Victor Strata Insurance

Product Disclose Statement (PDS) and Policy Wording

VAUSTRR-1001-0626

Contents

PART A - Product Disclosure Statement (PDS)

This Product Disclosure Statement was prepared on 10th August 2026

This Product Disclosure Statement ("PDS") will assist the insured ("You") to make an informed decision about Your insurance.

Please read it carefully. We recommend You read the PDS in conjunction with the Policy Wording.

The definitions found in the Policy Wording to which this PDS is attached will equally apply to the PDS.

The information in this document is current as at the date of this PDS.

Please note this PDS only applies when You have purchased, or You are covered under a specific general insurance product listed in s761G(5)(b) of the Corporations Act 2001 as a retail client. For the purposes of this PDS such general insurance products are those described below under the section headed Section 1 – Building and Common and Area Contents and Section 5 – Voluntary Workers found under the heading "About the Policy Cover", below.

A retail client is defined in the Corporations Act 2001 as an individual or small business. A small business means a business employing less than:

a) if the business is or includes the manufacture of goods, 100 people; or
b) otherwise, 20 people.

About this Document

This document consists of two parts:

- Part A (PDS): information to help You decide whether this Policy is right for You.
- Part B (Policy Wording): the full terms, conditions, exclusions, definitions and limits that make up the insurance contract.

Read both parts together with Your Schedule and any Endorsements. Keep these documents in a safe place, as they set out what You are and are not covered for, how to make a claim, and Your rights and responsibilities.

Should You require any further information about this or any other product, please contact Your insurance intermediary or Us. Our contact details of are set out under "About Victor Insurance".

About the Insurer

This Policy is underwritten and insured by AIG Australia Ltd (ABN 93 004 727 753) (AFSL No.381686) level 19, 2 Park Street, Sydney NSW 2000 ("AIG", "We", "Us", "Our", "insurance company") and where applicable on behalf of the co-insurer(s) named in Schedule against "Insurer" (Co-Insurer(s)). AIG and the Co-Insurer(s) are each jointly responsible for this PDS.

We provide this insurance product pursuant to an Australian Financial Services Licence ("AFSL") granted to Us by the Australian Securities and Investments Commission.

We are regulated by the Australian Prudential Regulation Authority (APRA).

AIG prepared this Product Disclosure Statement.

Important Information

This document contains important information, which is of a general nature only. It does not take into account Your objectives, financial situation or needs. Before acting on this information, You should consider its appropriateness having regard to Your personal circumstances and, where appropriate, obtain professional advice.

Target Market Determination (TMD)

AIG Australia Limited (AIG) is required to have Target Market Determinations for its retail client insurance products in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019.

What is a TMD

A TMD is a document created by AIG which seeks to offer customers, distributors and staff with an understanding of the class of customers for which the product has been designed and sets out:

- who is in the target market and who the product is not designed for;
- any distribution conditions and restrictions for the product;
- review periods and events that may trigger a review of the TMD; and
- reporting obligations for AIG's distributors.

The TMD is not intended and should not be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Customers must refer to the Product Disclosure Statement (PDS) and any supplementary disclosure documents for the terms and conditions of the product when making a decision to acquire the product.

The TMD for this product is available at www.aig.com.au

AIG is committed to offering high quality insurance products to meet Our customers' needs and which offer real value. AIG achieves this by taking a consumer-centric approach when designing and distributing Our products.

Updates to this PDS

We may need to update the information in this PDS from time to time where permitted or required by law.

- Material Changes – If a change is materially adverse from the perspective of a reasonable person deciding whether to acquire this product, We will either issue a new or replacement PDS, or a supplementary PDS (SPDS)
- Non-Material changes – For changes that are not materially adverse, We may provide the updated information on Victor Insurance's website, send You written notice, or record the change internally. A paper copy of any updated information will be provided free of charge upon request.

About Victor Insurance

Victor Insurance Pty Ltd (ABN 11 146 607 838) ("Victor Insurance") is an underwriting agency and an authorised representative (AR No. 403803) of Marsh Pty Ltd (ABN 86 004 651 512, AFSL 238983) (Marsh). Victor Insurance is a business of Marsh.

We have given authority to Victor Insurance to underwrite and bind cover on Our behalf.

Victor Insurance is not Your agent, Victor Insurance is acting solely as an agent of the insurance company and are paid compensation by the insurance company for the services they perform as an underwriting manager. They receive commission paid to them by the insurance company as a percentage of the insurance premium paid by You before stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies. All commissions and fees include GST and are incorporated within the cost of the product.

Victor Insurance's contact details are:
Phone – (02) 8864 7688
Address – One International Towers, 100 Barangaroo Avenue, Sydney NSW 2000
Post – PO Box H176, Australia Square NSW 1215

Insurance Company Privacy Policy

PRIVACY NOTICE

This notice sets out how AIG Australia Limited (AIG) collects, uses and discloses personal information about:

- You, if an individual; and
- other individuals You provide information about.

Further information about Our Privacy Policy is available at www.aig.com.au or by contacting Us at australia.privacy.manager@aig.com or on 1300 030 886.

How We collect Your personal information
AIG usually collects personal information from You or Your agents.

AIG may also collect personal information from:

- Our agents and service providers;
- other insurers;
- people who are involved in a claim or assist Us in investigating or processing claims, including third parties claiming under Your policy, witnesses and medical practitioners;
- third parties who may be arranging insurance cover for a group that You are a part of;
- providers of marketing lists and industry databases; and
- publicly available sources.
- Why We collect Your personal information
- AIG collects information necessary to:
- underwrite and administer Your insurance cover;
- improve customer service and products including carrying out research and analysis including data analytics functions; and
- advise You of Our and other products and services that may interest You.

You have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG declining cover, cancelling Your insurance cover or reducing the level of cover, or declining claims.

To whom We disclose Your personal information

In the course of underwriting and administering Your policy We may disclose Your information to:

- You or Our agents, entities to which AIG is related, reinsurers, contractors or third party providers providing services related to the administration of Your policy;
- banks and financial institutions for policy payments;
- You or Our agents, assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- entities to which AIG is related and third party providers for data analytics functions;
- other entities to enable them to offer their products or services to You; and
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

AIG is likely to disclose information to some of these entities located overseas, including in the following countries: Canada, Bermuda, Ireland, Belgium, the Netherlands, Germany, France, United States of America, United Kingdom, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which You have a claim and such other countries as may be notified in Our Privacy Policy from time to time.

You may request not to receive direct marketing communications from AIG.

Access to Your personal information

Our Privacy Policy contains information about how You may access and seek correction of personal information We hold about You.

In summary, You may gain access to Your personal information by submitting a written request to AIG.

In some circumstances permitted under the Privacy Act 1988, AIG may not permit access to Your personal information.

Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.

Complaints

Our Privacy Policy also contains information about how You may complain about a breach of the applicable privacy principles and how we will deal with such a complaint.

Consent

If applicable, Your application includes a consent that You and any other individuals You provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

Victor Insurance Privacy Policy

Victor Insurance Pty Ltd (ABN 11 146 607 838) ("Victor Insurance") and our associated entities (we, our, us) value the privacy of Your personal information and we are committed to handling Your personal information in a responsible way in accordance with the Australian Privacy Principles (APPs) and the Privacy Act 1988 (Cth). Full details of how, when and from where we collect, hold, use and disclose personal information is available in our Privacy Policy located at https://www.victorinsurance.com.au/privacy-policy. Our Privacy Policy also contains information about how You may complain about a breach of the APPs and our complaint handling process.

In the course of performing our business activities including providing insurance and risk services such as arranging insurance policies and advising on insurance options, reinsurance, managing claims or consulting on other risks for our clients and those of our associated entities, insurers and other insurance intermediaries we (and our authorised agents) may collect or disclose Your personal information from or to other persons to the extent required to perform such activities, which may include:

- a person authorised by You;
- a third party such as Your employer or the policyholder of a group insurance policy under which You are an insured;
- our employees, authorised representatives, associated entities and contractors and other business support service providers for the purposes of the operation of our business;
- insurers, reinsurers;
- other insurance intermediaries and premium funders;
- persons involved in claims such as solicitors, assessors, repairers, builders, investigators, Your employer or medical practitioners and rehabilitation providers;
- suppliers and other third parties with who we have commercial relationships for

business, marketing and related purposes; or

- government bodies, regulators, ombudsmen and dispute resolution bodies such as the Australian Financial Complaints Authority, law enforcement agencies and any other parties where required or authorised by law.

We may also collect and disclose Your personal information for other purposes as outlined in our Privacy Policy, which includes marketing activities. We will only use and disclose Your personal information for a purpose permitted by law or that You would reasonably expect. We will request Your consent for any other purpose.

When You give us personal information about other individuals, we rely on You to have made them aware that You will or may provide their information to us, the purposes for which we use it, the types of third parties we disclose it to and how they can access it (as described in this notice). If it is sensitive information, we rely on You to have obtained their consent to these matters. If You have not done these things, You must tell us before You provide the relevant information.
If You do decide not to provide us with the information required we may not be able to provide a service or arrange a product.

Your personal information may be disclosed to our associated entities, service providers, insurers, reinsurers and other insurance intermediaries located in countries outside of Australia. The countries this information may be disclosed to will vary from time to time, but may include the United Kingdom, the United States, Canada, India and Malaysia for business support services and international insurance market hubs in Bermuda, Brazil, China, Dubai, Hong Kong, Ireland, Japan, Singapore, South Korea, United Kingdom, and the United States. We take reasonable steps to ensure that overseas recipients of Your information do not breach the privacy obligations relating to Your personal information.

By providing us with personal information You and any other person You provide personal information for, consent to us collecting, holding, using and disclosing any personal information including for the purposes explained and to the persons and authorised third parties identified. You may modify or withdraw Your consent at any time by contacting our Privacy Officer (whose details are provided below). If You do not give us consent or subsequently modify or withdraw Your consent, we may not be able to provide You with the products or services You want.

If You have any questions or comments in relation to Privacy or if You wish to access Your personal information or update it please contact our Privacy
Officer by:
Email – privacy.australia@marsh.com
Phone – (02) 8864 7688
Post – PO Box H176, Australia Square NSW 1215

About the Policy Cover

This Policy is designed to provide insurance cover for Registered Strata Schemes or New Developments undergoing the Strata registration process.

There are seven (7) sections of insurance cover available under this Policy, some covers are optional. The Schedule shows which Sections are Insured, the Sums Insured, Limits of Liability, Excesses and any Endorsements that apply to You.

Information on what is covered and what is excluded (the terms and conditions and exclusions) is shown under each of the sections in the Policy Wording and in General Condition and General Exclusions sections of the Policy Wording and in Your Schedule.

Please read the documents that make up the Policy carefully and that You understand the cover We offer.

Summary of Cover

The following is a summary of the main sections of covers available under the Policy. It does not list all benefits, limits or exclusions. For the full terms including definitions, conditions, and exclusions, please read each Cover section under Part B (Policy Wording) along with the General Conditions and General Exclusions, and Your schedule.

Section 1 – Building and Common Area Contents:

Cover against physical loss or Damage to Your Building and/ or Common Area Contents occurring during the Period of Insurance up to the Sum Insured stated in the Schedule not otherwise excluded.

Where We accept a claim under Section 1 – Building and Common Area Contents, We will also pay certain Additional Benefits: payable within the Sum Insured, while others are payable in addition to that Sum Insured, subject to the limits set out in the, Policy Wording, and/or Schedule.

Section 2 – Legal Liability:
Cover for claims for compensation or expenses, which You become legally liable to pay in respect of Personal Injury or Insured Property Damage, arising out of the ownership, management or control of the Building, Common Property and/or Common Area Contents, up to the Limit of Liability shown in the Schedule.

Section 3 – Machinery Breakdown:
Cover for Breakdown of lifts, escalators, boilers and other electrical or mechanical plant forming part of the Insured Property, occurring during the Period of Insurance.

Where We accept a claim under Section 3 – Machinery Breakdown, We will also pay certain Additional Benefits: payable within the Sum Insured, while others are payable in addition to that Sum Insured, subject to the limits set out in the Policy Wording, and/or Schedule.

Section 4 – Fidelity Guarantee:
Cover for direct financial Loss of Funds sustained during the Period of Insurance as a result of fraudulent or dishonest Misappropriation, Theft or Forgery by an Employee, Office Bearer or Strata Manager, first Discovered and first committed during the Period of Insurance and reported to Us.

Section 5 – Voluntary Workers:
Following an accident, causing injury or death, We will pay a capital benefit payment or weekly benefit payment to a Voluntary Worker, or that person's estate while engaged in Voluntary Work or Duties for Your Body Corporate.

Section 6 – Office Bearers Liability:
Cover for Your Office Bearers against Claims first made against You during the Period of Insurance for Wrongful Act(s) occurring in managing the Body Corporate affairs.

Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs
Cover for the Legal Defence Costs incurred in defending a Claim, appealing a Workplace Health & Safety decision against You, responding to a Taxation Audit together with certain Statutory Liability costs (including civil fines and penalties insurable at law), subject to the limits shown in the Schedule.

Understanding Your Cover
Like all insurance, this Policy contains exclusions, terms and conditions, limits and sub-limits that affect what is and is not covered. You should read all of the documents that make up Your Policy carefully to understand the type and amount of cover provided, what You can claim for, and what is excluded.
Your Policy consists of the following documents, which should be read together:

Your Policy consists of the following documents, which should be read together:

- This PDS (Part A) – provides important information about the product, including key features, Your rights and obligations, and general information about how the Policy operates.
- Policy Wording (Part B) – sets out the operative terms and conditions of cover, including what is covered, definitions of important words, how claims are handled, Excesses that apply, exclusions, and general conditions.
- Your Schedule – details the specific cover issued to You, including the Sections insured, Sums Insured, Limits of Liability, Excesses, and any changes, exclusions or conditions specific to You. The Schedule amends the Policy Wording where noted.
- Any written changes We provide – such as Endorsements or a Supplementary PDS, which vary or add to the above documents.

Only those Sections shown as Insured in the Schedule are covered. If a Section is shown as Not Insured, no claim can be made under that Section.

This PDS will also apply to any offer of renewal We make to You, unless We advise You otherwise. On renewal, We may change the terms of this Policy where permitted by law.

Please keep all documents that make up Your Policy in a safe place for future reference.

Adequate Sum Insured – Building and Common Area Contents
It is Your responsibility to make sure the Building Sum Insured shown in the Schedule is enough to cover the full cost of rebuilding the Building if it is destroyed. This includes demolition, debris removal, professional fees (architects, engineers,

surveyors) and meeting current building codes or statutory authority requirements.

If the Building Sum Insured is too low, You may be underinsured and will need to pay part of the cost Yourself in the event of a total loss.

We strongly recommend that You obtain a professional valuation from a qualified valuer and update this regularly, as may be required by strata legislation in Your State or Territory.

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

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

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

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

Your Duty to Take Reasonable Care not to make a misrepresentation to the Insurer

If You are purchasing the insurance wholly or predominantly for Your own personal, domestic or household purposes, You will have a new duty to take reasonable care not to make a misrepresentation.

You have a duty to take reasonable care not to make a misrepresentation to Us before the contract of insurance is first entered into. You have the same duty when You renew, extend, vary or reinstate the contract.

This means that You must take reasonable care to answer accurately and completely all of the questions We ask You. If You are unsure about the requirements of any of Our questions, please tell Us. If You need to check Your records or other information before answering, please make sure You do so. In answering Our questions, You should also make sure You provide accurate and complete answers for anyone else to whom the questions apply.

Your compliance with this duty is very important as We make Our decisions whether to insure You and, if so, on what terms based on the information You provide.

If You fail to take reasonable care and make a misrepresentation to Us, We may be entitled to:

- cancel Your contract;
- deny a claim or reduce the amount We will pay You if You claim, or
- if the misrepresentation was made fraudulently, treat the policy as if it never existed.

How to Apply for Insurance Cover

To apply for this Policy, You must complete an application form and provide Us with all information We reasonably require. We will use the information You supply to determine whether to accept Your application and on what terms.

If We agree to provide cover, the terms of insurance are contained in this PDS, the Policy Wording (Part B), Your Schedule, and any Endorsements or Supplementary PDS that We issue to You. These documents together form Your Policy.

Renewals

Prior to the expiry date of the Period of Insurance, We will send You a notice confirming whether We will offer to renew this Policy and, if so, on what terms. Please check the information in the renewal offer carefully and tell Us immediately if anything is incorrect.

If We make a renewal offer, Your Policy will renew automatically on the terms advised unless You tell Us not to. You may opt out of automatic renewal at any time by notifying Us.

At each renewal, We strongly recommend that You obtain an up-to-date professional valuation from a qualified valuer to ensure that the Sums Insured for Your Building and Common Area Contents remain adequate, and that You continue to meet the requirements of strata legislation in Your State or Territory.

If any information in this PDS changes and We are required by law to update it, We will provide You with either a Supplementary PDS or a replacement PDS.

Excesses

If You make a claim under this Policy, You may be required to pay an Excess.

The type and amount of Excess payable for each claim is shown in the Schedule or in this Policy. We may deduct the applicable Excess from any claim payment or request that it be paid before settlement of the claim.

If more than one Excess applies to a claim, only the highest single Excess will apply, unless a Section of this Policy or the Schedule specifically states otherwise.

Claims Made Sections

Sections 6 – Office Bearers Liability and 7 – Legal Defence Costs, WHS Appeal Costs and Government Audit Costs provide cover on a claims-made and notified basis.

This means:

- Cover applies only to Claims that are first made against You and notified to Us in writing during the Period of Insurance, regardless of when the act, error or omission giving rise to the Claim occurred (subject to any retroactive date shown in the Schedule).
- If, before the Policy expires, You become aware of facts or circumstances that may give rise to a Claim and You notify Us in writing as soon as possible, then under section 40(3) of the Insurance Contracts Act 1984 (Cth), We cannot refuse to cover a later Claim solely because it was made after expiry of the Policy.
- If You do not notify Us of those facts or circumstances before the Policy expires, You may have no cover for any subsequent Claim arising from them.

This is different from Sections 1–5, which cover Events occurring during the Period of Insurance regardless of when the Claim is made.

Premium

The Premium is the amount You must pay Us for the cover provided under this Policy, as shown in the Schedule. Premiums are payable when You first acquire cover and when You renew, and may be adjusted if You request changes to Your Policy during the Period of Insurance.

When calculating Your Premium, We consider a number of factors, which may include (but are not limited to):

- the type, age and construction of the Insured Property;
- the Location of the Insured Property;
- the level of cover requested and Sums Insured; and
- Your previous insurance and claims history.

Premiums are also subject to applicable Commonwealth and State taxes, duties and charges (including GST, stamp duty and Emergency Services Levy where applicable), as well as any fees or commissions. These amounts are separately identified in the Schedule.

Cover under this Policy is conditional upon the Premium being paid by You by the due date shown in the Schedule. If You do not pay the Premium by that date, no cover will apply under this Policy.

How to Pay Your Premium

You must pay Your Premium using one of the payment options shown in the Schedule.

Commissions

Victor Insurance may receive a commission payment from the Insurer when the Policy is issued and renewed. Your insurance intermediary may also receive a commission for arranging the policy.

For details of the relevant commission paid, please refer to the Financial Services Guide or contact Victor Insurance directly.

Cancellation

In addition to Your rights during the cooling off period, You may cancel this Policy at any time by providing Us with written notice of the future date on which You want cancellation to take effect.

We may cancel this Policy in accordance with Our legal rights under the Insurance Contracts Act 1984 (Cth), by giving You written notice that sets out the specific reasons for cancellation.

If this Policy is cancelled—whether by You or by Us—We will refund any unused Premium on a pro-rata basis from the effective date of cancellation, less any non-refundable government charges, taxes or levies. No Premium will be refunded if We have paid a claim during the Period of Insurance.

Further details of cancellation rights and processes are set out in the "Cancellation" condition under the General Conditions applicable to all Sections of this Policy.

How to make a claim

If You need to make a Claim under this Policy, Your insurance intermediary can made a claim on Your behalf. If You prefer to make a claim directly, You may do so by:

Email: strata@risksmartclaims.com.au
Post: Risksmart Claims Solutions Pty Ltd
PO Box H176
Australia Square
Sydney NSW 1215

The insurance company has appointed Risksmart Claims Solutions Pty Ltd (ABN 48 122 240 224, AFS Licence No. 530859) ("Risksmart") to triage and, in most cases, handle Your claim on their behalf in accordance with this PDS/Policy Wording. Risksmart is a subsidiary of Marsh and holds an Australian Financial Services Licence authorising it to provide claims handling and claims management services for both local and international insurers, including the Insurer, AIG.

Please report Your claim as soon as possible. If You delay in notifying Us of a claim, We may not pay for any additional loss, damage or liability that results from that delay.

Financial Claims Scheme

We are obligated under the Insurance Act 1973 to comply with prudential standards to ensure that We can meet Our financial obligations under this policy. In the unlikely event that We are unable to meet Our obligations under this insurance, You may be entitled to payment under the Federal Government's Financial Claims Scheme.

Information about the Scheme can be obtained from the APRA website at https://www.fcs.gov.au.

Complaints Notice

What to do if You have a Complaint

We and Victor Insurance are committed to providing You with high-quality service. If You are dissatisfied with any aspect of the service provided by Us and Victor Insurance, please contact Us so that We can attempt to resolve Your concerns as quickly as possible in accordance with Our Internal Dispute Resolution (IDR) process, a copy of which is available upon request.

In the first instance, We encourage You to raise Your concern with the representative managing Your account. Alternatively, You may contact:
Victor Insurance – Complaints Officer
Phone: (03) 9603 2338
Email: complaints.australia@marsh.com

If Your complaint relates specifically to a claim, please initially contact:
Email: complaints@risksmartclaims.com.au

Victor Insurance will acknowledge Your complaint within 24 hours or as soon as practicable.

Internal Dispute Resolution

If Your complaint cannot be resolved immediately or within five (5) business days, and the matter requires further review, it will be handled by Our IDR team in accordance with Our legal obligations.
Please provide Your Policy number, claim number (if applicable), and any information that may assist Us in reviewing Your complaint.
We will:

- Keep You informed of the progress of Your complaint at least every ten (10) business days;
- Provide You with an IDR response within thirty (30) calendar days of receiving Your complaint.

If We are able to resolve Your complaint within five (5) business days, We may do so without sending a written IDR response unless:

- Your complaint relates to a declined claim;
- The amount of a claim;
- A financial hardship matter; or
- You request a written response.

In such circumstances Our final response will be provided in writing, explaining:

- The outcome of the investigation.
- The reasons for Our decision and Your right to escalate the complaint to AFCA if You remain dissatisfied.

External Dispute Resolution

If You are still dissatisfied with Our decision on Your complaint or dispute or We are unable to resolve Your complaint or dispute to Your satisfaction within thirty (30) calendar days, You may refer the matter to the Australian Financial Complaints Authority (AFCA), subject to AFCA's rules on whether it can deal with Your complaint. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Any determination AFCA makes is binding on Us, provided You also accept the determination. You do not have to accept their determination, and You have the option of seeking remedies elsewhere. AFCA has authority to hear certain complaints. Contact AFCA to confirm if they can assist You.

The contact details for AFCA are:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Phone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

General Insurance Code of Practice

We are signatory to the General Insurance Code of Practice ("the Code") developed by the Insurance Council of Australia and enforced by the Code Governance Committee. The Code sets out the minimum standards of service that can be expected from the insurance industry, and requires insurers to be open, fair and honest in their dealings with customers.

The Code Governance Committee is the independent body that monitors and enforces insurers' compliance with the Code. Their purpose is to drive better Code compliance and help the insurance industry to improve its service to consumers.

We are committed to adhering to the objectives of the Code and to uphold these minimum standards when providing services covered by this Code. The Code objectives will be followed having regards to the law and acknowledging that a contract of insurance is a contract based on the utmost good faith.

For more information on the Code please visit http://codeofpractice.com.au/. For more information on the Code Governance Committee please visit http://insurancecode.org.au/

Cooling Off Period

If, after reading the Policy Wording, You are not satisfied with the cover, You may cancel the Policy within 21 days from the inception date of the policy or renewal and obtain a full refund less any non-refundable government charges and taxes that We have paid. You may notify Us in writing or electronically.

If You make a claim for any incident within the 21-day period, no cooling off period is permitted

If the Policy is for an event that will finish within the 21 days cooling off period, You can only exercise Your right to cancel before the event starts.

PART B: Policy Wording

Our Agreement

Upon Our acceptance of Your application and receipt of the Premium, and subject to all terms, conditions, exclusions and limits in this Policy, We agree to provide the cover described in each Section shown as Insured on Your Schedule for the Period of Insurance.

Your Policy consists of this Policy Wording, the Schedule, any Endorsements or notices We issue, and any supplementary or replacement Product Disclosure Statement (PDS) We provide to You. These documents must be read together.

Our liability under any Section will not exceed the relevant Sum Insured or other applicable limit of liability stated in the Schedule or elsewhere in this Policy.

How much We will pay

The most We will pay for any single Claim is the Sum Insured for that Section shown on Your Schedule, or any fixed limit stated elsewhere in this Policy that applies to the cover You are claiming under, less any applicable Excess.

General Definitions (applicable to all Sections)

The following definitions apply throughout this policy wherever the relevant word appears, unless a different meaning is stated in a particular section. Headings are provided for reference only and must not be used to interpret the policy.

Act of Terrorism / 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), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Action by the Sea

means the natural movement of seawater, including rises in sea level, storm surge, sea waves, high tides or king tides.

Aircraft

means any vessel, craft, machine or object made or intended to fly or move through the atmosphere or space, including drones and other remotely or autonomously controlled aircraft.

Body Corporate

means the legal owner(s) of a strata title development and Common Property incorporated under the Strata Schemes Management Act, Strata Titles Act, Community Titles Act, or similar legislation which applies where the Lot/ Unit is situated.

Common Property

means land or any areas owned by You at the Location that You, Your Tenants and other people are entitled to use that does not form part of any Lot/Unit (including storage areas, parking areas and garages shared by multiple units, walkways, and stairways). Where the Strata Legislation refers to Common Area, this has the same meaning as Common Property.

Communicable Disease

means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

a) 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
b) 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

the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

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 You 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.

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.

Damage or Damaged
means any partial or total direct physical loss of, or destruction of Insured Property from any sudden and accidental cause not otherwise excluded by this Policy.

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.

Debris
Debris means:

1. The residue of Damaged Buildings or Common Area Contents; or
2. Material deposited at Your Insured Property excluding any material which can cause Pollution or contamination, and which is deposited beyond the boundaries of the Location, but subject to the Pollution and contamination exclusion.

Defence Costs
means reasonable and necessary legal and related costs, charges and expenses (other than salaries, wages or internal overheads of the Strata Community) incurred with Our prior written consent (which will not be unreasonably withheld or delayed) in:

a) investigating, defending or settling a Claim covered under this Policy;
b) attending or being represented at any coronial inquest, inquiry, examination, or other official proceeding; and
c) pursuing or defending an appeal arising from a covered Claim.

Depreciation
means the reduction of an items value due to factors such as Wear and Tear and calculated in accordance with the method prescribed by the Australian Taxation Office.

Emergency Service Personnel
means any person who is a member of the following organisations:

a) Police;
b) Fire Service;
c) Ambulance Service;
d) State Emergency Service; or
e) other recognized emergency service.

Endorsement
means a written alteration to the terms, conditions, and limitations of this Policy as specified in a document attached to this Policy or in the Schedule.

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

Event(s)
means an occurrence or incident that is unintended and happens within a specific period of time, resulting in loss or Damage to the Insured Property, or a series of related Damages arising from the same occurrence, which is covered under this Policy.

Excess/s
means the amount You must pay or contribute towards a claim. The amount of the Excess applicable is shown in the Schedule or the documents that make up the Policy.

Payment of any Excess shown in the Policy or in the Schedule for each claim made may be requested from You prior to payment of a claim or may be deducted from Our payment if Your claim is accepted.

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

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

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

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

Indemnity Value
means the cost to rebuild, replace or repair the Insured Property to a condition that is equivalent to or substantially the same as but not better nor more extensive than its condition at the time of loss or Damage taking into consideration age, condition and remaining useful life.

Insured Property
means the Building/s and/ or Common Area Contents at the Location as shown in the Schedule.

Building
means Buildings as defined by the relevant Act or regulation governing Your strata title, community tiles or similar-type property at the Location shown in the Schedule, that You own or are liable for, including:

1. garages, carports, outbuildings, structural improvements and fixtures (other than floating floors);
2. permanently fixed outdoor items such as solar panels, satellite dishes, outdoor lights, clothes lines and rainwater tanks;
3. marinas, wharves, jetties, docks, pontoons and swimming platforms that are at all times attached to dry land and used for non-commercial purposes and that do not provide fuel facilities;
4. paint and wallpaper in common areas and, except in NSW and the ACT, inside individual Units;
5. tennis courts and in-ground swimming pools and spas;
6. services (including underground) owned by you or for which you are responsible and which are located within the Building or at the Location;
7. hard-wired or plumbed appliances such as ducted air-conditioners, stoves, ovens, hotplates, hot-water systems, built-in cupboards and bathroom fittings, unless excluded by relevant legislation;
8. any other item defined as Building by the applicable legislation in the State or Territory where the Building is located.

Building does not mean or include:

a) temporary wall, ceiling or floor coverings;
b) paint and wallpaper inside individual units in NSW and ACT (unless additional cover is taken);
c) window coverings, internal blinds, carpets or light fittings in individual Units;
d) portable or free-standing appliances;
e) air-conditioners servicing an individual Lot, Stratum Lot or Volumetric Lot in Queensland
f) fixtures removable by a tenant or lessee at lease end;
g) property undergoing construction, alteration or renovation where the contract value exceeds 15 % of the sum insured or AUD 500 000 (whichever is greater) unless we agree in writing;
h) illegal or unapproved installations;
i) any item not defined as Building under the relevant legislation;
j) contents of Units or Common Area Contents;
k) generators, turbines, dams, transmission lines, substations and similar plant;
l) offshore property or property in ocean marine transit;
m) drilling rigs, well equipment and oil or gas below the surface.

Common Area Contents
means all contents that You own or are legally liable for, at, in or adjacent to Your Location while temporarily removed elsewhere in Australia or while in transit to and from Your Location including but not limited to:

1. domestic appliances, furniture and furnishings;
2. common-area carpets, light fittings, internal blinds and curtains;
3. office equipment, computers and electronic equipment;
4. garden equipment, including ride-on mowers and similar items not required to be registered;

5. above-ground swimming pools, covers and accessories;
6. works of art, curios and antiques up to AUD 10,000 any one period of insurance.

Common Area Contents does not include:

a) vehicles (other than unregistered garden appliances), watercraft, aircraft or their parts;
b) personal property owned by a unit owner;
c) works of art, curios or antiques above AUD 10 000 unless we agree in writing;
d) animals, including livestock, fish and birds;
e) money other than as provided under the additional benefit for money;
f) plants, lawns, trees or shrubs except where otherwise covered.

Insured, You, Your, Yours

means the body corporate, corporation, owners corporation, plan, or company named in the Schedule, and includes Members but only to the extent of their ownership interest in the Insured Property, and not in their capacity as Lot Owners/occupiers, unless otherwise stated in this Policy.

Land Value

means the sum certified by the valuer general as being the value of the land at the Location at the inception of the Policy 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.

Lease/ Periodic Lease

means a written and enforceable rental agreement between You and the Tenant/s, which complies with the applicable State or Territory legislation, for a term of more than three (3) months. This includes when a Tenant continues to occupy the Insured Property after a fixed term Lease has expired and the Lease does not provide for its continuations and a:

- Notice to leave;
- Notice of intention to leave; or
- An abandonment termination notice,

has not been given by the Tenants to You or Your Property Manager or by You or Your Property Manager to the Tenant. The Tenant is treated as being under a Periodic Lease on the same terms which applied immediately before the Lease ended.

Limit of Liability

means the applicable Limit of Liability specified in the Schedule or as determined by the Policy

Location

means the address shown on the Schedule where the Insured Property is physically located.

Lot/Unit

means an area shown on a plan as a lot or unit in terms of a Strata Schemes Management Act, Strata Titles Act, Community Titles Act, or similar legislation applying where Your insured Property is situated.

Lot/Unit Owner, Lot/Unit Owners'

means a person, persons, member, or proprietor registered as owner of an estate in a Lot/Unit in terms of any applicable Act or Regulation governing strata title property where Your Insured Property is situated, or a shareholder entitling that person to exclusive possession of a Lot/Unit in terms of any applicable Act or Regulation governing company title property where Your Insured Property is situated.

Lot/Unit Owners' Contents

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

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

Lot/Unit Owner's Fixtures and Improvements

Unit Owner's fixtures and improvements means any item or structure installed by a Unit owner for their exclusive use and which is permanently attached to or fixed to the Insured Property so as to become legally part of it, including any improvements made to an existing fixture.

Members

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

Money

means cash, bank notes, currency notes, coins, cheques, travellers cheques, stored value cards, pre-paid credit cards, pre-paid debit cards, discount vouchers, postal orders, money orders, unused postage and revenue stamps (including the value of stamps contained in franking machines) and traveller's cheques. Money does not mean or include Securities or digital currency.

Occupation Certificate
means a certificate issued by a licensed Principal Certifying Authority verifying that the building is suitable for occupancy.

Occurrence
means an Event or incident that is unintended and happens within a specific period of time, resulting in loss or Damage to the Insured Property, or a series of related Damages arising from the same occurrence, which is covered under this Policy.

Office Bearer
means:

a) Any person appointed (or previously appointed) to act as an office bearer or committee member for You in terms of the Strata Schemes Management Act, Strata Titles Act, Community Titles Act, or similar legislation, whilst acting in that capacity;
b) Any person invited by an Office Bearer to assist in the management or performance of Your affairs, whilst acting in that capacity;
c) A Strata manager, director, employee or partner who is or was appointed to be a member of the committee of Your governing body, Building Management Committee or duly appointed member of a Sub Committee of Your Building(s), only to the extent that they are acting as an appointed Committee Member.

However, this does not include any person or organisation engaged by You on a fee for service basis (except for an Office Bearer who receives an honorarium).

Open Air
means an area at the Location that is either not wholly enclosed by walls and a roof or cannot be completely closed, including a balcony, porch, veranda, carport, or garage.

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 the insurance contract. Your Policy includes this document, any PDS we provide You, Your Schedule and any Endorsements or alterations made, that We tell You form part of the Policy.

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

Pollution
means physical loss or Damage arising out of the discharge, dispersal, release or escape of Pollutants into, from or upon any property, land, atmosphere or any watercourse or body of water (including ground water).

Premium
means the amount You must pay Us for the level of cover You have selected under this Policy as shown on the Schedule. Government charges and/or levies will be added at the prevailing rate and separately identified on the Schedule.

Property Manager
means a licensed real estate professional or agency engaged to manage the letting, tenancy administration, rent collection, inspections, and general day-to-day management of a residential or commercial property on behalf of its owner.

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

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

Replacement
means:

a) the reasonable cost of rebuilding, replacing, or repairing to a condition which is equivalent to or substantially the same as but not better or more extensive than when it was new; and
b) the extra costs necessarily incurred to alter or upgrade Your Insured Property to

comply with public, statutory, or environmental protection authority requirements, but does not include:

i. any costs that would have been incurred in complying with orders issued prior to the happening of the loss;
ii. any extra costs to alter or upgrade any undamaged portion of Your Insured Property

Schedule
means the most current document titled "Schedule" issued by Us to You which sets out the details of Your insurance cover. The Schedule may include any Endorsements, We issue to You each time You request an addition, alteration, or renewal. The Schedule forms part of Your Policy.

Short-Term Lease
means a rental period of 3 months or less in total duration.

Storm
means a violent disturbance of the atmosphere which can include strong winds, thunder, lightning, heavy falls of rain, hail or snow.

Storm Surge
means the abnormal rise in sea level above the normal astronomical tide level, generated by a cyclone or other intense storm system, resulting in the inundation of normally dry land by seawater. This does not include tsunami or Flood as defined elsewhere in this Policy.

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

a) Strata Schemes Management Act 2015 (NSW)
b) Strata Scheme Development Act 2015 (NSW)
c) Owners Corporation Act 2006 (VIC)
d) Unit Titles (Management) Act 2011 (ACT)
e) Strata Titles Act 1998 (TAS)
f) Body Corporate and Community Management Act 1997 (QLD)
g) Strata Titles Act 1985 (WA)
h) Strata Titles Act 1988 (SA)
i) Unit Titles Scheme Act 2009 (NT)

Strata Manager
means a person or other entity (appointed in writing by the Unit Owners) with delegated functions including the authority to act as an Office Bearer in terms of any Act or regulation governing strata title, community title or similar type property applying where Your Insured Property is situated.

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

Stratum Lot or Volumetric Lot only extends to Section
1 and Section 1 – Insured Property optional extension
(Catastrophe Insurance).

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

Sum Insured
means the amount(s) shown on the Schedule for the
Sections You are covered for and is the maximum amount of Our liability, inclusive of claimant's costs and expenses recoverable from You, for all claims under each of the Sections:

a) during any one Period of Insurance; or
b) unless a specified limit is otherwise stated in a Section.

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

Tenant
means any person authorised under the terms of a Lease or similar type agreement who occupies a Lot/Unit.

Territorial Limits
means the Commonwealth of Australia.

Tsunami
means a sea or ocean wave caused by a disturbance of the ocean floor or seismic movement such as an underwater earthquake or landslide.

Vandalism or malicious act
means an act done with the intention of causing Damage or harm, or with reckless disregard for the damaging or harmful consequences.

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

Vicinity
means the area within a 2 kilometer radius of the Insured Property.

Voluntary Worker
means a person engaged solely in work or duties on behalf of the Body Corporate without promise of reward or remuneration, other than an honorarium for duties associated with the position of an Office Bearer.
Voluntary Worker does not mean employees, contractors or any person who receives a payment, reward or remuneration (other than provided herein) for their services.

Watercraft
means any vessel, craft, machine, or object made or intended to be used on, in or under water.

Wear and Tear
means Damage or a reduction in value to Your Insured Property through age, ordinary use, exposure to its environment or lack of maintenance.

We, Our, Us, Insurer
means the company or companies named in the Schedule against “Insurer”. If more than one company is listed as “Insurer”, each company shall only be responsible for the percentage (%) of the indemnity subscribed against their name in the Schedule.

Written Consent
means a written authority You must obtain from Us and hold before You act or incur any expense or enter into any contract or contractual agreement in relation to cover provided under this Policy.

You, Your, Yours, Insured
means the body corporate, corporation, owners corporation, plan, or company named in the Schedule, and includes Members but only to the extent of their ownership interest in the Insured Property, and not in their capacity as Lot Owners/occupiers, unless otherwise stated in this Policy.

General Conditions (applicable to all sections)
These terms and conditions apply to all Sections within the Policy unless stated otherwise. Each individual Section of cover may also contain its own specific terms and conditions, which operate in addition to the general conditions set out below. These terms and conditions should be read in addition to the ones below to understand the full scope of the Policy.

Any person covered by the Section or claiming under it must also comply with these terms and conditions.

If You do not comply with any of these conditions, We may reduce or refuse Your claim to the extent We are prejudiced and/or cancel Your Policy.

Breach of Condition
If You breach any condition of this Policy, We may refuse to pay or reduce a claim, or cancel the Policy, but only to the extent that the breach caused or contributed to the loss, Damage, liability or increased the risk of such loss. Our rights are subject at all times to the provisions of the Insurance Contracts Act 1984 (Cth).

Claims Preparation Costs
We will pay the reasonable and necessary costs (with Our prior written consent) You incur for the preparation of a claim under the Policy.

The maximum We will pay for claim preparation costs is $50,000 in any one event.

We will not pay these costs in respect of claims under Section 7 – Government Audit Costs

Goods and Services Tax (GST)
Any Sum Insured, Limit of Liability or Limit of Indemnity shown in this Policy is inclusive of GST.

Any payment We make under this Policy will be reduced by the amount of any input tax credit that You are, will be, or would have been entitled to under the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

You must inform Us of the extent of Your entitlement to an input tax credit at or before the time a claim is made under this Policy, so that we can correctly calculate the amount of payment We make to You based on Your GST status.

References to Legislation

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

For the purpose of this condition 'Subsequent Legislation' means:

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

Renewal of Your Policy

Unless You tell Us otherwise, this Policy will automatically renew for a further Period of Insurance on the terms, conditions, limits and Excesses set out in the renewal notice We provide to You, subject to payment of the Premium.

We will provide You with a renewal notice at least fourteen (14) days before the expiry of the current Period of Insurance. The renewal notice will set out:

a) the Premium and any government charges or levies payable;
b) the Sum(s) Insured and any applicable limits; and
c) any changes to the terms, conditions or Excesses of this Policy.

You may decline to renew this Policy by notifying Us before the expiry of the current Period of Insurance. If You choose not to renew, this Policy will expire at the end of the current Period of Insurance.

If We decide not to renew this Policy, We will provide You with written notice in accordance with Section 58 of the *Insurance Contracts Act 1984 (Cth)*.

Cancellation

In addition to Your rights during the cooling off period, this Policy may be cancelled by You at any time by notifying Us in writing of the future date the cancellation is to take effect.

We may cancel this Policy strictly in accordance with Sections 59–62 of the Insurance Contracts Act 1984 (Cth). Any notice of cancellation will be provided to You in writing, including the reason for cancellation and the effective date of cancellation, which will be no earlier than permitted by law.

If We Cancel the Policy, notification will be delivered to the address last notified to Us and Cancellation will take effect no earlier than 4.00pm on the date set out in the cancellation notice unless the Policy was in force by virtue of Section 58 of the Insurance Contracts Act 1984(Cth), whereby the cancellation will take effect from the fourteenth business day after the day on which notice was given to You.

If this Policy is cancelled—whether by You or by Us—any refund of Premium will be calculated pro-rata from the cancellation date, taking into account the period during which the Policy was in force and any claims made. No Premium will be refunded if We have paid a claim under the Policy.

Your responsibilities

You must take all reasonable care and precautions to prevent or minimise loss, Damage, injury, illness, or liability. This includes complying with all applicable laws, by-laws, ordinances, and regulations relating to the safety of people and Insured Property.
If any Damage existed prior to the commencement of this insurance and was not repaired or rectified, We will not be liable for that pre-existing Damage or for any resulting loss, destruction, or Damage arising from it.

Changes that may affect your Cover

You must notify Us as soon as reasonably practicable if, during the Period of Insurance, any circumstance arises, or any change is made that may increase the risk of loss, Damage, injury, or liability under this Policy.

Examples of changes that may increase risk include:

a) Using any part of the Building for business, trade or professional purposes (other than a home office);

b) Removing security devices that were specifically required by Us;
c) Your Building becomes subject to a Building Rectification Order, Fire Order or any other Order issued by a statutory body.
d) Undertaking alterations, additions, demolitions, repairs or decorations to the Building with a total value exceeding $500,000; or
e) Installing or attaching cranes, hoists, or similar equipment to the Insured Property or at the Location.

Upon receiving this information, We may, acting reasonably:

- Propose changes to the terms and conditions of Your Policy;
- Propose an additional Premium; and/or
- Decide not to offer renewal or continue cover under the Policy.

If You do not agree to revised terms and We reasonably determine that the change increases the risk of loss, Damage, injury or liability, We may cancel the Policy. In such cases, We will provide You with written notice in accordance with the Insurance Contracts Act 1984 (Cth).

If You fail to notify Us of a change that increases the risk, We may refuse or reduce a claim, but only to the extent that the unnotified change caused or contributed to the loss, Damage or liability. We will act reasonably in exercising any rights under this condition, and Our rights remain subject to the Insurance Contracts Act 1984 (Cth).

Your request to change Your Cover

If You request any change to cover (e.g. You choose to add a Section or You increase the Sum(s) Insured) then, if We agree to the change, We will issue a new Schedule and ask You for any additional Premium.

If You don't pay the additional Premium by the due date, then We will make reasonable efforts to contact You using the latest contact details You provided Us. If We don't receive payment of the additional Premium owed, the change will not be effective, and We will confirm this by issuing a replacement Schedule.

If You request any change to cover and We don't agree to the change, then We will let You know, and the Policy will continue unchanged.

Excess

If You make a claim under the Policy, You may be required to pay an Excess.

Payment of any Excess shown in the Policy or in the Schedule for each claim made may be requested from You prior to payment of a claim or may be deducted from Our payment if Your claim is accepted.

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.

Any loss or Damage caused by earthquake or seismological disturbance occurring within a single period of 72 consecutive hours will be treated as one Event. Only one Excess will apply to all such loss or Damage arising from that Event.

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

Claims Procedures

If You do not comply with the following Claims Conditions, We may reduce or deny a claim to the extent that Your non-compliance causes prejudice to Us.

If an Event, Damage, or circumstance occurs that may result in a claim under this Policy, You must, as soon as reasonably practicable:

Prevent Further Loss or Damage
Take all reasonable steps to prevent further loss, Damage, or liability.

Notify Authorities
Report to the Police any theft, attempted theft, malicious Damage, burglary, fraudulent misappropriation, or similar incident. Provide Us with the Police report number if requested.

Notify Us
Notify Us in writing of the Event, any potential claim, or any legal proceedings or notices received.

Protect and preserve Insured Property

Do not repair, replace, remove, or dispose of any Insured Property in connection with the claim without Our prior Written Consent (which will not be unreasonably withheld).

Cooperate with Our Investigation

Supply all information and documentation reasonably required by Us to investigate, substantiate, settle, or defend the claim. If requested, complete and return a claim form within twenty-one (21) days, including all necessary supporting materials.

Disclosure of other Insurance
Advise Us in writing of any other insurance policies You are aware of that may also cover the loss, Damage, or liability.

Do Not Admit Liability
Do not admit fault, liability, or guilt (except to a court or the Police), or negotiate or settle or compromise any claim brought against You without Our prior Written Consent (which will not be unreasonably withheld).

Recovery Efforts
Take all reasonable steps to recover lost or stolen Insured Property or Money.

Inspection access
Allow Us or Our appointed representatives access to inspect the Insured Property, with reasonable notice and on reasonable request.

Assist with defence
Assist Us in defending any claim brought against You, including attending proceedings and providing statements or evidence where required.

Subrogation

We may, at any time and in consultation with You, take legal action in Your name and at Our expense to recover any loss or Damage covered under this Policy. You agree to provide all reasonable assistance to support such recovery efforts.

If You have also suffered loss arising from the same Event that is not covered by this Policy, We may offer to pursue recovery for that uninsured loss on Your behalf. You must provide Us with documents and evidence to support Your claim for that loss.

Before proceeding with any recovery action for uninsured loss, We will discuss and agree with You on how that part of the recovery will be managed. In some circumstances, You may be required to reasonably contribute to legal costs associated with recovering any uninsured amounts.

Joint Insureds, Interested Parties

When more than one party is named on the Schedule as an Insured, each will be treated as a separate and distinct entity. The terms You, Your, and Yours apply to each party as if a separate Policy had been issued to each.

If another party has a legal or financial interest in the Insured Property, and that interest is properly recorded in Your records, We will treat that party as a third-party beneficiary, even if not specifically named in the Schedule, provided the interest is fully disclosed to Us in the event of a claim.

However, in all cases, Our total liability under the Policy for any one Event will not exceed the applicable Sum Insured or Policy limit, regardless of the number of Insureds or interested parties.

Where this Policy insures more than one party, and one party has made a misrepresentation to Us before the Policy commenced, this will not affect the right of any other Insured to indemnity under the Policy, provided that:

a) The other Insured was not aware of the misrepresentation;
b) The other Insured notifies Us in writing of all known facts regarding the misrepresentation as soon as reasonably practicable after becoming aware of it; and
c) The misrepresentation was not made by a principal, partner, or director of the notifying Insured.

Reinstatement of Sum Insured

After We have admitted liability for a Claim, the applicable Sum Insured and/or Additional Benefit limits will be automatically reinstated to their pre-loss amount without any additional Premium payable, unless We reasonably request a pro-rata Premium adjustment.
This condition does not apply:

a) when We pay a total loss;
b) when We pay the full Sum Insured for the relevant Section;
c) to Section 6 – Office Bearers' Liability;
d) to Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs; or
e) to Additional Benefit 1.4.22 – Mortgage Discharge Legal Fees under Section 1 – Building and Common Area Contents.

Governing law and Jurisdiction

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

Unoccupied Property

If the Insured Property remains totally unoccupied for more than 90 consecutive days, You must notify Us in writing and obtain Our written consent for cover to continue beyond that period. A higher Excess will apply to all claims relating to the unoccupied Insured Property.

You will not be covered for any destruction, loss, or Damage occurring after the property has been unoccupied for 90 consecutive days or more, unless the loss or Damage is directly caused by:

- Earthquake or Tsunami;
- Lightning or thunderbolt;
- Impact by a Vehicle, Aircraft, Watercraft, space debris, rocket, satellite, or falling tree branch.

The 90-day period is calculated from the last date the Insured Property was occupied, irrespective of the Policy's commencement or renewal date.

Electric Vehicle Charging Stations

For there to be cover for any Electric Vehicle (EV) Charging Stations installed at the Insured Property all of the following must be complied with ;

The EV Charging Station must:

a) be professionally installed by a suitably licenced and qualified electrician in accordance with applicable Australian laws, regulations, standards and manufacturer recommendations, including but not limited to AS/NZS electrical standard applicable at the time of installation
b) be fitted with dedicated Residual Current Devices (RCDs) and surge protection devices engineered specifically for the infrastructures electrical load profile
c) not be modified, altered, or used in a manner inconsistent with the manufacturers specifications or intended purpose
d) have a visual inspection every six (6) months to check for physical damage, cable wear or moisture ingress
e) have comprehensive electrical testing and tagging conducted by a qualified technician at least once every twelve (12) months, with written certification retained
f) comply with any applicable fire safety, ventilation, emergency access and building code requirements where installed within enclosed car parks or shared common areas
g) be shielded by floor-anchored steel bollards or crash barriers to eliminate direct impact risk from manoeuvring vehicles where located in vehicular transit area or car parks
h) have clear, weather-resistance hazard signage permanently affixed beside the unit's detailing emergency shut-off procedures and the location of the main isolation switch

Inspections and Property Survey

We may inspect the Insured Property at any reasonable time for the purposes of underwriting or assessing risk, by providing You with prior written notice. This may include conducting a survey of the Insured Property. However, Our right to inspect, the undertaking of any inspection or survey, or the issuance of any related report does not constitute an undertaking by Us on Your behalf, nor does it imply that the Insured Property or its operations are safe, suitable, or compliant with any applicable law, regulation, or standard.

We may also examine and audit Your books and records at any time during the Period of Insurance, any applicable extension period, and for up to three (3) years after the final termination of this Policy, but only to the extent they relate to a claim made under this Policy.

General Exclusions applicable to all Sections

These General Exclusions apply to all Sections of this Policy. Each individual Section may also include specific exclusions relevant to the cover provided under that Section. Those Section-specific exclusions should be read in conjunction with, and in addition to, the General Exclusions set out below.

Unless expressly stated otherwise, We will not pay for any loss, Damage, destruction, injury, liability, cost, expense, compensation, or benefit of any kind, directly or indirectly caused by, arising from, or in any way connected with:

Act of Terrorism and War

This Policy excludes, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
b) any act of terrorism.

This exclusion 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 (1) and/or (2) above.

Asbestos

The actual, alleged or threatened presence of, exposure to, inhalation of, or ingestion of asbestos, asbestos fibres or any derivatives of asbestos in any form, or liability arising out of their use, removal, storage or disposal.

This exclusion does not apply to subsequent physical loss of or Damage to Insured Property containing Asbestos, or to Your legal Liability for personal injury or Property Damage arising from such loss or Damage, where the loss or Damage is caused by an Event or Occurrence otherwise insured under this Policy. Except where the Asbestos or Asbestos containing material have not sustained physical damage, including any direction, demand or request of any government or regulatory authority in connection with such undamaged materials.

Communicable Disease

This Policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

For the purposes of this exclusion loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

a) for a Communicable Disease,

or any property insured hereunder that is affected by such Communicable Disease.

Cyber and Electronic Data

a) Cyber Loss, unless subject to the provisions of i. below;
b) 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, unless subject to the provisions of ii. below;

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

Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers:

i. physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
ii. Should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.

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

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

Intentional Damage

Any deliberate, wilful or intentional act, omission or damage caused or incurred by You, or by any person acting with Your express or implied consent.

Nuclear

Loss, Damage, liability, cost or expense of any kind caused by, arising from or in any way connected with:

a) nuclear fuel, nuclear waste or the combustion of nuclear fuel;
b) nuclear fission, fusion, or any other nuclear reaction;
c) radiation or contamination from any radioactive substance; or
d) any weapon or device employing atomic or nuclear fission or fusion.

This exclusion does not apply to radiation emitted by spectrometers, X-ray units, diathermy machines, broadcasting or telecommunications equipment, or radar installations used lawfully for medical, industrial, commercial or peaceful purposes.

For this exclusion only, “combustion” includes any self-sustaining process of nuclear fission.

Pollution or Contamination

Pollution or contamination of any kind, including but not limited to seepage, discharge, dispersal, release or escape of pollutants, unless directly caused by a sudden, identifiable, unintended and unexpected Event occurring during the Period of Insurance at the Location.

Including costs arising out of or incurred in the prevention, removing, nullifying or clean-up of any contamination or pollution.

Sanctions

The Insurer shall not be deemed to provide cover and the Insurer shall not 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 the Insurer , its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or the United States of America or the Commonwealth of Australia.

Section 1 – Building and Common Area Contents

1.1 What We cover

Subject to the terms, conditions, limits and exclusions of this Policy, We will cover You for Damage to Insured Property caused by any Event not otherwise excluded, occurring during the Period of Insurance at the Location.

Insured Property for this Section means:

- Building as defined; and
- Common Area Contents as defined, whilst at the Location or whilst temporarily removed and in transit to and from Your Location within the Territorial Limits.

1.2 Optional Extensions of Cover

The following covers apply only where You have selected one or more Optional Benefits, paid the additional premium, and the Schedule shows those Optional Benefits as "Insured" or specifies a Sum Insured for that cover. The Damage must occur during the Period of Insurance and be caused by an Event not otherwise excluded under this Policy.

1.2.1 Catastrophe Cover

Where the Insured Property is declared a total loss as a result of:

a) Damage from an Event which leads to the declaration by the relevant authority of a state of emergency or natural disaster at the Location; or
b) Another Event which occurs not later than sixty (60) days after such declaration, provided the Property has been continuously insured with Us for that period.

We will:

i. Increase the Sum Insured on the Property and all other Additional Benefits within the Sum Insured in this Section as per the Schedule if the Property is rebuilt; and
ii. Include, as an Additional Benefit within the increased Sum Insured, cover for the costs that Your Lot/Unit Owners necessarily incur to evacuate from the Building to a place of safety following an order to evacuate the Building issued by the police, a public or statutory authority or other body, entity or person so empowered by law and to return from the place of evacuation to the Building once it is fit again to be occupied, where such costs are not otherwise compensated by any public or statutory authority.

In all other respects, the normal terms and conditions of this Policy apply.

This optional extension of cover only applies:

a) When indicated on Your Schedule; and
b) To loss or Damage which is otherwise covered under Section 1 – Building and Common Area Contents.

1.2.2 Flood

We will pay up to the Sum Insured shown in the Schedule for loss or Damage to Your Insured Property caused by Flood during the Period of Insurance, unless a specific sub-limit for Flood is stated in the Schedule, in which case the sub-limit will apply.

Flood cover is subject to Our underwriting criteria and may not be available for all Insured Property.

Any general exclusion for Action by the Sea does not apply to the extent the loss is caused by Flood under this Optional Extension where it is shown as Insured.

1.2.3 Storm Surge

We will pay up to the Sum Insured shown in the Schedule under "Storm Surge" for Damage to the Insured Property caused by water from or action by the sea or ocean, Storm Surge, tidal wave or high water.

Storm Surge Cover is subject to Our underwriting criteria and may not be available for all Insured Property.

Any general exclusion for Action by the Sea does not apply to the extent the loss is caused by Storm Surge under this Optional Extension where it is shown as Insured. For the avoidance of doubt, this Optional Extension does not cover Tsunami.

1.2.4 Floating Floors

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

1.3 Additional Benefits within the Sum Insured

Where We have accepted a claim under Section 1 – Building and Common Area Contents, We will pay the following Additional Benefits, subject to the Terms, Conditions and Exclusions of this Policy. These Benefits form part of and do not increase the Sum Insured shown in the Schedule for this Section.

1.3.1 Emergency Mitigation Costs

For the reasonable and necessary costs You incur to protect the Insured Property from further loss or Damage immediately following an insured Event.

a) You may arrange these works without Our prior consent up to $10,000 per Event.
b) For costs above this limit, Our prior written consent is required (which will not be unreasonably withheld).

1.3.2 Emergency Services Access

For loss or Damage to Your Building as a result of Emergency Service Personnel entering Your Building in connection with an Insured Event.

1.3.3 Floor-space Ratio Index

If a total loss occurs to Your Building and a statutory authority only permits reinstatement to a reduced floor space ratio, We will pay the difference between:

i. the actual cost of reinstatement to comply with the reduced floor space ratio, and
ii. the cost of reinstatement had the reduced floor space ratio not applied.

1.3.4 Professional Fees

The reasonable and necessary costs (with Our prior written consent) for:

- Architects, surveyors, consulting engineers and lawyers;
- Plans, specifications, quantities, tenders, and supervision.

during the process of repairing, replacing, or rebuilding the Damaged portion of Your Building following an insured Event.

1.3.5 Authority Fees

The government or local authority fees and contributions required to repair, replace or rebuild the Damaged portion of the Building.

We will not pay any:

a) fines or penalties imposed by such authority; or
b) costs that would have applied irrespective of the loss or Damage (including pre-existing orders or requirements).

1.3.6 Legal Fees

The necessary legal fees incurred with Our prior written consent for submissions to public authorities, licensing boards or courts relating to insured Damage.
This Policy does not include any legal fees or expenses incurred in preparing for or undertaking any legal action against Us.

1.3.7 Removal of Debris

The reasonable and necessary costs (with Our prior written consent) to:

a) Remove, demolish, dismantle, shoring up, propping or underpinning the Damaged Insured Property;
b) Remove property no longer usable due to the Damage;
c) Clear and remove debris from the Location.

We will not pay for:

i. Any removal in connection with a contractual liability;
ii. Costs arising from Pollution of any kind.

1.3.8 Internal Paint & Wallpaper within Unit Owners Lots (NSW & ACT Only)

Where the applicable Strata Legislation excludes paint and wallpaper within Unit Owners Lots from the definition of Building, We will cover paint and wallpaper as though they were Building under Section 1 – Building and Common Area Contents.

1.3.9 Upgrade to Green

We will pay the reasonable and necessary additional costs You incur to reinstate, replace or repair the Damaged Insured Property in accordance with environmental, sustainable or energy-efficiency standards acceptable to the Green Building Council of Australia, or any other similarly recognised authority in Australia.

This Additional Benefit also extends to the reasonable costs of identifying, separating and transporting debris to approved recycling facilities.

We will not pay costs You were legally obligated to incur prior to the Damage.

1.4 Additional Benefits above the Sum Insured

Where We have accepted a claim under Section 1 – Building and Common Area Contents, We will also pay the following Additional Benefits, in addition to the Sum Insured shown in the

Schedule for this Section, subject to the Terms, Conditions and Exclusions of this Policy.

1.4.1 Loss of Rent

We will pay You for loss of rent, where:

a) The Lot/Unit is leased to a third party under a signed Lease, or You can provide a signed Lease as evidence it would have been leased; and
b) if Your Lot/Unit or Common Area is made unfit to be occupied for its intended purpose due to:
   i. a claim We have accepted under Section 1;
   ii. Damage to property of the type that Section1 insures (but which is not Insured Property) in the immediate Vicinity that prevents reasonable access to Your Lot/Unit

The basis of Our calculation will be the annual rent as per the Lease in place at the time of loss.

We do not pay for:

i. Any loss of rent after the Unit is or would be fit again to be occupied for its intended or, in the case of being unable to be occupied, after the services are restored or when any lawful order prohibiting occupation is revoked; or

The maximum amount that We will pay for Loss of Rent for all Units combined, in the aggregate for the Period of Insurance, is 15% of the Building Sum Insured, or any higher amount shown in the Schedule.

1.4.2 Temporary Accommodation

We will pay You the reasonable costs of Temporary Accommodation necessarily incurred where:

a) the Lot/Unit is owner-occupied; and
b) Lot/Unit or Common Area is rendered unfit for occupation for its intended purpose as a result of:
   i. Loss or Damage for which We have accepted a claim under Section 1; or
   ii. Damage to other property in the immediate Vicinity which prevents reasonable access to Your Lot/Unit.

We will pay such reasonable Temporary Accommodation costs from the time of the Event until the Lot/Unit is again fit for occupation following completion of rebuilding, repairs or Replacement, or until access to the Lot/Unit is re-established. Cover includes:

i. removal and storage of undamaged personal property;
ii. returning such property to the Location (limited to one return from one location per Lot/Unit in any one Period of Insurance);
iii. Covering such property while removed, including storage for up to six (6) months, for an aggregate amount not exceeding fifteen percent (15%) of the Sum Insured in any one Period of Insurance, regardless of the number of Units affected;
iv. maintenance fees and levies applicable to the Lot/Unit, up to $2,000 per Lot/Unit in any one Period of Insurance; and
v. the boarding of pets normally domiciled at the Lot/Unit, up to $1,000 per Lot/Unit in any one Period of Insurance.

1.4.3 Emergency accommodation

When You occupy Your Lot/Unit for residential purposes, We will pay the reasonable cost of emergency accommodation You necessarily incur if Your Lot is made unfit for its intended purpose as a direct result of:

a) Damage to Your Insured Property for which a claim is accepted under Section 1 – Building and Common Area Contents or
b) Prevention of access to or to occupy your Unit/Lot, caused by Damage from an Event claimable under Section 1 happening to another Lot/Unit in the immediate Vicinity of your Insured Property.

The maximum We will pay under this Additional Benefit in any one Event is $3,500 per Lot/Unit.

1.4.4 Reletting Costs

We will pay Your reasonable reletting costs, if an insured loss or Damage renders a leased Unit unfit to be occupied for its intended purpose and the tenant has had to vacate the Unit, or gives notice that they will not be reoccupying it. But only where such costs are incurred within 3 months of an insured Event under Section 1 – Building and Common Area Contents.

The maximum We will pay under this Additional Benefit in any one Event is $3,500 per Lot/Unit.

1.4.5 Failure of Supply of Services

If a Lot/Unit or Common Area is unfit to be occupied for its intended purpose due to the failure of electricity, gas, water, or sewerage services, directly and solely resulting from Damage to property belonging to or under the control of the utility supplier of such services, for a period of more than forty-eight (48) hours, We will pay for:

a) The costs of Temporary Accommodation You reasonably incur
b) The actual Rent You lose

We will pay from the time the services cease until the time they are reinstated, or up to a period of 30 days, whichever is the lesser.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000, per Unit.

1.4.6 Murder or Suicide

If access to a Lot/Unit or Common Area is restricted by order of the police, a public or statutory authority or other body, entity or person empowered by law, due to murder or suicide, We will pay from the time the access is restricted until such time access is permitted, or up to a maximum period of 30 days whichever occurs first, for:

i. The costs of Temporary Accommodation You reasonably incur
ii. The actual Rent You lose,

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000, per Unit.

1.4.7 Temporary Protection

For costs and expenses necessarily and reasonably incurred for the purpose of the temporary protection and safety, including removal and storage for up to 12 months, if required, of the Insured Property pending repair or Replacement following loss or Damage.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $7,500, no matter how many Lot/Unit(s) are affected.

1.4.8 Fusion

We will pay for accidental loss or Damage that occurs during the Period of Insurance to an electric motor located in Your Building that has a capacity of no more than 4 horsepower (hp) that forms part of Your Building, which is caused directly by the burning out of the electric motor solely due to Fusion.

Under this Additional Benefit, We will (at Our option acting reasonably and following Our assessment of the claim) pay the cost to repair or replace the electric motor or any sealed compressor within the motor provided that:

a) We shall not be liable for:
    i. the repair or Replacement of any part not forming part of the motor;
    ii. the cost of repair or Replacement of rectifiers and transformers;
    iii. any motor under any manufacturer's, seller's or distributor's warranty or guarantee;
    iv. any motor used for a business, trade, or profession; or
b) There will be no reduction for Depreciation on motors up to twenty (20) years of age (from date of manufacture). For motors older than twenty (20) years, We will reduce the amount We pay by an allowance for Depreciation.

The maximum We will pay under this Additional Benefit is $10,000 per motor.

1.4.9 Exploratory costs

We will pay the reasonable costs You necessarily incur per Event to detect and locate the source of:

a) bursting, leaking, discharging or overflowing of water tanks, water apparatus or water pipes;
b) bursting, leaking or discharging of gas tanks, gas apparatus or gas pipes; or
c) leakage of oil from any fixed oil installation, including tanks, apparatus and pipes.

We will also pay per Event:

a) the reasonable costs of repairing any Damage to Your Insured Property caused by such exploratory work;
b) the cost of repairing or replacing the defective part of the tanks, apparatus, pipes or installations which is the cause of the bursting, leaking, discharging, or overflowing tanks, apparatus, pipes, or other installation; and
c) the reasonable costs to rectify contamination or Pollution Damage to land at the Location directly resulting from the escape of liquid from such tanks, apparatus, pipes, or other installation

We will only pay the above costs if the cause of the bursting, leaking, discharging, or overflowing is not an exclusion under Section 1 – Building and Common Area Contents or under General Exclusions applicable to all sections.

The maximum We will pay under this Additional Benefit is $25,000 per Event for items (a) and (b) combined, plus up to an additional $25,000 per Event for item (c).

1.4.10 Replacement of External Locks

We will pay the necessary and reasonable costs to replace external lock(s), key(s), cylinder(s) or combination of similar items, where:

a) the keys to Your Insured Property are stolen as a result of theft, forcible entry, hold-up, or theft occurring at the premises of a keyholder; and
b) it is reasonably necessary to replace or re-key the locks to restore the security of the Insured Property to the level that existed immediately before the theft.

The maximum We will pay under this Additional Benefit in any one Event is $50,000

1.4.11 Money

We will pay for the loss of Money belonging to the Body Corporate while it is in the personal custody of an Office Bearer or committee member, provided that:

a) the loss arises from theft, hold-up or mysterious disappearance; and
b) the loss is reported to the police as soon as practicable and supported by a police report and reasonable evidence of the loss.

We will not pay for any loss arising from fraudulent misappropriation, larceny or theft (or any attempt thereat) by:

a) any person in Your employment;
b) a Unit Owner, a proxy of a Unit Owner, or any member of their family permanently residing with them; or
c) a duly appointed strata manager acting on behalf of the Body Corporate.

The maximum We will pay under this Additional Benefit in any one Event is $25,000.

1.4.12 Landscaping

We will pay for the reasonable costs to repair or replace trees, shrubs, plants, lawns and rockwork at the Location shown in the Schedule which are lost or Damaged as a direct result of an Event insured under Section 1 – Building and Common Area Contents.

The maximum We will pay under this Additional Benefit in any one Event is $100,000

1.4.13 Excess Public Utilities Charges

We will pay for additional charges for electricity, gas, water, sewerage and management services that You are legally required to pay as a direct result of loss or Damage to the Building or Common Area Contents caused by an Event insured under Section 1 – Building and Common Area Contents.

The maximum We will pay under this Additional Benefit in any one Event is $25,000

1.4.14 Unauthorised Use Utilities Charges

We will pay additional charges for electricity, gas, water, sewerage and management services that You are legally required to pay following unauthorised use by any person who takes possession of, or occupies, Your Insured Property without Your consent.

The maximum We will pay under this Additional Benefit is $5,000 in any one Period of Insurance.

1.4.15 Removal of Squatters

We will pay (with Our prior written consent), for legal fees You necessarily incur to repossess Your Insured Property or a Lot/Unit if squatters are living in it.

The maximum We will pay under this Additional Benefit is $1,000 in any one Period of Insurance.

1.4.16 Travel Costs

Where an Event covered under Section 1 – Building and Common Area Contents renders a Unit unfit to be occupied for its intended purpose, We will pay the reasonable travel costs You necessarily incur, with Our prior written consent (which will not be unreasonably withheld), to attend the Unit for the purpose of consulting with claims adjusters and/or building repairers.

The maximum We will pay under this Additional Benefit is $500 per Unit in any one Period of Insurance.

1.4.17 Meeting Room Hire

We will pay for the reasonable cost of hiring temporary meeting room facilities to hold annual general meetings or committee meetings where an Event insured under Section 1 – Building and Common Area Contents causes physical loss or Damage to Your designated meeting room, making it unfit for use.

We will only pay for meetings held during the period reasonably necessary for repairs to be carried out and access to be re-established.

The maximum We will pay under this Additional Benefit is $5,000 in any one Period of Insurance.

1.4.18 Removal of Fallen Trees

We will pay for the reasonable costs You necessarily incur to remove and dispose of fallen trees and/or branches, including treating the stump to prevent regrowth, where a claim for impact Damage to Your Insured Property is accepted under Section 1 – Building and Common Area Contents.

The maximum We will pay under this Additional Benefit in any one Event is $5,000.

1.4.19 Removal of illegally deposited rubbish

We will pay for the reasonable costs and expenses incurred by You with Our consent in the clearing and removal of any illegally deposited rubbish that causes a public health and safety risk at Your Insured Property.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000

We will not pay if the Event is not reported to the appropriate authority such as the Police or local council as soon as reasonably practical.

1.4.20 Fire Extinguishing

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

a) extinguishing a fire at, or in the Vicinity of, the Insured Property or one that is threatening to cause Damage to the Insured Property;
b) preventing or reducing imminent Damage to the Insured Property by any other peril insured by this Policy, including the cost of gaining access and replenishing firefighting equipment, such as replacing used sprinkler heads;
c) resetting fire, smoke and security alarm systems following insured Damage; and
d) shutting off the supply of water or other substances following accidental discharge from any fire protective equipment or escape from intended confines.

1.4.21 Water Removal - Car Park/Basement

We will pay for the reasonable costs You necessarily incur to remove water from the car park or basement of the Insured Property where such inundation is directly caused by Storm or Rainwater.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000.

We will not pay if the inundation is caused by an Event excluded under Section 1 – Building and Common Area Contents.

1.4.22 Rewriting Your Records

We will pay the reasonable costs You necessarily incur to rewrite or reconstruct Your records and books of account following their loss or Damage during the Period of Insurance. This includes the replacement of title deeds, including Unit Owners' title deeds held in trust by the Body Corporate.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $100,000.

1.4.23 Modification Expenses

We will pay the reasonable costs You necessarily incur to modify the Building to meet the needs of a Unit Owner if that Unit Owner is diagnosed as paraplegic or quadriplegic within twelve (12) months of, and as a direct result of, an insured Event occurring at the Insured Property.

The maximum We will pay under this Additional Benefit in any one Event is $50,000, per Unit.

1.4.24 Arson Reward

Where an Event gives rise to loss or Damage, We will pay a reward for information (irrespective of the number of people supplying the information) that directly leads to a conviction for arson, theft, vandalism or malicious Damage in connection with a claimable Event under Section 1 – Building and Common Area Contents.

We will pay the reward to the person or persons providing such information or otherwise distribute it in such manner as We reasonably determine.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $10,000.

1.4.25 Mortgage Discharge Legal Fees

We will pay the reasonable and necessary legal costs You incur to discharge a mortgage over the Building where You are required to pay the mortgage in full as a direct consequence of an insured Event.

We will not pay for any default amounts, arrears, or charges that had accrued prior to the insured Event.

The maximum We will pay under this Additional Benefit in any one Event is $10,000.

1.4.26 Purchaser's Interest

We will cover a purchaser's legal interest in Your Building and Common Area Contents, subject to the Section 1 terms and conditions, when the purchaser has signed an unconditional agreement to buy all of or part of the Property, and a valid contract existed during the time of loss.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000.

1.4.27 Personal property of others

We will pay the indemnity value of personal property of others (including employees) whilst that property is in Your legal or physical possession and is not otherwise insured, where such Damage occurs as a direct result of a claimable Event under Section 1 for Damage to Your insured Property.

The maximum We will pay under this Additional Benefit in any one Event is $10,000.

1.4.28 Funeral Expenses

We will pay for the reasonable funeral costs of any Unit Owner or a member of a Unit Owner's family permanently residing in the Unit, where death occurs as a direct result of insured loss or Damage to Your Insured Property.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $5,000, per Unit.

1.4.29 Alterations and Additions

We will pay You for Damage arising to alterations, additions and improvements to Your Insured Property whilst they are being carried out during the period of insurance, provided the loss or Damage is covered by a claimable Event under Section 1

We will not pay for:

a) Any works that exceeds $500,000, unless We have given our written consent before such works have commenced or
b) Any works where a builder and/or contractor is required or has taken out insurance cover that insurers material damage and liability risks for alterations, additions and improvements.

1.4.30 Lot/Unit Owners Fixtures and Improvements

Where an Event gives rise to insured loss or Damage and the Section 1 – Building Sum Insured has been exhausted, We will cover Unit Owners' Fixtures and Improvements. At Our option, acting reasonably and following Our assessment of the claim, We will:

- repair;
- replace; or
- pay the reasonable cost to repair or replace (whichever is less).

We will pay the cost of Replacement at the time it is undertaken, subject to:

a) the necessary work of repair or replacement being commenced and carried out without unreasonable delay; if You cause unreasonable delays in commencing or carrying out repair or replacement, We will not pay any extra costs that result from that delay;
b) where original materials are not readily available, We may use the nearest equivalent materials available;
c) where We elect to repair or replace and You do not agree, We will only pay the Indemnity Value.

The maximum amount that We will pay in the aggregate for the Period of Insurance will be 10% of the Building sum insured, or any higher amount shown in the Schedule.

We will not pay for the cost to:

i. replace undamaged Unit Owner's Fixtures and Improvements; or
ii. replace or repair illegal installations

1.5 Basis of Settlement

Subject to any Excess and the terms, conditions, exclusions, and limits of this Policy, if Insured Property is Damaged by an insured Event under Section 1 – Building and Common Area Contents, We will, at Our option and acting reasonably following Our assessment, either:

a) repair, rebuild or replace the Building; or
b) pay the reasonable cost of repair, rebuilding, or Replacement to a condition substantially the same as, but not better or more extensive than, when new; or
c) pay up to the Section 1 Sum Insured.

1.5.1 Salvage

We will not sell or dispose of any salvage without first giving You the opportunity to purchase it at its salvage value. This does not permit You to abandon any Insured Property to Us. Any salvage purchase price will be deducted from the claim settlement.

1.5.2 Time Limits on Reinstatement

Rebuilding, replacement, repair, restoration, or reinstatement work must commence within six (6) months of the loss or Damage (or any longer period We agree in writing, acting reasonably), and all costs must be incurred within eighteen (18) months (or a later time as reasonably agreed).

If this does not occur and We are prejudiced by the delay, We may reduce payment to the amount that would have been payable had the delay not occurred, and You will be responsible for any increased costs. The claim will not be affected to the extent that we caused or contributed to the delay.

1.5.3 Aggregate Limits

a) Rent & Accommodation Benefits clauses 1.4.1 to 1.4.6 – The maximum We will pay in the aggregate under Additional Benefits 1.4.1 to 1.4.6 (Loss of Rent, Temporary Accommodation, emergency accommodation, Reletting Costs, Failure of Supply of Services, Murder or Suicide) for all claims arising from Events covered under Section 1 in any one Period of Insurance is 15% of the Section 1 Sum Insured, unless a different amount is shown in the Schedule.
b) Additional Benefit 1.4.30 (Lot/Unit Owners Fixtures and Improvements) is subject to its own separate limit of 10% of the Building Sum Insured, or any higher amount shown in the Schedule
c) Additional Benefits Within the Sum Insured (clauses 1.3.1 to 1.3.9) – These benefits are payable within the Section 1 Sum Insured and do not count towards the aggregate limits above.

1.5.4 Loss of Land Value

Where the Section 1 Sum Insured has not been otherwise exhausted, We will pay You for Loss of Land Value directly resulting from a statutory authority:

a) refusing permission to reinstate the Building at the Location; or
b) permitting only partial reinstatement of the Building at the Location.

Our payment will equal the difference between the Land Value immediately before and immediately after such refusal or partial reinstatement, reduced by any compensation already paid by the statutory authority.

Payment will only be made after the ruling of the statutory authority that results in the Loss of Land Value. If the ruling is overturned or materially changed by a court or tribunal after We have made payment, We may request repayment of any overpayment.

Any dispute regarding Land Value may, by agreement, be referred to the President of the Australian Property Institute Inc., who will appoint a qualified valuer. If You and We agree, the valuer's decision will be final and binding, and the valuer will determine liability for costs of referral.

1.5.5 Heritage Features

Where the Building contains architectural features or materials of ornamental, antique, heritage or historical character, or where materials are not readily available, the cost of reinstatement will be limited to the reasonable cost of constructing a current building of similar design, utility and capacity using modern materials that are readily available and reasonably equivalent in appearance and function.

The amount shown as the Sum Insured in the Schedule is intended to cover reinstatement on this basis.

1.5.6 Common Area Contents

In the Event of Damage to Common Area Contents, We will, at Our option acting reasonably and following Our assessment:

a) repair or replace the Common Area Contents; or
b) pay the reasonable cost of repair or Replacement to a condition substantially the same as, but not better or more extensive than, when new.

The maximum We will pay for Common Area Contents is:

a) up to 1% of the Section 1 Sum Insured, or the amount noted in the Schedule under Common Area Contents, for any one loss where the Contents are:
   i. at the Location but not in the open air; or
   ii. temporarily removed from the Location or in transit (but not while in transit to or from a furniture repository); or
b) $10,000 for any one loss while in the open air at the Location, but only if the Contents are designed to be kept outside.

1.5.7 Reinstatement of Sum Insured

Where an Event gives rise to a claim, the Section 1 Sum Insured will be automatically reinstated to the amount shown in the Schedule. You must pay any pro-rata additional Premium We request, based on the amount of the claim.

This automatic reinstatement does not apply:

a) where We have or will pay a Total Loss; or
b) where We have or will pay the full Section 1 Sum Insured under any cover

Reinstatement of the Section 1 Sum Insured does not increase or reinstate any applicable sub-limits or the aggregate limits in clause 1.5.3, unless We agree in writing and the Schedule shows otherwise.

1.6 Payment of Excess

You are responsible for paying the Standard Excess and any other applicable excesses shown in the Schedule for this Section, including where specified for an Additional Benefit.

If a specific Excess applies to this Section, it will be shown separately in the Schedule.

Only one Excess will apply to each loss, or to a series of losses arising directly from the same Event.

Further details of how Excesses apply are set out in the “Excess” section under the General Conditions applicable to all Sections of this Policy.

1.7 Exclusions of Cover

Exclusions applicable to Section 1 – Building and Common Area Contents. We do not cover loss or Damage that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover loss or Damage caused directly or indirectly by or where applicable for :

1.7.1 animals kept by You or anyone living at or visiting the Location (unless in a medical/support capacity, such as an assistance dog), or by birds, vermin, rodents or insects;

1.7.2 water seepage or percolation, including:

a) water entering walls, cavities, roofs or floors due to structural defect, faulty design, gradual process or faulty workmanship; or
b) water entering through openings made for alterations, additions, renovations or repair;.

For exclusions 1.7.2 a) and b), this exclusion do not apply to subsequent sudden Damage if You were not aware, and a reasonable person could not reasonably have been expected to be aware, of the defect or condition.

1.7.3 hydrostatic pressure, popping, breakage, chipping or lifting, including to tiles or pavers where this results in Damage to Swimming pools, spas and surrounds;.

1.7.4 loss or Damage to the defective part of internal or external insulation, cladding, wall panelling or waterproofing membrane arising from faulty or non-compliant design, materials or installation. This exclusion does not apply to resultant Damage to other Insured Property caused by the failure of such systems unless otherwise excluded;

1.7.5 construction, erection, alteration or addition (work) to Your Insured Property where the value of such work exceeds $500,000 unless Our written consent to continue cover has been obtained, which will not unreasonably be withheld, before the commencement of such work;.

For exclusion 1.7.5 we will however pay for Damage which results from any other Event claimable under Section 1 – Building and Common Area Contents

1.7.6 tree or plant root invasion. This exclusion does not apply to subsequent Damage caused by the sudden escape of water or liquid from pipes or drains damaged by roots;

1.7.7 inherent defects, latent defects, structural defects, faulty design, materials or workmanship — error or omission in design, plan or specification, failure of design, faulty materials or workmanship;

For exclusion 1.7.7, this exclusion applies only to the defective part, not to other Insured Property Damaged as a result.

1.7.8 non-rectification of an Insured Property defect, error, omission that You were aware of, or should reasonably have been aware of;

1.7.9 mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement (other than Fusion covered under Additional Benefits).

1.7.10 fines, penalties, punitive, exemplary, aggravated or liquidated damages of any kind;

1.7.11 loss or Damage to floor coverings and window treatments — carpets, curtains, blinds or other window applications caused by staining, fading or fraying, unless caused by a sudden and unforeseen Event not otherwise excluded;

1.7.12 loss or Damage to glass that is cracked, imperfect, damaged by artificial heat, or damaged during installation or removal, or any glass that must be insured by another party under an occupancy agreement;

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

1.7.14 Lot Owners' contents.

1.7.15 wear and Tear, rust, corrosion, gradual deterioration, wet or dry rot, fungi, concrete or brick cancer, marring, scratching or fading, or normal upkeep.

1.7.16 settlement, shrinkage, vibration or expansion in Buildings, foundations, slabs, walls, pavements, or driveways.

For exclusion 1.7.15 and 1.7.16, these exclusions do not apply to subsequent sudden Damage if You were not aware, and a reasonable person could not reasonably have been expected to be aware, of the condition.

1.7.17 loss or Damage to retaining walls where stability or strength is lost as a result of Storm or Rainwater.

1.7.18 pollution or contamination unless directly caused by an Event otherwise covered under this Policy.

1.7.19 smut or smoke from industrial operations

1.7.20 loss or Damage to your Insured Property if it is vacant and undergoing demolition unless Our written consent to continue cover has been obtained before the commencement of demolition which will not unreasonably be withheld;

1.7.21 consequential loss of any kind, including but not limited to loss of use, loss of contract, loss of profit/revenue, loss of opportunity, loss of goodwill and/or reputational Damage, or special damages, other than specifically provided under any additional benefit; or

1.7.22 action by the sea.

Section 2 – Legal Liability

2.1 What We cover

We will indemnify You up to the Limit of Liability shown in the Schedule for all amounts You become legally liable to pay as Compensation in respect of Personal Injury or Property Damage arising out of or in connection with the ownership, management or control of the Building, Common Property and/or Contents at the Location, provided that the liability results from an Occurrence (as defined below) happening during the Period of Insurance.

Cover under this Section includes:

a) Defence Costs incurred by You with Our prior Written Consent (which will not be unreasonably refused or delayed) in the investigation, defence or settlement of any claim; and
b) any costs recoverable from You by a claimant in connection with a claim covered under this Section.

Defence Costs and Court Attendance Costs are payable in addition to the Sum Insured unless stated otherwise in the Schedule.

2.2 Definitions specific to Section 2 – Legal Liability

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 2 – Legal Liability:

2.2.1 Personal Injury

means:

a) bodily injury (including death, sickness or disease), disability, fright, shock, mental anguish or mental injury;
b) wrongful arrest, detention, imprisonment or eviction; or
c) invasion of the right of privacy.

Personal Injury does not include the publication or utterance of libel or slander:

a) made prior to the commencement of the Period of Insurance;
b) made by or at Your direction with knowledge of its falsity; or
c) in connection with advertising, broadcasting or telecasting activities by or on behalf of You.

2.2.2 Property Damage

means:

a) physical damage to or destruction of tangible property, including resulting loss of use; or
b) loss of use of tangible property that has not been physically damaged, provided that such loss of use is caused by an Occurrence.

2.2.3 Occurrence

in relation to Personal Injury and Property Damage means an Event, including continuous or repeated exposure to substantially the same conditions, which results in Personal Injury or Property Damage that is neither expected nor intended by You. All Personal Injury or Property Damage arising directly or indirectly from one source shall be deemed to be one Occurrence.

2.2.4 Compensation

means money, damages, costs (including claimant's costs) and expenses which You are legally liable to pay in respect of Personal Injury or Property Damage.

Compensation does not include:

- fines, penalties, punitive, exemplary, aggravated or liquidated damages; or
- taxes or any amounts which are uninsurable at law.

2.3 Additional Benefits

We will pay the following Additional Benefits under Section 2 – Legal Liability, subject to the Terms, Conditions and Exclusions of this Policy. Unless expressly stated otherwise, these Benefits form part of and do not increase the Sum Insured shown in the Schedule for this Section.

2.3.1 Defence Costs and Court Attendance Costs

We will pay, in addition to the Sum Insured:

a) Reasonable and necessary legal costs and expenses (including the costs of representation at any coronial hearing or other official investigation into the circumstances) incurred by You and approved in writing by Us in the defence or settlement of any claim; and
b) Compensation of $500 to an Office Bearer for each day that the Office Bearer attends court as a witness, at Our request, in connection with a claim under this Section of Cover.

2.3.2 Recreational Activities

We will cover Your liability for Personal Injury or Property Damage as a result of an Occurrence arising from social or recreational activities arranged for and on behalf of Lot/Unit Owners and occupiers of Lot/Units during the Period of Insurance.

For the purposes of this Additional Benefit, "Your liability" will also mean the liability of the individuals organising the activities, with respect to claims arising from their duties connected with such activity.

2.3.3 Bridges, roadways, kerbing, footpaths, services

We will pay Compensation You are legally liable to pay for Personal Injury or Property Damage arising from bridges, roadways, kerbing, footpaths, and underground and overhead services You own at the Location.

2.3.4 Services

We will pay Compensation You are legally liable to pay for Personal Injury or Property Damage arising from services provided by You for the benefit, use or enjoyment of Lot/Unit Owners and occupiers at the Location.

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

We will however not pay for any act Personal Injury or Property Damage arising out of the acts or omissions of any council contractors or employees.

2.3.5 Car Park Liability

We will pay Compensation You are legally liable to pay for Property Damage to Vehicles in Your physical or legal control while in a car park that You own or operate at the Situation.

We will not pay if:

a) the Vehicle is owned by or being used by You, or on Your behalf; or
b) the car park is operated by You for reward, other than incidental licence or permit fees.

2.3.6 Fertiliser, Pesticide, Herbicide Application

We will pay Compensation You become legally liable to pay for Personal Injury or Property Damage arising from the application of any fertiliser, pesticide or herbicide to Your Common Area or Insured Property.

We will not pay:

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

2.3.7 Wheelchairs, garden equipment and unregistered vehicles

We will pay Compensation You become legally liable to pay for Personal Injury or Property Damage arising from the use of:

- any wheelchair;
- domestic garden equipment including lawn mowers; or
- golf carts, golf buggies, or other Vehicles

owned by You, or in Your possession or physical or legal control, at the Situation.

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

2.3.8 Hiring Out of Sporting and Recreational Facilities

We will pay Compensation You become legally liable to pay for Personal Injury or Property Damage arising from the hiring out of sporting or recreational facilities owned by You, including but not limited to tennis courts or swimming pools, at the Location.

2.4 Basis of Settlement

Subject to any Excess and the terms, conditions, limits and exclusions of this Policy, We will pay up to the Sum Insured shown in the Schedule under Section 2 – Legal Liability for all Compensation You are legally liable to pay as a result of any one Occurrence happening during the Period of Insurance.

All Personal Injury or Property Damage arising out of one Occurrence shall be deemed to be one claim.
Unless stated otherwise in the Schedule, Defence Costs are payable in addition to the Sum Insured.

2.5 Payment of Excess

You are responsible for paying the Standard Excess and any other applicable excesses shown in the Schedule for this Section, including where specified for an Additional Benefit.

If a specific Excess applies to this Section, it will be shown separately in the Schedule.

Only one Excess will apply to each loss, or to a series of losses arising directly from the same Event.

Further details of how Excesses apply are set out in the "Excess" section under the General Conditions applicable to all Sections of this Policy.

2.6 Exclusions of Cover

Exclusions applicable to Section 2 – Legal Liability.
We do not cover liability, loss or Damage that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover liability arising directly or indirectly from or where applicable for:

2.6.1 construction, erection, demolition, alteration or addition to Your Insured Property where the contract value exceeds $500,000, unless You notify Us and obtain Our written consent prior to commencement;

2.6.2 any business, profession or occupation carried out by You or on Your behalf;

2.6.3 liability assumed solely under a contract, warranty or agreement, unless liability would have attached in the absence of such contract.

This exclusion does not apply to liability assumed under a lease of real or personal property, or under a written strata management agreement, except where liability arises from negligence or default of the strata manager.

2.6.4 Personal Injury to any person:
- a) arising out of, or in the course of, their employment with You; or
- b) employed by You, where cover is provided or required by workers' compensation or similar legislation;

2.6.5 Damage to property owned by You, or in Your physical or legal control, except as otherwise provided under the operative Additional Benefits of this Section;

2.6.6 Injury to or death of animals on Your Common Area, or Personal Injury or Property Damage caused by animals on Your Common Area, other than guard or watch dogs kept for security purposes.

2.6.7 the rendering of or failure to render professional advice or service, or any error or omission in connection with it;

This exclusion does not apply to first aid rendered by a legally qualified medical practitioner, registered nurse, dentist, or first aid attendant engaged by You.

2.6.8 fines, penalties, punitive, exemplary, aggravated or additional damages of any kind, including interest or costs;

2.6.9 libel or slander made prior to the commencement of this Section, or made by You, or at Your direction, when You knew it to be false;

2.6.10 the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere or any watercourse or body of water;

This exclusion does not apply to a sudden, identifiable, unexpected and unintended Event occurring in its entirety at a specific time and place during the Period of Insurance.

2.6.11 claims made or actions instituted outside Australia, or claims governed by the laws of a foreign country;

2.6.12 Personal Injury or Property Damage arising out of the ownership, possession, operation, control, maintenance or use by You of any Vehicle that is:
- a) registered; or
- b) required to be registered by law; or
- c) insured (wholly or partly) under any compulsory statutory insurance or accident compensation scheme, or which would have been but for failure to register or apply for such cover;

This exclusion does not apply to liability arising from:
- i. delivery or collection of goods to or from a Vehicle beyond the limits of any public road; or
- ii. loading or unloading of, or delivery or collection of goods to or from, any Vehicle used in work undertaken by You or on Your behalf but not in Your physical or legal control.
(See also Additional Benefit 2.3.6

regarding wheelchairs, garden equipment and unregistered vehicles.)

2.6.13 vibration, removal, weakening or interference with support to land, buildings or other property;

2.6.14 marinas, wharves, jetties, docks, pontoons or similar facilities if such facilities are used for commercial purposes or provide fuel distribution facilities, unless We otherwise agree in writing or

2.6.15 the ownership, custody, use or operation of any Watercraft, hovercraft, Aircraft, or Aircraft landing area, and operations necessary or incidental to such craft.

Section 3 – Machinery Breakdown (Optional*)

*This section of cover only applies when Section 3 – Machinery Breakdown is selected by You and is shown as "Insured" in the Schedule.

3.1 What We Cover

We will indemnify You up to the Sum Insured shown in the Schedule under Section 3 – Machinery Breakdown for:

a) Breakdown of Your Machinery forming part of the Insured Property at the Location
b) Breakdown, Collapse or Explosion of Pressure Equipment forming part of the Insured Property

occurring during the Period of Insurance whilst at Your Location.

We will not pay for:

i. Loss or Damage covered under Section 1 – Building and Common Area Contents;
ii. Any matters set out in the Exclusions of Cover or the General Exclusions applicable to all Sections.

3.2 Definitions specific to Section 3 – Machinery Breakdown

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 3 – Machinery Breakdown:

3.2.1 Breakdown

means sudden and unforeseen physical Damage to the Machinery requiring immediate repair or replacement, caused by mechanical, electrical, electromechanical, electronic or hydraulic malfunction, failure, derangement or non-operation.

3.2.2 Explosion

means the sudden, unforeseen physical destruction, Damage, bending or crushing of any part of Pressure Equipment caused by internal steam, gas or fluid pressure, or by the pressure of ignited flue gases.

3.2.3 Machinery

means lifts, elevators, escalators and inclinators (subject to a current comprehensive maintenance agreement), and all other electrical, electronic and mechanical machinery, boilers and pressure vessels, and similar plant, unless otherwise excluded.

3.2.4 Pressure Equipment

means those parts of the permanent structure of pressure vessels, boilers and attaching pipe systems subject to steam, gas, fluid pressure or vacuum, provided they have completed commissioning and are owned by You or are Your legal responsibility.

3.3 Additional Benefits

We will pay the following Additional Benefits under Section 3 – Machinery Breakdown, subject to the Terms, Conditions and Exclusions of this Policy. Unless expressly stated otherwise, these Benefits form part of and do not increase the Sum Insured shown in the Schedule for this Section.

3.3.1 Expediting Costs

We will pay the reasonable expenses necessarily incurred following Breakdown for:

a) Temporary repairs;
b) Overtime (limited to 50% above ordinary repair costs);
c) Express freight;
d) Hire of temporary Machinery.

We will not pay for overseas specialists, air freight by chartered aircraft, or repairs to hired or loaned plant.

3.3.2 Insulating Oil and Refrigerant Cost

We will pay the reasonable cost of replacing refrigerant gases for air conditioning or refrigeration units and insulating oil from transformers or capacitors following Breakdown.

3.3.3 Costs to Resume or Maintain Occupation

We will pay the reasonable expenses necessarily incurred to enable the Building to continue to be safely occupied, or to be re-occupied, following Breakdown.

This may include the cost of temporary measures such as:

a) hiring or installing substitute equipment;
b) providing essential services or facilities; or
c) implementing safety or access arrangements.

This Additional Benefit does not cover loss of rent, loss of income, or any consequential loss. Cover for loss of rent is provided under Section 1 – Building and Common Area Contents, subject to its terms and limits.

3.3.4 Demolition and Removal of Debris

We will pay the reasonable costs of demolition, dismantling and disposal of Machinery or Pressure Equipment following Breakdown, provided these costs are not otherwise insured.

Our maximum liability under 3.3 Additional Benefits is $25,000 for any one Event, unless otherwise shown in the Schedule, or until the Sum Insured under Section 3 – Machinery Breakdown is exhausted, whichever occurs first.

3.4 Basis of Settlement

Subject to any Excess and the terms, conditions, exclusions and limits of this Policy, We will, at Our option and following Our assessment of the claim, pay up to the Sum Insured shown in the Schedule under Section 3 – Machinery Breakdown for:

a) the reasonable cost to repair or replace Machinery Damaged as a result of Breakdown;
b) the reasonable cost to repair or replace Property belonging to You, or for which You are responsible, that is Damaged by flying fragments from Machinery;
c) the reasonable cost to repair or replace Pressure Equipment Damaged by Breakdown, collapse or Explosion.

Where components or manufacturer's specifications are obsolete or unavailable, settlement will be limited to the market value of the item immediately before the Breakdown, but not exceeding its original purchase cost.

3.5 Payment of Excess

You are responsible for paying the Standard Excess and any other applicable excesses shown in the Schedule for this Section, including where specified for an Additional Benefit.

If a specific Excess applies to this Section, it will be shown separately in the Schedule.

Only one Excess will apply to each loss, or to a series of losses arising directly from the same Event.

Further details of how Excesses apply are set out in the "Excess" section under the General Conditions applicable to all Sections of this Policy.

3.6 Exclusions of Cover

Exclusions applicable to Section 3 – Machinery Breakdown. We do not cover loss or Damage that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover loss or Damage caused directly or indirectly by or where applicable for :

3.6.1 Wear and Tear, wasting or wearing out of any part of Machinery due to natural, ordinary use or gradual deterioration including but not limited to:

a) corrosion, rust, boiler scale, oxidation or cavitation;
b) tightening of loose components, recalibration or adjustments other than as a result of Breakdown;
c) slowly developing deformation, distortion or cracking;
d) any crack, blister, flaw or grooving which has not penetrated the full thickness of the material, although repair or replacement may be necessary at some time in the future;

3.6.2 Your deliberate act or omission or the deliberate act or omission by any person acting with Your knowledge or consent, except where undertaken to avoid or reduce imminent Breakdown;

3.6.3 testing involving the imposition of abnormal conditions, intentional overloading or experiments of any kind, unless agreed by Us and shown in the Schedule;

3.6.4 consequential or indirect loss of any kind, including but not limited to loss of rent, income or business interruption, except where cover is specifically provided under another Section of this Policy;

3.6.5 Damage to expendable or consumable parts such as:

a) seals, gaskets, joints, belts, ropes, wires, chains, links, felts, sieves, fabrics or packings, unless Damaged as a result of Breakdown;
b) electric heating elements, electric contacts, fuses, filaments, glass, porcelain or ceramic components other than when used solely as electrical insulation;
c) cutting edges, tyres, rails, wear plates, dies, engraved cylinders, moulds, patterns or exchangeable tools;
d) concrete, brickwork or refractories, unless Damaged as a result of Breakdown;

3.6.6 Damage to:

a) electronic apparatus other than control equipment associated exclusively with and forming part of the Machinery, unless specifically listed in the Schedule;
b) lighting equipment, reticulating electrical wiring or switchboards, reticulating liquid and gas piping or ducting;
c) storage tanks, vats or vessels containing explosive gases, unless required to be registered by a Statutory Authority as a registered pressure vessel;
d) mobile Machinery unless specifically listed in the Schedule;
e) coin/card operated machines;
f) generators, turbines, weirs, water conveyance systems, intake structures, dams, foundations, electric cables, transformers (including switchgear panels and circuit breakers), transmission and distribution lines or substations;
g) offshore property or property in course of ocean marine transit;
h) drilling rigs, service rigs, well workover rigs and related equipment;

3.6.7 Damage occurring during installation or erection, other than dismantling, movement or re-erection for cleaning, inspection, repair or installation within the Location;

3.6.8 Damage recoverable from a manufacturer, supplier, engineer or other person under any contract, maintenance or warranty agreement;

3.6.9 Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul;

3.6.10 loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets or joints, or from corroded, pitted or deteriorated parts;

3.6.11 Pressure Equipment:

a) wasting or wearing away by leakage, corrosion or the action of fuel;
b) slowly developing deformation or distortion;
c) cracks, fractures, blisters, lamination separation, flaws or grooving which have not penetrated the full thickness of the material, although repair or replacement may be necessary at some time in the future; however exclusions (a), (b) and (c) above will not apply to subsequent Explosion or collapse;
d) operation in an unsafe condition and/or not in compliance with Australian Standards, codes or law;.

3.6.12 Explosion or collapse of Pressure Equipment if any safety or pressure-limiting device was inoperative, removed or set in excess of limits permitted by applicable Australian Standards, codes or laws.

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

3.6.14 consequential loss of any kind, including but not limited to loss of use, loss of contract, loss of profit/revenue, loss of opportunity, loss of goodwill and/or reputational Damage, or special damages, other than that which is specifically stated.

Section 4 – Fidelity Guarantee

4.1 What We Cover

We agree to indemnify You up to the Sum Insured shown in the Schedule for Loss sustained during the Period of Insurance, where such loss is first Discovered and first committed during the Period of Insurance, and results from fraudulent or dishonest misappropriation, theft or forgery by:

- an Employee;
- an Office Bearer; or
- a Strata Manager,

acting alone or in collusion with others, with the intention of causing loss to You or obtaining an improper financial gain.

4.2 Definitions specific to Section 4 – Fidelity Guarantee

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 4 – Fidelity Guarantee:

4.2.1 Crime

means any fraudulent or dishonest act(s) by an Employee, Office Bearer or Strata Manager with intent to cause loss or gain a financial benefit.

4.2.2 Discovered or Discovery

means when You, or an Office Bearer not in collusion with the perpetrator, first become aware of facts giving reasonable grounds to suspect a loss has or may occur.

4.2.3 Employee

means any natural person employed under a contract of service or under Your supervision and control. Excludes contractors, brokers, auditors or similar external parties.

4.2.4 Forgery

means the signing, endorsing or altering of a financial instrument without authority, with intent to deceive.

4.2.5 Funds

means Money, securities or tangible property received by You or held on Your behalf for the financial management of Your affairs but excludes personal property of Lot Owners.

4.2.6 Loss

means direct financial loss of Funds sustained by You as a result of a Crime.

4.2.7 Misappropriation

means the intentional, illegal use of Your Funds

4.2.8 Theft

means the intentional permanent deprivation of Money or securities.

4.3 Additional Benefits

We will pay the following Additional Benefits under Section 4 – Fidelity Guarantee, subject to the Terms, Conditions and Exclusions of this Policy. Unless expressly stated otherwise, these Benefits form part of and do not increase the Sum Insured shown in the Schedule for this Section.

4.3.1 Care, Custody and Control

We will indemnify You for the Loss of Money or Securities which are in Your care, custody or control and for which You are legally responsible, provided such Loss arises from a Crime covered under this Section.

4.3.2 Court attendance costs

We will pay up to $250 per day for actual loss of earnings and reasonable expenses incurred by You, an Employee, or an Office Bearer in attending civil proceedings as a legally compelled witness in connection with a covered claim.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $50,000.

4.3.3 Interest on Loss

We will pay the amount of interest that would have been earned on Funds lost as a result of a covered Crime, calculated by applying the average Reserve Bank of Australia base rate from the date the Loss was sustained until the date of Discovery.

4.3.5 Investigation Costs

We will pay the reasonable and necessary costs and expenses that You incur with Our prior written consent (which will not be unreasonably withheld) to investigate, prove and quantify a covered Loss under Section 4 – Fidelity Guarantee.

This Additional Benefit includes the engagement of external auditors, forensic accountants, or other suitably qualified professionals required to establish the amount of Loss.

We will not pay for:

a) any costs relating to routine or internal audits;

b) any costs of remedial or preventive measures taken after Discovery of the Loss;
c) the time, labour or overheads of Your Employees, Office Bearers or Strata Manager.

The maximum We will pay under this Additional Benefit in any one Period of Insurance is $25,000, unless otherwise stated in the Schedule.

4.4 Basis of Settlement

Subject to any Excess and the Terms, Conditions and Exclusions of this Policy, We will pay up to the Sum Insured shown on Your Schedule under Section 4 – Fidelity Guarantee:

a) for Loss of Funds as a result of fraudulent Misappropriation, theft, or forgery;
b) for Additional Benefits under this Section, where applicable.

We will only pay if the fraudulent Misappropriation, Theft or Forgery is first Discovered and first committed during the Period of Insurance and reported to Us during the Period of Insurance.

If more than one Loss results from the same Crime, or from a series of Crimes that are connected or related in any way, We will treat them as a single Loss. That single Loss will be allocated to the Period of Insurance when the first of those connected Crimes was Discovered.

4.5 Exclusions of Cover

Exclusions applicable to Section 4 – Fidelity Guarantee. We do not cover Loss that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover Loss caused directly or indirectly by or where applicable for :

4.5.1 consequential or indirect loss, including but not limited to loss of income, interest (other than as provided under Additional Benefits), loss of reputation, or future trading losses;

4.5.2 fire or any peril insured under Section 1 – Building and Common Area Contents;

4.5.3 any Employee, Office Bearer or Strata Manager who, to Your knowledge, had previously committed or condoned a dishonest or fraudulent act, either before or after the commencement of their employment or engagement;

4.5.4 the theft or misuse of confidential information, trade secrets, patents, trademarks, copyrights, or computer programs, unless such information is used to facilitate a Crime otherwise covered by this Section;

4.5.5 kidnap, ransom, extortion, or any threat of these events;

4.5.6 any facts or circumstances that were known, or that a reasonable person in the position of an Employee, Office Bearer or Strata Manager ought reasonably to have known, prior to the commencement of the Period of Insurance, as matters that might give rise to a Loss;

4.5.7 theft of tangible property other than Money or Securities;

4.5.8 loss arising from the forgery, counterfeit or fraudulent alteration of trade credit documents or documents of title, including but not limited to accounts receivable, bills of lading, trust receipts or warehouse receipts.

4.5.9 any Crime occurring after the date You first Discovered, or reasonably should have Discovered, that a Crime had been committed;

4.5.10 any Loss suffered or a Crime committed outside Australia;

4.5.11 the full or partial non-payment of, or default under, any credit agreement, extension of credit, hire purchase agreement, loan or transaction in the nature of a loan, lease or rental agreement, invoice, account, agreement or any other evidence of debt;

4.5.12 any Loss recoverable under any other fidelity bond, guarantee or fund which provides indemnity for the same loss.

4.5.13 clerical or accounting errors, omissions or shortages in recording or reconciling accounts, where no Crime has been committed;

4.5.14 the voluntary giving, payment, transfer or delivery of, Funds by You or anyone acting on Your behalf, even if induced by trick, artifice, misrepresentation, impersonation, social engineering, or fraudulent instruction, unless such conduct was committed by an

Employee, Office Bearer or Strata Manager as defined under this Section; or

4.5.15 any loss arising solely from computer hacking, electronic data manipulation, or cyber intrusion, unless such act directly results in the theft, misappropriation or forgery of Funds.

Section 5 – Voluntary Workers

5.1 What We Cover

Where a Voluntary Worker sustains Accidental Death or Bodily Injury during the Period of Insurance while engaged in Voluntary Work on Your behalf and which death or injury results in an Insured Event as set out in the Table of Benefits, We will pay the Benefit Payable which is applicable to that Insured Event.

The amounts shown apply to each Voluntary Worker.

5.2 Definitions specific to Section 5 – Voluntary Workers

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 5 – Voluntary Workers:

5.2.1 Accident

means a single specific physical Event external to the body that occurs by chance and is sudden, fortuitous, violent, visible and occurring at an identifiable time and place during the Period of Insurance, that could not have been expected by the Voluntary Worker.

5.2.2 Accidental Death

means the death of a Voluntary Worker as a direct result of an Accident.

5.2.3 Bodily Injury

means an identifiable physical injury resulting solely and directly from an Accident, occurring independently of any sickness or any other cause, where both the Accident and injury occur during the Period of Insurance. Bodily Injury does not include Sickness or a Pre-Existing Condition.

5.2.4 Doctor

means a medical practitioner who is registered or licensed to practice medicine in Australia, other than:

i. the Policyholder;
ii. a Voluntary Worker;
iii. a Relative; or
iv. an Employee of the Policyholder.

5.2.5 Elimination Period

means the period commencing with the first day of Temporary Total/Partial Disablement for which medical treatment was sought in respect of Injury and for which no benefit is payable.

5.2.6 Event

means a single occurrence or incident occurring during the period of insurance which results in Bodily Injury to a Voluntary Worker while they are engaged in Voluntary Work

5.2.7 Income

means the weekly pre-tax earnings derived from personal exertion of the Voluntary Worker:

a) for employees, the average ordinary weekly earnings during the 12 months immediately prior to the Event (excluding overtime, bonuses, and commissions);
b) for self-employed persons, the gross weekly income after deduction of all business expenses in deriving such income;
c) for salary-packaged arrangements, includes agreed benefits such as travel allowances, motor vehicle or housing subsidy, but excludes overtime, bonuses, and commissions.

5.2.8 Paraplegia

means the permanent and entire paralysis of both legs and the part or whole of the lower half of the body.

5.2.9 Permanent

means having lasted for twelve (12) consecutive months and at the expiry of that period is certified by a Doctor as being unlikely to materially improve for the remainder of the Insured Person's natural life.

5.2.10 Policyholder

means the Body Corporate, Owners Corporation, Strata Corporation, Community Title or Plan named in the Schedule, who is the contracting insured.

5.2.11 Pre-Existing Condition

means any condition of which the Voluntary Worker was aware (or a reasonable person ought to have been aware) in the twelve (12) months prior to being covered under this Policy, or for which the Voluntary Worker received medical advice, treatment or prescribed medication during that period, or which is a terminal condition diagnosed at any time before cover commenced.

5.2.12 Quadriplegia

means the Permanent paralysis of both arms and both legs.

5.2.13 Relative

means the Voluntary Worker's spouse, partner, fiancé(e), parent, parent-in-law, step-parent, child, stepchild, brother, sister, grandparent, grandchild, uncle, aunt, niece or nephew.

5.2.14 Temporary Partial Disablement

means that as a result of Bodily Injury, the Insured Person is wholly and continuously prevented from engaging in more than 50% of the duties of their usual occupation, and not engaged in any other occupation and are under the regular care of
and acting in accordance with the instructions or professional advice of a Doctor.

5.2.15 Temporary Total Disablement

means that as a result of Bodily Injury, the Insured Person is wholly and continuously prevented from engaging
in their usual occupation and not engaged in any other occupation and are under the regular care of and acting in accordance
with the instructions or professional advice of a Doctor.

5.2.16 Total Loss

means the Permanent and total physical loss of the body part referenced in the Table of Events. However, where that body part is:

i. a Limb, Hand, Foot, Finger or Toe, Total Loss means(a) the Permanent and total physical loss or loss of use of that body part referenced in the Table of Events;
ii. an eye, Total Loss means the entire and irrecoverable loss of sight in that eye;
iii. an ear, Total Loss means the entire and irrecoverable loss of hearing in that ear.

5.2.17 Voluntary Work

means where a person who is aged 12 years or over:

a) is engaged in work on Your behalf at the Insured Property under Your direction; and
b) performs such work without fee, reward or remuneration or any expectation of fee, reward or remuneration.

5.3 Basis of Settlement - Table of Benefits

Subject to any Excess and the Terms and Conditions and Exclusions of this Policy, We will pay up to the Benefit Payable for the Insured Event/s, specified in the Table of Benefits below:

Benefit	Insured Event	Benefit Payable
1	Death	Up to $300,000
2	Total Loss of sight in both eyes	Up to $300,000
3	Total Loss of use of both hands, both feet, or one hand and one foot	Up to $300,000
4	Permanent Quadriplegia, Paraplegia or incurable paralysis of all limbs	Up to $300,000
5	Total Loss of use of one hand or one foot	Up to $150,000
6	Total Loss of sight in one eye	Up to $150,000
7	Temporary Total Disablement	Weekly Benefit of 100% of Income up to $3,000 per week, maximum 104 weeks following a 14 day Elimination Period
8	Temporary Partial Disablement	Weekly Benefit of 100% of Income up to $1,500 per week, maximum 104 weeks following a 14 day Elimination Period
9	Domestic Assistance	Benefit of up to $500 per week, maximum 10 weeks
10	Funeral	Funeral Expenses of up to $10,000
11	Dependent Child Supplement	$5,000 per dependent child (maximum 4 children)
12	Orphaned Benefit	$20,000 lump sum

A benefit under Events 9 – Domestic Assistance is only payable where a benefit becomes payable to a Voluntary Worker under Events 7 or 8 in the Table of Benefits following a Bodily Injury to help the injured Voluntary Worker with their household duties provided:
i) such services are certified to be necessary by their doctor for their recovery; and

ii) are carried out by persons other than the members of their family or other relatives or persons permanently residing with the Voluntary worker.

A Benefit under Events 10 - Funeral, 11 – Dependent Child Supplement or 12 – Orphaned benefits are only payable where a Benefit under Event 1 - Death becomes payable following a Voluntary Worker's Accidental Death.

5.4 Special Terms and Conditions

The following conditions apply to this Section in addition to the General Conditions applicable to all Sections:

5.4.1 The Benefit payable under weekly benefits (Temporary Total Disablement or Temporary Partial Disablement) is limited to the amount stated in the table of events, or a Voluntary Worker's weekly Income, whichever is the lesser.

5.4.2 If a Voluntary Worker

a) is entitled to receive weekly or periodical disability benefits under any other policy of insurance which is required by or under a law; and/or is entitled to receive weekly or periodical disability benefits under any Workers Compensation Act or other statutory body or legislation having a similar effect, or under any civil wrongs legislation, or under any Compulsory Third Party or Motor Vehicle Act, or Transport Accident Act or other statutory body or legislation having similar effect; and/or

b) have earned Income from any other occupation; and/or

has actually received any annual leave payments, long service leave payments or sick leave payments , unless endorsed otherwise; and/or has any sick leave paid as a part of redundancy payments,

then Compensation payable under weekly benefits (Temporary Total Disablement or Temporary Partial Disablement) will be reduced by the amount of the benefits, income or payments detailed above so as to limit the total of all payments and/or Benefit Payable (inclusive of such benefits) to their weekly Income or the limit stated in the Policy Schedule, whichever is the lesser.

5.4.3 If a Voluntary Worker suffers more than one Insured Event from the same Accident, We will only pay the highest applicable benefit.

5.4.4 If a benefit is paid under weekly benefits (Temporary Total Disablement or Temporary Partial Disablement), the maximum period payable is 104 weeks.

5.4.5 Where a benefit has been paid under any other Insured Event specified in the table above and the Voluntary Worker subsequently dies as a result of the same Accident, the Death benefit will be reduced by any amount already paid.

5.4.6 Weekly benefits are only payable if the Voluntary Worker was in receipt of regular Income from personal exertion immediately prior to the Accident.

5.4.7 Only one weekly benefit (Temporary Partial Disablement, Temporary Total, Disablement or Domestic Assistance) is payable at any time.

5.4.8 Weekly benefits will escalate by 5% per annum after the first 52 consecutive weeks of payment.

5.4.9 No cover is available under this Section after the occurrence of Insured Events 2 to 6 for the same Voluntary Worker.

5.5 Exclusions of Cover

Exclusions applicable to Section 5 – Voluntary Workers. We do not cover any loss or damage that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover any Accidental Death or Bodily Injury, claim, compensation or benefit under this Section 5 – Voluntary Workers caused directly or indirectly by, or in any way connected with:

5.5.1 intentional self-injury, suicide or attempted suicide;

5.5.2 any mental disorder including anxiety, depression or stress, unless diagnosed as a new condition during the Period of Insurance by a registered psychiatrist;

5.5.3 the Voluntary Worker being under the influence of alcohol or non-prescribed drugs, or drugs not taken in accordance with medical advice.

5.5.4 pregnancy or childbirth, whether normal or accelerated, except where unexpected medical complications arise;

5.5.5 the Voluntary Worker being under 12 years of age at the time of the Accident.

5.5.6 any Pre-Existing Condition;

5.5.7 Aay claim where cover is prohibited under the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or the National Health Act 1953 (Cth); or

5.5.8 any claim where the Voluntary Worker is entitled to statutory workers' compensation, transport accident compensation or any similar government scheme or compulsory insurance.

Section 6 – Office Bearers Liability (Optional*)

*This section of cover only applies when Section 6 – Office Bearers Liability is selected by You and is shown as "Insured" in the Schedule.

6.1 What We Cover

We agree to indemnify the Office Bearers up to the Sum Insured shown in the Schedule for Loss arising from any Claim for a Wrongful Act:

a) first made against an Office Bearer during the Period of Insurance; and
b) notified to Us during the same Period of Insurance, or within any applicable Extended Reporting Period.

This Section is issued on a claims made and notified basis. Rights under section 40(3) of the Insurance Contracts Act 1984 (Cth) apply.

Section 40(3) of the Insurance Contracts Act 1984 provides that where You or an Office Bearer gave notice in writing to Us of facts that might give rise to a Claim under this section against the Office Bearer as soon as was reasonably practicable after You became aware of those facts but before insurance cover provided under this Policy expires, We are not relieved of liability under this section in respect of such claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided under the Policy.

The maximum We will pay in the aggregate under Section 6 for all Claims during any one Period of Insurance is the Sum Insured shown in the Schedule, inclusive of Defence Costs, unless otherwise stated.

6.2 Definitions specific to Section 6 – Office Bearers Liability

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 6 – Office Bearers Liability. Terms not defined below carry the meaning given in the General Definitions:

6.2.1 Claim

means

a) a written demand for compensation;
b) a civil proceeding commenced by the service of a pleading;
c) an arbitration, mediation, conciliation or other alternative dispute resolution proceeding
d) a criminal proceeding commenced by summons or charge; or

(e) any formal regulatory, disciplinary or administrative proceeding or official investigation, alleging or arising from a Wrongful Act.

6.2.2 Circumstance

means any incident, occurrence, fact, matter or allegation which may reasonably be expected to give rise to a Claim.

6.2.3 Loss

means , judgments, settlements, pre- and post-judgment interest, claimant's costs and Defence Costs which an Office Bearer becomes legally obligated to pay on account of a covered Claim. Loss does not include:

a) taxes, fines or penalties (civil, criminal, administrative or regulatory);
b) employment entitlements or benefits, including superannuation, redundancy or severance payments;
c) any amount that is uninsurable at law; or
d) costs of complying with any order for non-monetary relief (including injunctive relief) or remediation of pollutants.

6.2.4 Wrongful Act

means any actual or alleged act, error, misstatement, misleading statement, omission, neglect, breach of duty, breach of trust, misrepresentation, wrongful trading, or breach of any statutory duty of care committed by an Office Bearer in their capacity as such.

6.2.5 Office Bearer

means:

a) any Office Bearer as defined in general definitions (applicable to all sections).
b) the estate, heirs, legal representatives, or assigns of any Office Bearer in the event of their death, incapacity or bankruptcy; and
c) the lawful spouse or domestic partner of any Office Bearer, but only in respect of Claims arising from Wrongful Acts of that Office Bearer.

6.3 Additional Benefits

We will pay the following Additional Benefits under Section 6 – Office Bearers Liability, subject to the Terms, Conditions and Exclusions of this Policy. Unless expressly stated otherwise, these Benefits form part of and do not increase the Sum Insured shown in the Schedule for this Section.

6.3.1 Advance Payment of Defence Costs

We will pay Defence Costs in advance as they are incurred by an Office Bearer, unless and until We deny indemnity.

We may seek reimbursement of such Defence Costs where it is finally determined that no cover under this Section applies.

6.3.2 Continuous Cover

We will accept notification of any Claim or Circumstance that ought to have been notified to Us in a previous Period of Insurance, provided that:

a) We have continuously insured You for Office Bearers Liability with Us without interruption since the time the notification ought to have been made;
b) the Claim or Circumstance has not previously been notified to Us or to any other insurer; and
c) there has been no fraudulent non-disclosure or misrepresentation.

The terms and conditions applicable are those of the Policy in force at the time the matter ought to have been notified.

6.3.3 Extended Reporting Period

If a Claim or Circumstance arises within 30 days after the expiry of the Period of Insurance, We will accept the notification within that 30-day period, whether or not You renew this Policy with Us.

Where this Policy is not renewed with Us, You may request an Extended Reporting Period of up to 12 months on terms to be agreed and subject to any additional premium We may require.

6.3.4 Retired or Resigned Office Bearers

Cover under this Section continues for any Office Bearer who retires or resigns during the Period of Insurance, for Wrongful Acts committed while they were an Office Bearer, for a period of up to 84 months after the date of their retirement or resignation.

6.3.5 Spouses, Estates and Legal Representatives

Cover under this Section extends to the lawful spouse, domestic partner, estate, heirs or legal representatives of an Office Bearer, but only in relation to Wrongful Acts of that Office Bearer.

6.3.6 Inquiry Costs

We will pay reasonable legal costs incurred with Our consent for an Office Bearer to attend any official inquiry, investigation, examination or hearing into the affairs of theBody Corporate, where such attendance may reasonably be expected to result in a Claim.

6.4 Basis of Settlement

Subject to any Excess and the Terms and Conditions and Exclusions of this Policy:

a) The maximum amount We will pay for all Loss in respect of all Claims under Section 6 – Office Bearers Liability during any one Period of Insurance will not exceed the Sum Insured shown in the Schedule for this Section, regardless of the number of Claims made or reported.
b) All Claims arising out of, based upon, attributable to or in any way connected with the same or related Wrongful Act(s) will be deemed to be a single Claim. Such Claim will be deemed to have been first made in the Period of Insurance in which the earliest related Claim was first made or first notified to Us, whichever is earlier.
c) Defence Costs form part of and are not in addition to the Sum Insured shown in the Schedule for this Section, unless expressly stated otherwise.

6.5 Special Terms and Conditions

The following conditions apply to this Section in addition to the General Conditions applicable to all Sections:

6.5.1 Settlement and Consent

i. We will not be liable for any settlement, admission, offer or payment in connection with any Claim without Our prior written consent, which will not be unreasonably withheld or delayed.
ii. Defence Costs and other expenses will only be incurred with Our prior written consent, which will not be unreasonably withheld or delayed.
iii. We are entitled, but not obliged, to take over and conduct in Your name, or in the name of any Office Bearer, the investigation, defence or settlement of any Claim.
iv. You and any Office Bearer must provide Us with all information, assistance and cooperation reasonably required in the investigation, defence or settlement of a Claim.

6.6 Exclusions of Cover

Exclusions applicable to Section 6 – Office Bearers Liability. We do not cover Loss that is excluded by the General Exclusions applicable to all Sections. In addition, We do not cover Loss arising directly or indirectly from or where applicable for :

6.6.1 any intentional exercise of power by an Office Bearer where the exercise of that power is for a purpose other than that for which the power was conferred;

6.6.2 any actual or alleged bodily injury, sickness, disease or death of any person, or damage to or destruction of tangible property, including loss of use of such property, or any mental anguish or emotional distress; provided that this exclusion does not apply to Defence Costs incurred in connection with a workplace health and safety investigation or proceeding;

6.6.3 any conduct by an Office Bearer to which a prohibition in section 199B of the Corporations Act 2001 (Cth) applies;

6.6.4 any dishonest, fraudulent, criminal or malicious act or omission of an Office Bearer, except that this exclusion does not apply to Defence Costs unless and until there is a final determination or admission that such conduct occurred;

6.6.5 any fines, penalties, punitive, exemplary, liquidated or aggravated damages of any kind, to the extent that they are uninsurable at law;

6.6.6 any personal profit, remuneration or advantage to which an Office Bearer was not legally entitled, except that this exclusion does not apply to Defence Costs unless and until there is a final determination or admission that such conduct occurred;

6.6.7 any Claim arising from circumstances which You knew of, or which a reasonable person in the circumstances ought to have known, prior to the commencement of the Period of Insurance, and which may give rise to a Claim;

6.6.8 any Claim brought by or on behalf of the Strata Community or any Insured against an Office Bearer, provided that this exclusion does not apply to:

a) a derivative action brought on behalf of the Strata Community by one or more lot owners;
b) any employment-related Claim;
c) any Claim for Defence Costs in connection with a workplace health and safety investigation or proceeding; or
d) any Claim made by a liquidator, receiver, administrator or regulatory authority.

6.6.9 any Claims brought against an Office Bearer, or other contracted person(s), firm or company when acting in their professional capacity; or

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

6.6.11 a conflict of duty or interest of Yours;

Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs

7.1 What We Cover

We agree to indemnify You up to the respective limits shown below for reasonable and necessary costs and expenses detailed below and, incurred with Our prior written consent (which will not be unreasonably withheld or delayed), provided that the Claim is first made or first arises during the Period of Insurance and is notified to Us during the Period of Insurance or within 30 days thereafter.

7.1.1 Legal Defence Costs

We will pay up to $50,000 for Defence Costs You incur in defending, investigating, settling or appealing a Claim:

i. in connection with the conduct of the Strata Community's business/affairs; or
ii. alleging a contravention of the Australian Consumer Law or similar State/Territory consumer protection legislation; or
iii. arising out of a dispute with a current, former or prospective employee concerning their employment (including claims under anti-discrimination, harassment and bullying legislation).

7.1.2 Workplace Health and Safety Appeal Costs

We will pay up to $100,000 for Defence Costs You reasonably incur in appealing:

i. an improvement or prohibition notice imposed under workplace health and safety legislation; or
ii. a determination of a review committee, tribunal or court made under such legislation,

provided that the notice or determination was first made during the Period of Insurance.

We may require that there are reasonable prospects of success before agreeing to fund appeal costs.

7.1.3 Government Audit Costs

We will pay up to $50,000 for Audit Costs You reasonably incur following notification of an Audit of the Strata Community's taxation or superannuation affairs by the ATO or a State or Territory revenue authority, provided the Audit was first notified during the Period of Insurance.

Cover under 7.1.1–7.1.3 is provided on a claims-made and notified basis. Rights under section 40(3) of the Insurance Contracts Act 1984 (Cth) apply.

Section 40(3) of the Insurance Contracts Act 1984 provides that where You notice in writing to Us of facts that might give rise to a Claim under this section against You as soon as was reasonably practicable after You became aware of those facts but before insurance cover provided under this Policy expires, We are not relieved of liability under this section in respect of such claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided under the Policy.

7.2 Definitions specific to Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs

In addition to the General Definitions applicable to all sections of this Policy, the following additional Definitions apply to Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs:

7.2.1 Audit

means a review, 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 lodgment 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 and Compliance with Superannuation Industry Supervision Act 1993 in respect of the management of the Strata Community.

7.2.2 Audit Costs

means reasonable and necessary professional fees of a Professional Adviser, incurred with Our prior written consent (which will not be unreasonably withheld or delayed), for work undertaken in connection with an Audit.

Audit Costs do not include:

a) fees forming part of a fixed or annual retainer;
b) costs of routine compliance or the preparation or lodgement of returns or documents which should have been prepared or lodged before the Audit;

c) costs of any objection, review or appeal after the Audit is completed, unless expressly covered under this Section; or
d) fees incurred without Our consent.

7.2.3 Claim

means

e) a written demand for compensation;
f) a civil proceeding commenced by the service of a pleading;
g) an arbitration, mediation, conciliation or other alternative dispute resolution proceeding
h) a criminal proceeding commenced by summons or charge; or

(e) any formal regulatory, disciplinary or administrative proceeding or official investigation, alleging or arising from or in connection with he circumstances outlined in clause 7.1.1.

7.2.4 Professional Adviser

a) means:
   an accountant who is a member of a nationally recognised accounting body, a registered tax agent or tax consultant; or
b) a lawyer or other professional person engaged by You or on the recommendation of Your accountant,

with Our prior written consent (which will not be unreasonably withheld or delayed).

7.2.5 Statutory Liability Costs

means civil fines and civil penalties imposed under an Act for an unintentional breach by You of workplace health and safety legislation or similar legislation, to the extent that such fines or penalties are insurable at law.

7.3 Additional Benefits

We will pay the following Additional Benefits under this Section, subject to the Terms, Conditions and Exclusions of this Policy. Unless expressly stated otherwise, these Benefits form part of and do not increase the limits shown in the Schedule for this Section.

7.3.1 Extended Reporting Period

If a Claim, notice or Audit arises within 30 days after the expiry of the Period of Insurance, We will accept notification within that 30-day period, whether or not You renew this Policy with Us. Where this Policy is not renewed with Us, You may request an Extended Reporting Period of up to 12 months on terms to be agreed and subject to any additional premium We may require.

7.3.2 Statutory Liability Costs

We will pay Statutory Liability Costs imposed under workplace health and safety legislation or similar legislation for an unintentional breach by You, to the extent insurable at law, together with associated Defence Costs, up to the limit shown in the Schedule for this Benefit.

This Additional Benefit does not apply to deliberate, willful or reckless breaches or where insurance of the penalty is prohibited by law.

7.4 Basis of Settlement

Subject to any Excess and the Terms and Conditions and Exclusions of this Policy:

a) The maximum We will pay under each part of Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs during any one Period of Insurance will not exceed the following limits shown in the Schedule for this Section:
   i. Legal Defence Costs: $50,000
   ii. Workplace Health and Safety Appeal Costs: $100,000
   iii. Government Audit Costs: $50,000

b) These limits apply separately to each part of Section 7 and are not cumulative.

c) Defence Costs and Audit Costs must be reasonable and necessary and incurred with Our prior written consent, which will not be unreasonably withheld or delayed.

d) For Workplace Health and Safety Appeal Costs (7.1.2), We may require that there are reasonable prospects of success before agreeing to fund appeal costs.

e) All costs and expenses arising out of, based upon or attributable to the same or related matter will be treated as a single Claim or Audit and deemed first notified in the Period of Insurance in which the earliest related matter was first notified to Us.

7.5 Special Terms and Conditions

The following conditions apply to this Section in addition to the General Conditions applicable to all Sections:

i. We will not be liable for any settlement, admission, offer or payment in connection with any Claim, notice or Audit without Our prior written consent, which will not be unreasonably withheld or delayed.

ii. Defence Costs and Audit Costs will only be incurred with Our prior written consent, which will not be unreasonably withheld or delayed.

iii. We are entitled, but not obliged, to take over and conduct in Your name the defence, negotiation, review or settlement of any matter covered under this Section.

iv. You must provide Us with all information, assistance and cooperation reasonably required in the investigation, defence or settlement of a matter under this Section.

7.6 Exclusions of Cover

Exclusions applicable to Section 7 – Legal Defence Costs, Workplace Health and Safety Appeal Costs and Government Audit Costs. We do not cover any liability, or costs that are excluded by the General Exclusions applicable to all Sections. In addition, We do not cover liability or costs arising directly or indirectly from or where applicable for :

7.6.1 fines, penalties, punitive or exemplary damages, except to the extent covered under Additional Benefit 7.3.2 Statutory Liability Costs and only to the extent insurable at law;

7.6.2 dishonesty, fraud, deliberate or willful breach of law or regulation by You, provided that this exclusion does not apply to Defence Costs unless and until such conduct is established by written admission or final, non-appealable adjudication;

7.6.3 defamation, libel or slander where the publication was intentional or malicious;

7.6.4 any matter initiated, threatened or commenced prior to the start of the Period of Insurance, or arising from facts or circumstances which You knew, or a reasonable person ought to have known, prior to the Period of Insurance and which might give rise to a Claim or Audit;

7.6.5 taxation audit costs:

a) incurred after completion of the Audit, unless expressly agreed by Us;
b) in connection with any Audit initiated, threatened or commenced prior to the Period of Insurance;
c) arising from Your deliberate failure to comply with a lawful request for information or documents from the Commissioner of Taxation or other revenue authority;
d) or arising from income earned or services performed outside Australia; or
e) or relating to taxes, penalty tax, interest or similar amounts payable to a government authority;

7.6.6 any deliberate failure to notify the Commissioner of Taxation of an error or deficiency in any return or documentation supplied to them, once You or Your representative becomes aware of the error;

7.6.7 any amount which We are prohibited from paying by law; or

7.6.8 the appointment of any accountant or registered tax agent or any other outside Professional Advisor or consultant engaged by You or acting as a replacement for Your accountant or registered tax agent, unless we have given Our prior written consent to the appointment of such person or consultant (which will not be unreasonably withheld).

7.7 Additional Exclusions applicable to Additional Benefit 7.3.2 – Statutory Liability Costs

We will not cover any liability, Loss or costs in respect of:

a) any deliberate, wilful or reckless breach of law or regulation by You;
b) any fine, penalty or amount that is uninsurable at law;
c) any amount payable as wages, salaries, employment entitlements or benefits, including superannuation contributions, redundancy or severance payments, or amounts pursuant to an employment contract;
d) any taxes, penalty tax, interest or similar amounts payable to a government authority.