

Residential Strata Insurance

Product Disclosure Statement
& Policy Wording

Residential Strata Insurance

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Welcome to Vero

Vero is a specialist provider of quality insurance products and packages in Australia.

With over 190 years of experience providing quality insurance products in Australia, we're experts at helping our clients cover their risks and helping to secure their future. We offer our products exclusively through insurance brokers and authorised agents, because we believe that impartial, specialist advice is paramount when it comes to selecting insurance. Vero has a great reputation in the industry, and we work closely with insurance brokers to help ensure we meet the unique needs of our many, varied clients. Help protect your strata, and your future, with an insurer that understands strata. Vero is a member of the Suncorp Group.

Who is the insurer?

This insurance is issued by AAI Limited ABN 48 005 297 807 AFSL 230859 trading as Vero Insurance.

How to contact us?

You may contact us by:

- through your insurance adviser; or
- via the "Contact Us" page on our website www.vero.com.au; or
- alternatively by writing to us at:

Vero Insurance
GPO Box 3999
Sydney NSW 2001.

About this Product Disclosure Statement and Policy Wording

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This Product Disclosure Statement (PDS) and Policy Wording applies to Residential Strata insurance policies issued to an Owners Corporation, Body Corporate, or similar entities. It outlines the terms, conditions, and exclusions of the cover provided, and is designed to help you understand the insurance product and make informed decisions.

We are required to give you a PDS if you are a retail client and you are insuring a home building under Policy Section 1 - Insured Property. A home building is a building which is used or intended to be used, principally and primarily as a place of residence.

You are a retail client under the Corporations Act 2001 if you are:

- an individual; or
- a small business, having:
 - in the case of a non-manufacturing business, less than 20 employees; or
 - in the case of a manufacturing business, less than 100 employees.

This PDS and Policy Wording has seven parts:

- Part A contains the Policy summary.
- Part B contains information about your rights and responsibilities, including your duty to us: no misrepresentation, cancellation and cooling off periods.
- Part C contains our privacy statement.
- Part D contains our complaints resolution procedure.
- Part E contain information about making a claim and claims payment examples.
- Part F contains other information relevant to your Policy, including information about Premium calculation, other costs, fees & charges.
- Part G contains your Vero Residential Strata Insurance Policy Wording.

To understand the full terms and conditions of your Policy, you must read all parts of the PDS and Policy Wording.

Communicating with you by post

We send your Policy documents and Policy related communications by post unless we can send them electronically (see below).

Communicating with you electronically

We may send your Policy documents and Policy related communications electronically. This will be by email and/or other types of electronic communication methods (e.g. SMS). We will obtain your express consent or infer your consent to send information electronically. We deem electronic communications to be received by you when they leave our information system.

Part A: Policy Summary

This summary is for general information only.

Please read the **PDS and Policy Wording** for full details of terms, conditions, limits and exclusions to ensure the cover meets your needs.

The Vero Residential Strata Insurance Policy consists of **seven Policy Sections**, outlined as follows:

Cover	Summary of Policy Section
Policy Section 1 – Insured Property	<p>Covers Accidental physical Loss or Damage to Your Insured Property during the Period of Insurance. This includes associated costs such as demolition, debris removal, reinstatement costs, and professional fees.</p> <p>This Policy Section also includes a range of Extensions of Cover, Additional Covers, Optional Additional Covers (that you may request for additional premium) and Additional Benefits summarised below.</p> <p>Extensions of Cover – Covers that form part of the property insurance and operate when physical Loss or Damage to the Insured Property is covered under this Policy Section. These extensions assist with the repairing, protecting or reinstating the damaged property and include costs that are necessarily incurred as part of the rebuilding or recovery process, subject to the terms, conditions and limits of the Policy.</p> <p>Additional Covers – Covers that apply in connection with an accepted claim under this Policy Section and help meet certain reasonable costs that arise as a direct consequence of insured Loss or Damage to the property. These covers do not insure the property itself but respond to the impact the Loss or Damage has on the Owners Corporation, occupiers or use of the Insured Property, subject to the terms, conditions and limits of the Policy.</p> <p>Note: Some covers are also subject to a combined limit for any one Loss.</p> <p>Optional Additional Covers</p> <p>Covers that are available for an additional premium and subject to Our underwriting criteria. If selected, they will be shown in your Policy Schedule.</p> <p>Additional Benefits – Supplementary protections provided under the Policy Section for specified situations that do not require Insured Property Loss or Damage to occur. These benefits assist the Owners Corporation with certain operational, or management risks associated with owning and administering the property and are payable only in the circumstances described in the Policy Section and up to the stated limit, subject to the terms, conditions and limits of the Policy.</p> <p>Note: Some covers are also subject to a combined limit for any one Loss.</p>
Policy Section 2 – Property Owner’s Legal Liability	Protects the Owners Corporation against legal liability for Personal Injury or Property Damage to third parties arising from ownership or management of the Insured Property.
Policy Section 3 – Voluntary Workers	Provides compensation for Voluntary Workers injured while performing duties on behalf of the Owners Corporation.
Policy Section 4 – Fidelity Guarantee	Protects the Owners Corporation against financial loss arising from fraudulent misappropriation of funds by committee members or Owners Corporation Managers.
Policy Section 5 – Office Bearers’ Liability	Provides cover for committee members for financial loss resulting from claims alleging Wrongful Acts in the performance of their duties.
Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses	<p>Provides cover for legal and Professional Expenses incurred in connection with:</p> <ul style="list-style-type: none"> • Government Audits of your financial or statutory compliance • Appeals against health and safety enforcement actions • Legal defence of certain claims made against you
Policy Section 7 – Machinery Breakdown	Provides cover for the repair or Replacement of machinery forming part of your Insured Item(s) - such as lifts, air conditioning plant, and other machinery following Breakdown.

Legal requirements to hold insurance under strata legislation

Strata legislation sets out mandatory insurance requirements for Owners Corporations, strata buildings and common property. We do not warrant or represent that this policy meets the mandatory insurance requirements which apply to you. You should ensure that you understand your obligations.

Part B: Your Rights and Responsibilities

This part applies to all Policy Sections of your PDS and Policy Wording. All policyholders need to read Part B.

Your duty to us: no misrepresentation

Before you buy, renew, make changes to, or reinstate this consumer insurance contract, you have a duty to us under the Insurance Contracts Act to take reasonable care not to make a misrepresentation.

To meet this duty, it's important that you answer all questions truthfully and accurately. Your answers help us decide if we can insure you and on what terms. Where we remind you of your previous answers, check them carefully, because you also have a duty to tell us if any information on your Policy Schedule is incorrect or has changed.

We may be able to reduce or refuse to pay a claim or cancel your policy, or both if:

- you breach your duty to us by giving us information that isn't true and accurate; or
- you don't tell us that information you gave us, that's shown on your Policy Schedule, is incorrect or has changed.

If your misrepresentation was fraudulent, we may be able to refuse to pay a claim and treat the policy as if it never existed.

Cooling off period

You have the right to return the Policy or a Policy Section of the Policy by notifying us in writing within 21 days of the date it was issued to you ("cooling off period"), unless you have a claim under the Policy or that Policy Section within the cooling off period. If you return your Policy or remove a Policy Section of the Policy during the cooling off period, we will return the premium you have paid and you will have no cover for the Policy or that Policy Section of the Policy.

In addition, if you vary your Policy and add a Policy Section, you have the right to remove that Policy Section within 21 days of the date it was added by notifying us in writing ("additional cooling off period"), unless you make a claim under that Policy Section within the additional cooling off period. If you remove the added Policy Section during the additional cooling off period, we will return the premium you have paid for that Policy Section. To cancel your Policy at other times (including when a claim has been made during the cooling off period), see "Cancellation" below.

Cancellation

Cancellation by You

You can cancel your policy at any time. You can specify a future date from which you would like to cancel your policy. If you do not specify a date, then the cancellation takes effect on the date we receive your request. If you cancel your policy, we will refund the proportion of your premium for the unexpired period of insurance less any non-refundable government charges and levies, provided the refund is more than \$10.

Cancellation by Us

We can cancel your Policy when the law allows us to. If we cancel your policy, we will refund the proportion of your premium for the unexpired Period of Insurance, less any non-refundable government charges and levies, provided the refund is more than \$10. If we cancel your Policy due to fraud, we will not refund any money to you.

If we pay out a claim for the full Sum Insured on your Building, whether by reinstatement or Replacement or by a payment to you, that cover ends. Any Extensions of Cover, Additional Covers, Optional Additional Covers or Additional Benefits for that Policy Section also ends.

When your Policy ends as a result of us paying out a claim for the full Sum Insured on your Building, we will not refund any premium for an unexpired period of insurance.

The amount of your premium

The premium is the amount you pay us for this insurance and is specified in your Policy Schedule. It includes any applicable GST, stamp duty, other government charges and levies. The amount of these taxes and charges will be specified in your Policy Schedule.

The premium does not include any service or administration fee charged to you by your insurance intermediary.

In addition to the factors we use to calculate your premium, the discounts you qualify for also affect your premium. Your premium includes any discounts you qualify for and these are applied before adding any applicable GST, stamp duty, other government charges and levies. We can vary or withdraw a discount at any time, however changes will not affect the premium for an existing Policy during its current Period of Insurance.

Paying your premiums

We will tell you how much you have to pay and how much time you have for payment.

You must pay the premium by the due date. For the first Period of Insurance, if you do not pay the premium owing by the due date, we can cancel your Policy.

For renewals, if you do not pay your premium by the due date, then you have no cover from the due date.

If you change your Policy, you may be entitled to a partial refund of premium or be required to pay an additional premium.

Excess

This is the amount you have to pay if you suffer Loss, Damage or incur liability which leads to a claim under your Policy.

The amount of any applicable Excess and the circumstances in which it applies are shown in your Policy Schedule or stated in an Endorsement. We will tell you how to pay your Excess and who to pay it to.

Policy Section 1 – Insured Property includes a standard Excess that applies unless another Excess is shown in Policy Section 1 on your Policy Schedule or in an Endorsement. If another Excess is shown in Policy Section 1 or in an Endorsement then the other Excess amount (and not the standard Excess) will apply.

Some other Policy Sections may also have an Excess that applies to certain covers:

- Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses: an Excess applies to Legal Defence Expenses and is shown on your Policy Schedule. An excess may also apply to Government Audit Costs and Health & Safety Appeal Expenses if shown on your Policy Schedule.
- Policy Section 7 – Machinery Breakdown: an Excess applies to claims under this policy section and is shown on your Policy Schedule.
- For all other Policy Sections an Excess will only apply if shown on your Policy Schedule or in an Endorsement.

If more than one Excess could apply to a claim within the same Policy Section, those Excesses will not be aggregated. Only the highest Excess amount will apply for the claim under that Policy Section.

If a single Loss or Event gives rise to claims under more than one Policy Section, the highest excess shown on the Policy Schedule for each Policy Section will apply. If no excess is shown on the Policy Schedule for a Policy Section, then no excess will apply for that Policy Section.

Fraudulent claims

If you, or anyone you authorise to act on your behalf, or with your knowledge or consent, makes a claim that is false or causes Loss or Damage deliberately, we may do one or more of the following:

- refuse to pay a claim;
- cancel your Policy; or
- take legal action against you.

Part C: Privacy Statement

AAI Limited trading as Vero Insurance is the insurer and issuer of this product, and is a member of the Suncorp Group, which we refer to as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable.

We collect personal information so that we can:

- identify you and conduct appropriate checks;
- understand your requirements and provide you with a product or service;
- set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- assess and investigate any claims you make under one or more of our products;
- manage, train and develop our Employees and representatives;
- manage complaints and disputes, and report to dispute resolution bodies; and
- get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in "Why do we collect personal information?" in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws, we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Taxation Administration Act 1953, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- any of our Group joint ventures where authorised or required;
- customer, product, business or strategic research and development organisations;
- data warehouse, strategic learning organisations, data partners, analytic consultants;
- social media and other virtual communities and networks where people create, share or exchange information;
- publicly available sources of information;
- clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- a third party that we've contracted to provide financial services, financial products or administrative services – for example:
 - information technology providers;
 - administration or business management services, consultancy firms, auditors and business management consultants;

- marketing agencies and other marketing service providers;
- claims management service providers;
- print/mail/digital service providers; and
- imaging and document management services.
- any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- a third party claimant or witnesses in a claim;
- accounting or finance professionals and advisers;
- government, statutory, or regulatory bodies and enforcement bodies;
- policy or product holders or others who are authorised or noted on the Policy as having a legal interest, including where you are an insured person but not the Policy or product holder;
- in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- the Australian Financial Complaints Authority or any other external dispute resolution body;
- credit reporting agencies;
- other insurers, reinsurers, insurance investigators and claims or insurance reference services, Loss assessors, financiers;
- legal and any other professional advisers or consultants;
- hospitals and, medical, health or wellbeing professionals;
- debt collection agencies;
- any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, e.g. your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in “Why do we collect personal information?”

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/vero/privacy, or you can contact us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Suncorp Group Privacy Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in “Contact us” below.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, or obtaining a list of overseas countries you can:

- Visit www.vero.com.au/privacy; or
- Email us at privacyaccessrequests@vero.com.au.

Part D: Complaints Resolution

We are committed to:

- listening to what you tell us;
- being accurate and honest in telling you about our products and services;
- communicating with you clearly; and
- resolving any complaints or concerns you have in a fair, transparent and timely manner

How to contact us with a complaint

If you experience a problem, are not satisfied with our products or services or a decision we have made, please let us know so that we can help.

Contact us:

- By Phone: 1300 888 073;
- By Email: claims@vero.com.au.

If we are not able to resolve your complaint or you would prefer not to contact the people who provided your initial service, our Customer Relations team can assist:

- By Phone: 1300 264 470;
- By Email: idr@vero.com.au;
- In writing: Vero Customer Relations,
PO BOX 14180
Melbourne City Mail Centre VIC 8001.

Customer Relations will contact you if they require additional information or if they have reached a decision.

When responding to your complaint you will be informed of the progress and the timeframe for responding to your complaint.

Seek review by an external service

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the Australian Financial Complaints Authority (AFCA). 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.

You can contact AFCA:

- By Phone: 1800 931 678;
- By Email: info@afca.org.au;
- In writing: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001;
- By visiting: www.afca.org.au.

Part E: Making a Claim

Please contact Us to make a claim as soon as reasonably possible. You can lodge a claim on-line from the Vero Website Business Insurance Claims | Vero Insurance. You can also notify us of your claim by email to lodgeclaim@vero.com.au, or lodge a claim over the phone on 1300 888 073 anytime (24/7).

You can also notify us of your claim via your insurance adviser.

The General Claims Conditions section sets out the full details of what You need to do in the event of a claim.

Claims Made and Notified Insurance:

This notice is in relation to Policy Section 5 – Office Bearers’ Liability and Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses and does not form part of the PDS or policy.

Policy Section 5 - Office Bearers’ Liability and Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses of this Policy are issued on a ‘claims made and notified’ basis. This means that Policy Section 5 – Office Bearers’ Liability and Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses respond to claims first made against You during the Period of Insurance (unless the Policy Section contains an additional extension), and notified to Us during the Period of Insurance, provided that you were not aware, or did not notify us, at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a claim may be made against them.

Section 40(3) of the Insurance Contracts Act 1984 (Cth) may apply to any written notification of facts. The facts that you may decide to notify within the period of insurance are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the time at which your policy expires. If you give written notification of facts your policy may respond even though a claim arising from those facts is made against you after your policy has expired.

When the period of insurance expires, no new notification of facts that may give rise to a claim against you can be made under Policy Section 5 – Office Bearers’ Liability or Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses of the expired policy, even though the facts giving rise to the claim against you may have occurred during the period of insurance.

If you notify a claim first made against you during the period of insurance under either of these Policy Sections, after the period of insurance expires, our liability may be reduced by an amount that fairly represents the extent to which our interests were prejudiced as a result of your delay in notifying us of the claim as soon as reasonably practicable within the period of insurance.

Claims Payment Examples

The following examples are a guide only and are designed to illustrate how a claim payment might typically be calculated. The examples don’t cover all scenarios or all covers and don’t form part of your Policy terms and conditions. Vero always determines real claim payments on an individual basis, after we have assessed each claim. You should read the PDS and your Policy Schedule for full details of what we cover as well as what Policy limits, excesses, conditions, and exclusions apply.

Notes about these claim payment examples:

- When you make a claim, we’ll choose whether to deduct the applicable excesses from the amount we pay you or direct you to pay the excesses to us;
- All amounts are shown in Australian dollars and are GST inclusive;
- All examples assume that the policyholder is not registered for GST.

Example 1: Total Loss – Residential Strata Building claim

The Building has a Sum Insured of \$9,500,000, with a Loss of Rent/Temporary Accommodation combined limit of \$1,425,000. There is a fire that starts from a heater in one of the Units. The fire destroys the Building and we assess that it is a total Loss. In this example, an Excess of \$2,000 applies under Policy Section 1 – Insured Property.

Your claim		Additional information
Building costs	\$9,000,000	We arrange a builder from our supplier network who assesses the Building as a total Loss. We cover loss or damage due to the fire up to the Sum Insured. As the assessed cost to rebuild the Building is below your Sum Insured, we arrange for your Building to be rebuilt and pay this amount directly to our builder.
Debris Removal Costs	\$200,000	Before rebuilding commences, it costs \$200,000 to remove the Debris. We pay \$200,000 directly to the builder, which is within the limit available for Debris Removal Costs, shown under the Extensions of Cover table in Policy Section 1.
Architect’s, Surveyor’s & Other Professional Fees	\$100,000	It is necessary to engage an architect to design your Replacement building (this is necessary even though you don’t intend to change the design of the building or upgrade it). We have already agreed to pay \$9,000,000 to rebuild the building and \$200,000 for Debris Removal Costs. There is still \$300,000 of the Building Sum Insured available at this stage to cover other costs involved with rebuilding. The architect’s fees are \$100,000 and we pay this directly to the architect.
Temporary Accommodation for Lot Owners	\$950,000	We pay the Lot Owners’ Temporary Accommodation costs from the time you need to vacate the affected Lots due to the Loss until the affected Lots can be re-occupied. In this example, the costs claimed of \$950,000 is within the insured limit. We pay this amount to the lot owners.
Claim so far	\$10,250,000	
Excess	-\$2,000	In this example, you pay this amount directly to us.
Total claim	\$10,248,000	

Example 2: Partial loss – Residential Strata Building claim

The Building has a Sum Insured of \$800,000. A burst pipe in the building causes water damage to the floors in one of the units. While inspecting the damage at the building our supplier also notices there are some water stains in parts of the ceiling at the same unit (unrelated to the burst pipe). In this example, there is a standard Excess of \$2,000 and an imposed water damage Excess of \$2,500 that applies under Policy Section 1 – Insured Property.

Your claim		Additional information
Cost of repairs to the unit caused by the burst pipe	\$16,500	A builder we arrange inspects the damage from the burst pipe. The assessed quote for our supplier to complete the repair is \$16,500. You accept our offer to repair the damage. We pay these costs to the builder.
Ceiling damage	Nil	We determine that the ceiling damage was caused by waterproofing Defects that you were aware of, which are excluded under Policy Section 1. These repairs are not covered, and you undertake them at your own cost.
Claim so far	\$16,500	
Standard Excess (not applied)	\$2,000	Where there are multiple Excesses under a Policy Section, only the highest single applicable Excess will apply – in this case, the \$2,000 standard excess is not applied and the higher water damage Excess applies.
Water Damage Excess	-\$2,500	In this example, you pay this amount directly to us.
Total claim	\$14,000	

Example 3: Property Owner's Legal Liability cover

A visitor to a Unit in the building was walking down the stairs within the common area of the Unit complex. The visitor tripped over loose carpeting on the stairs causing them to fall heavily. In this example, no Excess applies under Policy Section 2 – Property Owner's Legal Liability.

Your claim		Additional information
Total amount of claim	\$12,000	The visitor has made a claim against you for compensation for the amount of \$12,000. After an investigation, we determine that you are legally liable for the injury and the amount claimed is reasonable. We pay this amount to the injured party.
Excess	Nil	
Total claim	\$12,000	

Example 4: Voluntary Workers cover

You authorise a Lot Owner to perform gardening work on a volunteer basis on behalf of the Owners Corporation. While performing this authorised work, the Lot Owner slips and suffers a serious back injury. A medical practitioner certifies that the injury results in Total Disablement, meaning the Voluntary Worker is unable to perform all the normal duties of their usual occupation.

In this example, no Excess applies under Policy Section 3 - Voluntary Workers.

Your claim		Additional information
Total amount of claim	\$312,000	The injury has resulted in a total disability to the injured Voluntary Worker and he is unable to return to work to carry out his usual occupation. Cover is provided under Event 6a of Policy Section 3 – Voluntary Workers. Under this cover, we pay \$3,000 per week for up to 104 weeks. This example assumes the Voluntary Worker remains Totally Disabled for the full 104 week benefit period, resulting in a total payment of \$312,000 (104 × \$3,000).
Excess	Nil	
Total claim	\$312,000	

Part F: Other Information

Premium Calculation

The premium is the amount you pay us for your insurance cover. It reflects the risk we agree to insure and includes any applicable GST, stamp duty, other government charges and levies.

When calculating your premium, we consider a range of factors, including but not limited to:

- The location of the Insured Property;
- The Sum Insured and/or Limit of Liability;
- The type, condition and characteristics of the property, including any Known Defects or maintenance issues;
- The Policy Sections and any Optional Additional Covers you select and we agree to provide;
- Your previous insurance and claims history; and
- Any commercial activities conducted within the property (excluding office work performed from home).

The total premium payable will be shown on your Policy Schedule. This includes the base premium and any applicable fees, duties and government charges.

When you apply for this insurance, we will advise you of the premium. If you choose to proceed, the premium amount will be confirmed in your Policy Schedule.

Premiums may be subject to minimum thresholds. Any discounts applied will not reduce your premium below the minimum amount we are prepared to accept for this Policy.

How the Goods and Services Tax (GST) affects this insurance

If you are registered for GST, you must tell us the below information at the time of making a claim:

- your input tax credit entitlement (ITCE) for your premium; and
- your ITCE for any acquisition which is relevant to your claim, or to which you would've been entitled had you made a relevant acquisition.

If you don't give us this information or if you tell us an incorrect ITCE, we won't pay any GST liability, general interest charge and penalties you may incur.

In respect of your Policy, where you are registered for GST purposes you should calculate the insured amount having regard to your entitlement to input tax credits. You should, therefore, consider the net amount (after all input tax credits) which is to be insured and determine an insured amount on a GST exclusive basis.

This outline of the effect of the GST on your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to your circumstances.

'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

Financial Claims Scheme

In the unlikely event of an insurer becoming insolvent, a person entitled to claim under protected policies may be entitled to payment under the Financial Claims Scheme (FCS). Access to the scheme is subject to eligibility criteria. Information about the FCS can be obtained from the APRA website at www.fcs.gov.au.

General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. You can get a copy of the Code from the Insurance Council of Australia website (www.insurancecouncil.com.au) or by phoning (02) 9253 5100 or 1300 728 228. The Code Governance Committee is an independent body which monitors and enforces the Code and has powers to impose sanctions on Code subscribers for non-compliance.

Terrorism and Cyclone Insurance Act 2003

Some sections of this policy exclude cover for damage as a result of terrorism.

In the event that damage to property occurs and the cause of the damage is declared terrorist incident by the responsible Minister, then you may be afforded protection within the limits of indemnity of this policy by virtue of the Terrorism and Cyclone Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of your loss to a percentage of the otherwise recoverable loss. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism and Cyclone Insurance Act 2003 can be obtained at www.arpc.gov.au.

Updating information

The information in this PDS and Policy Wording was current at the date of preparation. We may update some of the information in the PDS and Policy Wording that is not materially adverse from time to time without needing to notify you.

You can obtain a copy of any updated information by contacting us. If it becomes necessary, we will issue a Supplementary PDS or replacement PDS which we will give you.

Part G: Residential Strata Insurance Policy Wording

Important information

1. Your Policy

Your Policy is a legal contract between You and Us. The contract is based on the information you gave us when you applied for the insurance and any subsequent information which you have supplied. Based upon the information provided by you and subject to the premium being paid, we agree to insure you during the Period of Insurance.

Your Period of Insurance starts on the date specified in your Policy Schedule and finishes at 4:00 pm on the expiry date specified in your Policy Schedule.

Your Policy is made up of this PDS and Policy Wording, any applicable SPDS, the Policy Schedule and any Endorsements. These should be read and kept together. We will provide cover under those Policy Sections that are specified in your Policy Schedule and for those Optional Additional Covers that are specified in the Policy Schedule.

2. Who is insured?

The Policy provides insurance only for the parties specified in your Policy Schedule unless otherwise stated in individual Policy Sections or by Endorsement.

3. Policy limits

We will not pay any more than the Sum Insured, Limit of Liability or sub-limit for each Policy Section, part of a Policy Section or individual item or cover that is specified in your Policy Schedule, unless we specifically state otherwise in your Policy.

You should ensure that the Sum Insured, Limits of Liability and sub-limits that apply to this Policy are adequate for your needs. If you do not select adequate amounts to insure then you may have to bear any uninsured Losses yourself. Limits of certain Extensions of Cover, Additional Covers, Optional Additional Covers and Additional Benefits in this Policy may be expressed as a percentage of a Sum Insured. This means that if the underlying Sum Insured is inadequate then the amount of cover provided under the Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits may also be inadequate for your needs.

4. General Provisions

The General Policy Conditions, General Definitions, General Claims Conditions, and General Exclusions form part of this Policy. Unless otherwise expressly stated, these apply to each of the Policy Sections. Specific conditions, definitions and exclusions also apply to individual Policy Sections.

If you do not comply with the General Policy Conditions, General Claims Conditions or another condition in this Policy, we may:

- a. refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance); and/or
- b. recover from you any costs and/or any monies we have paid; and/or
- c. cancel your Policy.

A reference to days in the Policy means calendar days unless otherwise specified.

Some words used in this Policy have special meanings. The words we have defined are listed in either the General Definitions or the Definitions in the applicable Policy Section. Where defined, these words will be capitalised. The headings in each Policy Section are not part of the Policy itself. Their purpose is to provide you with a general guide about the content of the text.

5. References to legislation and Australian Standards

A reference to any legislation or legislative provision (including but not limited to Acts, regulations, ordinances, by-laws) in this Policy includes any statutory modification, amendment, replacement or re-enactment or successor of, or legislative provision substituted for, that legislation or legislative provision (whether in the Commonwealth of Australia or Internationally).

A reference to an Act includes subordinate legislation issued under that Act (whether in the Commonwealth of Australia or Internationally).

A reference to any Australian Standard (AS) in this Policy includes any amendment to or replacement of that Australian Standard.

General Policy Conditions

These conditions apply to all Policy Sections unless we state in a General Policy Condition that it only applies, or does not apply, to certain Policy Sections.

If you do not comply with these General Policy Conditions, we may:

- a. refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance); and/or
- b. recover from you any costs and/or any monies we have paid; and/or
- c. cancel your Policy.

1. Change to risk

Our decision to insure you, and the premium that we charge you, is based on information provided by You about you, your Situation and Insured Property. Your insurance, including the amount of premium, may be affected if any of the facts or circumstances that existed at the start of the Policy change during the Period of Insurance, including, for example:

- You become aware of any issues, faults or Defects affecting the Building, whether through your own observation or notification by others;
- The occupation and activities carried on by the Lot owners and/or Tenants of your Insured Property;
- You undertake construction works or alterations;
- You intend to either redevelop or demolish all or part of your Building, have lodged an application to do this, or a government authority has issued a demolition order for all or part of your Building;
- Your interest in the Policy ceases, including by operation of law;
- Any other change to the information You provided that We relied upon when determining the terms of cover shown in Your Policy Schedule

You must notify us as soon as possible of any of the above changes.

If you have not told us about any of the above matters having occurred in any other Period of Insurance you held this Policy with us, you must also tell us as soon as possible.

Where Lots are leased out, our decision to insure you and the premium we charge you will take into account information about the Tenants and how the Building is used that you tell us when you apply for insurance with us, during the Period of Insurance and at each renewal. For this reason, it is important that you tell us as soon as possible when these things change.

If you do not notify us when you need to, we may refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your delay in notifying us).

If we agree to the changes you tell us about, we will confirm this in writing. When you contact us to inform us of any of these above matters occurring or having occurred, we may need to agree with you that one or more of the following changes is made in order to continue your cover:

- impose an additional Excess;
- charge extra premium; or
- apply a special condition to your Policy.

In some cases, it may lead us to reduce or refuse to pay a claim or mean we can no longer insure you and we will cancel your Policy.

2. Taking steps to reduce risk

You must take steps to ensure that you prevent or minimise Loss, Damage or liability by:

- maintaining Buildings, structures, fixtures, fittings, furnishings, appliances and machinery, in sound condition to minimise or avoid theft, Loss, Damage or liability;
- Ensuring that all persons engaged, including Employees and volunteers, are suitably qualified and competent to carry out their responsibilities;
- avoiding or minimising Loss of, or Damage to, Insured Property or other people's property or injury to other people;
- complying with all laws, statutory obligations, by-laws, regulations and public authority requirements that concern the safety of persons or property, for example workplace health and safety laws;
- obtaining certificates of inspection for all equipment required by any statute or regulations to be certified; and
- complying, at your expense, with all our recommendations to prevent or minimise theft, Loss or Damage.

If you do not comply with this condition, we may refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance).

3. Hazardous or dangerous goods

When hazardous or dangerous goods are used by the strata or stored at the Situation specified in the Policy Schedule (either by you or by a Lot Owner or Tenants with your knowledge or consent), then such goods must be stored and used in accordance with workplace health and safety laws and regulations applicable to the use and storage of hazardous or dangerous goods, of which you should have reasonably been aware.

You can obtain information about these laws and regulations from the workplace health and safety regulator in your State or Territory, for example, Worksafe or Workcover.

If you do not comply with this condition, we may refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance).

This General Policy Condition is not applicable to Policy Section 4 – Fidelity Guarantee, and Policy Section 7 – Machinery Breakdown.

4. Other interests

You must tell us if you want us to record the interests of any third party (for example, banks or lessors) in any item insured under any Policy Section in this Policy. If we agree to record the interest of a third party this will be specified in the Policy Schedule.

All Third-Party Beneficiaries, must comply with the terms and conditions of your Policy, including without limitation, the General Claims Conditions and the obligation to notify us and give us details of any other insurance that insures any risk insured by this Policy.

5. Transfer of interest

No interest in this Policy can be transferred without our written consent.

6. Unoccupancy

If more than 50% of all Lots at the Situation will or is likely to be unoccupied or untenanted for a continuous period of 60 days or more, you must notify us as soon as possible. If you notify us of this and we agree to continue to insure you under this Policy during the period where more than 50% of all Lots at the Situation is unoccupied or untenanted, we will confirm this in writing. You may be required to pay an additional premium, and we may apply different conditions and impose a higher Excess if we agree to this.

This General Policy Condition is not applicable to Policy Section 3 – Voluntary Workers, Policy Section 4 – Fidelity Guarantee, and Policy Section 7 – Machinery Breakdown.

7. Changes in or waivers of the Policy

No changes in the Policy will be valid unless agreed in writing by us. No waiver of any requirements of the Policy shall be valid unless it is given to you in writing.

8. Governing law

The construction, interpretation and meaning of the terms of this Policy will be determined in accordance with the laws of Australia and the State or Territory where the Situation is located. Any disputes relating to the construction, interpretation and meaning of the terms of this Policy will be submitted to the exclusive jurisdiction of the courts of Australia.

9. If your contact details change

You must keep your contact details, including your Australian mobile number, postal address and email address up to date. If we do not have up to date contact details you might not receive your important Policy documents which could impact whether you have cover in place.

10. The amount of cover and Input Tax Credit

If you are not, or would not be, entitled to an Input Tax Credit for any acquisition which is relevant to your claim all Sums Insured, Limits of Liability, any sub-limit, and any amount payable under any Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits stated in your Policy are GST inclusive (unless your Policy states otherwise). If you are, or would be, entitled to an Input Tax Credit for any acquisition which is relevant to your claim, the Sums Insured, Limits of Liability, any sub-limit, and any amount payable under any Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits stated in your Policy are exclusive of any Input Tax Credit which you are entitled to claim (unless your Policy states otherwise).

11. Reinstatement of Sum Insured and/or Limit of Liability

Unless stated otherwise in this Policy, we will automatically reinstate the Sum Insured and/or Limit of Liability for a Policy Section – including any applicable Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits (unless those Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits have their own stated limits that are not subject to reinstatement) – to the amount shown in your Policy Schedule after we pay a claim.

This automatic reinstatement does **not** apply: `

- To Section 5 - Office Bearers' Liability, or Section 6 - Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses;
- If your claim results in a total Loss of the insured Building; or
- If we have paid the full amount insured for that Policy Section, in which case cover under that section ends.

12. Acts or Omissions of Your Owners Corporation Manager

We will not refuse to pay a claim or reduce the amount we pay if the only reason for doing so is an act, error, or omission made by your Owners Corporation Manager while acting on your behalf.

13. Electric Vehicle Charging Condition

For the purposes of this condition, Electric Vehicle Charging Equipment (EVSE) means all electric vehicle charging stations, chargers, power supply units, cabling, load management systems, control equipment and any other equipment installed for the purpose of charging electric vehicles.

If EVSE is installed in the Common Area at the Insured Property, the following conditions apply:

- No combustible materials are to be located or stored within 5 metres of any EVSE or vehicles being charged.
- All EVSE bays must be clearly signposted and marked on the ground to indicate their purpose and to restrict unauthorised use.

All EVSE must be:

- installed, used, and maintained in accordance with the manufacturer's instructions; and
- compliant with all applicable Australian standards and regulations; and
- installed and maintained by a duly qualified professional.

Failure to comply with these conditions may result in us reducing or refusing to pay a claim (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance), or cancelling the policy in accordance with the Insurance Contracts Act 1984 (Cth).

This General Policy Condition is not applicable to Policy Section 3 - Voluntary Workers, Policy Section 4 – Fidelity Guarantee and Policy Section 7 - Machinery Breakdown.

General Claims Conditions

These conditions apply to all Policy Sections unless we state in a General Claims Condition that it only applies, or does not apply, to certain Policy Sections. You must comply with these conditions if a Loss occurs which may lead to or results in a claim. If you do not comply with these General Claims Conditions, we may:

- a. refuse to pay a claim or reduce the amount we pay (to the extent to which we are prejudiced in respect of the claim as a result of your non-compliance); and/or
- b. recover from you any costs and/or any monies we have paid; and/or
- c. cancel your Policy.

1. Claim notification

You must:

- notify the police as soon as possible following a theft or attempted theft of any Insured Property or if any Insured Property is misappropriated, lost or maliciously Damaged. If we ask you, give the Police a list of all stolen or Damaged items that you are able to identify at the time of the theft or attempted theft and provide an update of this list to police once you have identified a complete list of stolen or Damaged items;
- notify us as soon as possible and give us all known details of the Loss;
- as soon as possible provide us with any legal document or other communication you receive about the claim, including any legal proceedings brought against you; and
- provide us with all reasonable information and documentation to enable us to substantiate and investigate the claim that we request (including attending an interview or giving evidence in court as we may reasonably require). If we ask you for a statutory declaration verifying the details of your claim and any other matters connected with the claim, you must provide it.

Where possible, after notifying the police, keep details of the date reported, name of police officer, police station reported to and the report number.

2. Minimise Loss

You must:

- take all reasonable precautions to minimise or prevent further Loss, Damage, liability, injury or illness. For example, if there is a hole in the roof, arrange for it to be covered to prevent further water Damage from the rain;
- take all reasonable steps to recover lost or stolen Insured Property; and
- if you make a claim, also do everything to mitigate the Loss, Damage, liability, injury or illness that we ask you to do.

If you are unsure about what precautions to take to minimise or prevent further Loss, Damage, liability, injury or illness, please contact our claims services on 1300 888 073.

3. Retain all Damaged property

You must:

- retain and preserve all damaged property for inspection by us or our agent (including a Loss Adjuster) prior to authorisation of repairs unless alterations and repairs are immediately necessary, for safety reasons or to minimise or prevent further Loss, Damage or injury. If repairs are necessarily carried out without our prior approval, you are still required where reasonably practicable in the circumstances, to retain and preserve all Damaged property for our inspection unless it is unsafe to do so, in which case you must provide us with photographic evidence of the Damaged property recording its condition prior to disposal or destruction; and
- retain and preserve all property, products, plant and all other things that may assist us in investigating or defending a claim against you, including assisting in determining if there are rights of recovery against another entity or person.

4. Proof of Ownership

If you make a claim for Insured Property that is lost, stolen or Damaged, you must provide all proof of your ownership or legal responsibility for such Insured Property and evidence of its value, if we ask for it. This may include proof of purchase such as sales receipts, tax invoices, accounts and bank or credit card statements or a certificate of authenticity, manufacturer's box or original operating manual that provide a description of the Insured Property and show the purchase price, date and location. We will take into account what Insured Property you are claiming for, how old the item is and its residual value when considering what you provide as Proof of Ownership and evidence of value.

We understand you may not keep such information for every item you own, especially if items are recorded in your books of account. You or your accountant may have records for tax purposes, and these may be sufficient to prove ownership and value of the Insured Property.

5. Cooperation

You must co-operate and provide us with all assistance in connection with any investigation, negotiation, recovery, defence, legal proceeding or settlement of any claim including:

- doing all things necessary to allow us to take over legal proceedings in the circumstances discussed in General Claims Condition 15 – "Rights of recovery"; and
- attending an interview or giving evidence in court as we may reasonably require.

6. Proof of fraud or dishonesty

If your claim is in respect of Loss due to fraud or dishonesty, you must supply us with all records and documents reasonably accessible to you that we ask for that may assist us in substantiating and investigating the act of fraud or dishonesty and your rights of recovery. This includes but is not limited to all records (including computer, electronic, physical, accounting and audit records), video and audio recordings, working papers, internal memoranda and police reports.

7. Notification of other insurance

In the event of a claim, you must provide us with the details of any other insurance that provides cover for the claim to enable us to exercise our right to seek contribution from the insurer of that other insurance.

8. Admitting liability

You must not admit liability for any Loss, Damage or injury, or settle or attempt to settle or defend any claim without our written consent.

9. Repair or Replacement

You must not authorise the repair or Replacement of any Insured Property without our agreement, except as provided for in Policy Section 1 – Extensions of Cover – "Emergency Protection Costs"; or when reasonably necessary to prevent further Loss, Damage or injury.

10. Conduct of claims

In relation to liability claims you make under your Policy, we have the right and full discretion to conduct claims. We may engage legal or other representatives to assist in the conduct of a claim. At all times we reserve the right to negotiate and settle a claim on terms we consider appropriate. You must allow us to make admissions, settle or defend claims made against you on your behalf.

11. Paying your Excess

You must pay the Excess that applies to a claim under this Policy. Any applicable Excess must be paid in full prior to final settlement of that claim.

The Excess that applies to a claim is determined in accordance with the Excess clause under Part B of this Policy.

We will tell you how to pay your Excess and who to pay it to. When you make a claim there are three options for paying your Excess:

- the applicable Excess may be deducted from the amount we pay you under your claim;
- the Excess may be paid, in some instances, to the appointed repairer or supplier; or
- you may pay the Excess directly to us.

12. Our rights of possession

Where Loss or Damage has occurred, we, our employees or our agents have the right to be given reasonable access to inspect Insured Property and, where reasonably necessary, to take possession of Insured Property or arrange for it to be delivered to us. The reasons when we need to do this include assessing or preventing further Loss or Damage, dealing with salvage and obtaining evidence to enable us to exercise our rights of recovery. We will deal with this property in a reasonable manner.

13. Claims settlements

a. Input Tax Credit entitlement

If any Loss occurs which gives or may give rise to a claim and if you are registered for GST, you must tell us the below information at the time of making a claim:

- your input tax credit entitlement (ITCE) for your premium; and
- your ITCE for any acquisition which is relevant to your claim, or to which you would've been entitled had you made a relevant acquisition.

If you don't give us this information or if you tell us an incorrect ITCE, we won't pay any GST liability, general interest charge and penalties you may incur.

b. Cash payments

Unless your Policy states otherwise, any cash payments made to you under this Policy will be based on costs including GST, if any. However, if you are, or would be, entitled to claim any Input Tax Credits for the repair or Replacement of the Insured Property or for other things insured by the Policy, we will reduce our payment to you by the amount of your Input Tax Credit entitlement.

c. Discharge of our liabilities

If, at any time, we pay You the Sum Insured or Limit of Liability for any claim under this Policy, we do not have any further liability to you. But, we will also pay any Extensions of Cover, Additional Covers, Optional Additional Covers (if shown on your Policy Schedule) or Additional Benefits that are expressed to be in addition to the Sum Insured or Limit of Liability.

An exception to this is in Policy Section 2 – Property Owner's Legal Liability where we will also pay the costs, expenses and interest as outlined under the insuring clause of that section.

d. Salvage

After settling a claim by replacing any Damaged or lost Insured Property, if we so elect, that Damaged or lost Insured Property (other than a Building) becomes ours and we are entitled to receive the proceeds of any salvage, except to the extent you are not fully indemnified.

14. Claims preparation expenses

We will pay You for Architect's, Surveyor's & Other Professional Fees necessarily and reasonably incurred by you for the preparation of a claim covered under this Policy as outlined under the Policy Section 1 – Extensions of Cover for "Architect's, Surveyor's & Other Professional Fees".

15. Rights of recovery

If you have suffered Loss or Damage or incurred a legal liability and you make a claim under this Policy with us for that Loss, Damage or liability, then we have the right and you have permitted us to take action or start legal proceedings against any person or entity liable or, who would be liable to you for the recovery of Your Loss.

"Your Loss" means your insured, underinsured or uninsured Loss or Damage or legal liability, costs, payments made and expenses in respect to which you have claimed under your Policy. Any action or legal proceeding we take will be commenced either in your name, or in the name of any other person or entity that suffered Your Loss. We have full discretion over the conduct and any settlement of the recovery action.

If you make a claim with us for Your Loss and you have already started action or legal proceedings against any person or entity liable or, who would be liable to you for Your Loss, then we have the right and you have permitted us to take over and continue that action or legal proceeding.

Where Your Loss forms part of any class or representative action which has not been started under our instructions, we have the right and you permit us to exclude Your Loss from that class or representative action for the purpose of us including it in any separate legal proceedings which are or will be started under our instructions.

You must provide us with all reasonable assistance, co-operation and information in the recovery of Your Loss. This assistance may include:

- providing a more detailed version of events, which may include completing a diagram or statement/affidavit;
- providing us with any documents required to prove Your Loss;
- providing copies of any available photographs or footage of the incident available;
- lodging a police report or obtaining relevant documents, such as completing and lodging an application form to obtain records from the police, fire and rescue, councils and other entities (when we cannot lodge one);
- attending court or meetings with our legal/other experts (only if required);

- providing evidence and documentation relevant to your claim and executing such documents, including signed statements which we reasonably request.

We will pay for the cost of filing the police report and relevant searches to locate the third party. We will cover the costs you incur when having to attend court up to a limit of \$250 in total per claim.

You must not enter into any agreement, make any admissions or take any action or step that has the effect of limiting or excluding your rights and our rights to recover Your Loss, including opting out of any class or representative action unless we have given you our prior written agreement. If you do, we may not cover you under this Policy for Your Loss.

Recoveries do not include any amount recovered from insurance, surety, reinsurance, security or indemnity taken for the benefit of us.

16. Subrogation agreements

If another person or organisation is, or could have been, liable to compensate you for any Loss, Damage or legal liability otherwise covered by the Policy, but you have agreed with that person or organisation either before or after the Loss, Damage or legal liability occurred that you would not seek to recover any money from that person or organisation, we will not cover you under the Policy for any such Loss, Damage or legal liability.

17. Severability, Non-Imputation and Innocent Non-Disclosure

If this Policy covers more than one insured party, we will not refuse or reduce a claim solely because another insured:

- Made a misrepresentation; or
- Failed to disclose information before the Policy commenced, **provided that:**
 - i. You were not aware of the misrepresentation or non-disclosure;
 - ii. You notify us in writing as soon as reasonably practicable after becoming aware of it; and
 - iii. The conduct of the person responsible is not legally imputed to you (e.g. as a principal, partner, or director).

18. Conduct towards us

You must not behave in a way that is abusive, dangerous, hostile, improper or threatening when engaging with us and our service providers.

19. Payments to Third-Party Beneficiaries

Certain persons who are not the contracting insured may, in limited circumstances, receive payment under this Policy in accordance with Section 48 of the Insurance Contracts Act 1984 (Cth). Such persons are not insureds under this Policy and do not obtain greater rights than the insured.

Claims under this Policy should ordinarily be notified and managed through the Owners Corporation. However, nothing in this Policy is intended to restrict any rights a Third-Party Beneficiary may have under Section 48 of the Insurance Contracts Act 1984 (Cth).

We may adjust and settle any claim with the Owners Corporation, and may make payment to the Owners Corporation or directly to a Third-Party Beneficiary as appropriate, subject to all terms, conditions, exclusions, and sub-limits of the Policy.

A Third-Party Beneficiary is entitled only to the specific payment provided for under the applicable provision of the Policy, and has no rights to vary, cancel, assign or otherwise enforce any other term of this Policy.

General Exclusions

These exclusions apply to all Policy Sections, unless specifically stated otherwise.

1. Asbestos

This Policy does not cover legal liability (whether personal injury, property damage or other legal liability) caused by, directly or indirectly arising out of, resulting from or in connection with exposure to, or potential exposure to, asbestos in any form.

2. Communicable Disease

This Policy does not insure any claim, Loss, Damage, liability, cost, expense, injury, or death, directly or indirectly caused by, arising from, or in connection with:

- any Communicable Disease; or
- the fear, threat, or perception of a Communicable Disease, regardless of any other contributing cause of Loss.

This exclusion includes, but is not limited to:

- costs associated with cleaning, detoxifying, testing, or monitoring for a Communicable Disease;
- costs to clean, remove, or dispose of property affected by a Communicable Disease.

However, this exclusion does not apply to cover provided under Policy Section 1 – Additional Benefits – “Crisis Event Accommodation” for Temporary Accommodation costs due to legionella, where applicable.

3. Electronic Data

This Policy does not insure:

- a. any Loss, Damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - i. destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data; or
 - ii. inability or failure to receive, send, access or use Electronic Data; or
 - iii. error in creating, amending, entering, deleting or using Electronic Data; or
 - iv. loss of use, reduction in functionality, repair, replacement, restoration or reproduction of Electronic Data; or
- b. the value of any Electronic Data.

However, this exclusion 3.a) above does not apply to cover provided under Policy Section 1 – Extensions of Cover – “Office Records Restoration”, where applicable.

4. Hacking, Cyber Attack or Cyber Incident

We do not cover loss or damage caused by, connected with, or arising from, or legal liability for or caused by, connected with, or arising from any of the following:

- unauthorised, malicious or criminal act (including any threat or hoax) involving access to, processing, use or operation of any computer system (including computer hacking, cyber attack, any computer virus). However, we will cover loss or damage to the Building or Common Area Contents caused by theft, if that theft results from a thief hacking your building security system to open doors and gain unauthorised entry into your building; or
- error or omission involving access to, processing of, use of or operation of any computer system, or any unavailability or failure to access, process, use or operate any computer system.

However, this exclusion does not apply to physical Damage to Insured Property under this Policy caused by an insured Event such as fire, explosion, or Storm where such Event resulted from one of the Hacking, Cyber Attack or Cyber Incident events named above.

5. Intentional Acts and Known Circumstances

We do not cover any Loss, Damage, destruction, benefit, compensation, legal liability, or any other cost, fee, charge, or expense, whether direct or indirect, arising from:

- a. Any deliberate or intentional act or omission by you, or by any person acting with your express or implied consent, unless the act or omission was reasonably necessary to prevent or minimise danger to Insured Property or persons; or
- b. Any circumstance that existed before the start of the Period of Insurance, where:
 - i. You had previously disclosed or notified the circumstance to any insurer; or
 - ii. You were aware of, or a reasonable person in your position ought to have been aware of, the circumstance; and
 - iii. You knew, or a reasonable person in your position ought to have known, that the circumstance could give rise to a claim or Loss; and
 - iv. You did not disclose the circumstance to us in your application for insurance.

6. Nuclear

This Policy does not insure any Loss, Damage, liability or expense directly or indirectly caused by, contributed to, or arising from or in connection with:

- a. ionising radiation or Contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. any weapon or device employing atomic or nuclear fission and/or Fusion or other like reaction or radioactive force or matter, and/or any nuclear weapons material;
- c. all property on the site of a nuclear power station, any other nuclear reactor installation or any site used, or having been used, for the generation of nuclear energy or the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of nuclear material and/or radioactive material;
- d. nuclear explosion and/or the radioactive, toxic, explosive, or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- e. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
- f. the use of any nuclear reactor, atomic piles, particle accelerators, generators or similar devices; or

g. the use, handling, transportation of any radioactive material.

For the purpose of sub-paragraph (a) above, combustion includes any self-sustaining process of nuclear fission and/or Fusion.

7. Sanctions

We will not provide any cover, pay any claim, make any payment (including any refund), or provide any benefit under this Policy, if doing so will expose us to, or contravene or violate any sanction, prohibition, restriction, proscription or prevention under any sanctions, laws or regulations, including but not limited to sanctions, laws or regulations of Australia, New Zealand, the European Union, the United Kingdom or the United States of America or those set out in any United Nations resolutions.

8. Terrorism

We don't cover loss, damage, cost, expense, or legal liability of any nature, directly or indirectly caused by, resulting from, in connection with, or arising from either:

- any act of terrorism, regardless of any other cause or incident contributing concurrently or in any other sequence to the loss;
- any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to any act of terrorism.

This exclusion does not apply:

- where the Building Sum Insured shown on your Policy Schedule is less than \$50,000,000.
- to policies deemed "eligible" insurance contracts in accordance with the Terrorism and Cyclone Insurance Act 2003 (Cth) In such circumstances, this exclusion is void to the extent required by law.

9. War, conflict and confiscation

We do not cover any Loss, Damage, cost, expense or legal liability directly or indirectly caused by, or arising from, occasioned by or through, happening through, or in consequence of, or contributed to by:

- war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war;
- rebellion, revolution, insurrection, military or usurped power;
- confiscation, nationalization, compulsory acquisition, requisition or Damage to property by or under the order of any government or public or local authority; or
- any looting or rioting following any of the events stated above.

When we may refuse a claim/reduce what we pay/recover costs or monies/cancel your Policy

We may refuse to pay a claim or we may reduce the amount we pay You (to the extent to which we are prejudiced as a result of your non-compliance) and/or recover from you any costs and/or any monies we have paid and/or cancel your Policy if:

- a. You have breached your duty to us: no misrepresentation;
- b. You:
 - are not truthful;
 - have not given us full and complete details; or
 - have not told us something when you should have, when applying for the insurance, or when making a claim.
- c. You have not complied with any of the General Claims Conditions;
- d. You do any of the following without us agreeing to it first:
 - make or accept any offer or payment or in any other way admit you are liable;
 - settle or attempt to settle any claim; or
 - defend any claim;
- e. cover is excluded by the Policy; or
- f. You are in breach of any other conditions of your Policy.

If you prevent our right to recover from someone else or if you have entered into a contract or agreement which excludes or limits your right to recover compensation from another person who is liable to compensate you for any Loss, Damage or legal liability which is covered by this Policy, we will not cover you under this Policy for that Loss, Damage or legal liability.

General Definitions

Unless defined differently in a Policy Section, these definitions apply to all Policy Sections.

Accidental means unexpected and unintended from your standpoint.

Action of The Sea means any natural movement or disturbance of sea water, including but not limited to tidal wave, high tide, king tide, Storm Surge, or other abnormal rise or movement of the sea. This definition excludes Tsunami, which is defined separately.

Aircraft means anything made or intended to fly or move in or through the air or space other than a model aircraft. Aircraft includes hovercraft and remote-control devices.

Animal or Animals means any living creature including but not limited to livestock, birds, fish, vermin, insects.

Body Corporate means the legal entity comprising the Lot Owners of the Insured Property and Common Area, incorporated under the applicable Strata Legislation in the jurisdiction where the Insured Property is located. This may also be referred to as the Owners Corporation, Strata Corporation, or similar entity, depending on the governing legislation. The terms "Owners Corporation", "Body Corporate", and "Strata Corporation" are used interchangeably throughout this document. For the purposes of this Policy, all such entities are treated as the legal body responsible for managing, maintaining, and insuring the Building (including Common Area) and any Common Area Contents and shared assets of the strata scheme.

Bodily Injury means physical injury to the body caused by Accidental, external and visible means, and does not include sickness, disease, mental anguish, or psychological injury unless it results directly from physical injury.

Building(s) means the Building or Buildings located at the Situation and defined under the applicable Strata Legislation where the property is situated, that you own or are legally responsible for. This includes, but is not limited to:

- Outbuildings, garages, sheds, and other structures;
- Permanent fixtures and structural improvements including external blinds, awnings, gates, fences, retaining walls;
- Fixed or built in plant, equipment and appliances;
- In-ground swimming pools and spas;
- Marinas, wharves, jetties, docks, pontoons, and similar non-commercial facilities (fixed or floating), excluding fuel distribution infrastructure unless otherwise agreed in writing;
- Satellite dishes, antennas, aerials, masts, towers, and associated wiring and footings;
- Underground and overhead services, including pipes, cables, and power poles;
- Tennis courts and recreational surfaces;
- Stratum Lots or Volumetric Lots, where applicable.

Building does not include:

- Illegal installations;
- Mobile or fixed air-conditioning units servicing individual Lots (where excluded by applicable Strata Legislation, such as in Queensland);
- Plants, soil, gravel, mulch, or landscaping materials unless covered under a specific benefit;
- Temporary floor coverings, carpets, curtains, blinds, and window furnishings inside individual Lots;
- Removable fixtures or property for which Tenants or lessees are responsible under a Residential Tenancy Agreement;
- Common Area contents or personal property of Lot owners.

Where any part of this definition conflicts with the requirements of the relevant Strata Legislation, the provisions of that legislation will apply. In all states and territories, Strata Legislation provides that the determination of what is Lot property and Common Area property depends on the registered strata plan (or plan of subdivision) for the specific property. Amendments to these boundaries can only be made by formally altering the plan in accordance with the relevant legislation.

Business Activities means any trade, profession, or occupation carried out for financial gain that involves:

- Regular client or customer attendance at the Lot; or
- Storage or sale of goods; or
- Activities requiring registration, licensing, or insurance as a business.

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

Common Area means any part of the Situation that is not contained within or exclusively allocated to an individual Lot. This includes shared spaces, facilities, and structures that are collectively owned or managed by the Owners Corporation or Body Corporate.

Where Strata Legislation refers to common property, it is taken to have the same meaning as Common Area for the purposes of this Policy.

Common Area Contents means unfixed, movable items owned by the Owners Corporation and located within the shared or Common Area of the Situation. This includes, but is not limited to:

- Furniture, furnishings, household goods, light fittings, internal blinds, curtains, and fire extinguishers;
- Freestanding or portable appliances such as dishwashers, washing machines, dryers, and other electrical items;
- Carpets (fixed or unfixed), floor rugs;
- Swimming pools or spas that are not in-ground;
- Swimming pool or spa covers and accessories;
- Domestic garden equipment including lawn mowers, wheelchairs, golf carts, and similar items not required by law to be registered;
- Office equipment, portable appliances, and electronic devices used in Common Areas.

Common Area Contents also includes items temporarily removed from the Situation for maintenance, storage, or use elsewhere in Australia, including during transit.

Common Area Contents does not include:

- Aircraft, caravans, trailers, vehicles (other than domestic garden appliances not required by law to be registered), hovercraft, and watercraft including their accessories or spare parts;
- Livestock, fish, birds, or other Animals;
- Lot owners' contents or any other personal property of theirs;
- Money, except as covered under the "Lost or Stolen Money" Additional Benefit;
- Plants, hedges, trees, shrubs, gravel, stones, clay, or soil on paths, driveways, or tennis courts, or in gardens, unless covered under the "Landscaping Restoration" Extension of Cover;
- Temporary wall, floor, or ceiling coverings within a Lot;
- Mobile or fixed air-conditioning units servicing individual Lots (where excluded by applicable Strata Legislation, such as in Queensland).

Where any part of this definition conflicts with the requirements of the relevant Strata Legislation, the provisions of that legislation will apply.

Communicable Disease means any of the following:

- a. Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - i. the substance or agent can be of any kind and includes, but is not limited to, respiratory droplet, saliva, bodily waste, blood, a virus, bacterium, parasite, other organism, or any variation thereof, whether deemed living or not; and
 - ii. 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
 - iii. 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.
- b. Any disease determined by the World Health Organisation to be a Public Health Emergency of International Concern (PHEIC) including any amendment, replacement, re-enactment, successor, equivalent or similar declaration.

Computer System means any computer, hardware, software, communications system, electronic device, (including, but not limited to, any 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 or Electronic Data storage device, networking equipment or back up facility.

Contamination means the discharge, dispersal, release, escape of any type of Pollutants or contaminant into or upon property, land, atmosphere or any watercourse or body of water including, but not limited to, ground water.

Cyclone Event Period means the period commencing at the time the Bureau of Meteorology first declares the formation of a cyclone and ending 48 hours after the Bureau of Meteorology declares the cyclone has ceased, as determined or adopted by ARPC for the purposes of the Cyclone Reinsurance Pool.

Damage/Damaged means any partial or total physical damage, destruction, or deterioration of property resulting from a sudden and Accidental and unforeseen Loss, unless otherwise excluded by this Policy.

Data Processing Media means any Insured Property under this Policy on which Electronic Data can be stored, recorded or processed, but does not include the Electronic Data itself.

Debris means the remains of Building materials and contents forming part of the Insured Property. It does not include Pollutants, contaminants, or hazardous substances unless specifically covered under this Policy.

Defect(s) means any flaw, fault, imperfection, or deficiency in the design, materials, construction, or workmanship of property, including the use or incorporation of non-compliant, unsafe, or hazardous materials, whether inherent, known, or latent, that may affect its condition, integrity, safety, or performance.

Earth Movement means any natural shifting, displacement, or instability of the ground, including but not limited to landslide, landslip, mudslide, subsidence, heaving, collapsing, vibration, Erosion, settlement, or shrinkage of earth. This definition excludes earthquake. Note: "Heave" refers to the upward movement of the ground supporting a Building, typically caused by the expansion of soil.

Electronic Data means information, facts, concepts, code or any other information of any kind that is converted, recorded or transmitted in a form to be accessed, communicated, displayed, distributed, interpreted, processed, transmitted or stored or used in or by a Computer System. This includes, but is not limited to:

- software and applications,
- digital files and databases,
- coded instructions used to operate or control electronic devices, and
- data processed or stored on computers, servers, or similar equipment.

Electronic Equipment means any electronic equipment used by you in relation to the Owners Corporation, including but not limited to mobile phones, laptops, computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines, electronic cash registers, electronic scales and electronic testing or analysing equipment.

Employee means any person while employed by You in relation to the Owners Corporation who you compensate by salary, or wages and have the right at all times to govern, control and direct in the performance of their work.

Employee does not include:

- any broker, factor, consignee or contractor;
- any member of your family unless that person is also your Employee;
- any partner, director or trustee unless that person is also your Employee; or
- any volunteer.

Endorsement(s) means a written change or addition made to your Policy. Any Endorsement or Endorsements which apply to your Policy will form part of the Policy and be specified in your Policy Schedule, unless we send you the Endorsement separately.

Erosion means the gradual wearing away or removal of soil, rock, or land by natural forces such as water, ice, or wind.

Event(s) means one incident or all incidents of a series consequent on, or attributable to, one source or original cause.

Excess or Excesses means the amount which is payable by you for each claim under this Policy.

Floating Floors means flooring systems such as laminate, veneer, or similar materials that are not nailed or glued to the sub-floor. Instead, they rest in place using their own weight and may be bordered by skirting along the walls.

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

- a lake (whether or not it has been altered or modified);
- a river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal; or
- a dam.

Fusion means the melting or burning together of the windings in an electric motor caused by overheating, which results from an electrical current damaging the motor's insulation.

Glass means glass which you own or are legally responsible for including External Glass, Internal Glass and/or Sanitary Fittings.

Inherent Defect means a flaw or weakness that exists within the property from the time of construction.

Indemnity Value means the value of the property immediately before the Loss or Damage, representing the reasonable cost to rebuild, replace, or repair the property to a condition as close as possible to what it was immediately before the Loss or Damage—without being better or more extensive. Indemnity Value takes into account the property's age, condition, and remaining useful life.

We will take reasonable steps to determine the Indemnity Value and will provide you with details of our calculation if you ask us. Indemnity Value will not exceed the cost to replace the property with new materials of similar kind and quality.

Input Tax Credit(s) means the amount you are entitled to claim as a credit against GST that you have paid.

Insured Property means the Building(s) and/or Common Area Contents located at the Situation specified in the Policy Schedule, including any property for which the Owners Corporation has an insurable interest or legal responsibility under relevant laws, by-laws, or agreements.

This definition excludes property owned exclusively by individual Lot owners unless specifically noted in the Policy Schedule.

Known Defect(s) means a Defect that has been identified or documented, or that a reasonable person in the same circumstances would be expected to know about.

Land Value means the value of the land at the Situation, as certified by the Valuer General. This value reflects any adjustments for special circumstances or variations that may have affected the land's worth—either before or after the Loss or Damage—and that would have applied even if the Loss or Damage had not occurred.

Latent Defect(s) means a hidden Defect not discoverable by reasonable inspection at the time of Policy inception.

Limit of Liability means the amount shown in Your Policy Schedule as the maximum We will pay under the relevant Policy Section, part of a Policy Section, or individual item or cover to which the Limit of Liability applies.

Loss/Lost – means sudden, accidental or unforeseen physical loss or physical Damage.

Loss of Rent means the actual Rent lost by a Lot Owner or the Owners Corporation due to insured Loss or Damage that renders a Lot or Common Area unfit for occupation.

Lot(s) means an area of land or space identified as a Lot or Unit on a registered strata plan, in accordance with the Strata Legislation that applies in the location of your Insured Property.

Lot Owner(s) means any person, group of people, or legal entity registered as the owner(s) of a Lot in your Building, as recorded on the title under the Strata Legislation that applies where your Insured Property is located.

Lot Owners' Contents means non-fixed personal property owned by a Lot Owner and located within their Lot, such as furniture, electronics, and soft furnishings.

Lot Owners' Fixtures and Improvements means any fixture or structural improvement installed by the Lot Owner, or for which the Lot Owner is responsible under legislation or the strata plan, that is for the exclusive use of the Lot Owner and permanently fixed to the Building and legally forms part of it, provided that the Lot Owners' Fixtures and Improvements were newly acquired, installed or constructed within the three years prior to:

- Your most recent renewal; or
- Your most recent insurance valuation,

whichever is the earlier.

This includes upgrades to existing fixtures or improvements.

Malware or Similar Mechanism means any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programmes, Electronic Data files or operations (whether involving self-replication or not), including but not limited to 'virus', 'Trojan horses', 'worms', 'logic bombs' or 'denial of service attack'.

Members means the Proprietors, Lot Owners, or Shareholders who hold an ownership interest in your Insured Property, as defined under the Strata Legislation applicable to the location of the property.

Unless specifically stated otherwise in this Policy, this does not include any interest or liability a Proprietor, Lot Owner, or Shareholder may have as the owner or occupier of an individual Lot.

Money means tangible cash, bank notes and currency notes, negotiable cheques, negotiable securities, travellers' cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of securities) and the contents of franking machines.

Money does not include collectable items (for example coin or stamp collections), anticipated revenue or any kind of crypto-currency.

Named Cyclone means a tropical cyclone that has been assigned an official name by the Bureau of Meteorology (BoM) or by another recognised regional meteorological authority, and which is identified in an Australian Reinsurance Pool Corporation (ARPC) cyclone Event declaration.

Office Bearer(s) means any of the following:

- A person appointed by the Owners Corporation to act as an Office Bearer or committee member under the Strata Legislation applicable to Your Insured Property and Common Area.
- An Owners Corporation Manager appointed as an agent of an Office Bearer and/or committee member.
- A person invited by an Office Bearer and/or committee member to assist in managing the Owners Corporation's affairs.

Owners Corporation means the legal entity comprising the Lot Owners of the Insured Property and Common Area, incorporated under the applicable Strata Legislation in the jurisdiction where the Insured Property is located. This may also be referred to as the Body Corporate, Strata Corporation, or similar entity, depending on the governing legislation. The terms "Owners Corporation", "Body Corporate", and "Strata Corporation" are used interchangeably throughout this document. For the purposes of this Policy, all such entities are treated as the legal body responsible for managing, maintaining, and insuring the Building (including Common Area) and any Common Area Contents and shared assets of the strata scheme.

Owners Corporation Manager means any person or entity formally appointed in writing by the Owners Corporation or Body Corporate (or equivalent entity under applicable Strata Legislation) to perform delegated functions on its behalf. This may include administrative, financial, and operational duties, and may extend to acting as an Office Bearer where permitted under the relevant Strata Legislation applicable to the location of the Insured Property.

Period of Insurance means the period of time specified in the Policy Schedule during which insurance is provided under your Policy.

Personal Effects means clothing and personal belongings normally worn or carried.

Plan means the registered Plan of Subdivision and the Owners Corporation created by it.

Policy means Your insurance contract. It consists of this PDS, any Supplementary PDS we may give you, any Endorsements and the Policy Schedule.

Policy Schedule - The record of the particulars of your insurance which forms part of this Policy. The Policy Schedule includes the 'What you have told us' document if we provide this document to You. The Policy Schedule is issued when we have accepted your insurance. At each renewal of your Policy, the renewal Policy Schedule becomes your current Policy Schedule. Updated Policy Schedules or Endorsements may also be sent to you showing alterations to your Policy.

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

Power Surge means a sudden and abnormal increase in voltage that causes Damage to electrical equipment.

Product Disclosure Statement (PDS) - PDS or PDS and Policy Wording is the name of this document and it contains the terms and conditions of your insurance cover. It tells you what cover we provide, details of costs and Excesses and other important information. It should be read together with Your current Policy Schedule, any Endorsements and any Supplementary PDS that we may give you.

Proof of Ownership Includes certificate of authenticity, manufacturer's box, original operating manual and proof of purchase.

Rainwater means water that falls naturally from the sky as rain. It also includes Rainwater that runs off over the surface of the land.

Rent means the amount payable under a Residential Tenancy Agreement for a Lot, or part of the Common Area, that was leased to a Tenant immediately before the Loss or Damage occurred.

Replacement - means:

- a. the reasonable cost to rebuild, replace, or repair your Insured Property to a condition that is equivalent to, or substantially the same as, when it was new—but not better or more extensive; and
- b. the additional costs necessarily incurred to alter or upgrade your Insured Property to meet current public, statutory, or Environmental Protection Authority requirements.

Replacement does not include:

- i. any costs that would have been incurred to comply with orders issued before the Loss or Damage occurred; or
- ii. any extra costs to alter or upgrade undamaged parts of your Insured Property, if the cost to rebuild, replace, or repair the Damaged portion is less than 25% of the cost to replace the entire property.

Residential Tenancy Agreement means a current and valid written agreement for the insured address between a lot owner (or their agent) and their lot occupier that includes all the following:

- complies with the requirements specified in the relevant residential tenancy legislation (or its equivalent);
- is for a fixed term;
- the following minimum requirements – a start and finish date, a minimum duration, the weekly rental amount, the bond that the lot occupier is required to pay and the notice to leave requirements.

A 'Residential Tenancy Agreement' includes any periodic agreement which continues after the end of the fixed term of a rental agreement, on the same terms and conditions as that rental agreement.

'Residential Tenancy Agreement' doesn't include any short-term rental, holiday letting or house sharing arrangement (including any arrangement booked through an online booking platform).

Sanitary Fittings means baths, sinks, lavatory bowls and vitreous china cisterns, washbasins and pedestals forming permanent fixtures.

Situation means the land at the address (or addresses) shown in your Policy Schedule as described in the registered Plan of Subdivision where your Insured Property is located.

Storm means violent or extreme weather conditions that may include strong winds, and can also involve rain, hail, or snow. This includes Events such as cyclones and tornadoes.

Storm Surge means the temporary rise in sea level that causes seawater to cover normally dry coastal land. It is caused by strong winds and low atmospheric pressure during a Storm, including cyclones.

Strata Corporation means the legal entity comprising the Lot Owners of the Insured Property and Common Area, incorporated under the applicable Strata Legislation in the jurisdiction where the Insured Property is located. This may also be referred to as the Owners Corporation, Body Corporate, or similar entity, depending on the governing legislation. The terms "Owners Corporation", "Body Corporate", and "Strata Corporation" are used interchangeably throughout this document. For the purposes of this Policy, all such entities are treated as the legal body responsible for managing, maintaining, and insuring the Building (including Common Area) and any Common Area Contents and shared assets of the strata scheme.

Strata Legislation means the applicable Act, regulation, or legislation that applies to the ownership, management, and operation of strata or community title properties in the State or Territory where your Building is located. This includes, but is not limited to, the following Acts (including all amendments thereto and all replacement, successor or functionally similar legislation):

- a. *Strata Schemes Management Act 2015* (NSW).
- b. *Strata Schemes Development Act 2015* (NSW).
- c. *Owners Corporations 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).

Stratum Lot(s) or Volumetric Lot(s) means a defined three-dimensional portion of land or Building that forms part of the Insured Property and may include one or more individual Lots. These Lots are typically created through a stratum or volumetric subdivision and may contain residential, commercial, or mixed-use areas.

Sum Insured - means the amount shown in Your Policy Schedule as the maximum We will pay for Loss or Damage to Insured Property under Policy Section 1, unless a different limit is stated.

Each Extension of Cover, Additional Cover, Optional Additional Cover (if shown on your Policy Schedule) and Additional Benefit under Policy Section 1 is subject to the sublimit stated for that item or category in the Policy Section or in Your Policy Schedule.

Supplementary PDS (SPDS) means a document that updates or adds to the information in the PDS.

Temporary Accommodation means the amount payable for alternative accommodation when a Lot, occupied by the Lot Owner, becomes uninhabitable due to insured Loss or Damage.

The amount is based on the annual rental value of the Lot immediately before the Loss or Damage occurred, including any outgoings that would normally be paid by a Tenant or lessee under a residential tenancy agreement.

Tenant(s) means any person who occupies a Lot under a lease, rental agreement, or similar arrangement. This also includes any family members or other individuals who normally live with that person.

Third-Party Beneficiaries means any person who is not a party to the Policy, but is specified or referred to in this Policy, whether by name or otherwise, as a person to whom the benefit of the insurance cover extends, for the purposes of section 48 of the Insurance Contracts Act 1984 (Cth), but only to the extent of that benefit.

Without limitation, Third-Party Beneficiaries may include:

- Lot Owners, but only where a specific provision of this Policy expressly provides for payment to a Lot Owner and only to the extent of the applicable sub-limit and subject to all terms, conditions and exclusions of the Policy;
- Mortgagees, to the extent of their legally recognised financial interest in the Insured Property; and
- Voluntary Workers, only in respect of benefits payable under Policy Section 4 Voluntary Workers;
- Any other person expressly identified in the Policy or Policy Schedule as a Third-Party Beneficiary, and only to the extent of their interest specified.

Tsunami means a series of sea waves caused by the displacement of a large volume of water, usually resulting from an undersea earthquake, volcanic eruption, or landslide, as defined by Geoscience Australia.

Unit(s) has the same meaning as Lot(s).

United States means the United States of America and its respective territories, protectorates or dependencies.

Vandalism or Malicious Act means any deliberate action intended to cause Loss or Damage to property, or an act carried out with reckless disregard for the potential consequences.

Vehicle(s) means any type of machine on wheels or on caterpillar tracks (including any trailer, caravan or other apparatus attached to the machine) made or intended to be propelled other than by manual or Animal power.

Voluntary Worker(s) means a person who performs work or duties on behalf of the Owners Corporation without receiving any payment or reward. This includes individuals who may receive an honorarium for holding a position such as an Office Bearer. Voluntary Worker does not include:

- Employees;
- contractors; or
- any person who receives payment, reward, or remuneration (other than an honorarium as described above) for their services.

Wear and Tear means the gradual physical deterioration of property over time due to normal use, ageing, or exposure to environmental conditions, consistent with its expected lifespan.

Watercraft means any vessel or craft made or intended to float or travel on or through open water, including boats, jet skis, and similar powered or non-powered craft, but does not include pool toys, flotation devices, or safety equipment used in swimming pools.

We/Us/Our – means AAI Limited ABN 48 005 297 807 AFSL 230859 trading as Vero Insurance.

You, Your and Yours means:

- a. In relation to Policy Section 1 – Insured Property, the Body Corporate, Owners Corporation, Strata Corporation, Community Title, Strata Plan, or Company named as the insured in the Policy Schedule.
- b. In relation to Policy Section 2 – Property Owner’s Legal Liability and Policy Section 7 – Machinery Breakdown, the Body Corporate, Strata Corporation, Owners Corporation, Strata Plan, or Company named as the insured in the Policy Schedule.
- c. In relation to Policy Section 3 – Voluntary Workers, the Voluntary Worker.
- d. In relation to Policy Section 4 – Fidelity Guarantee and Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses, the Body Corporate, Strata Corporation, Owners Corporation, Strata Plan, or Company named as the insured in the Policy Schedule.
- e. In relation to Policy Section 5 - Office Bearers’ Liability, the past, present, or future Office Bearers or committee members of the Body Corporate, Strata Corporation, Owners Corporation, Strata Plan, or Directors of the Company named as the insured in the Policy Schedule, including:
 - i. their estate, heirs, legal representatives, or assigns;
 - ii. their legal representatives or assigns if they are deceased, incompetent, insolvent, or bankrupt, but this does not include an Owners Corporation Manager, agent, or any other contracted person, firm, or company acting in their professional capacity.

Policy Section 1 – Insured Property

About this Policy Section

This Policy Section covers physical Loss of, or Damage to, your Insured Property occurring during the Period of Insurance, subject to the terms, conditions, limits, and exclusions of this Policy. Cover is provided up to the Sum Insured shown in your Policy Schedule, unless otherwise stated in this Policy. Certain Extensions of Cover, Additional Covers, Optional Additional Covers and Additional Benefits under this section have separate sub-limits as detailed in this Policy Section.

You can claim for Loss of, or Damage to, your property as described under “Insuring clause – What We Cover” if:

- “Insured Property” is shown as insured on your Policy Schedule;
- The Loss or Damage occurs during the Period of Insurance; and
- It is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring clause – What we cover

We cover physical Loss or Damage to your Insured Property occurring during the Period of Insurance, provided it is not excluded by this Policy Section, the General Exclusions or elsewhere in the Policy. Cover is provided up to the Sum Insured shown in your Policy Schedule.

This Policy Section also includes a range of Extensions of Cover, Additional Covers, Optional Additional Covers (that you may request for an additional premium) and Additional Benefits outlined below.

Extensions of Cover – Covers that may be available when physical Loss or Damage to the Insured Property is covered under this Policy Section. Extensions of Cover assist with costs that are reasonably and necessarily incurred as part of repairing, replacing or rebuilding the damaged property, subject to the terms, conditions, limits and exclusions of this Policy Section and the General Exclusions.

Table – Extensions of Cover:

All Extensions of Cover described in this section are subject to the terms, conditions, limits, and exclusions of this Policy (unless otherwise stated).

Extension of Cover	Details
<p>Architect’s, Surveyor’s & Other Professional Fees</p>	<p>When the Building Sum Insured under Policy Section 1 is not otherwise exhausted, We will cover the reasonable costs necessarily incurred by You for professional services required in the Replacement of Your Building, following Loss or Damage that is accepted as a claim under Policy Section 1.</p> <p>This includes fees for architects, surveyors, and other professional consultants.</p> <p>Limit: Included under Building Sum Insured.</p>
<p>Catastrophe Cost Escalation</p>	<p>We will pay up to the amount shown in your Policy Schedule for this extension of cover for the increased cost of replacing your Building if it is destroyed or deemed a total Loss due to:</p> <ol style="list-style-type: none"> a. A Catastrophe occurring during the Period of Insurance; or b. Another Event occurring within 60 days of a Catastrophe, where Replacement of the Building is reasonably affected by increased building costs arising from that Catastrophe - provided your Insured Property has been continuously insured with us during that period; and c. The Event giving rise to the Loss is accepted as a claim under Policy Section 1 – Insured Property. <p>This cover includes the escalation in Replacement costs resulting from widespread Damage, such as increased labour, materials, and service costs.</p> <p>Increased limits for certain Additional Covers:</p> <p>Provided the Sum Insured under this Catastrophe Cost Escalation cover is not fully exhausted for a claim, we will also increase the total amount payable under the following Additional Covers by 15%:</p> <ul style="list-style-type: none"> • Loss of Rent; • Reletting Costs; • Temporary Accommodation; • Relocation & Storage Costs. <p>Refer to the Table – Additional Covers for details of the Additional Cover limits that apply (before this increase). The increased limits for the above Additional Covers applies only where these Additional Covers apply in relation to a claim we accept in connection with the same Catastrophe or Event required in this extension of cover.</p> <p>No amount will be paid under this cover:</p> <ol style="list-style-type: none"> i. Until the Building Sum Insured under Policy Section 1 – Insured Property has been fully exhausted; or ii. If the Building will not be replaced, repaired or rebuilt following the Loss or Damage. <p>Limit: Up to the amount shown in the Policy Schedule.</p>

Extension of Cover	Details
Debris Removal Costs	<p>Following physical Loss, destruction, or Damage to Your Insured Property that is admitted as a claim under Policy Section 1, We will cover the reasonable Debris removal costs necessarily incurred as a direct consequence of the Damage. These costs form part of, and reduce, the amount available under the Building Sum Insured for that claim.</p> <p>If the Building Sum Insured has been exhausted by payments made for that claim, We will also provide up to a further \$250,000 per claim for Debris removal costs. This amount is a standalone limit and is payable in addition to the Building Sum Insured.</p> <p>Debris Removal Costs include:</p> <ol style="list-style-type: none"> the removal, storage, and disposal of Debris, including Debris from Your Damaged Insured Property, Damaged Lot Owners' and occupiers' Contents, and any item that caused the Damage, including Debris located on adjoining or adjacent public or private land; the demolition, dismantling, shoring up, propping, underpinning, or other temporary repairs to the Insured Property; the demolition and disposal of any undamaged portion of Your Insured Property, including undamaged foundations and footings, where required by a demolition order issued by a public or statutory authority. <p>Limit: Included under Building Sum Insured. A further \$250,000 applies only where the Building Sum Insured has been exhausted.</p>
Emergency Protection Costs	<p>We will pay You up to \$7,500 for the reasonable costs necessarily incurred by You to undertake emergency repairs or temporary protection measures, in fulfilment of Your duty to minimise insured Loss or prevent further Damage to Your Insured Property, where the Loss or Damage is covered under Policy Section 1 and accepted as a claim.</p> <p>Condition:</p> <ul style="list-style-type: none"> Costs exceeding \$7,500 require Our prior written consent, which will not be unreasonably withheld. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$7,500 per Event (unless we provide prior written consent for a higher amount).</p>
Emergency Services Access Damage	<p>We will pay You for Damage to Your Insured Property caused by emergency services—such as police, fire brigade, ambulance, or others acting under their control—while lawfully gaining access to Your Insured Property in the pursuit of their duties.</p> <p>Limit: Included under Building Sum Insured.</p>
Environmental Improvements	<p>We will pay You up to \$20,000 for the cost of new environmental improvements—such as solar energy systems, Rainwater tanks, and greywater recycling—where:</p> <ol style="list-style-type: none"> Loss or Damage to Your Insured Property is accepted as a Claim under Policy Section 1; and The cost to rebuild, replace, or repair the Damaged portion exceeds 25% of the cost that would have been incurred had Your Insured Property been totally destroyed. <p>This cover is in addition to any environmental improvements otherwise claimable under Policy Section 1 and applies only to improvements not previously installed.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$20,000 per Event.</p>

Extension of Cover	Details
Fallen Tree Removal	<p>We will pay You up to \$5,000 for the reasonable professional costs necessarily incurred to remove and dispose of fallen trees or branches that have caused Damage to Your Insured Property, where the Damage is covered under Policy Section 1 and accepted as a claim. We will also pay for treating the stump or root to prevent re-growth of the tree, within the \$5,000 limit.</p> <p>Exclusion: No cover applies for the removal or disposal of trees or branches that have fallen without causing Damage to Your Insured Property.</p> <p>No cover applies for the removal of the tree stump or roots.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Event.</p>
Fire Extinguishing Costs	<p>We will pay You the reasonable costs and expenses You necessarily incur in connection with fire-related Losses, including:</p> <ol style="list-style-type: none"> Extinguishing a fire at Your Situation or in the vicinity, where the fire threatens to involve Your Insured Property, including costs to gain access to any property for this purpose; Replenishing firefighting appliances, replacing used sprinkler heads, and resetting fire, smoke, and security alarm systems; Shutting off the supply of water or other substances following Accidental discharge or escape from fire protection equipment. <p>Limit: Included under Building Sum Insured.</p>
Floating Floors	<p>We cover Floating Floors, including those within Lots, if they are Damaged by an insured Loss under Policy Section 1 where a claim is accepted, provided the Building Sum Insured has not been exhausted.</p> <p>Limit: Included under Building Sum Insured.</p> <p><i>For the purpose of this Extension of Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Government Charges Related to Claims	<p>We will pay You the amount of any charges, levies, or statutory payments required by a public or statutory authority to approve the rebuilding, repair, or Replacement of Your Insured Property for insured Loss or Damage under Policy Section 1 that is accepted as a Claim.</p> <p>Exclusion: No cover applies for any fines or penalties imposed by such authorities.</p> <p>Limit: Included under Building Sum Insured.</p>
Green Building Equipment	<p>If the Building Sum Insured under Policy Section 1 is fully exhausted by the same Loss, we will pay You up to \$50,000 in addition to the exhausted Building Sum Insured to repair or replace Solar Panels and/or Electric Vehicle (EV) Chargers that form part of the Building.</p> <p>Conditions:</p> <ol style="list-style-type: none"> These Solar Panels and/or Electric Vehicle (EV) Chargers must be installed on, or form part of, the Building. Cover applies only where the Building Sum Insured has been fully exhausted due to the same Loss. <p>Exclusions:</p> <ul style="list-style-type: none"> No cover applies for Solar Panels and/or Electric Vehicle (EV) Chargers installed by individual Lot Owners. No cover applies for non-compliant installations. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$50,000 per Event.</p>

Extension of Cover	Details
Inflation Protection	<p>Where Your Insured Property suffers Loss or Damage covered under Policy Section 1, and the Building Sum Insured is otherwise exhausted, We will apply an increase to the Building Sum Insured based on the percentage change in the Consumer Price Index (CPI) – Housing Group, from the start date of your current Period of Insurance to the date of the Loss or Damage, or 2.5% of the Building Sum Insured, whichever is less.</p> <p>Limit: Percentage change in the Consumer Price Index (CPI) – Housing Group or 2.5% of the Building Sum Insured, whichever is less.</p>
Landscaping Restoration	<p>We will pay You the reasonable costs incurred to repair or replace trees, shrubs, plants, lawns, or rockwork at Your Situation that are lost or Damaged due to an insured Loss under Policy Section 1 that is accepted as a claim. The maximum amount payable is the lesser of 1% of the Building Sum Insured or \$100,000.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to 1% of the Building Sum Insured or \$100,000, whichever is less.</p>
Legal Costs Related to Claims	<p>We will pay You the amount of Legal fees You incur for submissions to regulatory authorities or courts related to insured Loss or Damage covered under Policy Section 1 that is accepted as a claim.</p> <p>Limit: Included under Building Sum Insured.</p>
Lot Owners' Fixtures and Improvements	<p>We will pay You (unless you direct us otherwise) for the reasonable cost of replacing permanent fixtures or structural improvements installed by the Lot Owner(s) for their exclusive use – such as cabinetry, or built-in appliances if the Building Sum Insured under Policy Section 1 – Insured Property has been fully exhausted due to an insured Loss that is accepted claim.</p> <p>Payment is subject to the per lot limit shown on your Policy Schedule for this cover, which is further capped at a maximum of 10% of the Building Sum Insured in total.</p> <p>Exclusion: no cover applies for Solar Panels and/or Electric Vehicle (EV) Chargers.</p> <p>Limit: Up to the amount shown in the Policy Schedule per Lot, and up to a maximum of 10% of the Building Sum Insured in total.</p> <p><i>For the purpose of this Extension of Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Lot Internal Wall Coverings and Paint	<p>Where the relevant Strata Legislation does not require You to insure paint and wallpaper within Lot Owners' Lots as part of the Building, We will pay You (unless you direct us otherwise) the costs necessarily incurred to repaint or re-wallpaper the internal walls or ceilings of a Lot at Your Situation, if they are Damaged by a Loss covered under Policy Section 1 and accepted as a claim.</p> <p>Our liability under this cover is limited to the room, hallway, or passageway where the Damage occurred.</p> <p>Limit: Included under Building Sum Insured.</p> <p><i>For the purpose of this Extension of Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Extension of Cover	Details
<p>Motor Fusion</p>	<p>We will pay You up to \$5,000 for the reasonable cost to repair or replace an electric motor that forms part of a fixed building service or mechanical plant at the Situation where the motor suffers a sudden and unforeseen physical damage caused by Fusion.</p> <p>If the motor forms part of a hermetically sealed motor unit, and gas must be released solely to repair or replace the damaged motor, We will also cover the reasonable cost of replacing that gas. Where the motor or sealed unit cannot be repaired or replaced due to regulatory changes (e.g. refrigerant type) or unavailability of parts, We will pay the reasonable cost of the closest repair method to restore the plant to operational condition, but not the cost of replacing the complete item of plant, unless no repair is reasonably possible, in which case, We will settle the claim based on the closest reasonably equivalent alternative.</p> <p>Exclusions: We will not pay for:</p> <ol style="list-style-type: none"> Motors under warranty, guarantee, or maintenance agreement; Any part of plant or equipment other than the damaged motor or its windings, including electronic control systems or software; Lighting or heating elements, fuses, protective devices, or switches; Contacts where sparking or arcing occurs in ordinary operation; Any alterations, additions, improvements, modifications, or overhauls. <p>Settlement Basis: If Your claim is accepted, We will at our option:</p> <ul style="list-style-type: none"> Repair or replace the damaged motor; or Pay the reasonable cost of repair or replace the damaged motor. <p>Any payment will be limited to the amount necessary to restore the damaged motor to normal working condition before the Fusion occurred.</p> <p>Where original components or manufacturer specifications are unavailable due to obsolescence, We will settle based on the cost of suitable alternative components that are equal to, but not better or more extensive than, the original.</p> <p>This cover does not insure the complete item of plant or equipment except to the limited extent required to repair or replace the damaged motor.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Event.</p>
<p>Office Records Restoration</p>	<p>We will pay You up to \$100,000 for the reasonable costs necessarily incurred to:</p> <ol style="list-style-type: none"> reproduce records, books of account, and valuable papers directly related to Your Insured Property; restore, reinstate, replace, repair or reproduce Electronic Data from back up that were stored on Your Insured Property, <p>where Your Insured Property was Damaged by an insured Loss under Policy Section 1.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$100,000 per Event.</p>
<p>Personal Property of Others</p>	<p>We will cover up to \$10,000 for the Indemnity Value of personal property belonging to others (including Employees) that is Damaged by an insured Loss under Policy Section 1, while in Your physical or legal custody or control. We will pay the owner of such personal property (unless You direct us otherwise) that is the subject of this Extension of Cover.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$10,000 per Event.</p> <p><i>For the purpose of this Extension of Cover, the owner of such personal property may be a Third-Party Beneficiary.</i></p>

Extension of Cover	Details
Renovation, Alterations & Additions	<p>We will pay You up to \$250,000 for Loss or Damage to renovations, alterations, or additions to Your Building during the construction period, where the Damage is caused by a Loss covered under Policy Section 1 – Insured Property, provided that:</p> <ul style="list-style-type: none"> a. The total value of the works does not exceed \$250,000; and b. You notify Us and obtain Our written agreement prior to the commencement of the works. <p>This cover applies only where no other insurance (including any Contract Works or similar Policy) responds to the Loss. We will not pay any amount that represents a deductible or Excess under another policy.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$250,000 per Event.</p>
Resilience Improvements	<p>We will pay You up to \$10,000 for the reasonable costs necessarily incurred to purchase and install approved resilience Building enhancements—such as cyclone-rated shutters, fire sprinkler systems, or wind-resistant roller door bracing—where all of the following conditions are met:</p> <ul style="list-style-type: none"> a. A claim for Loss or Damage to Your Building is accepted under Policy Section 1; b. We have directly engaged and are paying the builder to repair or rebuild the Building; c. The assessed cost to repair or rebuild the Building exceeds the greater of \$40,000 or 10% of the Building Sum Insured; d. The enhancement is not already present in the Building; and e. The enhancement is selected from a list of approved options provided by Us, tailored to the specific Building. <p>Exclusion: No cover applies for costs already covered under the Emergency Protection Costs cover, or for compliance with updated Building regulations.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$10,000 per Event.</p>

Additional Covers

Covers that may be available when a claim is accepted under this Policy Section. Additional Covers assist with certain reasonable costs that may arise as a direct consequence of insured Loss or Damage to the property, subject to the terms, conditions, limits and exclusions of this Policy Section and the General Exclusions.

Table – Additional Covers:

All Additional Covers described in this section are subject to the terms, conditions, limits, and exclusions of this Policy (unless otherwise stated).

Additional Cover	Details
Arson Information Reward	<p>We may pay a reward of up to \$10,000 for information supplied to police that materially assists in the identification and conviction of any person responsible for arson, theft, vandalism or malicious Damage to Your Insured Property, where such Loss or Damage is accepted as a claim under Policy Section 1 – Insured Property.</p> <p>Payment of any reward is entirely at Our discretion and is subject to confirmation from the relevant law enforcement authority that the information provided assisted the investigation.</p> <p>The reward may be paid to any person or persons who provided the information, whether or not they are an insured under this Policy.</p> <p>Any reward will be paid only after legal proceedings are finalised, including the expiry of any appeal period.</p> <p>We will not pay a reward where payment would be unlawful under any applicable legislation.</p> <p>This cover does not form part of the Building Sum Insured and is payable as a separate standalone limit.</p> <p>Limit: Up to \$10,000 per Period of Insurance.</p>
Communication Costs Related to Claims	<p>We will pay You up to \$5,000 for the reasonable costs necessarily incurred by You in developing and/or managing communications to occupants regarding the reinstatement of Your Building, following Loss or Damage covered under Policy Section 1 that is accepted as a claim.</p> <p>This cover applies only where:</p> <ol style="list-style-type: none"> the cost of reinstatement exceeds \$500,000; Loss or Damage affects more than one Lot or a Common Area; the communication is intended exclusively for the benefit of Lot Owners and Tenants of Your Insured Property; and Our prior written consent, which will not be unreasonably withheld, has been obtained before the costs are incurred. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Event.</p>
Emergency Accommodation for Lot Owners	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$2,500 per Lot and up to \$250,000 in total for any one Event for the reasonable cost of emergency accommodation necessarily incurred by a Lot owner, where the Lot is occupied for residential purposes and it becomes unfit for occupation due to either:</p> <ol style="list-style-type: none"> Loss or Damage to Insured Property that is accepted as a Claim under Policy Section 1; or Restricted access or occupancy resulting from Damage caused by a Loss covered under Policy Section 1 to other property in the immediate vicinity. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$2,500 per Lot and up to \$250,000 in total per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Additional Cover	Details
Exploratory Costs & Defective Part Replacement	<p>We will pay the reasonable costs You necessarily incur, in locating the source of the actual escape of liquid from tanks, apparatus, or pipes used to hold or carry liquid of any kind and for repairing damage necessarily caused by the exploratory work.</p> <p>We will also cover:</p> <ol style="list-style-type: none"> a. Repair or Replacement of the defective part(s) of the tanks, apparatus, or pipes, up to \$1,000; b. Rectification of Contamination or pollution Damage to land at Your Situation caused by the escape of liquid, up to \$1,000. <p>Exclusions: We will not pay for repairing or replacing the defective tank, apparatus or pipe, or for rectifying the cause of the escape of liquid, where the escape of liquid is caused by:</p> <ul style="list-style-type: none"> • Building Defects or movement; • Faulty workmanship; • Rust, oxidation, corrosion, Wear and Tear, or gradual deterioration; • Earth Movement; or • Trees, plants, or their roots. <p>However, this exclusion does not apply to the reasonable costs of locating the source of the escape of liquid or to repairing damage necessarily caused by the exploratory work. This cover does not insure the defective tank, apparatus or pipe itself except to the limited extent stated above, and is subject to all other terms, conditions and exclusions of the Policy.</p> <p>Limit: Included under Building Sum Insured.</p>
Extra Utility Costs After Damage	<p>We will pay You up to \$5,000 for the reasonable cost of increased usage, Accidental discharge, or additional management charges relating to metered electricity, gas, sewerage, oil, and water, where such costs are incurred following Loss or Damage to Your Insured Property that is accepted as a Claim under Policy Section 1.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Event.</p>
Funeral Expenses	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$5,000 for a single death and up to \$20,000 in total for multiple deaths for any one Event for funeral expenses where the Lot Owner, or a family member who permanently resides with the Lot Owner, dies as a direct consequence of Loss or Damage to Your Insured Property that is accepted as a Claim under Policy Section 1.</p> <p>This cover applies only where the Lot is occupied by the Lot Owner for residential purposes at the time of the Loss.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per death and up to \$20,000 in total per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Additional Cover	Details
Loss of Rent	<p>We will pay:</p> <ul style="list-style-type: none"> • the Lot Owner (unless You direct us otherwise) the actual Rent lost by a Lot Owner who has leased out the Lot at the time the Loss or Damage occurred; and • You the actual Rent lost by the Owners Corporation if Your Common Area is leased at the time the Loss or Damage occurred, <p>where the Lot or Common Area becomes unfit for occupation for its intended purpose due to:</p> <ol style="list-style-type: none"> a. Loss or Damage to Your Building that is accepted as a claim under Policy Section 1; or b. Damage to nearby property that prevents reasonable access or occupancy of Your Lot or Common Area; <p>We will pay:</p> <ol style="list-style-type: none"> a. Under clause (i), from the time of the Loss until the Lot or Common Area is re-let following completion of repairs, rebuilding or Replacement, provided the Lot or Common Area is offered for lease as soon as practicable after those works are completed; b. Under clause (ii), from the time of the Loss until access to the Lot or Common Area is re-established. <p>Payment will be reduced by any recoveries available from the bond authority.</p> <p>Limit: Up to the amount shown in the Policy Schedule.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p><i>For the purpose of this Additional Cover, Lot Owners may be Third-Party Beneficiaries.</i></p>
Lot Owner Contributions During Repairs	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$2,000 per Lot and up to \$20,000 in total per Event for contributions, levies, maintenance, and other fees a Lot Owner(s) is required to pay during the period the Lot is unfit for occupation due to Loss or Damage to Your Insured Property that is accepted as a Claim under Policy Section 1.</p> <p>Cover applies from the time the Lot becomes unfit for occupation until it is restored to a condition suitable for occupation.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$2,000 per Lot and up to \$20,000 in total per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Lot Owner Relocation & Storage Costs	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$10,000 for the reasonable relocation and storage costs a Lot Owner(s) necessarily incurs in relation to undamaged contents, where Loss or Damage to Your Insured Property is accepted as a Claim under Policy Section 1 and renders the Lot unfit for occupation. This includes:</p> <ol style="list-style-type: none"> a. Relocating undamaged contents to the nearest place of safekeeping; b. Storing them at that location or an equivalent alternative; c. Returning them to Your Situation once occupancy is permitted; and d. Insuring them during removal, storage, and return. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$10,000 per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Additional Cover	Details
Lot Owner Travel Expenses	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$250 per Lot per insured Event for the reasonable travel costs a Lot Owner(s) incurs in visiting the Lot for the purpose of consulting with claim adjusters and/or Building repairers, where:</p> <ol style="list-style-type: none"> The Lot has been leased out; and It is made unfit for occupation due to Loss or Damage to Your Insured Property that is accepted as a Claim under Policy Section 1. <p>This cover is subject to the provision of the relevant tax invoices(s) for reimbursement with your claim.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p>Limit: Up to \$250 per Lot per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Lot Sale Delay or Cancellation Costs	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$7,500 per Lot for any one claim and up to \$20,000 in total per Period of Insurance for actual interest charges incurred by a Lot Owner on capital borrowed (e.g. bridging finance), in anticipation of receiving sale proceeds, where:</p> <ol style="list-style-type: none"> the Lot Owner has entered into a contract to sell their Lot; the sale is delayed or cancelled as a direct result of Loss or Damage caused by a Loss covered under Policy Section 1; and a claim is accepted under Policy Section 1. <p>Cover applies from the date the sale was originally scheduled to settle.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$7,500 per Lot per claim and up to \$20,000 in total per Period of Insurance.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Meeting Room Hire Costs	<p>We will pay You up to \$5,000 for the reasonable cost of hiring temporary meeting room facilities to hold Your Annual General Meeting or Committee meetings, where:</p> <ol style="list-style-type: none"> The meeting room facilities form part of Your Insured Property; They become unavailable due to Loss or Damage that is accepted as a Claim under Policy Section 1. <p>Cover applies from the time of the Loss until access to Your meeting room facilities is re-established, or for a maximum period of 30 days—whichever occurs first.</p> <p>Limit: Up to \$5,000 per Event.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p>
Mortgage Discharge Costs	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$10,000 per Event for the reasonable costs incurred to discharge a mortgage over the Lot at the Situation if the Building becomes a total Loss, is not replaced, and We have paid the full Building Sum Insured under Policy Section 1.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$10,000 per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner is a Third-Party Beneficiary.</i></p>

Additional Cover	Details
Pets & Security Dogs Boarding costs	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$1,000 per Lot and up to \$10,000 in total per Event for any one claim for the reasonable costs necessarily incurred to board pets or security dogs, if the Lot is occupied solely for residential purposes and is rendered unfit for its intended use due to Loss or Damage to Your Insured Property, where the Loss or Damage is covered under Policy Section 1 and accepted as a claim.</p> <p>This cover applies only where Temporary Accommodation does not permit pets or security dogs.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$1,000 per Lot and up to \$10,000 in total per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner is a Third-Party Beneficiary.</i></p>
Property Modifications for Accessibility	<p>We will pay the Lot Owner (unless You direct us otherwise) up to \$50,000 per Lot and up to \$250,000 in total per Event for reasonable costs incurred to modify a Lot for accessibility, if the Lot Owner occupying the Lot becomes a paraplegic or quadriplegic as a direct result of Loss or Damage to Your Insured Property, where the Loss or Damage is covered under Policy Section 1 and accepted as a claim.</p> <p>Conditions:</p> <ol style="list-style-type: none"> a. The paraplegia or quadriplegia must persist for a minimum of six months from the date of the Loss; b. The condition must be certified by a legally qualified medical practitioner. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$50,000 per Lot and up to \$250,000 in total per Event.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner is a Third-Party Beneficiary.</i></p>
Reletting Costs	<p>We will pay:</p> <ul style="list-style-type: none"> • the Lot Owner (unless You direct us otherwise) reasonable reletting costs up to \$1,500 per Lot; • Your reasonable reletting costs up to \$1,500 per Common Area, <p>where:</p> <ol style="list-style-type: none"> a. the Lot or Common Area has been leased; b. It becomes unfit for its intended purpose due to Loss or Damage to the Insured Property that is accepted as a Claim under Policy Section 1; and c. The Tenant occupying the Lot or Common Area at the time of the Loss subsequently advises they will not be reoccupying the Lot or Common Area. <p>Limit: Up to \$1,500 per Lot or Common Area.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Relocation & Storage Costs	<p>We will pay You up to \$25,000 for the reasonable costs necessarily incurred in connection with undamaged portions of Your Insured Property, following Loss or Damage that is accepted as a claim under Policy Section 1. This includes:</p> <ol style="list-style-type: none"> a. relocating undamaged property to the nearest place of safe keeping; b. storing the property at that location or an equivalent alternate location; c. returning the property to the Situation once restoration is complete; and d. insuring the undamaged property during removal, storage, and return. <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$25,000 per Event.</p>

Additional Cover	Details
Temporary Accommodation	<p>We will pay the Lot Owner (unless You direct us otherwise) the reasonable cost of Temporary Accommodation necessarily incurred by a Lot Owner who occupies the Lot for residential purposes, if the Lot becomes unfit for its intended residential use due to:</p> <ol style="list-style-type: none"> a. Loss or Damage to the Insured Property that is accepted as a claim under Policy Section 1; or b. Damage to nearby property that prevents reasonable access or occupancy of the Lot. <p>We will pay:</p> <ul style="list-style-type: none"> • Under clause (i), from the time of the Loss until the Lot can be re-occupied following completion of repairs, rebuilding or Replacement; • Under clause (ii), from the time of the Loss until access to the Lot is re-established. <p>We will not pay for Temporary Accommodation:</p> <ul style="list-style-type: none"> • If the Lot is uninhabitable due to maintenance unrelated to the insured Loss; • If the Lot was not the Lot Owner’s principal place of residence at the time of the Loss or Damage; • Beyond the reasonable time required to repair or reinstate the Lot for occupancy; • If You had no intention of repairing or rebuilding the Lot for occupancy; • For any costs associated with Business Activities conducted within the Lot. <p>Limit: Up to the amount shown in the Policy Schedule.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Title Deed Replacement	<p>We will pay You (unless you direct us otherwise) up to \$5,000 for the reasonable costs necessarily incurred by You to obtain replacement or certified copies of official title documentation for a Lot or Your Insured Property, if such documentation are lost or Damaged by a covered Loss under Policy Section 1.</p> <p>This cover does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Period of Insurance.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Utility Supply Failure	<p>We will:</p> <ol style="list-style-type: none"> a. pay the Lot Owner (unless You direct us otherwise) the reasonable cost of Temporary Accommodation necessarily incurred by the Lot Owner who occupies the Lot for residential purposes; and b. pay the Lot Owner the actual Rent lost by the Lot Owner who has leased out the Lot; and c. pay You the reasonable cost You necessarily incur to provide alternative facility costs for essential services or functions of the Common Area, where the Lot or Common Area becomes unfit for its intended purpose due to the failure of electricity, gas, water, or sewerage services. <p>This cover applies only where the failure results from Damage caused by a Loss covered under Policy Section 1 to property belonging to or under the control of the relevant supply authority, and the failure extends for more than 48 hours.</p> <p>Note: This cover is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p><i>For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Optional Additional Covers

Covers available for an additional premium and subject to Our underwriting criteria. If selected, they will be shown in your Policy Schedule. You can contact us to add or remove these Optional Additional Covers at any time. When we send your renewal offer, it will usually include any Optional Additional Covers you previously selected.

The following table outlines the Optional Additional Covers available and their applicable limits:

Table – Optional Additional Covers

All Optional Additional Covers, that are shown on your Policy Schedule, and described in this section are subject to the terms, conditions, limits and exclusions of this Policy (unless otherwise stated.)

Optional Additional Cover	Details
<p>Loss of Market Value</p>	<p>If this cover is selected and shown on your Policy Schedule, and your Building suffers Loss or Damage covered under Policy Section 1 – Insured Property, and full reinstatement or rebuilding is restricted or prohibited by:</p> <ul style="list-style-type: none"> a. Any Act of Parliament or regulation made under it; or b. Any by-law or regulation of a municipal or statutory authority, <p>we will pay the Lot Owner(s) (unless You direct us otherwise) the difference between:</p> <ul style="list-style-type: none"> • The Market Value of their affected Lot(s) immediately before the Loss; and • The amount of the Building Sum Insured payable under Policy Section 1, proportional to the Lot(s)' share of the total Building Sum Insured. <p>This cover applies in the following scenarios:</p> <p>a. Total Loss</p> <p>Where all Lot Titles and the Strata Community Title are terminated, we will pay the Market Value difference for each Lot, up to the total limit applicable to this cover.</p> <p>b. Partial Loss</p> <p>Where only some Lot Titles are terminated, we will pay the Market Value difference for the affected Lot(s), calculated proportionally based on their Lot(s) share of the total Building Sum Insured.</p> <p>Market Value means the estimated sale price of the Lot(s) in an open market immediately before the Loss, as determined by a Certified Practising Valuer (CPV) accredited by the Australian Property Institute (API) or other mutually agreed authority.</p> <p>Important Limitations</p> <p>Limit: Our total liability under Policy Section 1 and this Optional Additional Cover arising from the same Event will not exceed the Building Sum Insured limit shown in your Policy Schedule.</p> <p><i>For the purpose of this Optional Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Optional Additional Cover	Details
Lot Owners' Contents	<p>If selected and shown on your Policy Schedule, we will pay the Lot Owner (unless You direct us otherwise) for Loss or Damage to non-fixed personal property owned by the Lot Owner within their Lot – such as furniture, electronics, and soft furnishings.</p> <p>Cover applies only if:</p> <ol style="list-style-type: none"> a. The Lot is used primarily for residential purposes; and b. The Loss or Damage arises from an Event covered under Policy Section 1 – Insured Property. <p>We will not cover:</p> <ul style="list-style-type: none"> • Items permanently fixed to the Lot (these may be covered under Policy Section 1 – Insured Property or the Lot Owners' Fixtures and Improvements Extension of Cover); • Personal Effects <p>Limit: Up to the amount for Lot Owners' Contents (per lot) shown in the Policy Schedule for each Lot and up to \$2,000,000 in total per Event for all Lots, whichever is less.</p> <p><i>For the purpose of this Optional Additional Cover, a Lot Owner may be a Third-Party Beneficiary.</i></p>

Additional Benefits

Benefits that may be provided under this Policy Section for specified situations that do not require Loss or Damage to the Insured Property. These benefits are payable only in the circumstances and up to the limit described in the Additional Benefit details, subject to the terms, conditions, limits and exclusions of this Policy Section and the General Exclusions.

Table – Additional Benefits:

All Additional Benefits described in this section are subject to the terms, conditions, limits, and exclusions of this Policy (unless otherwise stated).

Additional Benefit	Details
Basement Water Removal	<p>We will pay You up to \$2,500 per Event for the reasonable costs necessarily incurred by You to remove water from the basement or undercroft area of Your Building, where the inundation is directly caused by Storm or Rainwater and where a claim is accepted under Policy Section 1.</p> <p>Exclusion:</p> <p>No cover applies where the inundation is caused by any other Loss.</p> <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$2,500 per Event</p>
Crisis Event Accommodation	<p>We will:</p> <ul style="list-style-type: none"> • pay the Lot Owner (unless You direct us otherwise) the reasonable cost of Temporary Accommodation, or the reasonable amount for Loss of Rent, necessarily incurred if a Lot Owner or a Tenant, in relation to a Lot; • pay You the reasonable amount for Loss of Rent necessarily incurred, if a Tenant, in relation to a Common Area, <p>are legally prohibited from occupying the Lot or Common Area by order of the police, a public or statutory authority, or any other entity empowered by law, due to:</p> <ul style="list-style-type: none"> • The discharge, release, or escape of legionella from water tanks, water systems, air-conditioning plant, cooling towers, or similar infrastructure; • Murder or suicide occurring at Your Situation. <p>We will pay from the time the order is invoked until the order is revoked, or for a maximum period of 30 days—whichever occurs first.</p> <p>Note: This benefit is also subject to the Loss of Rent/Temporary Accommodation combined limit for any one Loss.</p> <p><i>For the purpose of this Additional Benefit, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Illegal Dumping Removal	<p>We will pay You up to \$5,000 per Period of Insurance for the reasonable costs and expenses necessarily incurred by You, with Our prior consent, which will not be unreasonably withheld, to clear and remove property that has been illegally dumped or deposited at Your Situation.</p> <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 per Period of Insurance</p>

Additional Benefit	Details
Lock & Key Replacement	<p>We will pay You (unless You direct us otherwise) up to \$25,000 for the reasonable costs You necessarily incur in:</p> <ol style="list-style-type: none"> a. Rekeying or recoding locks, including replacement keys; or b. Replacing locks with locks of a similar type and quality if they cannot be rekeyed or recoded, <p>where the keys to Your Building are stolen as a result of:</p> <ol style="list-style-type: none"> a. Forcible entry into or out of any Building forming part of Your Insured Property; b. Forcible entry into the Lot or Common Area of a keyholder; or c. Hold-up of a person who normally has the keys in their possession. <p>Exclusion: No cover applies where there are reasonable grounds to believe the keys or codes were stolen or duplicated by any occupant or previous occupant of Your Insured Property, or by their family or friends.</p> <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$25,000 per Event.</p> <p><i>For the purpose of this Additional Benefit, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Lost or Stolen Money	<p>We will pay You up to \$25,000 for the loss of Your Money while in the personal custody of a Committee Member or Your appointed Owners Corporation Manager, while acting on Your behalf.</p> <p>Exclusions:</p> <p>No cover applies for loss resulting from fraudulent misappropriation, larceny, theft, or any attempt thereof by:</p> <ol style="list-style-type: none"> a. any person in Your employment; b. a Lot Owner, including any family member permanently residing with them; or c. a proxy of a Lot Owner. <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$25,000 per Event.</p>
Nest & Pest Removal	<p>We will pay You up to \$2,500 for the reasonable professional costs necessarily incurred to remove:</p> <ol style="list-style-type: none"> a. bee or wasp nests that pose a danger to residents or the public; or b. possums from within the internal areas of Your Building (e.g. roof cavity, walls, midfloor), where their presence poses a risk to residents or the public. <p>Conditions:</p> <ul style="list-style-type: none"> • You must obtain Our prior written consent, which will not be unreasonably withheld, before incurring any removal costs. • Possum removal must comply with applicable wildlife regulations, including relocation limits. • Preventative measures may be implemented to reduce the risk of future infestations. <p>Exclusions:</p> <ul style="list-style-type: none"> • No cover applies for possum removal from external areas of the Building (e.g. gardens or outdoor spaces). • No cover applies for nests or infestations that existed prior to the inception of this Policy. <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: \$2,500 per Period of Insurance.</p>

Additional Benefit	Details
Purchaser's Interest Protection	We will recognise the purchaser's legal interest in the insured Building during the settlement period, in accordance with Section 50 of the Insurance Contracts Act 1984 (Cth) and the terms and conditions of Policy Section 1. This does not create additional insured status or override any statutory provisions.
Squatter Removal Costs	<p>We will:</p> <ul style="list-style-type: none"> • pay the Lot Owner (unless You direct us otherwise) in relation to their Lot; • pay You in relation to Your Insured Property, <p>up to \$2,500 per Period of Insurance for legal fees necessarily incurred to repossess Your Insured Property or a Lot, where squatters are occupying it, provided You or the Lot Owner have obtained Our prior written consent, which will not be unreasonably withheld.</p> <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$2,500 per Period of Insurance.</p> <p><i>For the purpose of this Additional Benefit, a Lot Owner may be a Third-Party Beneficiary.</i></p>
Unauthorised Utility Use	<p>We will pay You up to \$5,000 in any one Period of Insurance for the cost of metered electricity, gas, sewerage, oil, and water that You are legally required to pay, where such costs arise from unauthorised use by any person who takes possession of or occupies Your Insured Property without Your consent.</p> <p>This cover is conditional on You taking all reasonably practicable steps to terminate the unauthorised use as soon as reasonably practicable after becoming aware of it.</p> <p>This benefit does not draw from the Building Sum Insured. It is paid as a separate, standalone limit.</p> <p>Limit: Up to \$5,000 in any one Period of Insurance.</p>

The limits for Extensions of Cover, Additional Covers, Optional Additional Covers (where shown on your Policy Schedule) and Additional Benefits apply in different ways, as shown in the cover table details and as outlined below.

How Limits Apply to Extensions of Cover, Additional Covers, Optional Additional Covers and Additional Benefits

The limits shown for Extensions of Cover, Additional Covers, Optional Additional Covers (where shown on your Policy Schedule) and Additional Benefits under Policy Section 1 – Insured Property apply in one of the following ways:

1. **Standalone limit** – The Extension of Cover, Additional Cover, Optional Additional Cover or Additional Benefit has its own separate limit, as stated in the Policy Schedule or applicable table under Policy Section 1. These limits apply independently of any other limits under Policy Section 1.
2. **Included in the Building Sum Insured (BSI)** – The Extension of Cover, Additional Cover or Additional Benefit is covered within the Building Sum Insured, as stated in the applicable table under Policy Section 1, provided that the BSI has not been fully exhausted by other claims.
3. **Included in the Loss of Rent/Temporary Accommodation combined limit** – The following Additional Covers and Additional Benefits form part of the Loss of Rent/Temporary Accommodation combined limit shown in Your Policy Schedule. Payments under these items are only available while this combined limit has not been exhausted:

Additional Covers

- Loss of Rent;
- Lot Owner Travel Expenses;
- Meeting Room Hire Costs;
- Reletting Costs;
- Temporary Accommodation;
- Utility Supply Failure;

Additional Benefits

- Crisis Event Accommodation.

Once this limit is exhausted, no further payments will be made under these Additional Covers or Additional Benefits for that Loss.

Exclusions – Policy Section 1

We will not pay for Loss or Damage to your Insured Property caused by, connected with, or arising from any of the following, unless otherwise stated elsewhere in this Policy:

1. **Action of the Sea** – Loss or Damage caused by Action of the Sea.

However, we will cover Damage to Insured Property caused by Storm Surge that is directly attributable to a Named Cyclone, provided the Storm Surge occurs during the Cyclone Event Period.

2. **Application of Heat** – Loss or Damage resulting from the direct application of heat to any part of the property.

However, we will pay if other parts are Damaged by resulting fire.

3. **Boilers and Pressure Vessels** – Loss or Damage caused directly or indirectly to boilers (except domestic), economisers or pressure vessels caused by explosion.

4. **Breakdown** – Loss or Damage caused by mechanical, hydraulic, electrical breakdown or electronic failure, or malfunction.

However, we will pay if the Damage is caused by:

- a. Fusion of electric motors (to the extent insured under the Motor Fusion Extension of Cover);
- b. Lightning;
- c. Power Surge directly resulting from an insured Loss under Policy Section 1 (such as lightning or impact), and not caused by normal fluctuations, load shedding, or brownouts;
- d. Resulting fire Damage;
- e. Other physical Loss or Damage to Insured Property (other than the Insured Item) arising from or in connection with such Breakdown (as defined in Policy Section 7 - Machinery Breakdown), provided such Loss or Damage is not otherwise excluded under this Policy.

5. **Building Movement** – Loss or Damage caused directly or indirectly by normal settling, creeping, heaving, shrinkage, seepage or expansion in Buildings, foundations, walls, driveways, paths, or other structural improvements.

6. **Carpets and Floor Coverings** – Loss or Damage consisting of staining, fading or fraying.

However, We will pay if caused by an insured Loss.

7. **Construction Works Over \$500,000** – Loss or Damage from construction, erection, alteration or addition to your Building at the Situation where the total contract value of those works exceeds \$500,000 unless you have obtained our prior written consent.

8. **Defects** – Loss or Damage caused directly by a Defect where You knew, or a reasonable person in the same position ought to have known, of the Defect before the Loss or Damage occurred.

We also don't cover the cost of repairing, rectifying or replacing any Defects.

9. **Demolition Damage** – Loss or Damage caused directly or indirectly 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.

10. **Demolition Orders** – Loss or Damage caused directly or indirectly due to non-compliance with laws or incorrect siting.

11. **Earth Movement** – Loss or Damage caused directly or indirectly by Erosion, vibration, or weakening/removal of support to land or Buildings.

However, We will pay if the Damage is caused by:

- a. Earthquake;
- b. Tsunami;
- c. Explosion;
- d. Aircraft impact;
- e. Bursting or leaking of water tanks, pipes, or drains.

12. **Environmental Exposure** – Loss or Damage caused directly or indirectly by light, air, sand, climate (including wind or rain), or the passage of time.

13. **Failure to Rectify** - Loss or Damage caused directly or indirectly by the failure to repair, rectify or mitigate a Known Defect, error, or omission that:

- a. You were aware of; or
- b. You should reasonably have been aware of; and
- c. Had a reasonable opportunity to address.

14. **Faulty Workmanship, Materials or Design** - Loss or Damage caused directly or indirectly by:
- a. faulty or defective materials;
 - b. poor or substandard workmanship; or
 - c. errors in design, plan, or specification.
15. **Fines, penalties, or punitive, aggravated, exemplary or additional damages, including interest and legal costs** imposed against You.
16. **Flood** – Loss or Damage caused by Flood where Flood is shown in the Policy Schedule as not included.
17. **Glass** – Loss or Damage caused directly or indirectly by artificial heat, during installation/removal, or with pre-existing flaws.
18. **Gradual Processes** – Loss or Damage caused by rust, oxidation, corrosion, mould, mildew, concrete or brick cancer, wet or dry rot, fading, developing flaws, or gradual deterioration.
19. **Indirect Losses** - Any consequential or indirect loss, including loss of use, loss of contract, loss of profit, loss of revenue, loss of opportunity, loss of goodwill or loss of reputation, unless that specific loss is expressly covered under an Extension of Cover, Additional Cover, Optional Additional Cover (where shown on your Policy Schedule) or Additional Benefit.
20. **Industrial Smoke or Smut** – Loss or Damage caused directly or indirectly by industrial smoke or smut, unless sudden and unforeseen.
21. **Lack of Maintenance** – Loss or Damage caused directly or indirectly by failure to maintain the property in a reasonably good state of repair.
22. **Pests and Animals** – Loss or Damage caused by vermin, rodents, termites, insects, birds or other Animals.
However, We will pay if any such Damage directly results in Damage from any other Loss claimable under Policy Section 1 such as fire.
23. **Storm or Rainwater** – Loss or Damage to retaining walls that are not integral to the structural support of the Building, such as landscaping or garden retaining walls.
24. **Tree Roots** – Loss or Damage caused by tree roots invading pipes. We also don't cover the cost of clearing, repairing or replacing pipes blocked by roots.
However, We will pay for water Damage resulting from blocked pipes.
25. **Water Pressure**, Loss or Damage caused by water pressure, being pressure exerted by water at rest against any part of the Building or structure.
However, We will pay if caused by bursting or leaking of water tanks, pipes, or drains.
26. **Wear and Tear** - Loss or Damage from Wear and Tear. This includes gradual deterioration of the Building or Common Area Contents from either of the following:
- a. its ordinary use;
 - b. the ordinary effects of natural forces such as weather, action of light, atmospheric or climatic conditions, and rising damp.

Examples include, but aren't limited to:

- tiles and their adhesive or grouting breaking down;
- weathering of roof tiles or roof ridge capping;
- wear and tear or other expiry of waterproofing;
- weathering, corrosion and breakdown of bricks, mortar, steel or other metal, or concrete.

However, if Wear and Tear results directly in another Event insured under this Policy Section 1, We will cover the Loss or Damage caused by that insured Event.

Claims: Basis of Settlement

If Your Insured Property is Lost or Damaged and Your claim is accepted under this Policy Section, we will, in consultation with You, either:

- Repair, rebuild or replace the Lost or Damaged Insured Property to a condition equal to but not better than its condition immediately before the Loss or Damage; or
- Pay the reasonable cost of doing so, subject to the terms of this Policy Section.

If you elect a cash settlement instead of repair or Replacement, we will pay the Indemnity Value.

The following provisions apply:

1. Repair, Rebuilding or Replacement

- 1.1 Work may be carried out on another site or in a manner suitable to Your needs, provided our liability is not increased.
- 1.2 Work must commence and be completed without unreasonable delay.
- 1.3 If the property includes heritage, ornamental or unavailable materials, we will use the nearest equivalent materials.
- 1.4 If You cause unreasonable delays, we will not pay any additional costs resulting from those delays.
- 1.5 If You request a cash settlement instead of rebuilding, we will pay Indemnity Value only, which means:
 - a. We will reduce the amount payable based on age, condition and remaining useful life of the property at the time of Loss.
 - b. We will not pay more than the Indemnity Value.
 - c. We will seek release from further liability under this section.
- 1.6 Local Authority Requirements: We will pay the reasonable and necessary costs to comply with current Building regulations or local authority requirements when repairing or rebuilding, provided these requirements apply to the Lost or Damaged portion only and were not required before the Loss.
- 1.7 We will not pay for:
 - a. Rebuilding or replacing undamaged parts of Your Insured Property or Lot Owners' Fixtures and Improvements.
 - b. Rebuilding, replacing or repairing illegal installations.

2. Undamaged Property, Foundations and Footings

- 2.1 If Replacement must occur on another site due to authority requirements, we will treat undamaged parts (including foundations and footings) as destroyed.
- 2.2 If the sale value of the original site is higher due to the undamaged parts, we will deduct the difference from the settlement.

3. Floor Space Ratio

- 3.1 If rebuilding or repairing your Buildings results in a reduction in size due to requirements imposed by a government or statutory authority, we will:
 - a. Pay the cost of rebuilding or repairing the Lost or Damaged portions of your Buildings to the reduced size; and
 - b. Pay the difference between:
 - i. The actual cost of rebuilding or repairing the Lost or Damaged portions at the reduced size; and
 - ii. The estimated cost of rebuilding or repairing those portions had the original size been permitted.

The total amount payable under this clause will not exceed the Building Sum Insured for Policy Section 1 – Insured Property. Any compensation you receive for the reduction in Building size will be deducted from the amount we pay.

4. **Land Value** - If a government or statutory authority refuses to allow full reinstatement or Replacement of your Insured Property, or only permits partial reinstatement or Replacement, we will pay for the resulting Loss in Land Value.

Loss of Land Value means the difference between:

- The value of the land immediately before the Loss or Damage occurred; and
- The value of the land immediately after the Loss or Damage occurred.

Any compensation You receive from a public or statutory authority for this Loss will be deducted from the amount we pay you to settle your claim. The maximum amount we will pay under this clause is the unused portion of your Building Sum Insured for Policy Section 1 – Insured Property.

5. Electronic Data - If Data Processing Media owned or operated by You is Damaged and such Damage is covered under this Policy Section, we will pay the reasonable and necessary costs to restore Electronic Data that was stored on that Data Processing Media from back-up or from originals of a previous generation onto the repaired or replaced Data Processing Media. We will not pay for the value of the Electronic Data itself, even if it cannot be recovered.

6. Lot Owners' Fixtures and Improvements

6.1 If Lot Owners' Fixtures and Improvements are Lost or Damaged and your claim is accepted under Policy Section 1 – Insured Property, we will settle the claim by either:

- a. Replacing or repairing the Lost or Damaged items; or
- b. Paying the reasonable cost to do so.

6.2 Settlement will be based on the cost of Replacement at the time the work is carried out, subject to the following conditions:

- a. Replacement or repair must commence and be completed without unreasonable delay.
- b. We will not cover any additional costs resulting from delays caused by you.
- c. If original materials are unavailable, we will use the nearest equivalent available.
- d. If you elect a cash settlement instead of repair or Replacement; we will pay the Indemnity Value. Indemnity Value will not exceed the cost to replace the property with new materials of similar kind and quality.

6.3 We will not pay for:

- a. The cost to replace undamaged Lot Owners' Fixtures and Improvements; or
- b. The cost to replace or repair illegal installations.

7. Special Claims Provisions

7.1 Limit of Liability

Our liability under Clauses 2, 3 and 4 is limited to the portion of the Building Sum Insured for Policy Section 1 that has not already been used to settle other parts of the claim.

7.2 Valuation Disputes

Any disagreement regarding the value of land or undamaged property under Clauses 2, 3 and 4 may be referred to a Certified Practising Valuer (CPV) accredited by the Australian Property Institute (API) to determine the value, and their decision will be final and binding.

7.3 Earthquake and Seismological Disturbance Excess

- a. Where Loss or Damage occurs due to earthquake or seismological disturbance within any continuous 72-hour period, the applicable Excess will be the Standard Excess amount shown in Your Policy Schedule for Policy Section 1 - Insured Property, unless a separate Excess for earthquake or seismological disturbance is specified in the Policy Schedule.

Policy Section 2 – Property Owner's Legal Liability

About this Policy Section

This Policy Section covers Your legal liability to pay compensation for Personal Injury or Property Damage which happens during the Period of Insurance within the Geographic Limits and is caused by an Occurrence in connection with the ownership, maintenance or control of the Common Area or Insured Property and was not intended or expected by You. In addition to compensation, we also cover certain legal costs and expenses, subject to the terms, conditions, limits, and exclusions of this Policy.

You can claim for legal liability as described under “Insuring clause – What We Cover”; if:

- “Property Owner’s Legal Liability” is shown as insured on your Policy Schedule; and
- It is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring Clause – What We Cover

We cover You up to the Limit of Liability shown in Your Policy Schedule for this Policy Section if You become legally liable to pay compensation for:

- a. Personal Injury to another person (other than Employees), or
- b. Property Damage in respect of property owned or controlled by someone else,

which:

- occurs during the Period of Insurance;
- is caused by an Occurrence in connection with the ownership, maintenance or control of the Common Area or Insured Property;
- occurs within the Geographic Limits; and
- was not intended or expected by You.

In addition to the Limit of Liability, We will also pay:

- a. Legal costs and expenses We incur in defending a Claim;
- b. Reasonable legal representation costs You necessarily incur with our prior written consent (which We will not unreasonably withhold) at a coronial inquest or inquiry into a death that may give rise to a Claim under this Policy Section;
- c. Other reasonable expenses You incur with Our agreement; and
- d. Interest accruing after judgment until We have paid, tendered, or deposited in court the amount We are liable to pay.

Important Notes:

- The most We will pay for compensation for any one Occurrence is the Limit of Liability shown on your Policy Schedule.
- Legal costs and expenses payable under this Policy Section are payable in addition to the Limit of Liability.
- If an Occurrence spans more than one Period of Insurance, We will only pay once for that Occurrence.

For the avoidance of doubt, the following covers are also provided under the Insuring Clause – What We Cover in Policy Section 2 – Property Owner’s Legal Liability. These covers are common liability exposures associated with the ownership, maintenance or control of the Common Area and Insured Property.

These covers are subject to the terms, conditions, limits and exclusions of this Policy.

1. **Car Park Liability** – We cover Your legal liability for Property Damage to Vehicles located in Common Area car parks You own or operate at the Situation, where such Damage arises from Your negligence in the maintenance or operation of the Common Area. This cover does not apply to Vehicles owned by You or in Your care, custody, or control or to Vehicles being used by You or on Your behalf.
2. **Cover for Others Acting on Your Behalf** - We will also extend cover the following individuals under this Policy Section 2 as Third-Party Beneficiaries, while they are acting on your behalf subject to the terms of this Policy:
 - a. Members of the Owners Corporation.
 - b. Your Employees (while performing their duties).
 - c. Office Bearers or Voluntary Workers (including fire wardens) acting within their scope of duties.
 - d. Voluntary Workers organising recreational activities on behalf of the Owners Corporation.
 - e. Owners or leaseholders of adjacent property, for liability arising from Your property overhanging or encroaching on theirs.
 - f. Your Owners Corporation Manager if a claim is made against both You and Your Owners Corporation Manager solely due to their relationship with You.
3. **Fertiliser, Pesticide and Herbicide Application** – We cover Your legal liability for Personal Injury or Property Damage arising from applying fertilisers, pesticides, or herbicides to the Common Area, excluding applications not made in accordance with statutory or manufacturer guidelines, and Damage to the treated property or gardens.
4. **Hiring Out of Sporting or Recreational Facilities** – We cover Your legal liability for Personal Injury or Property Damage arising from hiring out facilities (e.g. tennis courts, swimming pools) You own at the Situation.
5. **Recreational and Social Activities** – We cover Your legal liability for Personal Injury or Property Damage arising from social or recreational activities arranged for and on behalf of Lot Owners and their Tenants.
6. **Services Provided for Lot Owners** – We cover Your legal liability for Personal Injury or Property Damage arising from services provided for the benefit, use, or enjoyment of Lot Owners and their Tenants (e.g. access for council waste collection), excluding negligence by third-party contractors.
7. **Watercraft** - We cover Your legal liability for Personal Injury or Property Damage arising from Watercraft (up to 8 metres) that You own or control, excluding Watercraft that should be registered or insured under legislation or that is used for commercial purposes.
8. **Wheelchairs, Garden Equipment and Other Vehicles** – We cover Your legal liability arising from wheelchairs, domestic garden equipment (e.g. lawn mowers), golf carts, or similar Vehicles that You own or control, excluding items that should be registered or insured under applicable legislation.

Exclusions – Policy Section 2

We will not cover liability under this Policy Section for any Claim in respect of the following, unless otherwise stated elsewhere in this Policy:

1. **Animals** – We don’t cover legal liability for, or caused by, connected with, or arising from injury to or death of animals on the Common Area, or Personal Injury or Property Damage caused by animals on the Common Area, except for the following:
 - a. Guard or watch dogs used for security purposes;
 - b. Compensation You become legally liable to pay for accidental injury to, or death of, a domestic pet ordinarily resident with a Lot Owner or their Tenant, arising out of the negligent use of poisons, pesticides, traps or baits by You or on Your behalf at the Common Area. Our maximum liability under this cover is \$1,000 for any one Period of Insurance.
2. **Contractual Liability** - We don’t cover legal liability for, or caused by, connected with, or arising from an agreement or contract you enter into, unless:
 - a. The liability would have existed without the agreement or contract;
 - b. It relates to a lease or contract for real or personal property;
 - c. It arises from a written agreement with Your Owners Corporation Manager, except where the liability is due to their negligence or failure to meet their obligations.
3. **Fines and Penalties** - We don’t cover legal liability for fines, penalties, or punitive, aggravated, exemplary or additional damages, including interest and legal costs connected with or arising from fines and penalties.
4. **Ground Disturbance or Structural Impact** – We don’t cover legal liability arising from vibration, removal, weakening or interfering with the support of land, Buildings or other property.

5. **Injury to Workers** - We don't cover legal liability for or caused by, connected with or arising from Personal Injury to any person arising out of or in the course of their employment with You, or liability imposed by workers' compensation, accident compensation or similar legislation. This exclusion does not apply where legislation in any State or Territory permits cover for persons who are not required to be insured under statutory workers' compensation schemes.
6. **Lot Owners' Fixtures and Improvements** – We don't cover legal liability for damage to Lot Owners' Fixtures and Improvements within their Lot – where that Damage is covered under the Lot Owners' Contents Optional Additional Cover in Policy Section 1.
7. **Major Construction Works** – We don't cover legal liability for or caused by, connected with or arising from construction, demolition, alterations or additions to the Insured Property where the total cost exceeds \$500,000, unless You notify Us and We agree in writing before the work begins.
8. **Marinas and Similar Facilities** – We don't cover legal liability for or caused by, connected with or arising from marinas, wharves, jetties, docks, pontoons or similar facilities if:
 - a. Used for commercial purposes; or
 - b. Used for fuel distribution.
 Unless We have agreed in writing to cover them.
9. **Pollution and Clean-Up** – We don't cover legal liability for or caused by, connected with or arising from the discharge, dispersal, release or escape of Pollutants into land, water or air or costs incurred to prevent, remove, or clean up pollution or Contamination. This exclusion does not apply to a sudden, identifiable and unintended Occurrence that happens entirely at a specific time and place during the Period of Insurance.
10. **Professional Advice** – We don't cover legal liability for or caused by, connected with or arising from the provision of, or failure to provide, professional advice or services, except for first aid services provided by a legally qualified medical practitioner, nurse, dentist, or first aid officer engaged by You.
11. **Property in Your Control** – We don't cover legal liability for or caused by, connected with, or arising from Loss or Damage to:
 - a. Property You own, rent, lease, or have in Your physical or legal control, unless specifically covered under this Policy Section;
 - b. Property belonging to any person deemed a worker or Employee under applicable workers' compensation legislation.
12. **Vehicle, Watercraft and Aircraft** – We don't cover legal liability for, caused by, connected with, or arising from the ownership, possession or use of any Vehicle, Watercraft, Aircraft, or Aircraft landing area – unless specifically covered under covers `7. Watercraft' or `8. Wheelchairs, Garden Equipment and Other Vehicles' provided under the Insuring Clause - What We Cover of this Policy Section.

Definitions – Policy Section 2

The following words have a specific meaning when used in this Policy Section and appear with a capital letter.

Claim(s) – means any written or verbal demand, notice, or legal proceeding (including any threatened legal proceeding) made against You alleging liability for Personal Injury or Property Damage, including any claim for compensation, damages, or costs.

Geographic Limits means anywhere within Australia.

Occurrence - means an Event, neither expected nor intended from Your standpoint including continuous or repeated exposure to substantially the same general conditions. A series of occurrences arising from the one original cause will be deemed to be the one occurrence.

Personal Injury - means the following:

- a. Bodily Injury, illness, disability, disease or death, including resulting shock, mental anguish or mental injury;
- b. False arrest, wrongful detention, false imprisonment or malicious prosecution;
- c. Wrongful entry, eviction or other invasion of the right to privacy;
- d. The publication or utterance of defamatory or disparaging material;
- e. Assault or battery, provided it was not committed by You or any Lot Owner, or at Your or their direction, unless done to prevent or eliminate danger to a person or property.

Property Damage - means the following:

- a. Physical Damage to, or destruction of, tangible property (which includes Loss of property) including loss of use resulting from that Damage or destruction; or
- b. Loss of use of tangible property that has not been physically Damaged or destroyed, provided the loss of use is caused by physical Damage to or Loss or destruction of other tangible property.

Policy Section 3 – Voluntary Workers

About this Policy Section

This Policy Section covers Bodily Injury sustained by individuals who voluntarily assist the insured with work related to the property during the Period of Insurance. If a Voluntary Worker suffers Bodily Injury while engaged in voluntary work on behalf of the insured, and the injury results in one of the insured Events listed in the Table of Benefits for this section, we will pay a benefit to the Voluntary Worker or their estate, as described under the Insuring Clause, subject to the terms, conditions, limits, and exclusions of this Policy.

Any Voluntary Worker may claim the cover under “Insuring Clause – What We Cover” up to the total Benefit amount provided the injury is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring Clause – What We Cover

If this cover is shown on your Policy Schedule, We provide cover to a Voluntary Worker, or their estate, if they suffer Bodily Injury in Australia during the Period of Insurance that:

- occurs while they are engaged in authorised voluntary work on behalf of the insured named in the Policy Schedule;
- is caused solely and directly by Accidental, external and visible means; and
- results, independently of any other cause, in one of the insured Events listed in the ‘Table of Events and Benefits – Voluntary Workers Cover’ within 12 months of the date the injury occurred.

The amount of cover provided is limited to the Benefit amount set out in the ‘Table of Events and Benefits – Voluntary Workers Cover’ provided below.

Table of Events and Benefits – Voluntary Workers Cover

This table outlines the Events covered under this Policy Section and the corresponding Benefit amounts payable when a Voluntary Worker sustains Bodily Injury while performing authorised voluntary work on behalf of the Owners Corporation.

Event	Description	Benefit
Event 1	Death	\$300,000
Event 2	Total and permanent loss of sight in both eyes	\$300,000
Event 3	Total and permanent loss of use of both hands, both feet, or one hand and one foot	\$300,000
Event 4	Total and permanent loss of use of one hand or one foot	\$150,000
Event 5	Total and permanent loss of sight in one eye	\$150,000
Event 6a	Total Disablement from usual occupation or duties, certified by a medical practitioner (payable weekly for up to 104 weeks)	\$3,000 per week
Event 6b	Partial Disablement from usual occupation or duties, certified by a medical practitioner (payable weekly for up to 104 weeks)	\$1,500 per week
Event 7	Reasonable cost of domestic assistance, certified by a medical practitioner as necessary following total disablement	Up to \$500 per week, up to \$5,000 in total
Event 8	Reasonable cost of travel expenses necessarily incurred to obtain medical treatment following Bodily Injury	Up to \$2,000
Event 9	Reasonable cost of home tutorial expenses (if the Voluntary Worker is a full-time student), following total disablement	Up to \$250 per week, up to \$2,500 in total
Event 10	Reasonable cost of burial or cremation expenses, following a claim payable under Event 1	Up to \$5,000

Benefit Limitations and Claims Conditions

The following conditions apply to claims made under Policy Section 3 – Voluntary Workers:

- If a Voluntary Worker suffers more than one insured Event of Events 1 to 5 from the same injury, we will not pay more than a total Benefit amount of \$300,000. Once we have paid the maximum benefit for Event 1, 2, or 3, or reached the total benefit amount of \$300,000 for Events 1 to 5, our liability for Events 1 to 5 under this Policy Section for that Voluntary Worker will cease.
- The injured Voluntary Worker must provide any medical certificates, reports or other documentation we reasonably require to assess the claim. The initial certificate must be issued by a registered medical practitioner. Ongoing incapacity may be certified by a registered medical practitioner, physiotherapist, chiropractor or osteopath, provided the certification is appropriate to the nature of the injury.
- We may reasonably request the injured Voluntary Worker to undergo a medical examination in connection with a claim. In the event of death, we may request a post-mortem examination, and if so, this examination will be arranged and paid for by us.

Exclusions – Policy Section 3

We will not pay any Benefits under this Policy Section for any claim caused by, connected with, or arising from the following, unless otherwise stated elsewhere in this Policy:

1. **Age Restriction** - We do not cover injury sustained by a person under 12 years of age.
2. **Alcohol or Drugs** – We do not cover injury arising while the Voluntary Worker is under the influence of alcohol or drugs, unless the drug was prescribed by a registered medical practitioner and taken as directed.
3. **Concurrent Weekly Benefits** – We do not cover more than one Benefit under Events 6a and 6b for the same period of time.
4. **Intentional Acts** – We do not cover injury arising from intentional self-injury, suicide, or any attempted suicide.
5. **Delayed Manifestation** – We do not cover injury that does not result in an insured Event within 12 months of the date the injury occurred.
6. **Failure to Seek Medical Advice** – We do not cover injury arising from the Voluntary Worker failing to seek and follow appropriate medical advice from a registered medical practitioner.
7. **Legislative Restrictions** – We do not cover any claim that would cause Us to breach the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth), or the National Health Act 1953 (Cth).
8. **Non-Earning Individuals** – We do not cover Events 6a and 6b where the Voluntary Worker is not in receipt of wages, salary or other income from personal exertion.
9. **Other Insurance or Compensation Schemes** – We do not cover any treatment, service or benefit:
 - a. Covered by Medicare;
 - b. Payable under workers' compensation, transport accident legislation, common law, or a government-funded scheme;
 - c. Covered by any other insurance policy required by law.
10. **Pregnancy and Childbirth** – We do not cover injury attributable wholly or partly to childbirth or pregnancy, including miscarriage, even if accelerated or induced by the injury.

Definitions – Policy Section 3

The following words have a specific meaning when used in this Policy Section and appear with a capital letter:

Benefit(s) - means the amounts payable for an injury to a Voluntary Worker as set out in the 'Table of Events and Benefits – Voluntary Workers Cover' under Policy Section 3 – Voluntary Workers.

Event – means the insured event set out in the 'Table of Events and Benefits – Voluntary Workers Cover' provided in Policy Section 3 – Voluntary Workers.

Partial Disablement - a condition that prevents the Voluntary Worker from performing one or more of the normal and substantial duties of their usual occupation, profession or business, but does not prevent them from performing all such duties.

Total Disablement - a condition that prevents the Voluntary Worker from performing all of the normal duties of their usual occupation, profession or business.

Policy Section 4 – Fidelity Guarantee

About this Policy Section

This Policy Section covers Loss of Funds arising from fraudulent misappropriation committed by individuals entrusted with managing or accessing the Owners Corporation's Funds or property during the Period of Insurance, subject to the terms, conditions, limits, and exclusions of this Policy.

You may claim the cover under 'Insuring Clause – What We Cover' up to the Limit of Liability shown on Your Policy Schedule provided it is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring Clause – What We Cover

If this cover is shown on your Policy Schedule, We provide cover for Loss of Funds resulting from fraudulent misappropriation committed during the Period of Insurance, up to the Limit of Liability shown in Your Policy Schedule.

Additional Cover

Auditors Fees - If We agree to indemnify You under this Policy Section, We will also cover the necessary and reasonable fees payable to external auditors incurred to support Your claim.

We will pay up to \$5,000 for necessary and reasonable external audit fees incurred solely to substantiate a covered claim, in addition to the Limit of Liability shown on Your Policy Schedule, subject to Our prior written consent (which will not be unreasonably withheld).

Exclusions – Policy Section 4

We will not pay under this Policy Section for any Claim in respect of the following, unless otherwise stated elsewhere in this Policy:

1. **Late Discovery** – We do not cover loss that is discovered more than 12 months after the expiry of this cover or any renewal of it.
2. **Other Fidelity Cover** – We do not cover loss recoverable under any other fidelity bond, fidelity fund, or similar scheme, whether statutory or otherwise, unless and until those entitlements have been fully exhausted.
3. **Post-Discovery Misappropriation** – We do not cover loss arising from fraudulent misappropriation committed after the initial discovery of the Loss.
4. **Pre-Policy Misappropriation** – We do not cover loss resulting from fraudulent misappropriation committed before the commencement of this cover.

Definitions – Policy Section 4

The following words have a specific meaning when used in this Policy Section and appear with a capital letter.

Funds - Money, securities, or tangible property received by You, or collected on Your behalf, that is designated for managing the financial affairs of the Owners Corporation. Funds do not include the personal money, securities, or tangible property of individual Lot Owners or Members.

Loss - means direct financial loss sustained by the Owners Corporation caused by fraudulent misappropriation of Funds by committee members or the Owners Corporation Manager.

Policy Section 5 – Office Bearers' Liability

About this Policy Section

This Policy Section covers Loss arising from Claims made against Office Bearers of the Owners Corporation – including committee members and Owners Corporation Managers of the Owners Corporation acting in that capacity – for alleged Wrongful Acts committed while performing their duties. Cover under this Policy Section is provided in accordance with the terms, conditions, limits and exclusions of this Policy.

You may claim the cover under “Insuring Clause – What We Cover” up to the Limit of Liability shown on the Policy Schedule provided it is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring Clause – What We Cover

If this cover is shown on the Policy Schedule, We provide cover for:

- the Loss of an Office Bearer for a Claim for which the Office Bearer is not indemnified by the Owners Corporation; or
- the Loss of an Office Bearer for a Claim for which the Owners Corporation indemnifies the Office Bearer, as permitted or required by law, or for which the Owners Corporation are vicariously liable,

Provided that the Loss arises from a Claim:

- a. First made against:
 - Any Office Bearer, in their capacity as an Office Bearer; or
 - An Owners Corporation Manager acting as an Office Bearer,
- b. during the Period of Insurance and notified to Us during that period or within 30 days after its expiry, as outlined under the Extended Reporting Period benefit.

This cover operates on a claims made and notified basis, meaning it only applies to Claims that are both made and notified within the required timeframe.

The total amount payable under this section will not exceed the Limit of Liability shown in the Policy Schedule, inclusive of claimant's costs, expenses, and Defence Costs incurred by Us.

The following benefits are provided when this cover is selected and shown in the Policy Schedule:

1. **Defence Costs** - We will pay Defence Costs in connection with a Claim under this section as follows:
 - If We have confirmed indemnity in writing, We will pay Defence Costs arising from that Claim.
 - If indemnity has not yet been confirmed:
 - We will pay Defence Costs if We are managing the defence or settlement of the Claim; or
 - We may, at Our discretion, pay Defence Costs in other circumstances.

If the Claim is withdrawn or indemnity is later declined, We will stop paying Defence Costs and may require repayment of any Defence Costs already advanced, where You were not entitled to these Defence Costs, unless We agree in writing to waive recovery.

2. **Continuous Cover** - If a Claim, fact or circumstance arises that should have been notified to Us under this Policy Section of the Policy for a previous Period of Insurance, We will accept the notification under this Policy Section, provided:
 - We have continuously provided cover for Office Bearers' Liability under this Policy Section of the Policy from the time the notification should have been made until the time it is actually made; and
 - The terms, conditions, Limit of Liability and Excess that apply will be those of the earlier Policy under which the notification should have been made.
3. **Extended Reporting Period** - If a Claim, fact or circumstance arises within 30 days after the expiry of the Policy and renewal instructions have not yet been received, We will accept the notification under this Policy Section, provided:
 - renewal instructions are received within that 30-day period; and
 - The terms, conditions, Limit of Liability and Excess that apply will be those of the Policy in force immediately prior to expiry.

This is a reporting benefit only and does not extend the Period of Insurance.

Exclusions – Policy Section 5

We will not pay for any Claim under this Policy Section that is caused by, connected with, or arising from any of the following, unless otherwise stated elsewhere in this Policy:

1. **Claims Outside Australia** – We do not cover any Claim brought against You in a court outside Australia.
2. **Conflict of Interest** – We do not cover any Claim arising from a conflict between Your personal interests and Your duties to the Owners Corporation.
3. **Defamation** – We do not cover any Claim arising from libel, slander, or other defamatory or disparaging statements made or published by You.
4. **Dishonest, Fraudulent or Criminal Acts** – We do not cover any Claim relating to or arising from dishonest, fraudulent, criminal or malicious act or omission by You or anyone employed by You. However, this exclusion does not apply to legal defence costs incurred in successfully defending such a Claim.
5. **Failure to Insure** – We do not cover any Claim resulting from Your deliberate decision not to arrange or maintain insurance as required under applicable Strata Legislation.
6. **Fines and Penalties** – We do not cover any fines, penalties, punitive, exemplary or aggravated damages, or any damages awarded by multiplying compensatory damages.
7. **Improper Personal Gain** – We do not cover any Claim arising from You gaining or attempting to gain a personal profit or advantage to which You were not legally entitled, or for which You may be held accountable to the Owners Corporation or its Members.
8. **Late Notification** – We do not cover any Claim first notified to Us after the expiry of this Policy Section, except where notification is permitted under Insuring Clause b. of this Policy Section.
9. **Misuse of Powers** – We do not cover any intentional misuse of Your powers for a purpose other than that for which those powers were granted under the Owners Corporation's Articles.
10. **Personal Injury or Property Damage** – We do not cover any Claim for death, Bodily Injury, sickness, disease (including Communicable Disease), or Damage to property.

This exclusion does not apply to loss or Damage to Documents owned by You or entrusted to You, or to the cost of restoring or replacing such Documents.
11. **Prior Known Acts** – We do not cover any Wrongful Act that was made, threatened, or otherwise known before the inception date shown in the Policy Schedule.

This exclusion does not apply where cover is provided under benefit 2 – Continuous Cover in this Policy Section.
12. **Third-Party Professional Liability** – We do not cover any Claim made against an Owners Corporation Manager, Agent, or other contracted professionals acting in their professional capacity, except as covered under the Insuring Clause for this Policy Section.
13. **Unauthorised Payments** – We do not cover any monies or gratuities paid to You without proper authorisation from the Owners Corporation, where such authorisation is required under its Articles or applicable law.

Conditions – Policy Section 5

These are the conditions that apply to any Claim made under this Policy Section.

1. **Appointing Senior Counsel** - If You and We cannot agree on a Senior Counsel, We will request the President of the Bar Association in the relevant State or Territory to nominate one.
2. **Cost of Senior Counsel's Opinion** - The cost of obtaining the Senior Counsel's opinion will be included in Your Defence Costs.
3. **How the Settlement Amount Is Determined** - The settlement amount will be based on either:
 - a. the amount offered by the claimant to settle the Claim; or
 - b. the amount assessed by a Senior Counsel, considering:
 - the economics of the matter;
 - the damages and costs likely to be recovered by the claimant;
 - the likely Defence Costs; and
 - Your prospects of successfully defending the Claim.
4. **Settlement Decisions** - If We recommend settling a Claim and You choose not to consent, and instead continue legal proceedings, Our liability will be limited to the amount the Claim could reasonably have been settled for, including all costs and expenses incurred up to the date You refused settlement.

5. **When a Wrongful Act Is Considered Reported** - A specific Wrongful Act will be considered reported to Us at the earliest of:
- a. the time You first give Us written notice that a Claim has been made against You; or
 - b. the time You first give Us written notice:
 - of circumstances that may give rise to a Claim;
 - that You have received written or oral notice from any party intending to hold You responsible for the Wrongful Act.

Definitions – Policy Section 5

The following words have specific meanings when used in this Policy Section and appear with a capital letter.

1. **Claim(s)** – means any of the following:
 - a. A written or verbal allegation of a Wrongful Act;
 - b. A civil proceeding initiated by a complaint, summons, statement of claim, or similar legal document alleging a Wrongful Act;
 - c. A criminal proceeding initiated by a summons or charge alleging a Wrongful Act.
2. **Defence Costs** – means reasonable costs, charges, and expenses (excluding Your own fees or Employee salaries) incurred by Us or with Our written consent (which will not be unreasonably withheld) in investigating, defending, monitoring, or settling any Claim or related proceedings, including appeals.
3. **Documents** – means deeds, wills, agreements, maps, plans, records, books, letters, certificates, forms, and other written or printed materials, including those reproduced by any method.

Documents does not include currency notes or negotiable instruments of any kind.
4. **Loss** – means the amount payable in respect of a Claim made against any Office Bearer for a Wrongful Act and includes damages, judgements, settlements, orders for costs and Defence Costs.
5. **Wrongful Act(s)** – means any actual or alleged error, misstatement, act, omission, neglect, breach of duty or attempt thereof, allegedly committed or attempted by You:
 - a. in Your role as an Office Bearer, committee member, or director of the Owners Corporation; or
 - b. as an Office Bearer on a related Building management committee, provided You also serve as an Office Bearer, committee member, nominee, or director of Your Owners Corporation at that time.

If multiple Claims arise from the same or related Wrongful Acts, they will be treated as one Claim and deemed to have originated in the earliest Period of Insurance in which any such Wrongful Act was first reported to Us.

Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses

About this Policy Section

This Policy Section provides cover for reasonable Professional Fees, Appeals Expenses and Legal Defence Expenses You necessarily incur, with Our prior written consent, which will not be unreasonably withheld, in connection with:

- Government Audits of Your financial or statutory compliance;
- Appeals against health and safety enforcement actions; and
- Legal defence of certain Claims made against You.

This cover operates on a claims made and notified basis, meaning it only applies to Claims:

- First made against You during the Period of Insurance; and
- Notified to Us during that period or within 30 days after it ends.

Subject to the terms, conditions, limits, and exclusions of this Policy.

You may claim for Professional Fees, Appeal Expenses and Legal Defence Expenses covered under “Insuring Clause – What We Cover”, up to the Limit of Liability shown on Your Policy Schedule provided the cover is not excluded under this Policy Section or the General Exclusions.

Your insurance under this Policy Section

Insuring Clause – What We Cover

If this cover is shown on Your Policy Schedule, We provide cover under Parts A, B and C of this Policy Section.

This Policy Section consists of three parts:

- Part A – Government Audit Costs.
- Part B – Health & Safety Appeal Expenses.
- Part C – Legal Defence Expenses.

Part A – Government Audit Costs

We cover the reasonable and necessary Professional Fees You incur in connection with a government Audit first notified to you during the Period of Insurance or within 30 days after the Period of Insurance ends, provided Our prior written consent has been obtained (which will not be unreasonably withheld).

Limit of Cover

The most We will pay in the aggregate for all claims first notified to Us during any one Period of Insurance is the Limit of Liability shown on Your Schedule for this Policy Section. This limit applies regardless of when the claim is finalised, including where Professional Fees are incurred or paid in a subsequent Period of Insurance.

Additional Cover – Record Keeping Audit

We will pay up to \$1,000 in total during any one Period of Insurance for the reasonable and necessary Professional Fees You incur in connection with a Record Keeping Audit, provided:

- The Audit is first notified to You during the Period of Insurance; and
- You obtain Our prior written consent before incurring any costs (which We will not unreasonably withhold).

Exclusions – Part A

We will not provide cover under Part A for any claim or cost that is caused by, connected with or arising from any of the following, unless otherwise stated elsewhere in this Policy:

1. **Breach of Policy Conditions** – We do not provide any cover if You breach any condition of this Policy Section, including failing to comply with legislative requirements or failing to follow Our instructions in relation to a Claim.
2. **Excluded Costs** – We do not provide any cover for:
 - a. fines, penalties, interest, tax adjustments, additional tax, duties, government charges or similar amounts;
 - b. reviews related to maintaining industry status, licences, memberships, or compliance with employment-related legislation or regulations;

- c. costs associated with data gathering by a government or statutory authority that is not directly part of an Audit;
 - d. Fees charged under an annual or fixed-fee arrangement;
 - e. Costs related to any objection, appeal, or review following the Audit or any assessment, amended assessment, or Final Decision;
 - f. Fees incurred from a third party without Our prior written consent;
 - g. Costs associated with preparing accounts, financial statements, or documents that should have been prepared before the lodgement of the relevant return.
3. **Failure to Comply with Legislative Requirements** – We do not provide any cover if You fail to comply with any relevant legislative obligation, and the return was not prepared or approved in writing by Your Professional Adviser prior to submission.
 4. **Fraudulent or reckless returns** – We do not provide any cover for fraudulent or reckless returns as adjudged by the Australian Taxation Office or any Commonwealth, State or Territory department, statutory body or agency.
 5. **Non-compliant Lodgements** – We do not provide any cover if any return or document required for the Audit:
 - a. was not lodged;
 - b. was lodged improperly; or
 - c. was lodged after the due date.
 6. **Out-of-scope Returns** – We do not provide any cover if the Audit relates to a tax return that:
 - a. was lodged more than 12 months prior to the original inception date of this cover; or
 - b. relates to a financial year more than three years before the date You received notice of the Audit.
 7. **Penalty-focused Audits** – We do not provide any cover if the Audit is conducted solely to determine whether a fine, penalty or prosecution should be imposed in connection with:
 - a. any act or omission by You; or
 - b. any breach of Your statutory obligations.
 8. **Pre-existing Knowledge or Notices** – We do not provide any cover if, prior to the commencement of the Period of Insurance, You or anyone acting on Your behalf:
 - a. received notice of a proposed Audit;
 - b. had reason to believe an Audit was likely; or
 - c. possessed information that would lead a reasonable person to anticipate an Audit.
 9. **Unapproved Service Providers** – We do not provide any cover if fees are charged by someone other than a Professional Adviser, unless We have given prior written consent (which will not be unreasonably withheld).

Conditions – Part A

1. **Your Responsibilities** - You must:
 - a. Take all reasonable steps to comply with relevant legislation, procedures, and guidelines issued by the Australian Taxation Office or any Commonwealth, State or Territory authority regarding record-keeping;
 - b. Lodge all required taxation and statutory returns within prescribed timeframes or any extension granted by the relevant authority;
 - c. Make full and accurate disclosure of all assessable income, including capital gains, as required by law;
 - d. Notify Us promptly upon becoming aware of an Audit or impending Audit – by phone, in writing, or in person;
 - e. Obtain Our prior written consent (which will not be unreasonably withheld) before engaging a Professional Adviser other than Your accountant and notify Us of any fees Your accountant proposes to charge.
2. **When an Audit Commences and Ends** - An Audit is considered to:
 - a. Commence when You first receive verbal or written notice that an Auditor proposes to conduct an audit; and
 - b. Conclude when:
 - i. The Auditor provides written notice that the Audit is complete; or
 - ii. The Auditor notifies You of a Final Decision regarding a Designated Liability; or
 - iii. An assessment or amended assessment of a Designated Liability is issued; or
 - iv. When the authority confirms no further action is required.

Part B – Health & Safety Appeal Expenses

We cover Appeal Expenses You necessarily incur, with Our prior written consent (which will not be unreasonably withheld), in appealing against:

- a. An improvement or prohibition notice issued under workplace, occupational health and safety, or similar legislation applicable to the location of Your Insured Property; or
- b. A determination made under such legislation by a review committee, arbitrator, tribunal or Court.

We will only provide cover where:

1. the notice or determination arises from Your failure to maintain, so far as reasonably practicable:
 - a safe working environment and system of work;
 - plant and equipment in safe condition; or
 - adequate facilities for Employee welfare;
2. the notice or determination is first made or brought against You during the Period of Insurance, and You notify Us as soon as reasonably possible during that Period of Insurance or within 30 days after it ends; and
3. We consider there are reasonable prospects of the appeal being successful.

The most We will pay for any one claim and in total during any one Period of Insurance is the Limit of Liability shown in Your Policy Schedule for this cover.

Exclusions – Part B

We will not provide cover under Part B for any claim or cost that is caused by, connected with or arising from any of the following, unless otherwise stated elsewhere in this Policy:

1. **Known Circumstances (Additional Exclusion)** – We do not provide any cover if You were aware of the notice, determination, or any circumstance likely to give rise to a proceeding before this insurance was first effected.
2. **Non-Legal Costs** – We do not provide any cover for any penalties, fines, compensation, or awards for aggravated, exemplary or punitive damages made against You.

This section only covers Appeal Expenses incurred in appealing the notice or determination.

Part C – Legal Defence Expenses

We cover the reasonable Legal Defence Expenses You necessarily incur, with Our prior written consent (which will not be unreasonably withheld), in connection with litigation arising from a Claim made or brought against You:

- During the Period of Insurance; and
- Reported to Us during the Period of Insurance or within 30 days after it ends; and
- Where the Claim relates to:
 - Your ownership, operation or management of the Common Area or Insured Property;
 - Alleged breaches of the *Competition and Consumer Act 2010 (Cth)* or other consumer protection legislation;
 - A dispute with a current, former or prospective Employee involving:
 - the terms and conditions of employment or an alleged employment contract; or
 - civil or criminal proceedings under racial or sexual discrimination legislation.

The most We will pay for any one claim and in total during any one Period of Insurance is the Limit of Liability shown in Your Policy Schedule for this cover.

Exclusions – Part C

We will not provide cover under Part C for any claim or cost that is caused by, connected with, or arising from any of the following, unless otherwise stated elsewhere in this Policy:

1. **Claims Initiated by You** – We do not provide any cover where You initiate litigation or proceedings, including appeals, unless We have provided Our prior written consent.
2. **Conflicts and Disputes with Us** – We do not provide cover for any matter:
 - a. involving a conflict of duty or interest on Your part; or
 - b. any dispute between You and Us, including any of Our directors, employees, or representatives.
3. **Compensation and Damages** – We do not provide any cover for the payment of compensation, damages, penalties, fines, or other monetary awards, except for fees, expenses and disbursements You are ordered to pay to another party by a Court, Tribunal, or Arbitrator.
4. **Covered Elsewhere** – We do not provide cover for any act, omission, liability, or Loss for which indemnity is provided under:
 - a. Policy Section 2 – Property Owner’s Legal Liability; or
 - b. Policy Section 5 – Office Bearers’ Liability;or would have been provided if those sections were operative, including any defence costs provided under Policy Section 2 or Policy Section 5.
5. **Dishonest or Deliberate Acts** – We do not provide cover for any deliberate act, including fraud or dishonesty, where a final judgment or adjudication determines that You acted with actual dishonest intent and that the act was material to the Claim.
6. **Known or Pre-existing Matters** – We do not cover any Claim or circumstance:
 - a. that arises from circumstances You knew about, or a reasonable person in Your position could have known about, before the start of this cover under your Policy and which may give rise to a Claim;
 - b. that was made, threatened, or notified before the inception date shown in the Policy Schedule, except as allowed under the Continuous Cover condition in this Policy Section;
 - c. that is first notified to Us more than 30 days after the expiry of this cover under your Policy, except as allowed under the Continuous Cover condition in this Policy Section.
7. **Without Our Consent or Against Advice** – We do not cover any matter:
 - a. that You pursued or defended without Our prior written consent (which We will not unreasonably withhold);
 - b. that You pursued or defended in a way that differs from the advice of the Appointed Representative.

Conditions – Part C

1. **Access to Legal Information** - You must allow Us reasonable access to information, reports, and advice from the Appointed Representative. However, You will not be prejudiced if the representative withholds information that could compromise Your legal position.
2. **Appeals** - If You wish to appeal a decision made by a Court or Tribunal, You must:
 - a. Apply in writing for Our consent at least five business days before the appeal deadline; or
 - b. If the appeal period is shorter, notify Us as soon as reasonably practicable.Your application must include the reasons for the appeal. We will only fund an appeal if We are satisfied there are reasonable prospects of success.
If We decide to appeal a decision, You must cooperate with Us. We will pay all associated costs up to the Limit of Liability shown in Your Policy Schedule for this cover.
3. **Appointment of Legal Representative** - You may nominate a solicitor to act as Your Appointed Representative. We may accept or reasonably decline the nomination and will provide reasons if We decline the nomination. If agreement cannot be reached, the President of the Law Society in Your State will be asked to nominate a solicitor. In the meantime, We may appoint a representative to protect Your immediate interests.
4. **Bills of Costs** - You must provide Us with all bills or communications relating to legal fees as soon as reasonably practicable. If requested, You must instruct the Appointed Representative to submit the bill for review or assessment by a relevant authority.
You must not:
 - a. Enter into any fee arrangements with the Appointed Representative without Our prior written consent (which will not be unreasonably withheld); or
 - b. Represent to the Appointed Representative that all fees and expenses are covered under this Policy.

5. **Consent to Incur Legal Expenses** - You must obtain Our prior written consent before incurring any Legal Defence Expenses. We will not unreasonably withhold consent, but We must be satisfied that:
 - a. There are reasonable prospects of successfully defending the Claim; and
 - b. The Legal Defence Expenses are necessary and reasonable.
6. **Continuous Cover** - We will accept notification of a Claim during the current Period of Insurance that should have or could have been notified in a previous Period of Insurance, provided that:
 - a. We have been the insurer for Legal Defence Expenses cover continuously from the date the Claim should have been notified until the date it is actually notified; and
 - b. The applicable Limit of Liability, terms, conditions, and exclusions will be those of the Policy in force at the time the Claim should have been notified.
7. **Cooperation with the Appointed Representative** - You must provide the Appointed Representative with all relevant information and assistance, including:
 - A full and truthful account of the facts;
 - All relevant documents and evidence;
 - Any required authorisations or signatures; and
 - Attendance at meetings or proceedings when reasonably requested.
8. **Excess** - For each and every Claim under this cover, You are required to pay or contribute an Excess specified in Your Policy Schedule.
9. **Notification of Claims** - You must notify Us in writing as soon as reasonably practicable after:
 - a. Receiving written or verbal notice of a Claim; or
 - b. Becoming aware of any circumstance that may give rise to a Claim.
 A Claim is considered notified when We receive written notice from You.
10. **Recovery of Legal Expenses** - If You are awarded legal costs, You must take reasonable steps to recover them. Any recovered amounts will be deducted from the total Legal Defence Expenses payable under Part C of this Policy Section.
11. **Settlement Offers** - You must notify Us as soon as reasonably practicable if You receive an offer to settle a Claim. If:
 - We or the Appointed Representative recommend accepting the offer, and
 - You choose not to accept it and continue proceedings,
 then Our liability will be limited to the Legal Defence Expenses incurred up to the date of the offer.

Definitions – Policy Section 6

The following words have a specific meaning when used in this Policy Section and appear with a capital letter.

Appeal Expenses - Legal costs, professional charges, and related disbursements that are necessarily and reasonably incurred in appealing the decision of a Claim brought against You, provided Our prior written consent has been obtained (which will not be unreasonably withheld).

Appointed Representative - A solicitor, barrister, assessor, consultant, investigator or other appropriately qualified person appointed to act on Your behalf in connection with a Claim covered under this Policy Section, with Our prior written consent.

Audit(s) – A formal Audit, investigation or review of Your taxation or financial affairs conducted by the Australian Taxation Office or any Commonwealth, State or Territory department, statutory body or agency, following the lodgement of Your returns. This includes, but is not limited to, audits relating to:

- Business Activity Statements (BAS).
- Income Tax.
- Capital Gains Tax.
- Fringe Benefits Tax.
- Group Tax and Prescribed Payments.
- Payroll Tax.
- Stamp Duty.
- Superannuation compliance under the *Superannuation Industry (Supervision) Act 1993*.
- Workers Compensation Return.

Auditor - An officer authorised under Commonwealth, State or Territory legislation to conduct an Audit of Your taxation or financial affairs.

Claim(s) - Any of the following:

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

Designated Liability - An amount You are legally required to pay under Commonwealth, State or Territory legislation as a result of an Audit.

Final Decision - A written statement issued by the Auditor that sets out their completed findings or intended course of action in relation to a Designated Liability. This includes any written notice that confirms the outcome of the Audit or forms the basis for an assessment or amended assessment.

Legal Defence Expenses - Reasonable and necessary costs incurred in connection with a Claim covered under this Policy Section, including:

- a. Fees, expenses and disbursements incurred by an Appointed Representative, including the costs of expert witnesses and any costs incurred by Us;
- b. Legal costs You are ordered to pay to another party by a Court, Tribunal or Arbitrator;
- c. Legal costs incurred in appealing or resisting an appeal from a judgment or decision, where We have agreed to fund the appeal.

Professional Adviser - Any of the following:

- a. An accountant who is a member of a nationally recognised accounting body, a registered tax agent, or a tax consultant;
- b. Any other professional or consultant engaged by, or on the recommendation of your accountant — provided You have obtained Our prior written consent.

It does not include You or any person employed by You under a contract of employment.

Professional Fees - Reasonable and necessary fees, costs and disbursements payable by You to a Professional Adviser for work undertaken in connection with an Audit.

Record Keeping Audit - An inquiry or investigation conducted by a government authority to assess Your compliance with record-keeping obligations under relevant legislation.

Workers Compensation Return(s) - Means an Audit of Your wages or an Audit into Your liability to pay a workers' compensation premium.

Policy Section 7 – Machinery Breakdown

About this Policy Section

This Policy Section covers the reasonable cost to repair or replace an Insured Item that forms part of Your Insured Property if it suffers a Breakdown while operating as intended during the Period of Insurance, subject to the terms, conditions, limits, and exclusions of this Policy.

You may claim the cover under “Insuring Clause – What We Cover”; if:

- “Machinery Breakdown” is shown as insured on Your Policy Schedule;
- The Breakdown occurs during the Period of Insurance; and
- The Breakdown and any resulting Loss or Damage are not excluded under this Policy Section or the General Exclusions.

Cover is provided up to the Limit of Liability shown on Your Policy Schedule.

Your insurance under this Policy Section

Insuring Clause – What We Cover

If this cover is shown on Your Policy Schedule and during the Period of Insurance, an Insured Item(s) at Your Situation suffers a Breakdown while the Insured Item(s) was operating as intended and this cover is selected and shown in Your Policy Schedule, We will cover:

1. The reasonable cost to repair or replace the Insured Item, up to the Limit of Liability shown in Your Policy Schedule for this Policy Section; and
2. The Insured Item will be repaired or replaced to a condition equal to, but not better than, its condition immediately before the Breakdown.

Extensions of Cover – Policy Section 7

If We accept a claim for Breakdown under this Policy Section, and the Limit of Liability has not been fully used for that Breakdown, We will also cover up to the amount of the unused Limit of Liability the reasonable costs of the following Extensions of Cover, provided they are reasonably necessary as a direct result of the Breakdown:

1. **Expediting Repairs** - We will pay for reasonable costs to expedite repairs, including:
 - Overtime labour costs;
 - Express or air freight charges.
2. **Refrigerant and Oil Replacement** - We will pay the reasonable cost to replace:
 - Refrigerant gas lost from air-conditioning or refrigeration units;
 - Oil lost from mechanical equipment as a result of the Breakdown.
3. **Temporary Hire of Equipment** - We will pay the reasonable cost to hire a temporary replacement item if:
 - It is necessary to maintain a vital service provided by You;
 - The hire is directly related to the Breakdown of an Insured Item.

These Extensions of Cover are included within the Limit of Liability for this Policy Section and are not payable in addition to it.

Additional Covers – Loss of Rent and Temporary Accommodation

If we accept a claim for Breakdown under this Policy Section, and the Breakdown of Insured Item(s) makes a Lot or Common Area unfit to be occupied for its intended purpose for more than seven (7) consecutive days, we will also:

- pay the Lot Owner (unless You direct us otherwise); and
- pay You,

for:

1. **Temporary Accommodation costs** - The reasonable cost of Temporary Accommodation that You necessarily incur while the affected Lot or Common Area is uninhabitable.
2. **Loss of Rent** - The actual Rent You lose if the Lot or Common Area was leased or would have been leased under a signed agreement at the time of the Breakdown.

We will pay from the date the Breakdown occurred until the earlier of:

- The date the Damaged insured item(s) is repaired or replaced; or
- The end of the maximum benefit period.

Limits

- The maximum we will pay under this Extension is 15% of the Limit of Liability shown for this Policy Section in Your Policy Schedule.
- The benefit is limited to a maximum of 30 days from the date of the Breakdown, unless We agree otherwise in writing.

The limit under this Extension is in addition to the Limit of Liability for this Policy Section.

For the purpose of this Additional Cover, a Lot Owner may be a Third-Party Beneficiary.

Exclusions – Policy Section 7

We will not pay for any Loss, Damage, cost or liability under this Policy Section that is caused by, connected with, or arising from any of the following unless otherwise stated elsewhere in this Policy:

1. **Consequential Loss** – We do not cover any consequential or indirect Loss, including:
 - Loss of use;
 - Loss of contract, profit, revenue, opportunity, goodwill, or reputation;
 - Special or punitive damages; unless specifically covered under this Policy Section.
2. **Excluded Components** – We do not cover Breakdown or replacement of:
 - Glass or ceramic components;
 - Defective tube joints or other defective joints or seams;
 - Any valve fitting, shaft seal, gland packing, joint or connection (unless directly caused by insured Damage);
 - Foundations, brickwork, or refractory materials forming part of an Insured Item;
 - Expendable items such as bulbs, tubes, fuses, heating elements, commutators, slip rings, brushes, thermostats, filters, belts, chains, ropes, tyres, bearings, valve plates, dryers, and similar consumables;
 - Computers, telecommunications equipment, Electronic Data processing equipment, office machines, gaming or coin-operated machines;
 - Storage tanks, vats, mobile or stationary pressure vessels containing explosive gases;
 - Mobile machinery, ducting, electrical wiring, water or gas piping;
 - Any machinery or equipment not owned by you;
3. **Installation or Erection** – We do not cover Loss or Damage occurring during installation or erection, except for dismantling, movement, or reinstallation within the Building for cleaning, inspection, or repair.
4. **Maintenance Activities** – We do not cover Loss or Damage caused by the use of tools or processes during maintenance, inspection, repair, alteration, modification, or overhaul.
5. **Stress Testing and Overloading** – We do not cover Loss or Damage caused by abnormal stress testing or intentional overloading.
6. **Leaks and loss of Fluids** – We do not cover Loss of oil, gas, or liquid due to leakage from seals, gaskets, joints, or corroded or deteriorated parts.
7. **Pre-existing or Progressive Damage** – We do not cover Breakdown caused by deterioration of any pre-existing crack, fracture, blister, lamination, flaw or grooving that had not previously penetrated the full thickness of the material, unless caused by Breakdown and you were not aware (and could not reasonably have been aware) of the Defect.
8. **Refrigerant Conversion** – We do not cover costs to convert refrigeration or air-conditioning units from CFC (chlorofluorocarbon) refrigerant gas to another type of refrigerant.
9. **Third-party Responsibility** – We do not cover Loss or Damage that is claimable under a manufacturer's, supplier's, installer's, or maintenance provider's warranty or service agreement.
10. **Wear and Tear** – We do not cover Loss, Damage, cost or expense to Insured Item(s) arising from, connected with, or caused by:
 - chipping, scratching or discolouration of painted, polished or finished mechanical surfaces;
 - depletion, deterioration, corrosion or erosion of material or the need to clean any component;
 - leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

- vibration or misalignment;
- tightening or loosening of parts, recalibration, or routine maintenance or adjustment activities.

Conditions – Policy Section 7

The following conditions apply to Policy Section 7 - Machinery Breakdown. These are in addition to the General Conditions in Your Policy.

1. **Maintenance of Insured Items** - You must ensure that all Insured Items are:

- Maintained in sound working condition;
- Subject to regular servicing in accordance with manufacturer or industry standards; and
- Operated in accordance with their intended use and any applicable safety or statutory requirements.

If an Insured Item is required by law to be inspected or certified (e.g. lifts or pressure vessels), You must ensure that such inspections or certifications are current and valid.

2. **Comprehensive Maintenance Agreements** - For lifts, elevators, escalators, and inclinator to be covered, a current comprehensive maintenance agreement must be in place with a qualified service provider.

3. **Certified as Safe and Compliant** – Where required by building codes or statutory regulations, Insured Item(s) must hold a current certification confirming they are safe and compliant for operation at the time of Breakdown.

4. **Changes to Insured Items** - You must notify us if:

- You install a new Insured Item that you wish to be covered;
- You remove or decommission any existing Insured Item;
- There is a material change in the use or condition of any Insured Item.

Claims – How We Settle Your Claim

If we accept Your claim under this Policy Section, we will, in consultation with You, settle the claim by:

1. **Repairing or Replacing the Insured Item** - We will pay the reasonable cost to repair or replace the Damaged item to a condition substantially the same as, but not better or more extensive than, its condition immediately before the Breakdown. Repairs or replacements will use new parts where necessary. We will determine whether the item is repaired or replaced, and will pay the lesser of the reasonable cost of either option.

2. **Paying You the Cost of Repair or Replacement** - If We are unable to arrange for the repair or replacement item, We may instead pay You the reasonable cost to repair or replace the item, calculated on the basis of using new parts where necessary and commercially reasonable, and based on the same principle of no betterment.

3. **Obsolete Components** - If the original components or manufacturer's specifications are no longer available due to obsolescence, We will pay the reasonable cost of providing alternative components that restore functionality, even if they are not identical to the original, provided they are not materially better or more extensive than necessary.

4. **No Cover for Improvements** - We will not pay for the cost of:

- Alterations, additions, or improvements;
- Modifications or overhauls not necessary for the repair or replacement of the Damaged item.

5. **Excess** - Any applicable Excess shown in Your Policy Schedule will be deducted from the amount we pay You.

Definitions – Policy Section 7

The following words have a specific meaning when used in this Policy Section and appear with a capital letter.

Breakdown means any sudden, unforeseen and Accidental failure of an Insured Item, or part thereof, resulting in physical Damage to the Insured Item which requires the repair or replacement of all or part of the Insured Item before normal operation of it can be resumed and may include, but is not limited to the actual breaking, seizing, deformation or burning out sufficient to prevent the item undertaking its normal operation and necessitating repair or replacement.

Insured Item(s) - means any machinery or equipment that:

- forms part of Your Insured Property or its services;
- are located at the Situation; and
- are currently in use or ready for use:

This includes:

- a. Lifts, elevators, escalators, and incliners;
- b. Telecommunication and Building communication systems, including intercoms, wiring, fittings, and outlet sockets for electric lighting or power circuits;
- c. Boilers and pressure vessels, including associated pipework and safety devices;
- d. Other electrical, electronic, and mechanical machinery forming part of the Insured Property or services, excluding any items listed as Excluded Components for this section.

Loss – means a Breakdown while operating as intended.

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