused by lightning, thunderbolt, impact and earthquake for the period in excess of 90 consecutive days during which **You** have left the property totally **Unoccupied**. The period of 90 consecutive days is calculated from the date when the property was last occupied, regardless of the commencement or renewal of **Your Policy**.

Other Insurance

If at the time of any claim under this **Policy** there is any other insurance available to **You** (other than insurance that is specifically stated to be in excess of this **Policy** and names **You** as the **Insured** under that insurance), then this **Policy** will be in excess of and will not contribute with such other insurance.

Claims Procedures

- If there is any incident, loss, damage, occurrence, **Event**, accident or injury, which may give rise to a claim under this **Policy**, **You** must:
  a. take reasonable precautions to prevent further loss, damage or liability;
  b. notify the police as soon as reasonably practicable if any of **Your** property is lost, stolen, or maliciously or intentionally damaged;
  c. notify **Us** in writing as soon as reasonably practicable. Specific notification requirements apply to the *Fidelity Guarantee cover section*. Please refer to page 35 as appropriate;
  d. supply **Us** with all information **We** reasonably require to investigate, settle or defend the claim;
  e. allow **Us** access to any and all documents that **We** reasonably require to ascertain the maintenance history of the **Building**.
  f. not arrange **Replacement** of any property in connection with any claim without **Our** consent (consent will not be unreasonably withheld); and
  g. not admit liability if an incident occurs which is likely to result in someone claiming against **You** and for which **We** insure **You**, without **Our** prior consent;
  h. not offer or negotiate to pay a claim;
  i. Not dispose of any damaged items without first seeking **Our** approval.
- **We** have the right to negotiate, defend or settle in **Your** name and on **Your** behalf any claim and will have full discretion in the conduct of any proceedings or in the settlement of any claim. **We** will have regard to **Your** interests and act reasonably.
- **We** may deny part or all of **Your** claim if a claim is fraudulent or false in any respect. **We** may also report any suspected fraudulent act to the Police for further investigation.
- **We** are entitled to any salvage value on recovered items and damaged items that have been replaced.

Where a claim covered under this **Policy** is also **Insured** elsewhere **We** may exercise **Our** right to seek contribution from the other insurer or insurers.

Cancelling Your Policy

- **You** may cancel all or part of this **Policy** at any time by giving **Us** notice in writing.
- **We** may cancel this **Policy** on any of the grounds set out in the *Insurance Contracts Act 1984* and **We** will always tell **You** of this in writing.
- On cancellation, a refund of **Premium** will be calculated equal to the unexpired period of this **Policy** less an administration fee equal to 10% of the annual **Premium** and any non-refundable Government charges and any component of the **Premium** relating to levies where applicable.
- Where **We** have paid the total **Sum Insured** on a claim under any Section, that Section of **Your Policy** with **Us** is deemed to have been fulfilled and there is no refund of any **Premium**.

Several Liability Clause

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the **Members** of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the **Members** of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other **Members**. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

General Exclusions

These General Exclusions apply to all cover sections within the Policy. However, each cover section also has specific Exclusions to the cover offered under that cover section and those Exclusions should be read in addition to the ones below.

None of the cover sections provide cover for loss, damage, destruction, legal liability, injury or liability directly or indirectly caused by, arising from or as a result of, or in connection with:

Act of Terrorism

Any **Act of Terrorism** regardless of any other cause or **Event** contributing concurrently or in any other sequence to the loss.

This also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**.

Radioactive Contamination

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any Weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The Exclusion in this sub- clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- any chemical, biological, bio-chemical, or electromagnetic Weapon.

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 unless for the purpose of preventing or eliminating danger to **Insured Property** or persons.

Lawful seizure
the lawful seizure, detention, confiscation, nationalisation or requisition of the **Insured Property.**

Sanctions
No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America or the Commonwealth of Australia.

War
War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or

not), civil wars, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Micro-Organism Exclusion
Any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro-organism of any type, nature, or description.

This Exclusion applies regardless whether there is

- any physical **Loss or Damage** to **Insured Property;**
- any Insured peril or cause, whether or not contributing concurrently or in any sequence;
- any loss of use, occupancy, or functionality; or
- any action required, including but not limited to repair, **Replacement**, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

Communicable Disease

1. Notwithstanding any provision to the contrary within this **Policy**, this **Policy** does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
   - 2.1 for a Communicable Disease, or
   - 2.2 any property insured hereunder that is affected by such Communicable Disease.
3. As Used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
   - 3.1. the substance or agent includes, but is not limited to, a Virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
   - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
   - 3.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human welfare or property damage

Defects
Damage to **Insured Property** arising directly or indirectly from any defect in any item, structural defect, faulty design, faulty workmanship, error or omission that **You** were aware of or should have reasonably been aware of.

Blockchain Exclusion

All blockchain-based digital assets such as cryptocurrency(ies), cryptoassets, cryptographic tokens and non-fungible tokens. This **Endorsement** applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

Nuclear and Radioactive Contamination Exclusion

This contract does not cover any actual or alleged loss, liability, damage, defence cost, cost or expense directly or indirectly caused by, arising or resulting from nuclear reaction, nuclear explosion, nuclear radiation or radioactive contamination, however such reaction, explosion, radiation or contamination may have been caused.

Electronic Date Recognition Clause (EDRE)

This **Policy** does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- the calculation, comparison, differentiation, sequencing or processing of **Data** involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the **Insured** or not; or
- any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the **Insured** or not.

This clause applies regardless of any other cause or **Event** that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

Cyber and Data

1. Notwithstanding any provision to the contrary within this **Policy** or any **Endorsement** thereto this **Policy** does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
    a. **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**; or
    b. loss of use, reduction in functionality, repair, **Replacement**, restoration, reproduction, loss or theft of any **Data**, including any amount pertaining to the value of such **Data**, regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto.
2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. If the Underwriters allege that by reason of this endorsement that loss Sustained by the **Insured** is not covered by this **Policy**, the burden of proving the contrary shall be upon the **Insured**.

Section 1 – Property Damage Insurance

What is covered

We insure **You** up to the **Sum Insured** shown on the **Schedule** for *Section 1,* against accidental **Loss or Damage** to **Your Insured Property** which occurs during the **Period of Insurance**, and subject to the terms, conditions and Exclusions of this **Policy**.

Extra Benefits

When **Your Sum Insured** under *Section 1* is not otherwise expended in respect of any one **Event We** will pay for:

1. Architects and professional fees, removal of debris and temporary protection

- the cost of architects fees, surveyors fees and other professional fees, excluding legal costs;
- 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;
- the cost of dismantling, demolishing, shoring up, propping, underpinning, make safe works, and other temporary repairs;
- 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 reasonably and necessarily incur in the **Replacement** of **Your Insured Property** as a result of **Loss or Damage** that is admitted as a claim under *Section 1.*

2. Emergency cost of minimising losses

Reasonable emergency repair costs **You** necessarily incur in pursuance of **Your** duty to minimise **Insured** loss and avoid further losses.

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

3. Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any Public or Statutory Authority to obtain their authority to rebuild, repair or replace **Your Insured Property** as a result of **Loss or Damage** that is admitted as a claim under *Section 1*, but **We** will not pay for any fine or penalty imposed by any such Authority.

4. Legal and professional fees

Legal and other professional fees excluding legal defence costs **You** necessarily incur in making submissions and/ or applications to any Public or Statutory Authority, Builders Licensing Board or the equivalent organisation in the relevant State or Territory, or Land and Environment Courts or the equivalent organisation in the relevant State or Territory as a result of **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

5. Storm damage to gates and fences

Loss or Damage to gates and fences as a result of **Storm**, but **We** will not pay:

- if gradually operating causes (such as but not limited to **Wear**, **Tear**, gradual corrosion, gradual deterioration, wet or dry rot, rust, vermin or insects) primarily contribute towards the **Loss or Damage**;
- unless **We** are notified and given a reasonable time to inspect the **Loss or Damage** before any repair or **Replacement** is commenced.

6. Temporary protection

Reasonable cost of temporary protection and safety of **Your Insured Property** and resident persons **You** necessarily incur as a result of **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

We will not pay more than $5,000 unless **You** first obtain **Our** written consent (which consent shall not be unreasonably withheld) prior to **You** incurring costs in excess of this amount.

7. Tsunami damage

Loss or Damage to **Your Insured Property** caused by a **Tsunami**.

8. Welfare concern

Loss or 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.

Special Benefits

Special Benefits are payable in addition to **Your Sum Insured** for *Section 1.*

However, the combined total amount **We** will pay under *Special Benefits 1 to 9* arising out of any one **Event** that is admitted as a claim under *Section 1* is limited to fifteen percent (15%) of the **Sum Insured** for *Section 1* or such other percentage as **We** may agree in writing.

1. Temporary Accommodation

When a **Lot Owner** occupies their **Lot/Unit We** will pay the reasonable cost of **Temporary Accommodation** they necessarily incur if their **Lot/Unit** is made unfit to be occupied for its intended purpose by:

- a. **Loss or Damage** that is admitted as a claim under *Section 1*; or
- b. reasonable access to or occupancy of their Lot/ Unit is prevented by **Loss or Damage** from an **Event** claimable under *Section 1* happening to other property within 100m of the **Insured Property**.

We will pay:

- under 1
  - a. from the time of the **Event** the subject of the claim admitted under *Section 1* until the time their **Lot/Unit** is made fit to occupy for its intended purpose; or
- under 1
  - b. from the time of the **Event** until the time when access to their **Lot/Unit** is re-established up to a maximum of three (3) months.

2. Rent

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

- a. **Loss or Damage** that is admitted as a claim under *Section 1;* or
- b. reasonable access to or occupancy of the **Common Area** or **Lot/Unit** is prevented by **Loss or Damage** from an **Event** claimable under *Section 1* happening to other property within 100m of the **Insured Property.**

We will pay:

- under 2
  - a. from the time of the **Event** the subject of the claim admitted under *Section 1* until **Your Lot/Unit** or **Common Area** is made fit to occupy for its intended purpose. **We** will also pay until the **Lot/Unit** is re-let provided the **Lot Owner** has taken all reasonable actions to obtain a new **Tenant**. The maximum period **We** will pay for under this benefit (2.a) is 2 months from the date that the date that the **Lot/Unit** or **Common Area** was made fit to occupy for its intended purpose;

    or

    if the **Insured Property** is not made fit to occupy for its intended purpose, for the time it would have reasonably taken to make the **Common Area** or **Lot/Unit** fit to occupy for its intended purpose up to a maximum of thirty-six (36) months; and
- under 2
  - b. from the time of the **Event** until the time when access to the **Lot/Unit** or **Common Area** is re-established, up to a maximum of three (3) months.

3. Vermin, Pests or Defective Sanitary Arrangements; Murder or Suicide

We will pay for:

- the cost of **Temporary Accommodation** necessarily incurred by the **Lot Owner**;
- the **Rent** the **Lot Owner** loses; if they are not permitted to occupy their **Lot/Unit** or **Common Area** by compulsory closure of the whole or part of the **Insured Property** by order of a competent public authority authorised to prevent or restrict access to the **Insured Property** , directly arising solely from:
  - a. the discovery of vermin or pests at the **Insured Property**;
  - b. an accident at the **Insured Property** causing a defect in the drains or other sanitary arrangements at the **Insured Property** ; or
  - c. murder or suicide occurring at **Insured Property.**

For the purposes of this extension, **Insured Property** shall mean the **Insured Property** as detailed in the **Schedule** and shall exclude any extension to the definition of **Insured Property** under any extensions or memoranda to the **Policy**.

No cover is provided under this extension for any claim, loss, cost or expense of whatever nature:

- arising from any fear or threat (whether actual or perceived) of any of the circumstances listed in (a) to (c) above; or
- directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any of the circumstances listed in (a) to (c) above, including but not limited to any costs incurred in the cleaning, decontamination, disinfecting, repair, replacement, recall or checking of any property.

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.

Our liability under this cover shall not exceed $100,000 any one claim and in the annual aggregate.

4. Failure of supply services

We will pay for:

- the cost of **Temporary Accommodation** necessarily incurred by a **Lot Owner**;
- the actual **Rent** lost by a **Lot Owner**;

if a **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 **Loss or Damage** by an **Event** claimable under *Section 1* 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 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.

5. Cost of reletting

In the event of **Loss or Damage** that is admitted as a claim under *Section 1*; and a **Lot/Unit** or **Common Area** is leased out, **We** will pay reasonable reletting costs up $1,500 per **Lot/Unit** or **Common Area** if they are unfit to be occupied for their intended purpose and the **Tenant**(s) at the time of the **Event** subsequently advise they will not be reoccupying the Lot/ Unit or **Common Area** they previously leased.

6. 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** from the time of the **Event** until the time when access to **Your** meeting room facilities are re-established following **Loss or Damage** that is admitted as a claim under *Section 1*.

7. Lot Owners' contributions and fees

We will pay up to $2,000 a **Lot/Unit** for contributions, levies, maintenance, and other fees the **Lot Owner** is required to pay during the period a **Lot/Unit** is made unfit to be occupied for its intended purpose by **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

8. Lot Owners' removal and storage costs

We will pay the reasonable costs necessarily incurred in:

- removing undamaged **Lot Owners' Contents** to the nearest place of safe keeping;
- storing undamaged **Lot Owners' Contents** at that place or an equivalent alternate place;
- returning undamaged **Lot Owners' Contents** to **Your Situation** when occupancy of their **Lot/Unit** is permitted;
- insuring undamaged **Lot Owners' Contents** during such removal, storage and return;

following **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1* that makes the **Lot/Unit** unfit to be occupied for its intended purpose.

9. Lot Owners travel costs

When a **Lot Owner** has leased out a **Lot/Unit** **We** will, if such **Lot/Unit** is made unfit to be occupied for its intended purpose by **Loss or Damage** that is admitted as a claim under *Section 1*, pay up to $250 a **Lot/Unit** for reasonable travel costs incurred by the **Lot Owner** in visiting the **Lot/Unit** for the purpose of consulting with claim adjusters and/or **Building** repairers. **We** will not pay unless the **Lot Owner** first obtains **Our** consent (which consent shall not be unreasonably withheld) to incur such travel costs.

10. Emergency accommodation

When the **Lot Owner(s)** occupy their **Lot/Unit** for residential purposes, **We** will pay up to $2,000 a **Lot/Unit** for the reasonable cost of emergency accommodation necessarily incurred if their **Lot/Unit** is made unfit to be occupied for its intended purpose by:

- **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*; or
- a reasonable access to or occupancy of their Lot/ Unit being prevented by **Loss or Damage** from an **Event** claimable under *Section 1* happening to other property within 100m of the **Insured Property**.

11. Alterations / additions

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

- the value of such work does not exceed that amount; or
- **You** notify **Us** and **We** otherwise agree in writing before the commencement of such work;
- if requested pay any extra **Premium We** may charge.

We will not pay if **You** have entered into a contract with a builder, contractor or similar entity and they are required by law to effect, and they have effected, insurance that insures material damage and liability risks.

12. Arson reward

We will pay a 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 **Loss or Damage** is claimable under *Section 1*.

We will pay the reward to the person or persons providing such information or in such other manner as **We** may decide.

13. Electric motors

We will pay for the cost of repairing or replacing an electric motor forming part of **Your Insured Property** which has been burnt out by electric current.

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 any claim.

We will not pay for:

- motors under a guarantee or warranty or maintenance agreement;
- motors with an output in excess of five (5) kilowatts;
- other parts of any electrical appliance nor for any software;
- lighting or heating elements, fuses, protective devices or switches;
- contact at which sparking or arcing occurs in ordinary working.

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

We will pay up to $2,000 for the cost of:

- increased usage of metered electricity, gas, sewerage, oil and water;
- accidental discharge of metered electricity, gas, sewerage, oil and water;
- additional management charges;
- **You** are required to pay following **Loss or Damage** to **Your Insured Property** by an **Event** that is admitted as a claim under *Section 1*.

15. 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.

16. Environmental improvements

If Your **Insured Property** is:

- damaged by an **Event** claimable under *Section 1*; 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 *Section 1*, also pay up to $20,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

17. Exploratory costs

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 repairing the area of **Your Insured Property** damaged by such exploratory work;

- Repairing or replacing the defective part or parts of such tanks, apparatus or pipes, to a limit of $1,000;
- 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**, **Tear**, gradual corrosion, gradual deterioration, **Earth Movement** or by trees, plants or their roots.

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

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:

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

18. Fallen trees

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

We will not pay for removal or disposal of:

- trees or branches that have fallen and not damaged **Your Insured Property** or landscaped gardens;
- tree stumps or roots or treatment thereof unless the tree has caused **Loss or Damage** to **Your Insured Property**.

19. Fire extinguishing and Fire Authority Charges

We will pay for the reasonable costs and expenses necessarily incurred by **You**:

- in extinguishing a fire at **Your Situation**, or in the neighbouring 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;
- in replenishing firefighting appliances, replacing used sprinkler heads, and resetting fire, smoke and security alarm systems but only following accidental discharge or activation, or as the direct consequence of **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.
- in shutting off the supply of water or any other substance following the accidental discharge or escape of such substances from fire protective equipment; or
- for the attendance of a fire brigade or other relevant authority to deal with a chemical or environmental emergency affecting the **Property Insured**.

20. 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 **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

21. Keys, lock replacement

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

- re-keying or re-coding locks together with replacement keys; or
- 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:

- any **Building** forming part of such property;
- the premises of a key holder; or

- 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.

22. Landscaping
We will pay up to $30,000 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 *Section 1*.

23. Modifications
When a **Lot/Unit** is occupied by the **Lot Owner** **We** will pay up to $25,000 per **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 **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

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.

24. 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, where a loss results from forcible or violent entry or exit to or from a premises or as a result of a violent attack or threat.

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

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

25. Mortgage discharge
We will pay reasonable legal costs up to $5,000 to discharge any mortgage on a Lot if it suffers a total loss, is not replaced and **We** have paid the amount due under *Section 1*.

26. Personal property of others
We will pay up to $10,000 for personal property of others (including employees) in **Your** physical or legal control, which are lost or damaged by an **Event** claimable under *Section 1*.

27. 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 necessarily incurred by a **Lot Owner** for boarding pets or security dogs if their

Lot/Unit is rendered unfit for its intended purpose following **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*, and **Temporary Accommodation** does not allow pets or security dogs.

28. Purchaser's interest
We will cover a purchaser's legal interest in **Your Insured Property,** in the terms of *Section 1*, when the purchaser has signed an agreement to buy part of or all of such property.

29. 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 lost or damaged by an **Event** claimable under *Section 1*, while anywhere in Australia.

30. Removal of illegally deposited rubbish
We will pay up to $5,000 in any one **Period of Insurance** for the reasonable costs and expenses incurred by **You** for the clearing and removal of any property illegally deposited at **Your** premises. To be eligible to claim for this benefit **You** must first inform **Us** and obtain **Our** approval and have reported the matter to the appropriate authorities such as police or local council within a reasonable time.

31. Removal, storage costs
We will pay up to $10,000 for the reasonable costs **You** necessarily incur in:

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

following **Loss or Damage** to **Your Insured Property** that is admitted as a claim under *Section 1*.

32. 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 (which consent shall not be unreasonably withheld) to incur such legal fees.

33. 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 they are lost or damaged by an **Event** claimable under *Section 1*, while anywhere in Australia.

34. Unit/Lot Owners Fixtures and Improvements

We will pay up to the amount shown on the **Schedule** per **Lot/Unit**, per **Event**, to reinstate, repair or replace **Lot Owners' Fixtures and Improvements** that are lost or damaged as a result of an **Event** claimable under *Section 1*.

We will not pay for the cost to:

- replace undamaged **Lot Owners' Fixtures and Improvements**;
- replace or repair illegal installations.

35. 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 under croft 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 **Flood** or by any other **Event** that is not claimable under *Section 1*.

Optional Covers

The following Optional Covers are operative when they have been paid for and included on **Your Schedule**.

Floating Floors

Provided **Your Sum Insured** under *Section 1* is not otherwise exhausted, **We** will pay for the cost of repairing or replacing Lot Owner's **Floating Floors** if damaged by an **Event** claimable under *Section 1*.

Loss of Lot/Unit Market Value

If during the **Period of Insurance Your Property Insured** suffers **Loss or Damage** by an **Event** claimable under *Section 1*, and permission to rebuild is limited and or restricted under an Ordinance or Regulation issued by a Public or Statutory Authority, **We** will pay if the **Loss or Damage** results in:

- a total loss or constructive total loss of **Your Property** Insured and **Your Body Corporate** Title and all **Lot/Unit** Titles are terminated; or a partial loss resulting in some but not all Lot/ Unit Titles being terminated;

We will pay **You** the difference between:

- the Market Value of the Lot(s)/Unit(s) immediately prior to the **Loss or Damage** occurring; and
- the amount calculated on the percentage that the Lot(s)/Units(s) entitlement bears to the total **Body Corporate** entitlement in respect of:
  a. the **Sum Insured** for *Section 1* on the basis of Agreed Value; and
  b. the Market Value of the **Body Corporate** land following Loss.

The total amount **We** will pay for all Lot(s)/Unit(s) shall not exceed the **Sum Insured** shown on the **Schedule** for Optional Cover - Loss of **Lot/Unit** Market Value.

Catastrophe Cover

We will increase the **Sum Insured** for **Your Building** by the amount shown on the **Schedule** for cover against the unforeseen increase in the cost of **Replacement** of **Your Insured Property** if it is destroyed, or **We** declare it a constructive total loss, following a loss that occurs during the **Period of Insurance**:

- due to a Catastrophe; or
- other **Event** that occurs not later than sixty (60) days after a Catastrophe, provided **Your Insured Property** has been continuously **Insured** with **Us** for that period; and
- the **Event** giving rise to the loss is admitted as a claim under *Section 1*.

What is not covered

We will not pay for Loss or Damage:

a. caused by **Flood**, whether or not the Insurance Council of Australia issues a catastrophe code;
b. to retaining walls resulting from **Storm** or **Rainwater**;
c. caused by moths, termites or other insects, vermin, mice, rats, rust or oxidisation, mildew mould, contamination or pollution, Wet or dry

rot, corrosion, gradual corrosion or deterioration, change in colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of Weight, change in texture or finish or pecking, biting, chewing or scratching by birds or animals;

d. caused by **Wear**, **Tear**, fading, concrete or brick cancer, gradual deterioration or developing flaws;

e. caused by lack of maintenance or failure to maintain **Your Insured Property** in a reasonably good state of repair.

However **We** will pay if any of the causes (listed in subsections c) to e) above) directly results in **Loss or Damage** from any other **Event** claimable under *Section 1* such as fire or glass breakage.

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

g. caused by over winding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.

However **We** will pay if the **Loss or Damage** is due to:

i. **Fusion** of electric motors as covered under Special Benefit 13;
ii. lightning;
iii. Power surge when such **Event** is confirmed by the supply authority; or
iv. resulting damage by fire.

h. caused by any action of the sea, high water or high tide, **Storm Surge** or tidal wave.

However **We** will pay if the **Loss or Damage** occurs in consequence of a Named Cyclone or **Tsunami**.

i. caused by 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 **Loss or Damage** is due to:

ii. earthquake or seismological disturbance, **Tsunami**, explosion, physical impact by aircraft;
iii. bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus;
iv. **Rainwater** where the Damage occurs within 72 hours of a **Storm**.

i. caused by underground (hydrostatic) water.

However **We** will pay if the **Loss or Damage** is due to bursting, leaking or overflowing of water tanks, pipes, or drains.

j. caused by 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.

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

l. caused by smut or smoke from industrial operations.

However **We** will pay if such **Loss or Damage** is sudden or unforeseen.

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

n. to water in swimming pools, spas or water tanks.

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

p. to carpets and other floor coverings resulting from staining, fading or fraying.

However **We** will pay if the **Loss or Damage** directly results from any other **Event** claimable under *Section 1*.

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

r. to **Your Insured Property** if it is vacant and/or undergoing demolition unless **Our** written consent to continue cover has been obtained before the commencement of demolition.

s. to **Your Insured Property** directly resulting from construction, erection, alteration or addition where the value of such work exceeds $250,000 unless **Our** written consent to continue cover has been obtained before the commencement of such work. However **We** will pay for **Loss or Damage** that results from any other **Event** claimable under *Section 1*

t. 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

u. Cyber And Data
   i. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
      - **Cyber Loss**;
      - Loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

   regardless of any other cause or event contributing concurrently or in any other sequence thereto.

   ii. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect

   iii. This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

We will not pay for:

- 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;**
- the cost of rectifying faulty or defective materials or faulty or defective workmanship;
- consequential loss, loss of use or **Depreciation** other than as specifically provided under Extra Benefits, Special Benefits or Optional Covers.
- the cost of clearing blocked pipes or drains unless the blockage causes or is the result of physical damage to the pipe or drain.

However **We** will pay for water or liquid damage to **Your Insured Property** resulting from the overflow of such blocked pipes or drains.

How We settle claims

1. Replacement

If **Your Insured Property** is Lost or Damaged, **We** may either rebuild, replace, repair or pay the amount it would cost to rebuild, replace or repair. **We** will act reasonably.

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

- 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;
- 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 modern equivalent available to the original materials;

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

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

- if **You** cause unreasonable delays in commencing or carrying out **Replacement**, **We** will not pay any additional **Building** costs that result from that delay;
- when **We** wish to rebuild, 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:

- rebuild or replace **Your** undamaged **Insured Property** ;
- rebuild, replace or repair illegal installations.

For each and every claim **You** have to pay the amount of **Excess** shown on the **Schedule** or in *Section 1*.

2. Undamaged part of Insured Property, foundations and footings

If **Your Insured Property** is Lost or 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 Lost or Damaged and **Replacement** is limited or restricted under an Ordinance or Regulation issued by a Public or Statutory Authority requirement that results in the reduction of the floor space ratio index, **We** will pay the difference between:

- the actual costs incurred in **Replacement** in accordance with the reduced floor space ratio index; and
- the estimated cost of **Replacement** at the time of **Loss or Damage** had the reduced floor space ratio index not applied.

4. Land value

We will pay the difference between **Land Value** before and after **Loss or 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

Under Clauses 2, 3 and 4 of How **We** settle claims **Our** liability is limited to the extent to which the **Sum Insured** for *Section 1* is not otherwise exhausted.

Any disputes for the purposes of *Section 1*, clauses 4, 5 or 6 of How **We** settle claims will be referred to the decision of two registered valuers, one to be appointed by each of **You** and **Us**, and in the case the two registered valuers do not agree, the dispute will be referred to a third registered valuer, nominated by the Chair of the Australian **Property** Institute (in the same state or territory as the **Insured** Location) as an expert, whose decision will be binding. The cost of the third valuer is to be shared equally by **You** and **Us**.

Special Conditions

Removal of illegally deposited rubbish

Under Special Benefit 30 **You** must by way of **Excess** pay or contribute the first $1,000 for each and every claim.

Professional fees

We will pay up to $50,000 for the reasonable cost of professional fees and other expenses incurred following **Loss or Damage** covered under *Section 1*, excluding legal fees, **You** necessarily incur with **Our** written consent (which consent shall not be unreasonably withheld) in the preparation of a claim under *Section 1* and when applicable *Section 7.*

Earthquake Excess

Your Excess will be increased by $250 for any claim for Damage arising from an earthquake. This Damage must occur within 72 hours of the earthquake.

Alterations / Additions

Under Special Benefit 11 **We** will not pay if **You** have entered into a contract with a builder, contractor or similar entity and they are required by law to effect, and they have not effected, insurance that insures material damage and liability risks.

Special Definitions

The words listed below have been given a specific meaning and apply to *Section 1* when they begin with a capital letter.

Agreed Value

means the **Sum Insured** shown on **Your Schedule** for *Section 1* at the time of **Loss or Damage** that results in all or some **Lot/Unit** titles being terminated.

Catastrophe

means an **Event** resulting from natural processes of the earth and its atmosphere affecting multiple properties and declared a state of emergency or disaster by a government or statutory authority in an area including the **Property Insured**

Cyber Loss

means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.

Section 2 - Public or Legal Liability

What is covered

We insure **You** up to the **Limit of Liability** shown on the **Schedule** for *Section 2* if **You** become legally responsible to pay compensation for:

- **Personal Injury**; or
- **Property Damage**;

resulting from an **Occurrence** in connection with:

- **Your Business**; or
- an operative Extra Benefit;

that happens during the **Period of Insurance**.

Extra Benefits

We will pay up to the **Limit of Liability** for:

1. Car park liability

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

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

2. 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**.

3. 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.

4. 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.

Special Benefits

1. Cost of defending a claim

We will pay:

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

in addition to the **Limit of Liability** shown on the **Schedule** for *Section 2*.

2. Court appearance

We will pay compensation of $250 per day if **We** require an **Office Bearer**, Committee Member or **Your Body Corporate Manager/Agent** to attend a court as a witness in connection with a claim under *Section 2*.

What is not covered

We will not pay for any claim or claims:

- In connection with any liability for **Personal Injury** to any employee arising out of or in the course of their employment with **You**.
- In respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where **Your Insured Property** is situated.
- 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 an operative Extra Benefit of *Section 2*;
  b. damage to property belonging to any person who is deemed a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where **Your Insured Property** is situated;
  c. injury to or death of animals on **Your Common Area**;

d. **Personal Injury** or **Property Damage** caused by animals on **Your Common Area** other than guard or watch dogs **You** employ for security purposes

- 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**.
- Arising out of the publication or utterance of a defamation, libel or slander:
  a. made prior to the commencement of *Section 2*;
  b. made by **You** or at **Your** direction when **You** knew it to be false.
- Arising out of the ownership, possession or use by **You** of any **Vehicle**, **Watercraft**, hovercraft, aircraft or aircraft landing areas.
- Arising out of or in connection with the ownership of marinas, wharves, jetties, docks, pontoons or similar type facilities (whether fixed or floating) if such facilities are used for commercial purposes or provide fuel distribution facilities, unless **We** otherwise agree in writing.
- Arising out of construction, erection, demolition, alterations or additions to **Your Insured Property** where the cost of such work exceeds $500,000, unless **You** advise **Us** and obtain **Our** written consent (which consent shall not be unreasonably withheld) to continue cover before commencement of such works.
- Arising from vibration or from the removal or weakening of or interference with the support of land or Buildings or any other property.
- Arising out of the ownership, possession or physical or legal control by **You** of any Wheelchairs, Garden Equipment including lawn mowers, golf carts, golf buggy or Other **Vehicles**
- For legal liability arising from bridges, roadways, kerbing, footpaths, underground and overhead services **You** own at the **Situation**
- 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 **Your Business** under the terms of any written agreement with the company, person or firm appointed to manage **Your Business** except where liability arises out of:
c. any act of negligence on their part; or
d. by their default in performing their obligations under such agreement.

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

- Arising out of the application of any fertilizer, pesticide or herbicide to **Your Common Area** of **Insured Property**
- 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**.
- For fines or penalties or for punitive, aggravated, exemplary or additional damages (including interest and costs) imposed against **You**.
- Made or actions instituted:
  a. outside Australia;
  b. which are governed by the laws of a foreign country.
- For **Personal Injury** or **Property Damage** (including loss of use of property) directly or indirectly caused by or arising from exposure to asbestos or materials containing asbestos, cladding, Hazardous or flammable materials.

Special Definitions

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

Business

means, the ownership of **Your Common Area** and **Insured Property** unless **You** otherwise advise **Us** and **We** agree to such inclusion in writing.

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:

- bodily injury (including death and illness), disability, fright, shock, mental anguish or mental injury;
- false arrest, wrongful detention, false imprisonment or malicious prosecution;
- wrongful entry or eviction or other invasion of the right of privacy;
- a publication or utterance of defamatory or disparaging material;
- 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:

- physical damage to or destruction of tangible property including its loss of use following such physical damage or destruction; or
- 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.

Section 3 – Personal Accident

What is covered

We will pay to a **Volunteer**, or that person's estate, the compensation detailed in *Section 3* in the event of that **Volunteer** Sustaining bodily injury:

- whilst voluntarily operating on the behalf of and solely at the direction of the **Insured**; and
- caused solely and directly by violent, accidental, external and visible means; and
- which, independently of any other cause results in the following **Insured Events**.

Events

1. Death	$200,000
2. Total and irrecoverable loss of all sight in both eyes	$200,000
3. Total and permanent loss of the use of both hands or of the use of both feet or the use of one hand and one foot	$200,000
4. Total and permanent loss of the use of one hand or of the use of one foot	$100,000
5. Total and irrecoverable loss of all sight in one eye	$100,000
6a. **Total Disablement** from engaging in or attending **U**sual profession, business or Occupation in respect of each week of **Total Disablement**: • a weekly benefit of	$1,000
or • if **You** substantiate that the amount of **Your** average weekly wage, salary or other remuneration earned from **Your** personal exertion is greater than $1,000 per week the amount of such remuneration up to a maximum per week of	$2,000
6b. **Partial Disablement** from engaging in or attending **U**sual profession, business or occupation in respect of each week of **Partial Disablement**: • a weekly benefit of	$500
or • if **You** substantiate that the amount of **Your** average weekly wage, salary or other remuneration earned from **Your** personal exertion is reduced by more than $500 per week the amount of such reduction up to a maximum per week of	$1,000

Extra Benefits

If **We** agree to pay a claim under *Section 3* and **We** have agreed in writing, **We** will also pay for:

1. The reasonable and necessary cost of hiring or employing domestic assistance following certification by a qualified medical practitioner that a **Volunteer** is totally disabled from performing his/ her usual profession, business, occupation or usual household activities - in respect of each week of **Total Disablement** a weekly benefit not exceeding $500.
2. The reasonable cost of travel expenses necessarily incurred at the time of, or subsequent to, the sustaining of bodily injury and not otherwise recoverable from any other source – a benefit not exceeding $2,000

What is not covered

We will not pay:

- for more than one of **Events** 6a and 6b in respect of the same period of time;
- under **Event** 6a and **Event** 6b in respect of persons not in receipt of wages, salaries or other remuneration from their personal exertion;
- under **Event** 6a and **Event** 6b in excess of an aggregate of one hundred and four (104) Weeks in all, in respect of any one disablement;
- under Extra Benefit 1 and 3 in excess of an aggregate of ten (10) Weeks in all, in respect of any one disablement;
- in respect of children under the age of 12 years;
  a. unless the results of bodily injury manifests itself within twelve months of Sustaining such bodily injury;
  b. unless an injured **Volunteer** will, as soon as reasonably practicable after

the occurrence of any bodily injury, procure and follow proper medical advice from a legally qualified medical practitioner;

- for any amounts recoverable under a Medicare benefit or payable by any registered health benefits insurer;
- for any fees or charges in relation to the provision in Australia of medical expenses, hospital treatment or ancillary benefits as defined by the Health Insurance Act, 1973.
- The reasonable cost of home tutorial expenses if the **Volunteer** is a full time student
- The reasonable cost of burial or cremation of a **Volunteer** following a claim payable under **Event** 1

We will not pay compensation in respect of claims arising out of:

- intentional self-injury or suicide, or any attempt threat;
- 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;
- a **Volunteer** being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner.

Special Conditions

- If a **Volunteer** becomes entitled to compensation under more than one of the **Events** 1 to 5 in respect of the same bodily injury, the compensation payable will be cumulative up to one hundred percent(100%) of the compensation payable for **Event** 1.
- After the occurrence of any one of the **Events** 2 to 5 there will be no further liability under *Section 3* for these **Events** in respect of the same **Volunteer**.
- In the event of a claim involving the death of a **Volunteer** **We** will, at Our discretion, be entitled to have a post-mortem examination carried out at Our expense.

Special Definitions

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

Partial Disablement

means **Partial Disablement** which entirely prevents a **Volunteer** from carrying out the normal duties of their **Us**ual occupation, profession or business or, where they are engaged in more than one occupation, profession or business, any of them.

Total Disablement

means **Total Disablement** which entirely prevents a **Volunteer** from carrying out all of the normal duties of their **Us**ual occupation, profession or business or, where they are engaged in more than one occupation, profession or business, all of them.

Section 4 – Fidelity Guarantee

What is Covered

We will, up to the **Sum Insured** stated on the **Schedule**, indemnify **You** in respect of fraudulent misappropriation of **Your Funds** committed during the **Period of Insurance**.

What is Not Covered

We will not pay for:

- 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;
- any fraudulent misappropriation committed after the initial discovery of loss;
- any losses arising out of fraudulent misappropriation committed prior to the commencement of *Section 4*;
- any claims arising out of losses discovered more than twelve (12) months after the expiry of *Section 4*, or any renewal thereof.
- any claims arising out of losses payable under this section unless **We** are notified in writing by **You** within 90 days of **You** discovering the fraudulent misappropriation of **Your Funds**.
- External audit costs

Special Condition

Continuity of cover

If this cover under *Section 4* has been taken up in substitution for any prior fidelity coverage held by **You** with any other insurer and cover under this **Policy** commences immediately after the prior **Policy** ends, then *Section 4* extends to cover any fraudulent misappropriation of **Your Funds** discovered during the **Period of Insurance** where such loss is not covered by the previous **Policy** solely because it was not discovered during the currency of the prior **Policy** or any applicable extended reporting period.

Provided that:

- the amount of the loss shall form part of and will not be in addition to the **Sum Insured**;
- the property lost would have been covered under this *Section 4* had this been in force when the fraudulent misappropriation causing the loss was committed;

and

- after allowing for any variation in the levels of **Excess**, **We** will pay the lesser of:
  a. the amount which would have been payable under the prior **Policy** if that **Policy** had continued in force or had applied at the date of discovery of the fraudulent misappropriation; or
  b. the **Sum Insured** at the date of substitution.

Special Definition

The word listed below has been given a specific meaning and applies to *Section 4* 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**.

Section 5 – Machinery Breakdown

What is Covered

We will insure **You** against **Loss or Damage** to **Machinery** as a result of **Breakdown**, provided that the **Breakdown** occurs during the **Period of Insurance**, that the **Machinery** is within **Your Situation** and it is in the ordinary course of working at the time **Breakdown** occurs.

The amount We pay will:

- be calculated in accordance with the clause herein titled How **We** settle claims;
- be subject to the application of any **Excess** shown on the **Schedule**; and
- not exceed the **Sum Insured** stated on the **Schedule**.

How We Settle Claims

We will pay the cost of repairing or replacing damaged **Machinery** as follows:

1. Where Damage to **Machinery** can be repaired, **We** shall pay expenses necessarily incurred to restore the damaged **Machinery** to a condition equal to but not better or more extensive than its condition immediately before the **Breakdown**, plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs. No deduction shall be made for **Depreciation** in respect of parts replaced, but the value of any salvage shall be taken into account. If the cost of these repairs equals or exceeds the actual value of the **Machinery** immediately before the **Breakdown**, the item of **Machinery** shall be regarded as destroyed and settlement shall be made on the basis provided for in (2) below.
2. Where **Machinery** is destroyed, **We** shall pay the actual value of the **Machinery** immediately before the **Breakdown**, including charges for ordinary freight, cost of erection and customs duties, if any, the actual value to be calculated by deducting proper **Depreciation** from the replacement value of the item. **We** shall also pay any normal charges for the dismounting of the **Machinery** destroyed, but any salvage shall be taken into account. The cost of any alterations, additions, improvements or overhauls shall not be recoverable under this **Policy**. The cost of any provisional repairs shall be borne by **Us** if such repairs constitute part of the final repairs and do not increase the total cost of repair.
3. 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.

Additional Benefits

In the event of **Loss or Damage** to **Machinery** as covered under *Section 5* of the **Policy**,

We will pay for the reasonable cost of:

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

All Additional Benefits shall be part of and not in addition to the **Sum Insured** in the **Schedule** for *Section 5*.

What is Not Covered

We will not pay for:

- **Loss or Damage** directly or indirectly caused by:
  a. **Wear** and **Tear** and gradual deterioration (whether by wasting, grooving, rust, corrosion, **Erosion** or otherwise) nor for the cost of maintenance work generally; or
  b. gradually developing flaws, deformation, distortion, cracks or partial fractures.

- **Loss or Damage** to **Machinery** directly or indirectly caused by:
  a. fault(s) or defect(s) in the **Machinery** known to **You** but not disclosed to **Us** at the commencement of the **Period of Insurance**.
  b. the **Wear**ing away or wasting of material caused by or naturally resulting from atmospheric conditions, rust, **Erosion**, corrosion, oxidation or ordinary use;
  c. freezing caused by or resulting from weather conditions;

d. the carrying out of tests involving abnormal stresses or the intentional overloading;

e. the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul;
f. loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts;
g. the cost of converting refrigeration or air-conditioning units from the use of chlorofluorocarbon refrigerant gas to any other type of refrigerant gas;
h. **Loss or Damage** for which a supplier, contractor or repairer is responsible by law; and
i. **Loss or Damage** arising out of **Your** wilful or intentional act(s).

- **Loss or Damage** to:

a. non-metallic vessels, equipment, machines and apparatus, including their glass lining and non-metallic parts;
b. glass linings of vessels, equipment, machines and apparatus;
c. any structure, foundation or setting (other than a bedplate) supporting or housing any **Machinery**, or the lining or fire wall of any unfired vessel;
d. television, video or audio equipment other than security system equipment;
e. 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;
f. computer systems, telecommunication transmitting and receiving equipment, data processing media, **Electronic Data**, 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**;
g. plant which has been hired or is on loan unless **We** specifically agree in writing;
h. damage to boilers, cooling towers, air-conditioning chiller sets, diesel generators, elevator motor equipment, inclinator motor equipment or lift motor equipment where a formal Scheduled and preventative maintenance inspection and testing contract is not in place;
i. electrical wiring and fittings associated with lighting and power circuits.
j. **Machinery** with a total power rating greater than five (5) kilowatts.
k. **Machinery** where there is no current comprehensive inspection and maintenance agreement in place.

- Consequential loss of any kind other than that which is specifically stated in the **Schedule**.
- Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul.
- 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**.
- Damage which is claimable from any manufacturer, supplier, engineer or other person under the provisions of any maintenance or warranty agreement.
- Loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts.
- the cost of converting refrigeration/air-conditioning units from the use of CFC (chlorofluorocarbon) refrigerant gas to any other type of refrigerant gas.
- The cost of general maintenance work.

Special Definitions

The words listed below have been given a specific meaning and these specific meanings apply to *Section 5* when the words begin with a capital letter.

Breakdown

means sudden and accidental physical **Loss or Damage** occasioned by or happening through mechanical, electrical, electromechanical, electronic or hydraulic malfunction, failure, derangement, **Breakdown** or non-operation of any kind.

Machinery

means: all electrical, electronic and mechanical **Machinery**, boilers and pressure vessels and similar plant that forms part of **Your Insured Property** or its services.

Machinery shall include lifts, elevators, escalators and inclinators.

Section 6 – Office Bearers Legal Liability

This **Office Bearers** Legal Liability cover is issued on a **Claims** made basis. This means *Section 6* only responds to **Claims** first made against **You** during the **Policy** year and notified to **Us** during that **Policy** year.

What is Covered

We will, subject to any **Excess** specified on 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. against **Your Body Corporate Manager/Agent** while acting as an **Office Bearer**; during the **Policy** year; and

b. reported to **Us** during the **Policy** year. Provided that **Claims** which do not comply with all of a. and b. of this insuring clause are not, other than as provided under Extra Benefit 2 of *Section 6*, the subject of this insurance or any indemnity.

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

Extra Benefits

1. Payment of defence costs

We agree that in relation to any **Claim** under *Section 6*:

- 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:
  a. where **We** elect to conduct the defence or settlement of such **Claim**, pay Defence Costs arising from such **Claim**; or
  b. in any other case, **We** may at **Our** discretion pay the Defence Costs arising from such **Claim**. **We** will act reasonably.

Provided always that in the event the **Claim** is withdrawn or that indemnity under *Section 6* is subsequently withdrawn or denied, **We** will cease to advance Defence Costs and **You** will refund any Defence Costs advanced by **Us** to the extent that **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. Continuity of 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 **Policy** year of *Section 6* or under an earlier **Office Bearers** Legal Liability Insurance **Policy** issued by **Us** or by another Insurer when this **Policy** has been issued in substitution of prior **Office Bearers** Legal Liability insurance provided by another Insurer, **We** will accept the notification of such **Claim**, fact or circumstance under *Section 6*.

Provided always that:

- **You** have been continuously **Insured** 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
- the terms and conditions applicable to this Extra Benefit 2 and to that notification will be the terms and conditions, including the **Limit of Liability** and **Excess**, applicable to the **Office Bearers** Legal Liability Insurance **Policy** under which the notification should have or could have been given; and
- **Our** liability for payment under this **Policy** will be subject to the terms, conditions including the **Limit of Liability** and **Excess** applicable to this **Policy** and will not exceed the amount which would have been recoverable under the terms and conditions of the other Insurer's prior **Policy**; and
- the amount of the **Claim We** pay shall form part of and will not be in addition to the **Sum Insured**.

What is Not Covered

We will not pay for:

- **Claims** arising from circumstances which **You** knew of prior to the *Section 6* inception, or a reasonable person in the circumstances could be expected to know, to be circumstances which may give rise to a **Claim** against **You** excepting where Extra Benefit 2. Continuity of Cover applies.
- 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**.
- **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**.
- **Claims** resulting from **Your** intentional decision not to effect and maintain insurances as required by the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of an State or Territory applying where **Your Insured Property** is situated.
- **Claims** arising out of a publication or utterance of a libel or slander or other defamatory or disparaging material.
- Fines, penalties, punitive or exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
- **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.
- Monies or gratuity given to **You** without authorisation by the **Body Corporate** where such authorisation is necessary pursuant to the Articles of the **Body Corporate** or prescribed law.
- A conflict of duty or interest of **Yours**.
- Any intentional exercise of the powers of **You** for a purpose other than the purpose for which such powers **We**re conferred by the Articles of the **Body Corporate**.
- 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 Extra Benefit 2 of *Section 6*.
- **Claims** first notified to **Us** after the expiry of *Section 6*, except as otherwise provided in Insuring clause b of *Section 6*.
- **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.
- **Claims** brought against **You** in a court of Law outside Australia.

Special Conditions

Defence and settlement

If **You** refuse to consent to any settlement recommended by **Us** and will 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.

Jurisdiction

Any dispute arising out of or under *Section 6* will be subject to determination by any Court of Competent Jurisdiction within Australia according to the law applicable to that Jurisdiction.

Reporting and notice

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

- at the time **You** first give written notice to **Us** that a **Claim** has been made against **You** for such **Wrongful Act**; or
- at the time **You** first give written notice to **Us**:
  a. having the potential of giving rise to a **Claim** being made against **You**;
  b. 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.

Severability and non-imputation

We agree that where *Section 6* insures more than one party, any conduct on the part of any party or parties whereby such party or parties:

- failed to comply with the duty of disclosure in terms of the *Insurance Contracts Act 1984*; or

- made a misrepresentation to **Us** before this contract of insurance was entered into; or
- failed to comply with any terms or conditions of *Section 6*;

will not prejudice the right of the remaining party or parties to indemnity as may be provided by *Section 6*.

Provided always that:

a. such remaining party or parties be entirely innocent of and have no prior knowledge of any such conduct; and
b. as soon as is reasonably practicable upon becoming aware of any such conduct advise **Us** in writing of all known facts in relation to such conduct.

Subrogation

In the event of a payment under *Section 6* to or on **Your** behalf **We** will, subject to the *Insurance Contracts Act 1984*, be subrogated to all **Your** rights of recovery against all persons or organisations and **You** will execute and deliver instruments and papers and do all that is necessary to assist **Us** in the exercise of such rights.

Special Definitions

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

Claim, Claims

means

- a written or verbal allegation of any **Wrongful Act**; or
- a civil proceeding commenced by the service of a complaint, summons, statement of **Claim** or similar pleading alleging any **Wrongful Act**; or
- 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 person appointed by the **Body Corporate** to act as an **Office Bearer** or committee member in terms of the *Owners Corporation Act 2006 (Victoria), Strata Schemes Management Act 2015 (NSW), Body Corporate and Community Management Act 1997 (Qld), Strata Titles Act 1985 (WA), Community Titles Act 1996 (SA)* or similar legislation of an State or Territory applying where **Your Insured Property** and **Common Area** is situated;
- a **Body Corporate** Manager appointed as an agent of an **Office Bearer** and/or committee member;
- 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:

- of **You** serving as an **Office Bearer** or committee member or director of the **Body Corporate**; or
- 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 **Policy** year in which any of such **Wrongful Acts** is first reported to **Us**.

Section 7 – Government Audit Costs & Legal Expenses

This Government Audits Costs & Legal Expenses cover is issued on a **Claims** made basis. This means Parts A, B and C of *Section 7* respond to **Claims** first made against **You** during the **Policy** year and notified to **Us** during that **Policy** year.

Part A: Government audit costs

What is covered

We insure **You**, up to the **Sum Insured** shown for Part A of *Section 7* on 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**.

We will not pay more than the **Sum Insured** for *Part A* 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**.

What is not covered

We will not pay for Professional Fees:

- if prior to the commencement of the **Period of Insurance You**, or any person acting on **Your** behalf:
  a. received any notice of a proposed **Audit**;
  b. had information that an **Audit** was likely to take place;
  c. had information that would indicate to a reasonable person that an **Audit** was likely to take place.
- if a return, or a document required to be lodged in relation to an **Audit**, has not been lodged:
  a. at all;
  b. properly;
  c. by the due date.
- for any **Audit** that is conducted specifically for the purposes of investigating or determining if a fine, penalty or prosecution should be imposed in connection with:
  a. any act or omission by **You**; or
  b. any failure, act or omission arising from or in connection with **Your** statutory obligations.
- charged by someone other than a **Professional Adviser** unless **We** have given **Our** prior written consent.
- relating to the **Audit** of **Your** taxation and financial affairs unless the return is first lodged:
  a. during the **Period of Insurance**; or
  b. not more than twelve (12) months prior to the original inception date of *Section 7*;

or relates to a return for a financial year not more than three (3) years prior to the date **You** receive notification of an **Audit**.

- 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.
- 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**.

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

- any fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar charges.
- any review pertaining to **You** maintaining any industry status, licence, membership or compliance with any employee related legislation or regulations.
- the gathering of **Data** or information by any government, statutory body, authority or agency that is not directly part of an **Audit**.
- Record Keeping **Audit**; **We** will not cover 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.

Special Conditions

You must:

- 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;
- lodge taxation and other statutory returns within the prescribed time limits or if an extension is granted within the further period granted;
- upon becoming notified of an **Audit** or impending **Audit** promptly inform **Us** by telephone, in writing or in person.
- obtain written approval from **Us** before engaging a **Professional Adviser**, other than **Your** accountant, and notify them of all **Professional Fees Your** accountant proposes to charge.

An Audit commences:

- at the time **You** first receive notice that an **Auditor** proposes to conduct an **Audit**; and
- is completed when:
  a. the **Auditor** has given written notice to that effect; or
  b. the **Auditor** notifies **You** that it has made a **Final Decision** of a **Designated Liability**; or
  c. when the **Auditor** has issued an assessment or amended assessment of a **Designated Liability**

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

What is covered

We insure **You**, up to the **Sum Insured** shown for *Part B* of *Section 7* on the **Schedule** for **Appeal Expenses You** necessarily incur with **Our** consent (which consent shall not be unreasonably withheld) in appealing against:

- the imposition of an improvement or prohibition notice under any workplace, occupational health, safety or similar legislation applying where **Your Insured Property** is situated; or
- the determination under any workplace occupational health, safety or similar legislation applying where **Your Insured Property** is situated of a review committee, arbitrator, tribunal or **court**.

We will not pay:

- 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**;
- more than the **Sum Insured** for *Part B* 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**.

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

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

Part C: Legal Defence Expenses

What is covered:

We insure **You**, up to the **Sum Insured** shown for *Part C of Section 7* on the **Schedule** for **Legal Defence Expenses You** necessarily incur with **Our** written consent in connection with litigation arising out of a **Claim** made or brought against **You**:

- in connection with the conduct of **Your** ordinary **Business** and affairs;
- under the Competition and Consumer Act 2010 or under any other consumer protection legislation;
- arising out of any dispute with an employee, former employee or prospective employee:
  a. concerning the terms and conditions of their contract of employment or alleged contract of employment with **You**;
  b. leading to civil or criminal proceedings under any Race Relations or Sexual Discrimination Legislation.

We will not pay:

- unless:
  a. any such **Claim** is first made or first brought against **You** during the **Period of Insurance**. **Our** agreement will not be unreasonably withheld;
  b. **You** report it to **Us** during that **Period of Insurance**;

c. **We** agree there are reasonable grounds for the defence of any such **Claim**.

- more than the **Sum Insured** for *Part C* 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**.

Excess

For each and every **Claim You** must, by way of **Excess**, pay or contribute the amount of $1,000.

What is not covered

- **We** do not insure **Legal Defence Expenses** for any **Claim**:
  a. which **You** have pursued or defended without **Our** written consent(which consent shall not be unreasonably withheld);
  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 the terms and conditions of *Section 2 (Liability to others)* and *Section 6 (Office Bearers Legal Liability Policy)* or would have been provided if *Section 2* and *Section 6* 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 on the **Schedule**, except as otherwise provided by Special Condition 4 Continuity of Cover
  i. first notified to **Us** after the expiry of this **Policy**, except as otherwise provided by Special Condition 4 Continuity of Cover

- **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.

Special 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.
  c.

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** that all fees and expenses charged to **Your** account are **Insured** by this **Policy**.

3. Consent

We will not be liable to indemnify **You** unless **You** have first obtained **Our** specific written consent 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. Continuity of 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, or by another Insurer when this **Policy** has been issued in substitution of a prior **Legal Defence Expenses Policy** provided by another Insurer, **We** will accept the notification of such **Claim**.

Provided always that:

- **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
- the terms and conditions applicable to *Special Condition 4* **Continuity of Cover** and to that notification will be the terms and conditions, including the **Limit of Liability** and **Excess**, applicable to the **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. Jurisdiction

Any dispute arising out of or under this **Policy** will be subject to determination by any court of Competent Jurisdiction within Australia according to the law applicable to that Jurisdiction.

7. 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.

8. Offer of settlement

You must inform **Us** as soon as reasonably practicable 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.

9. 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.

10. 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.

11. 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.

12. Subrogation

In the event of a payment under this **Policy** to or on **Your** behalf **We** will, subject to the *Insurance Contracts Act 1984*, be subrogated to all **Your** rights of recovery of **Legal Defence Expenses** against all persons or organisations and **You** will execute and deliver instruments and papers and do all that is necessary to assist **Us** in the exercise of such rights.

Special Definitions that apply to Parts A, B and C

The words listed below have been given a specific meaning and apply to *Section 7* 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.

Business

means the ownership of **Your Common Area** and **Insured Property** unless **You** otherwise advise **Us** and **We** agree to such Inclusion in writing.

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
- 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 **Claim** with respect to which **Legal Defence Expenses** are payable under this **Policy**.

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 (which consent shall not be unreasonably withheld) 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**.

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