

Community Association Insurance Plan



Product Disclosure Statement
and Policy Wording



Contents

Summary of Limits and Excesses	2
Product Disclosure Statement	5
Policy Wording	10
General definitions	10
General conditions	14
General Exclusions	16
Claims Conditions	17
Policy 1 - Community Property	18
Policy 2 - Liability to others	24
Policy 3 – Voluntary workers	26
Policy 4 – Workers compensation	28
Policy 5 – Fidelity guarantee	29
Policy 6 – Office bearers legal liability	30
Policy 7 - Machinery breakdown	33
Policy 8 - Catastrophe insurance	35
Policy 9 – Government audit costs, appeal expenses and legal expenses	37
Policy 10 – Lot owners’ homes	41

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

Sub-limit (\$) table

POLICY SECTION	SUB-LIMIT	WHAT WE'LL PAY
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Emergency cost of minimising loss Reasonable repair costs to minimise insured loss and avoid future losses	No more than \$2,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 1e - Cost of reletting When You have leased out Your Lot/Unit or Common Area We will pay reasonable reletting costs if it is made unfit to be occupied for its intended purpose	Up to \$1,500 a Lot/Unit or Common Area
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 1f - Meeting room hire for the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy the meeting room facilities forming part of Your Community Property and/or Home	Up to \$5,000 for the cost of hiring temporary meeting room facilities
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 2 - Alterations/additions When You make alterations, additions or renovations to Your Community Property and/or Home during the Period of Insurance	Up to \$100,000 for Damage to such alterations, additions or renovations
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 5 - Electricity, gas, water and similar charges – excess costs any one Period of Insurance for increased usage of metered electricity, gas, sewerage, oil and water You are legally required to pay following loss or Damage by an Event admitted as a claim	Up to \$2,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 6 - Electricity, gas, water and similar charges – unauthorised use any one Period of Insurance for the cost of metered electricity, gas, sewerage, oil and water You are legally required to pay following its unauthorised use	Up to \$2,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water
Policy 1 – Community Property	Special Benefit 7 - Environmental improvements for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar	Up to \$10,000 for the cost of additional environmental improvements
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 8 of Policy 1 and Special Benefit 9 of Policy 10 - Exploratory costs, Replacement of defective parts <ul style="list-style-type: none"> repairing or replacing the defective part or parts of such tanks, apparatus or pipes rectifying contamination Damage or pollution Damage to land at Your Situation caused by the escape of liquid 	<ul style="list-style-type: none"> to a limit of \$1,000 to a limit of \$1,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 9 of Policy 1 and Special Benefit 10 of Policy 10. Fallen trees for removal and disposal of trees or branches that have fallen and caused Damage to Your Community Property	Up to \$5,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 11 of Policy 1 and Special Benefit 13 of Policy 10 - Keys, lock replacement for re-keying or re-coding locks or replacing locks if keys to Your Community Property and/or Home are stolen as a consequence of forcible entry	Up to \$5,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 12 of Policy 1 and Special Benefit 14 of Policy 10 - Landscaping for reasonable costs You necessarily incur in replacing or repairing Damaged trees, shrubs, plants, lawns or rockwork at Your Situation Damaged by a claimable Event.	Up to \$10,000
Policy 1 – Community Property	Special Benefit 13 - Lot owner's contributions and fees for contributions, levies, maintenance and other fees required to be paid by individual Lot Owners should they be unable to be collected if their Home is made unfit to be occupied for its intended purposes by loss or Damage admitted as a claim.	Up to \$2,000 a Lot
Policy 1 – Community Property	Special Benefit 14 - Money for loss of Your money whilst in personal custody of an Office Bearer, committee member or Your Community Association Manager/Agent	Up to \$10,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 15 of Policy 1 and Special Benefit 16 of Policy 1 - Mortgage discharge to discharge any mortgage over Your Community Property and/or Home if it becomes a total loss and is not replaced	Up to \$5,000

Community Association Insurance Plan



POLICY SECTION	SUB-LIMIT	WHAT WE'LL PAY
Policy 1 – Community Property	Special Benefit 16 - Personal property of others for the Indemnity Value of personal property of others which are lost or Damaged by a claimable Event while in Your physical or legal control	Up to \$10,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 17 - Pets, security dogs for boarding pets or security dogs if Your Community Property and/or Home is rendered unfit for its intended purpose	Up to \$1,000
Policy 1 – Community Property	Special Benefit 19 - Damaged Office Records for reasonable expenditure You necessarily incur in collating information, preparing, rewriting or reproducing records, books of account, Electronic Data and valuable papers directly related to Your Community Property	Up to \$50,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 20 of Policy 1 and Special Benefit 19 of Policy 10 - Removal, storage costs for reasonable costs to remove, store and insure undamaged portion of Your Community Property and/or Home following loss or Damage admitted as a claim	Up to \$10,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 21 of Policy 1 and Special Benefit 20 of Policy 10 - Removal of squatters for legal fees incurred to repossess Your Community Property and/or Home if squatters are living in it	Up to \$1,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 22, Title deeds for reasonable costs incurred in replacing Title Deeds to Your Community Property and/or Home if lost or damaged by a claimable Event	up to \$5,000
Policy 1 – Community Property and Policy 10 - Lot Owners' Homes	Special Benefit 23 of Policy 1 and Special Benefit 22 of Policy 10 - Water removal from basement for reasonable costs incurred in removing water from basement or undercroft areas of Your Community Property and/or Home if such inundation is directly caused by Storm or Rainwater	Up to \$2,000
Policy 8 – Catastrophe	Special benefits Total amount payable under Policy 8 for Special Benefits 1 to 4	a. Temporary accommodation/rent: 15% b. Escalation in costs: 5% c. Removal storage and cost of evacuation: 5%
Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	Additional Benefit 1. Record Keeping Audit Professional Fees you reasonably incur with Our written consent, which we will not unreasonably withhold in connection with a Record Keeping Audit.	Up to \$1,000 in any one Period of Insurance for Professional Fees
Policy 10 – Lot Owners' Homes	Special Benefit 7 - Emergency accommodation for reasonable cost of emergency accommodation should Your Home be made unfit to be occupied or access is prevented as a result of Damage from a claimable Event	Up to \$1,500
Policy 10 – Lot Owners' Homes	Special Benefit 8 - Environmental improvements for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar	Up to \$2,000 for the cost of additional environmental improvements
Policy 10 – Lot Owners' Homes	Special Benefit 12 - Funeral expenses if You or a family member permanently residing with You in your Home dies as a direct consequence of loss or Damage admitted as a claim	Up to \$5,000
Policy 10 – Lot Owners' Homes	Special Benefit 15 - Modifications for modifications to Your Home if You are physically injured and become a quadriplegic or paraplegic as a direct consequence of loss or Damage admitted as a claim.	Up to \$25,000



Sub-limit (time) table

POLICY SECTION	SUB-LIMIT	TIME LIMIT
Policy 1 – Community Property and Policy 10 - Lot Owners’ Homes	<p>Special Benefit 1c -Disease, murder and suicide if You are not permitted to occupy Your Community Property and/or Home by order of the Police, a Public or Statutory Authority, other body, entity or person so empowered by law, due to:</p> <ul style="list-style-type: none"> the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like; a human infectious or contagious disease, except for communicable disease; murder or suicide; occurring at Your Situation. 	Not exceeding a maximum of thirty (30) days
Policy 1 – Community Property and Policy 10 - Lot Owners’ Homes	<p>Special Benefit 1d - Failure of supply services if Your Community Property and/or Home is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Policy 1</p>	Provided the failure of services extends for more than forty eight (48) hours We will pay from the time of the failure until the time such services are reinstated, or for a period of thirty (30) day

Excess table

POLICY SECTION	DESCRIPTION OF EXCESS	EXCESS AMOUNT TO PAY
Policy 1 – Community Property and Policy 10 - Lot Owners’ Homes	Earthquake excess	\$250 during any one period seventy two (72) consecutive hours
Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	<p>Additional excess This excess applies to each and every Claim made under Policy 9</p>	\$1,000



Product Disclosure Statement

Important Information and Notices

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

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

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

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

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

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

About QBE

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035 (QBE), AFS Licence No. 239545. QBE Insurance (Australia) Limited is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE).

We have authorised the information contained in this PDS.

Authority to act on our behalf

We have given CHU Underwriting Agencies Pty Ltd ABN 18 001 580 070 (CHU) a binding authority to market, underwrite, settle claims and administer this Policy on our behalf.

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

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

About CHU

CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070) (CHU) is a specialist strata and community title insurance intermediary and holds an Australian Financial Services licence (AFS Licence No: 243261) to issue and advise on general insurance products.

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

For more information or to make a claim

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

What you should read

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

- all of the Product Disclosure Statement - this information is designed to help You understand this insurance and Your rights and obligations under it;
- the Policy Wording part which commences on page **10**. It tells You about:
 - what makes up the insurance (i.e. Your contract with us which we call a Policy);
 - important definitions that set out what We mean by certain words;
 - the cover We can provide (see **Policies 1 to 10**);
 - what excesses You may have to pay;
 - when You are not insured (see **General exclusions** and other exclusions under **Policies 1 to 10**);
 - what You and We need to do in relation to claims
 - Yours and Our cancellation rights.
- the relevant quote/proposal form You need to complete to apply for cover (if applicable);
- any Schedule when it is issued to You; and
- any other documents We may give you which vary Our standard terms of cover set out in this document.

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

Your duty of disclosure

Before You enter into an insurance contract, You have a duty of disclosure under the Insurance Contracts Act 1984 to tell Us anything that You know, or could reasonably be expected to know, that may affect Our decision to insure You and on what terms. You have this duty until We agree to insure You. You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for;
- is common knowledge;
- We know or should know as an insurer;
- We waive Your duty to tell Us about.

Claims made and Notified Insurance

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

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

Privacy

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

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

Our Privacy Policy describes in detail where and from whom We collect personal information, as well as where We store it and the full list of ways We could use it. To get a free copy of it please visit qbe.com.au/privacy

or contact QBE Customer Care. You can view CHU's Privacy Policy at www.chu.com.au or obtain a copy by contacting CHU's / Steadfast's Privacy Officer on +61 2 9307 6656 or by writing to

PO Box A2016, Sydney South NSW 1235 or email privacyofficer@steadfastagencies.com.au.

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

Significant features and benefits

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

What you are covered for / not covered for

Policy 1 – Community Property

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

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

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

Policy 2 – Liability to Others

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

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

Policy 3 – Voluntary workers

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

Policy 4 – Workers Compensation

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

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

Policy 5 – Fidelity Guarantee

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

Policy 6 – Office Bearers' Legal Liability

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

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

Policy 7 – Machinery Breakdown

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

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

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

Policy 8 – Catastrophe insurance

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

- a due to the happening of an Event for which the Insurance Council of Australia issues a catastrophe code or other Event which occurs no later than sixty (60) days after the Catastrophe; and
- b the Event giving rise to the loss is admitted as a claim under Policy 1 – Community Property.

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

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



Policy 10 – Homes

Homes are covered for accidental loss or Damage that occurs during the period of insurance. This cover also includes additional and special benefits up to specified limits.

Important information you should understand

In addition to the covers summarised above, there are a number of terms, conditions, limits and exclusions contained in the Policy that can affect how or whether a claim is paid under this Policy. You need to read the PDS, Schedule and the Policy Wording for full details of the available cover, terms, definitions, conditions, exclusions and limits that apply to make sure it meets Your expectations.

Exclusions

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

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

- a** any Act of Terrorism where such act is directly or indirectly caused by, contributed to, resulting from, or arising out of or in connection with biological, chemical, or nuclear weapons, pollution or contamination;
- b** the actual or alleged use or presence of asbestos;
- c** ionising radiation from, or contamination by radio-activity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

Conditions

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

- 1** Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment if Your claim is accepted.
- 2** When Your Community Property is a total loss and We have paid out the total Sum Insured, this insurance ceases. If You rebuild or replace Your Community Property, this requires a new insurance contract commencing at that time with an applicable Premium.
- 3** When renewing Your insurance with Us, You have a duty of disclosure under the Insurance Contracts Act 1984. You must advise Us of any changes to Your claims or insurance history that a reasonable person in the circumstances would tell Us CHU will notify You in writing of any effect a change may have on Your insurance renewal.

The cost of this insurance

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

- the Sum(s) Insured;
- the address of Your Community Property;

- Your insurance history;
- the security features of Your Community Property.

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

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

Paying Your Premium

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

Other costs, fees and charges

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

Administration Fee

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

Refund of Premium

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

Commissions

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

Confirming transactions

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

Receiving Your Policy documents

You may choose to receive Your Policy documents:

- a** electronically, including but not limited to email; or
- b** by post.

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



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

How to make a claim

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

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

- provide details of the incident and when requested complete the claim form We send You;
- subject to reasonable notice and at a reasonable time that suits You and Us, allow Us or our appointed representative to inspect Your Community Property and/or Home and take possession of any Damaged item(s) if reasonable and required;
- take all reasonable steps to reduce the Damage or loss and prevent further loss or Damage;
- inform the police as soon as reasonably practicable following theft, vandalism, malicious Damage or misappropriation of money or property;
- where practical and reasonable not dispose of any Damaged items without first seeking Our approval; and
- not get repairs done, except for essential temporary repairs, and where reasonable We will seek Your cooperation in selecting the repairer or supplier.

These are only some of the things that You must do if making a claim.

Please refer to the Claims Conditions section which sets out claims information and what You must do if making a claim.

Cooling-off information

If You want to return Your Policy after Your decision to buy it, You may cancel it and receive a full refund. To do this We must receive Your request either in writing or via email within twenty-one (21) days of You receiving the Schedule.

This cooling-off right does not apply if You have made or are entitled to make a claim. Even after the cooling-off period ends You still have cancellation rights. Please see General Conditions.

Cancellation

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

Further details about cancellation are shown in the General Conditions.

General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice. The aims of this Code are fully supported by CHU.

The Code aims to:

- a commit Us to high standards of service;
- b promote better, more informed relations between Us and You;
- c maintain and promote trust and confidence in the general insurance industry;

- d provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You;
- e promote continuous improvement of the general insurance industry through education and training.

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

Resolving Complaints and Disputes

At QBE and CHU, we are committed to providing You with quality products and delivering the highest level of service.

QBE and CHU also do everything we can to safeguard Your privacy and the confidentiality of Your personal information.

Something not right?

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

Step 1 – Talk to CHU

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

Step 2 – Escalate Your complaint

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

Step 3 – Still not resolved?

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

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

Disputes not covered by the AFCA Rules

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

Privacy complaints

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

Community Association Insurance Plan



Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care	
Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays) Calls from mobiles, public telephones or hotel rooms may attract additional charges
Email	<ul style="list-style-type: none">complaints@qbe.com, to make a complaintprivacy@qbe.com, to contact Us about privacy or Your personal informationcustomer-care@qbe.com, to give feedback or pay a compliment
Post	Customer Care, GPO Box 219, Parramatta NSW 2124
How to contact AFCA	
Phone	1800 931 678 (free call)
Email	info@afcaorg.au
Online	www.afcaorg.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001
How to contact the OAIC	
Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

- the amount of Premium payable by You for this Policy includes an amount on account of the GST on the Premium (including any additional fees that may be charged by CHU);
- the Sum Insured and other limits of insurance cover shown in Your Policy documentation are GST inclusive. When We pay a claim, Your GST status will determine the maximum amount We pay You.

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

Monetary limits on the cover

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

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

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

Payment of Excesses

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

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

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

GST Implications

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



Policy Wording

Our Agreement

The agreement between You and Us consists of:

- a the PDS and Policy Wording;
- b the Schedule; and
- c any Endorsement(s).

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

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

Excesses

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

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

How much We will pay

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

General definitions

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

Act of Terrorism

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

- a involves violence against one or more persons; or
- b involves Damage to property; or
- c endangers life other than that of the person committing the action; or
- d creates a risk to health or safety of the public or a section of the public; or
- e is designed to interfere with or to disrupt an electronic system.

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 the area at Your Situation that is not part of any Lot.

Communicable Disease

means:

- a Rabies;
- b Cholera;
- c Highly Pathogenic Avian Influenza;
- d Any disease determined by the World Health Organisation to be a Public Health Emergency of International Concern (PHEIC);
- e Any disease determined to be a 'listed human disease', or any disease in respect of which a 'biosecurity emergency' or 'human biosecurity emergency' is declared, under the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation. A reference to Listed Human Disease shall have the meaning found in any replacement definition, in any amendment, re-enactment or successor legislation.

Community Association

means the owner(s) of Your Community Property and Common Area incorporated under the *Community Titles Act*, *Body Corporate and Communities Management Act*, *Community Land Management Act* or similar legislation applying where Your Community Property and Common Area is situated.

Community Association Manager/Agent

means the person or other entity appointed in writing by Your Community Association with delegated functions including the authority to act as an Office Bearer in terms of the *Community Titles Act*, *Body Corporate and Community Management Act*, *Community Land Management Act* or similar legislation applying where Your Community Property and Common Area is situated.

Community Income

means money received for:

- a rent, lease or other charges payable by any person or entity for the use of occupation of Community Property;
- b services disclosed in the application and We agree to cover; or
- c services subsequently advised to Us and We agree to cover.

In this definition 'rent' or 'lease' means an amount of money calculated on the basis of the annual rentable or lease value (including any 'outgoings' payable by a tenant or lessee) that applied immediately prior to the happening of loss or Damage.

Community Income does not include money due as contributions, maintenance fees or levies payable by Lot Owners in terms of the *Community Titles Act*, *Body Corporate and Community Management Act*, *Community Land Management Act* or similar legislation applying where Your Community Property and Common Area is situated.

Community Property

means:

- a building or buildings as defined by the *Community Titles Act*, *Body Corporate and Community Management Act*, *Community Land Management Act* or similar legislation applying where Your Community Property and Common Area is situated, including:



- i** outbuildings;
 - ii** fixtures and structural improvements;
 - iii** in-ground pools and spas;
 - iv** marinas, wharves, jetties, docks, pontoons, swimming platforms, or similar type facilities (whether fixed or floating) which are used for non-commercial purposes and which do not provide fuel distribution facilities, unless We are advised and otherwise agree in writing;
 - v** satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
 - vi** underground and overhead services within the Common Area but not those services contained within the boundaries of a Lot Owner's Lot.
- b** Common Area contents (but not so as to limit the generality thereof):
- i** furniture, furnishings, household goods, light fittings, internal blinds, curtains, fire extinguishers and the like;
 - ii** built-in or free standing appliances such as dishwashers, washing machines and dryers, other electrical items;
 - iii** carpets (whether fixed or unfixed), floor rugs;
 - iv** swimming pools or spas that are not in-ground;
 - v** swimming pool or spa covers and accessories;
 - vi** wheelchairs, garden equipment including lawn mowers, golf carts, golf buggies or other similar type items but only if such item is not required to be registered;

that You own or have legal responsibility for:

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

Community Property does not include:

- aircraft, caravans, trailers, Vehicles (other than garden appliances not required to be registered), hovercraft and Watercraft including their accessories or spare parts whether fitted or not;
- livestock, fish, birds or other animals;
- money, other than as covered under **Special Benefit 14 of Policy 1**;
- plants, hedges, trees, shrubs, gravel, shale, stones, clay or soil on paths or driveways or tennis courts, soil or bark or mulch in gardens other than as covered under **Special Benefit 12 of Policy 1**;

Computer System

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

Contents

means (but not so as to limit the generality thereof) Lot Owner's business and personal effects, furniture, furnishings, carpets, floor rugs, machinery, plant and stock.

Cost of Evacuation

means costs necessarily incurred for road, rail, air or sea transport to the designated place of evacuation and returning to Your Situation from the place of evacuation to resume permanent residency after the deduction of any compensation payable by any Public or Statutory Authority.

Cyber Incident

means:

- a** Unauthorised or malicious acts and/or the threat of unauthorised or malicious acts, regardless of time or place;
- b** Malware or Similar Mechanism;
- c** Programming or operator error, whether by the insured or any other person or persons;
- d** Any unintentional or unplanned outage, wholly or partially, of the insured's Computer System not directly caused by physical loss or Damage;

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

Damage, Damaged

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

Declared Value Statement

means the statement supplied to Us at the commencement of cover, at the inclusion of any additional Home Building, and on each renewal which shows details of:

- a** the Homes Buildings to be insured;
- b** any other interested party; and
- c** the monetary amount of cover required under **A to D of Policies 10** for each Home Building.

The total of these monetary amounts appears on Your Schedule as the Sum Insured.

Should this Sum Insured be amended during any Period of Insurance or at Renewal without a new Declared Value Statement being provided, the amount applying to any one Home will be adjusted in direct proportion to the amended Sum Insured.

Earth Movement

means heavage, landslide, land-slippage, mudslide, settling, shrinkage, subsidence.

Electronic Data

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

Endorsement

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



Erosion

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

Escalation in the Cost of Temporary Accommodation

means the difference between:

- a the amount of money payable for rental of accommodation of substantially the same size containing similar facilities and in an equivalent suburban environment as Your Community Property, Home following a Catastrophe or loss from another Event claimable under **Policy 8** or **Part D of Policies 10** and **11** which occurs no later than sixty (60) days thereafter; and
- b the cost of Temporary Accommodation that would have applied had the Catastrophe or other loss not occurred.

Event, Events

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

Excess

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

Extra Expenses

means the costs and expenses in excess of normal operating costs and expenses which are necessarily incurred following the happening of loss or Damage to minimise disruption to or maintain the Service or Services provided.

Extra Expenses include the reasonable cost of:

- additional cost of alternative accommodation;
- relocation expenses;
- modifying alternative accommodation to suit Your requirements;
- hiring temporary furniture, fittings and equipment; and
- any other cost or expense as We may reasonably agree. To obtain Our agreement it must be justified to Us that such expenditure is necessary to minimise disruption to or maintain the Service or Services provided.

In this definition, ‘normal operating costs and expenses’ means those costs and expenses which were incurred in providing the Service or Services during the twelve (12) months (or annual equivalent if the operating period was less than twelve months) immediately prior to the happening of loss or Damage.

Flood

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

- a a lake (whether or not it has been altered or modified);
- b a river (whether or not it has been altered or modified);
- c a creek (whether or not it has been altered or modified);
- d another natural watercourse (whether or not it has been altered or modified);
- e a reservoir;

f a canal;

g a dam.

Fusion

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

Home, Homes

means the building, buildings which is occupied primarily for residential services, including use as a home office or surgery including:

- a outbuildings;
- b fixtures and structural improvements
- c in-ground pools and spas;
- d marinas, wharves, jetties, docks, pontoons, swimming platforms, or similar type facilities (whether fixed or floating) which are used for non-commercial purposes and which do not provide fuel distribution facilities, unless We are advised and otherwise agree in writing;
- e satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
- f underground and overhead services that are for the exclusive use of the Lot; that You own or have legal responsibility for at or adjacent to Your Situation.

Indemnity Value

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

Land Value

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

Lot/Lots

means an area shown on a plan as a lot in terms of the *Community Titles Act, Body Corporate and Community Management Act, Community Land Management Act* or similar legislation applying where the Community Property and Common Area is situated.

Lot Owners, Lot Owners’

means a person, persons or other entity registered as a proprietor or owner of an estate in fee simple in a Lot in terms of the *Community Titles Act, Body Corporate and Community Management Act, Community Land Management Act* or similar legislation applying where their Lot is situated.

Malware or Similar Mechanism

means any program code, programming instruction or other set of instructions intentionally constructed with the ability to Damage, interfere with or otherwise adversely affect computer programs, data files or operations (whether involving self-replication or not), including



but not limited to a virus, trojan horse, worm, logic bomb or denial of service attack.

Members

means and is limited to the interest of Proprietors, Members or Lot Owners in respect of the ownership of Your Community Property in terms of the *Community Titles Act*, *Body Corporate and Community Management Act*, *Community Land Management Act* or similar legislation applying where Your Community Property and Common Area is situated.

Their interest or liability as an owner and/or occupier of a Lot is not included unless otherwise specifically provided by this Policy.

Occurrence

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

Period of Insurance

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

Personal Injury

means:

- a bodily injury (including death and illness), disability, fright, shock, mental anguish or mental injury;
- b false arrest, wrongful detention, false imprisonment or malicious persecution;
- c wrongful entry or eviction or other invasion of the right of privacy
- d a publication or utterance of defamatory or disparaging material
- e assault and battery not committed by You or any Lot Owner or at Your or their direction unless committed for the purpose of preventing or eliminating danger to person or property;

which happens during the Period of Insurance anywhere in Australia

Policy

means Your insurance contract which consists of this policy wording and the Schedule.

Pollutants

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

Waste includes material to be recycled, reconditioned or reclaimed.

Premium

means any amount We require You to pay under the Policy and includes Government charges.

Property Damage

means:

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

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

which happens during the Period of Insurance anywhere in Australia

Rainwater

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

Rent

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

Replacement

means:

- a the reasonable cost of rebuilding, replacing or repairing to a condition which is equivalent to or substantially the same as but not better nor more extensive than when it was new; and
- b the extra costs necessarily incurred to alter or upgrade Damaged Community Property and/or Home to comply with Public, Statutory or Environmental Protection Authority requirements, but does not include:
 - i any costs that would have been incurred in complying with orders issued prior to the happening of the loss;
 - ii any extra costs to alter or upgrade any portion of Your undamaged Community Property and/or Home if the cost to rebuild, replace or repair the Damaged portion is less than twenty five percent (25%) of what the cost would have been had Your Community Property and/or Home been totally destroyed.

Schedule

means one of the following

- a the policy Schedule sent to You;
- b the renewal notice You have paid;
- c the Endorsement sent to You.

Senior Counsel

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

Service, Services

means

- a maintenance services such as caretaking, Lot inspection, cleaning, repairing or mowing;
- b communication services such as the installation and supply of telephone, intercom, computer or television;
- c domestic services such as garbage removal, air-conditioning or heating;
- d other services disclosed in the application and We agree to cover; or
- e services subsequently advised to Us and We agree to cover;

that are provided for the benefit, general use and enjoyment of Lot Owners and occupiers of Lots in Your community scheme.

Situation

means the land at the address(es) shown on the Schedule where:

- a Your Community Property is situated; and
- b for Homes the situation of the Lots forming part or Your Community scheme as shown on the Declared Value Statement and on Your Schedule.

Storm

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

Sum Insured, Limit of Liability

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

However the maximum amount We will pay for any one Home for loss, Damage or liability arising out of one Event is limited to the amount shown on the Declare Value Statement and on the Schedule for that Home.

Temporary Accommodation

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

Tsunami

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

Vehicle, Vehicles

means:

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

Voluntary Worker

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

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

Watercraft

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

Wear, Tear

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

We, Our, Us

means:

- a QBE Insurance (Australia) Limited ABN 78 003 191 035; and
- b QBE Workers Compensation (NSW) Limited ABN 95 003 195 604 Agent for the NSW WorkCover Scheme ABN 83 564 379 108 in respect of **Policy 4** when insurance for New South Wales is provided.

You, Your, Yours

means:

- a **in respect of Policy 1:**
the Community Association named on this Schedule including the interest therein of Members.
- b **in respect of Policy 2:**
the Community Association named on the Schedule including:
 - i the interest therein of Members;
 - ii the organisers of recreational activities in respect of **Additional Benefit 5 of Policy 2;**
 - iii a Voluntary Worker whilst engaged solely in work or duties on behalf of Your Community Association named on the Schedule.
- c **in respect of Policies, 3, 4, 5, 7, 8 and 9:**
the Community Association named on the Schedule.
- d **in respect of Policy 6:**
the past, present or future Office Bearers and/or committee members of Your Community Association named on the Schedule including those persons:
 - i estate, heirs, legal representative or assigns;
 - ii legal representative or assigns if he/she is incompetent, insolvent or bankrupt;
but does not include a Community Association Manager/ Agent or any other contracted person(s), firm or company when acting in their professional capacity.
- e **in respect of Policy 10:**
the owner of a Home Building shown on the Declared Value Statement and Schedule.

General conditions

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

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

1 Acts or omissions of your Community Association Manager/ Agent

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

2 Alteration of risk

In accordance with Your Duty of disclosure under the Insurance Contracts Act 1984, You must promptly advise Us of any changes in the details of the information You have given Us, or if the nature of



the occupation or other circumstances affecting Community Property or Homes is changed in such a way as to increase the risk of loss or Damage or the likelihood of liability losses.

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

3. Cancellation - how Your Policy may be cancelled

Cancellation by You

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

Cancellation by Us

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

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

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

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

- a not registered for GST We will pay up to the Sum Insured, Limit of Liability or other Policy limit including GST.
- b registered for GST:
 - and We settle direct with the builder, repairer or supplier We will pay up to the Sum Insured, Limit of Liability or other Policy limit including GST; or
 - when We settle direct with You We will pay up to the Sum Insured, Limit of Liability or other Policy limit and
 - where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim We will pay for the GST amount but We will reduce the GST amount We pay by the amount of any Input Tax Credits to which You are or would be entitled.

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

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

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

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

of the total GST on that Premium.

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

5. Joint insureds

When more than one party is named on the Schedule as an insured We will treat each as a separate and distinct party. The words You, Your, Yours will apply to each party in the same manner as if a separate Policy had been issued to each party, provided Our liability for any Sum Insured, Limit of Liability or other Policy limit for any one Event or Occurrence is not thereby increased. Any act, breach or non-compliance with the terms and conditions of this Policy committed by any one such party shall not be prejudicial to the rights and entitlements of the other insured party(ies), provided that the other insured party(ies) upon becoming aware of any such act, breach or non-compliance which increases the risk of loss, damage or liability give Us written notice within a reasonable time.

6. Excess

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

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

The Excess You have to pay or contribute to earthquake or seismological disturbance as shown in the Schedule applies for an Event that occurs during any one period of seventy-two (72) consecutive hours.

7. Reinstatement of Sum Insured

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

This condition does not apply:

- a when We pay a total loss;
- b when We pay the full Sum Insured;
- c to Policy 6 – Office Bearers' Legal Liability
- d to Policy 9 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses;
- e to Special Benefits 6 and 23 of Policy 1 – Community Property.

8. Governing law and jurisdiction

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

9. Subrogation, recovery action & uninsured loss

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



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

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

10. Related Claims

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

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

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

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

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

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

- i You were not aware of the failure or misrepresentation;
- ii as soon as is reasonably practicable upon becoming aware of any such conduct, You advise Us in writing of all known facts in relation to such conduct; and
- iii the conduct of the principals, partners and directors of the Insured are imputed to the Insured.

12. You must disclose all previous claims

You have a duty of disclosure under the Insurance Contracts Act 1984 before You enter into an insurance contract to tell us anything that You know and what a reasonable person in the circumstances would know when We ask you questions relevant to Our decision to insure You and on what terms. You are asked at the time You take out this insurance to give Us full and correct details concerning any:

- a renewal or insurance policy declined, cancelled or refused, or where any Excess was imposed;
- b claim refused by an insurer;
- c claim made; in relation to You;

because any of these may affect the Premium and extent of insurance.

If You do not tell Us anything You are required to tell Us, We may cancel Your insurance or reduce the amount We will pay You if You make a claim, or both. If Your failure to tell us is fraudulent, We may refuse to pay a claim and treat the insurance as if it never existed.

When renewing Your insurance with Us, You have a duty of disclosure under the Insurance Contracts Act 1984. You must advise Us of any changes to Your claims or insurance history that a reasonable person in the circumstances would tell Us CHU will notify You in writing of any effect a change may have on Your insurance renewal.

General Exclusions

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

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

1. Act of Terrorism

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

2. Asbestos

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

3. Electronic Data

Losses or damage to Electronic Data, except as provided for by Special Benefit 20 – Damaged Office Records, under Policy 1.

4. Intentional damage

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

5. Nuclear

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

6. War, expropriation

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

7. Sanctions limitation and exclusion clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose Us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

8. Communicable diseases

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

9. Cyber Incident

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



Claims Conditions

1. What You must do

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

- a take all reasonable steps to reduce the damage and to prevent any further damage;
- b inform the police as soon as reasonably practicable following theft, vandalism, malicious damage or misappropriation of money or property.

2. What You must not do

Whatever the circumstances You must not:

- a admit guilt or fault (except in court or to the Police);
- b offer or negotiate to pay a claim;
- c admit or deny liability;
- d dispose of any damaged items without first seeking Our approval.

If You do then We will reduce our liability to the extent of any prejudice caused by Your acts.

3. How to make a claim

When You make a claim You may reasonably be required to:

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

4. Claim preparation costs and fees

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

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

5. Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 2 - Emergency and temporary protection costs of Policy 1 – Community Property, You are not authorised to commence repairs without Our approval, which We will not unreasonably withhold.

6. Repairs or Replacement

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

7. You must assist Us

Where reasonable You must:

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

8. False or misleading information

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

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

9. Salvage value

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

10. Other insurance

If at the time any claim arises under this Policy there is any other insurance in force covering the same liability, in part or in full, You must notify Us as soon as practicable of full details of such other insurance, including the identity of the insurer(s) and the policy number(s), and such further information as We may reasonably require.

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



Policy 1 - Community Property

Policy 1 is a 'broad form' accidental loss and Damage insurance contract in terms of the *Insurance Contracts Act, 1984*.

What we insure

We insure You up to the Sum Insured shown on the Schedule for **Policy 1** against ACCIDENTAL LOSS or DAMAGE to Your Community Property which occurs during the Period of Insurance.

Additional benefits

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

1 Architects and professional fees, removal of debris

- a the cost of architects fees, surveyors fees and other professional fees;
- b the cost of removal, storage and/or disposal of debris, being the residue of Your Damaged Community Property (including debris required to be removed from adjoining or adjacent public or private land), and anything which caused the Damage;
- c the cost of dismantling, demolishing, shoring up, propping, underpinning, or other temporary repairs;
- d the cost of demolition and disposal of any undamaged portion of Your Community Property including undamaged foundations and footings in accordance with a demolition order issued by a Public or Statutory Authority;

You necessarily incur in the Replacement of Your Community Property as a result of loss or Damage that is admitted as a claim under **Policy 1**.

2 Emergency cost of minimising losses

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

We will not pay more than \$2,000 unless You first obtain Our written consent prior to You incurring costs in excess of this amount, consent which will not be unreasonably withheld.

3 Government fees, contributions or imposts

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

4 Legal fees

Legal fees You necessarily incur in making submissions and/or applications to any Public or Statutory Authority, Builders Licensing Board, or Land and Environment Courts as a result of loss or Damage to Your Community Property that is admitted as a claim under **Policy 1**.

5 Temporary protection

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

We will not pay more than \$5,000 unless You first obtain Our written consent prior to You incurring costs in excess of this amount.

6 Tsunami Damage

Loss or Damage to Your Community Property caused by a Tsunami.

7 Welfare concern

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

Special benefits

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

1 Temporary accommodation / community income / contributions

a Temporary accommodation

When You occupy Your Community Property We will pay the reasonable cost of Temporary Accommodation You necessarily incur if Your Community Property is made unfit to be occupied for its intended purpose by:

- i loss or Damage that is admitted as a claim under **Policy 1**; or
- ii reasonable access to or occupancy of Your Community Property being prevented by Damage from an Event claimable under **Policy 1** happening to other property in the immediate vicinity.

We will pay:

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

b Community income

When You have leased out or can substantiate by means of a signed agreement that You would have leased out Your Community Property

We will pay the actual Community income You lose or would have lost if Your Community Property is made unfit to be occupied for its intended purpose by:

- i loss or Damage that is admitted as a claim under **Policy 1**; or
- ii reasonable access to or occupancy of Your Community Property being prevented by Damage from an Event claimable under **Policy 1** happening to other property in the immediate vicinity.

We will pay:

- under b i from the time of the Event until the time Your Community Property is relet following completion of rebuilding, repairs or replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant; and under
- b ii from the time of the Event until the time when access to Your Community Property is re-established.

c Disease, murder and suicide

We will pay for:

- i the cost of Temporary Accommodation You necessarily incur;
- ii the actual Rent You lose;



if You are not permitted to occupy Your Lot/Unit or Common Area by order of the Police, a Public or Statutory Authority, other body, entity or person so empowered by law, due to:

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

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

d Failure of supply services

We will pay for:

- i the cost of Temporary Accommodation You necessarily incur;
- ii the actual Community Income You lose;

if Your Community Property is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from loss or Damage by an Event claimable under **Policy 1** happening to property belonging to or under the control of any such supply authority, provided the failure of services extends for more than forty-eight hours We will pay from the time of the failure until the time such services are reinstated, or for a period of thirty (30) days, whichever first occurs.

e Cost of reletting

When You have leased out Your Community Property We will pay reasonable reletting costs up to \$1,500 if Your Community Property is made unfit to be occupied for its intended purpose by:

- i loss or Damage that is admitted as a claim under **Policy 1**; and
- ii Your tenant at the time of the Event subsequently advises they will not be reoccupying the Community Property they previously leased.

f Meeting room hire

We will pay up to \$5,000 for the cost of hiring temporary meeting room facilities for the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy the meeting room facilities forming part of Your Community Property by:

- i loss or Damage that is admitted as a claim under **Policy 1**.

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

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

2 Alterations / additions

When You make alterations, additions or renovations to Your Community Property during the Period of Insurance We will:

a during the construction period:

pay up to \$100,000 for loss or Damage to such alterations, additions or renovations by an Event claimable under

Policy 1 provided:

- i the value of such work does not exceed that amount; or
- ii unless You notify Us and We otherwise agree in writing before the commencement of such work;

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

policy that insures material Damage and liability risks.

3 Arson reward

We will pay a reward of up to \$10,000 for information (irrespective of the number of people supplying information) which leads to a conviction for arson, theft, vandalism or malicious Damage provided such loss or Damage is claimable under **Policy 1**.

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

4 Electric motors

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

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

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

We will not pay for:

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

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

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

- a** increased usage of metered electricity, gas, sewerage, oil and water;
- b** accidental discharge of metered electricity, gas, sewerage, oil and water;
- c** additional management charges;

You are required to pay following loss or Damage to Your Community Property by an Event that is admitted as a claim under **Policy 1**.

6 Electricity, gas and water charges – unauthorised use

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



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

7 Environmental improvements

If Your Community Property is:

- a Damaged by an Event claimable under **Policy 1**; and
- b the cost to rebuild, replace or repair the Damaged portion is more than twenty five percent (25%) of what the cost would have been had Your Community Property been totally destroyed;

We will, in addition to the cost of environmental improvements claimable under **Policy 1**, also pay up to \$10,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

8 Exploratory costs, replacement of defective parts

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

We will also pay for reasonable costs incurred in:

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

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

9 Fallen trees

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

We will not pay for removal or disposal of:

- a trees or branches that have fallen and not Damaged Your Community Property or landscaped gardens;
- b tree stumps or roots.

10 Fire extinguishing

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

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

11 Keys, lock replacement

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

- a re-keying or re-coding locks together with replacement keys; or
- b replacing locks with locks of a similar type and quality if they cannot be re-keyed or re-coded; if the keys to Your Community Property are stolen as a consequence of forcible entry into or out of:
 - i any building forming part of such property;
 - ii the premises of a keyholder; or
 - iii during the hold-up of a person who normally has the keys in their possession.

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

12 Landscaping

We will pay up to \$10,000 for the reasonable costs You necessarily incur in replacing or repairing Damaged trees, shrubs, plants, lawns or rockwork at Your Situation lost or Damaged by an Event claimable under **Policy 1**.

13 Lot owner's contributions and fees

We will pay up to \$2,000 a Lot for contributions, levies, maintenance and other fees required to be paid by individual Lot Owners which You, having used all reasonable endeavours, are unable to collect from them during the period their Home is made unfit to be occupied for its intended purpose by loss or Damage that is admitted as a claim under **Policy 10** or would have been claimable if they had been covered under **Policy 10**.

We reserve Our right of subrogation to collect outstanding contributions, levies, maintenance and other.

14 Money

We will pay up to \$10,000 for loss of Your money while in the personal custody of an Office Bearer or committee member of Yours, or of Your Community Association Manager/Agent while acting on Your behalf.

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

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

15 Mortgage discharge

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

16 Personal property of others

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

17 Pets, security dogs

We will pay up to \$1,000 for the reasonable costs You necessarily



incur for boarding pets or security dogs if Your Community Property is rendered unfit for its intended purpose by loss or Damage that is admitted as a claim under **Policy 1** and Temporary Accommodation does not allow pets or security dogs.

18 Purchaser's interest

We will cover a purchaser's legal interest in Your Community Property, in the terms of **Policy 1**, when the purchaser has signed an agreement to buy a Lot forming part of Your community scheme.

19 Damaged Office Records

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

20 Removal, storage costs

We will pay up to \$10,000 for the reasonable costs You necessarily incur in:

- a removing any undamaged portion of Your Community Property to the nearest place of safe keeping;
- b storing such undamaged portion at that place or an equivalent alternate place;
- c returning such undamaged portion to the Situation when restoration work is completed;
- d insuring Your undamaged Community Property during such removal, storage and return; following loss or Damage to Your Community Property that is admitted as a claim under **Policy 1**.

21 Removal of squatters

We will pay up to \$1,000 any one Period of Insurance for legal fees You **necessarily** incur to repossess Your community Property if squatters are living in it.

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

22 Title deeds

We will pay up to \$5,000 for the reasonable costs You necessarily incur in replacing Title Deeds to Your Community Property if they are lost or Damaged by an Event claimable under **Policy 1**, while anywhere in Australia

23 Water removal from basement

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

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

Optional benefit

Optional Benefits are included when a Sum Insured for them is shown on the Schedule.

1 Extra expenses

We will pay up to the Sum Insured for:

- a Extra Expenses You necessarily incur to maintain the Service or Services you provide; and
- b Accountant's fees incurred at Our request in producing or certifying the accounts or particulars of such Extra Expenses;

following loss or Damage to Community Property from any Event that is admitted as a claim under **Policy 1**.

2 Golf courses, bowling greens, croquet greens, tennis courts

We will pay, up to the Sum Insured, for replanting or re-establishing grassed playing surfaces, bunkers, gardens, and shrubs following loss or Damage from an Event claimable under **Policy 1** other than:

- Flood, Storm or Rainwater; or
- drought, over or under watering; or
- the application of a pesticide, herbicide or fertilizer.

For golf courses, 'grassed playing surface' means the area commonly referred to as tees, greens and fairways (but limited to the first and second cut only).

Exclusions - what we do not insure

1 We will not pay for loss or Damage:

- a caused by Flood.
 - b to retaining walls resulting from Storm or Rainwater
 - c caused by lack of maintenance, rust, oxidation, corrosion, mould, Wear and Tear, fading, concrete or brick cancer, developing flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain Your Community Property in a reasonably good state of repair. This includes when the Damage to the Community Property is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;
 - d caused by non-rectification of a Community Property defect, error or omission that You were aware of, or should reasonably have been aware of.
 - e caused by overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.
- However We will pay if the loss or Damage is due to:
- i Fusion of electric motors as covered under **Special Benefit 4**;
 - ii lightning;
 - iii power surge when such Event is confirmed by the supply authority; or
 - iv resulting fire Damage.
- f caused by any action of the sea, high water or high tide, storm surge or tidal wave.

However We will pay if the loss or Damage is due to Tsunami.

- g caused by vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, Erosion or Earth Movement.

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

- i earthquake or seismological disturbance, Tsunami, explosion, physical impact by aircraft;
- ii bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus (but not Flood).



h caused by underground (hydrostatic) water.

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

i caused by the invasion of tree or plant roots nor for the cost of clearing pipes or drains blocked by any such invasion.

However We will pay for water or liquid Damage resulting from blocked pipes or drains.

j inherent defect or latent defect;

k vermin, mice, rats, termites, insects, mildew, or by pecking, biting, chewing or scratching by birds or animals.

However We will pay if any of these causes directly result in loss or Damage from any other Event claimable under **Policy 1** such as fire or glass breakage.

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

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

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

o due to smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom).

p caused by any process involving the application of heat being applied directly to any part of Your Community Property.

However We will pay if any other part of Your Community Property is Damaged or destroyed by fire.

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

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

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

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

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

u to Your Community Property directly resulting from construction, erection, alteration or addition where the value of such work exceeds \$500,000 unless Our written consent to continue cover has been obtained before the commencement of such work, which will not unreasonably be withheld.

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

2 We will not pay for:

a demolition ordered by any Public or Statutory Authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your community Property;

b the cost of rectifying faulty or defective materials or faulty or defective workmanship;

c consequential loss, including but not limited to any:

- loss of use;
- loss of contract;
- loss of profit/revenue;
- loss of opportunity;
- loss of goodwill and/or reputational damage; or
- special damages;

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

d Wear and Tear.

Claims - how we will settle your claim

1 Replacement

If Your Community Property is Damaged, and your claim is accepted, after consultation with you We will either rebuild, replace, repair or pay the amount it would cost to rebuild, replace or repair.

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

- a** the necessary work of rebuilding, replacing or repairing (which may be carried out upon another site or in any manner suitable to Your requirements provided Our liability is not increased), must be commenced and carried out without unreasonable delay;
- b** where Your Community Property contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available We will use the nearest equivalent available to the original materials;
- c** if it is lawful, and with Our prior written consent, which will not unreasonably be withheld, You will not be required to actually rebuild any building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed.

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

- d** if You cause unreasonable delays in commencing or carrying out Replacement, We will not pay any extra costs that result from that delay;
- e** when We wish to rebuild, replace or repair and You do not want this to occur and submit a claim for cash settlement in lieu, We will only pay Indemnity Value which means We will:
 - i** reduce the amount payable after due consideration of age and condition of the property at the time of loss (We will ensure any reduction of the amount payable is fair and reasonable);
 - ii** not pay in excess of Indemnity Value of Your Community Property; and
 - iii** seek release from further liability under this Policy.

We will not pay for the cost to:

- i** rebuild or replace Your undamaged Community Property;
- ii** rebuild, replace or repair illegal installations.

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



2 Undamaged part of community property, foundations and footings

If Your Community Property is Damaged and any Public or Statutory Authority requires replacement to be carried out on another site We will pay for the value of any undamaged part of Your Community Property, including foundations and footings, as though they had been destroyed.

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

3 Floor space ratio

If Your Community Property is Damaged and Replacement is limited or restricted by any Public or Statutory Authority requirement which results in the reduction of the floor space ratio index, We will pay:

- a the difference between:
 - i the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; and
 - ii the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied; or alternatively We will pay:
- b
 - i the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; plus
 - ii the cost of purchasing an existing building or part thereof equivalent in size to the area by which the floor space ratio index has been reduced; or
 - iii the cost of purchasing a block of land and the cost of Replacement thereon of Community Property equivalent in size to the area by which the floor space ratio index has been reduced;

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

4 Land value

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

5. Electronic data

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

Special provisions

- 1 Under **Clauses 2, 3 and 4** above, Our liability is limited to the extent to which the Sum Insured for **Policy 1** is not otherwise expended.
- 2 Under **Clauses 2. and 4.** above, if there are any differences relating to value these may be referred to the Australian Property Institute Inc who will appoint a qualified valuer whose decision will be final and binding.

Special conditions

Excesses Earthquake excess

You have to pay or contribute in relation to earthquake or seismological disturbance the first \$250 of the cost of loss or Damage which occurs during any one period of seventy two (72) consecutive hours.

Other excesses

Whenever an Excess is shown on the Schedule, You have to pay or contribute the stated amount for each loss arising out of or consequent upon that numbered Event.



Policy 2 – Liability to others

What we insure

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

- Personal Injury; or
- Property Damage;
resulting from an Occurrence in connection with:
- Your Business; or
- an operative **Additional Benefit**;

that happens during the Period of Insurance.

Additional benefits

We will pay up to the Limit of Liability for **Policy 2** for:

1 Bridges, roadways, kerbing, footpaths, services

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

2 Car park liability

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

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

3 Fertiliser, pesticide, herbicide application

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

We will not pay:

- a unless the fertiliser, pesticide or herbicide has been applied in conformity with any Public or Statutory Authority requirement or, in the absence of any such requirement, in conformity with the manufacturer's recommendations;
- b for loss or Damage to Your Common Area or Community Property, or its improvements including gardens and lawns, to which the fertiliser, pesticide or herbicide was being applied.

4 Hiring out of sporting and recreational facilities

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

5 Recreational activities

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

6 Services

Compensation You become legally responsible to pay for Personal Injury or Property Damage arising out of the Service or Services You provide for the benefit, general use and enjoyment of Lot Owners and occupiers of Lots at Your Situation.

7 Watercraft

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

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

8 Wheelchairs, garden equipment, other vehicles

Compensation You become legally responsible to pay for Personal Injury or Property Damage arising from any wheelchair, garden equipment including lawn mowers, golf cart, golf buggy or other Vehicle owned by You, in Your possession or physical or legal control.

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

Special benefits

1 Cost of defending a claim

We will pay:

- a all legal costs and expenses incurred by Us;
- b reasonable cost of legal representation You necessarily incur with Our written consent at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under **Policy 2**;
- c other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- d all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment;

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

2 Court appearance

We will pay compensation of \$250 per day if We require an Office Bearer, Committee Member or Your Community Association Manager/ Agent to attend a Court as a witness in connection with a claim under **Policy 2**.

Exclusions - what we do not insure

We will not pay for any claim:

- 1 In connection with any liability for Personal Injury to any employee arising out of or in the course of their employment with You. This exclusion does not apply to an 'eligible person' as defined under the WorkCover Queensland Act.
- 2 In respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Community Property is situated.



3 In respect of:

- a** Damage to property belonging to, rented by or leased by You or in Your physical or legal control, other than as provided under an operative **Additional Benefit of Policy 2**;
- b** Damage to property belonging to any person who is deemed a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Community

Property is situated;

- c** injury to or death of animals on Your Common Area;
- d** Personal Injury or Property Damage caused by animals on Your Common Area other than guard or watch dogs You employ for security purposes

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

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

- a** made prior to the commencement of **Policy 2**;
- b** made by You or at Your direction when You knew it to be false.

6 Arising out of the ownership, possession or use by You of any Vehicle, Watercraft, hovercraft, aircraft or aircraft landing areas other than as provided under an operative **Additional Benefit of Policy 2**.

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

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

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

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

This exclusion does not apply to:

- a** liability assumed by You under any contract or lease of real or personal property.
- b** liability assumed by You in the course of Your Business under the terms of any written agreement with the company, person or firm appointed to manage Your Business except where liability arises out of:
 - i** any act of negligence on their part; or
 - ii** by their default in performing their obligations under such agreement.

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

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

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

14 Made or actions instituted:

- a** outside Australia;
- b** which are governed by the laws of a foreign country.

Special definition

The word listed below have been given a specific meaning and applies to **Policy 2** when it begins with a capital letter.

Business

means, other than as provided under an operative **Additional Benefit of Policy 2**, the ownership of Your Common Area and Community Property unless You otherwise advise Us and We agree to such inclusion in writing.



Policy 3 – Voluntary workers

What we insure

We will pay to a Voluntary Worker, or that person's estate, the compensation detailed in **Policy 3** in the event of such Voluntary Worker sustaining bodily injury:

- whilst voluntarily engaged in work on Your behalf and
- caused solely and directly by violent, accidental, external and visible means and
- which, independently of any other cause results in the following insured Events.

Insured event	Benefit
1. Death	\$200,000
2. Total and irrecoverable loss of all sight in both eyes	\$200,000
3. Total and permanent loss of the use of both hands or of the use of both feet or the use of one hand and one foot	\$200,000
4. Total and permanent loss of the use of one hand or of the use of one foot	\$100,000
5. Total and irrecoverable loss of all sight in one eye	\$100,000
6 a Total Disablement from engaging in or attending to usual profession, business or Occupation - in respect of each week of Total Disablement:	
i a weekly benefit of \$1,000 or if higher	\$1,000
ii the amount of Your average weekly wage, salary or other remuneration earned from Your personal exertion - up to a maximum per week of	\$2,000
b Partial Disablement from engaging in or attending to usual profession, business or occupation - in respect of each week of Partial Disablement:	
i a weekly benefit of	\$500
ii the amount by which Your average weekly wage, salary or other remuneration earned from Your personal exertion is reduced - up to a maximum per week of	\$1,000
7. The reasonable and necessary cost of hiring or employing domestic assistance following certification by a qualified medical practitioner that a Voluntary Worker is totally disabled from performing his/her usual profession, business, occupation or usual household activities - in respect of each week of disablement a weekly benefit not exceeding	\$500

8. The reasonable cost of travel expenses necessarily incurred at the time of, or subsequent to, the sustaining of bodily injury and not otherwise recoverable from any other source – a benefit not exceeding	\$2,000
9. The reasonable cost of home tutorial expenses if the Voluntary Worker is a full time student – in respect of each week of Total Disablement a weekly benefit not exceeding	\$250
10. The reasonable cost of burial or cremation of a Voluntary Worker following a claim payable under Event 1 – a benefit not exceeding	\$5,000

Exclusions – what we do not insure

We will not pay:

- for more than one of **Events 6a** and **6b** in respect of the same period of time;
 - under **Event 6a** and **Event 6b** in respect of persons not in receipt of wages, salaries or other remuneration from their personal exertion;
 - under **Event 6a** and **Event 6b** in excess of an aggregate of one hundred and four (104) weeks in all, in respect of any one disablement;
 - under **Event 7** and **Event 9** in excess of an aggregate of ten (10) weeks in all, in respect of any one disablement;
 - in respect of children under the age of 12 years;
 - unless the results of bodily injury manifests itself within twelve months of sustaining such bodily injury;
 - unless an injured Voluntary Worker will, as soon as possible after the occurrence of any bodily injury, procure and follow proper medical advice from a legally qualified medical practitioner;
 - for any amounts recoverable under a Medicare benefit or payable by any registered health benefits insurer;
 - for any fees or charges in relation to the provision in Australia of medical expenses, hospital treatment or ancillary benefits as defined by the *Health Insurance Act, 1973*.
- We will not pay compensation in respect of claims arising out of:
 - intentional self-injury or suicide, or any attempt thereof;
 - attributable wholly or in part to childbirth or pregnancy, notwithstanding that miscarriage or childbirth may have been accelerated or induced by the bodily injury sustained;
 - a Voluntary Worker being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner.

Special conditions

- If a Voluntary Worker becomes entitled to compensation under more than one of the **Events 1** to **5** in respect of the same bodily injury, the compensation payable will be cumulative up to one hundred percent (100%) of the compensation payable for Event 1.



- 2 After the occurrence of any one of the **Events 2 to 5** there will be no further liability under **Policy 3** for these Events in respect of the same Voluntary Worker.
- 3 In the event of a claim involving the death of a Voluntary Worker We will be entitled to have a post-mortem examination carried out at Our expense.

Special definitions

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

Partial Disablement

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

Total Disablement

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



Policy 4 – Workers compensation

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

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

General Condition 3 (Claim preparation costs and fees) does not apply to **Policy 4**.



Policy 5 – Fidelity guarantee

What we insure

We will, up to the Sum Insured stated on the Schedule for **Policy 5**, indemnify You in respect of:

- fraudulent misappropriation of Your Funds

Exclusions - what we do not insure

We will not pay for:

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

Special definition

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

Funds

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

Policy 6 – Office bearers legal liability

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

What we insure

We will, subject to any Excess specified on the Schedule:

- pay on Your behalf all Loss for which You are not indemnified by Your Community Association; or pay on behalf of Your Community Association all Loss for which they grant indemnification to You, as permitted or required by law, or for which Your Community Association is vicariously liable at law.

arising from any Claim:

- a first made against:
 - i You, individually or otherwise; or
 - ii against Your Community Association Manager/Agent while acting as an Office Bearer; during the policy year; and
- b reported to Us during the policy year or within thirty (30) days thereafter.

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

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

Special benefits

1 Payment of defence costs

In relation to any Claim under Policy 6:

- a where indemnity has been confirmed by Us in writing, We will pay Defence Costs arising from such Claim;
- b where indemnity has not been confirmed by Us in writing, We will, where We elect to conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim.

In any other case where indemnity has not been confirmed by Us in writing, We may pay the Defence Costs arising from such Claim.

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

2 Continuous cover

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

Provided always that:

- a We have continuously been the insurer under an Office Bearers Legal Liability Insurance Policy between the date when such notification should have been given and the date when such notification was in fact given; and
- b the terms and conditions applicable to this **Special Benefit 2** and to that notification will be the terms and conditions, including the Limit of Liability and deductible, applicable to Our Office Bearers Legal Liability Insurance Policy under which the notification should have or could have been given.

3 Extended period of cover

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

Provided always that the terms and conditions applicable to this **Special Benefit 3** and to that notification will be the terms and conditions, including the Limit of Liability and deductible, applicable to Our Office Bearers Legal Liability Insurance Policy during the immediate prior policy year.

Exclusions - what we do not insure

We will not pay for:

- 1 Claims arising from circumstances which You knew of prior to the **Policy 6** inception, or a reasonable person in the circumstances could be expected to know, to be circumstances which may give rise to a Claim against You.
- 2 Any dishonest or fraudulent act, criminal act or malicious act or omission of Yours or of any person at any time employed by You, but this exclusion will not apply to the costs incurred by You in successfully defending any Claim or suit made against You.
- 3 Claims for death, bodily injury, sickness, disease (including Communicable Disease), or Damage to property. However this exclusion will not apply to loss or Damage to documents which are Your property, or entrusted to You, or costs and expenses incurred by You in replacing or restoring such documents.
- 4 Claims resulting from Your intentional decision not to effect and maintain insurances as required by the *Community Titles Act, Body Corporate and Community Management Act, Community Land Management Act* or similar legislation applying where the Community Property and Common Area is situated.
- 5 Claims arising out of a publication or utterance of a libel or slander or other defamatory or disparaging material.
- 6 Fines, penalties, punitive or exemplary or aggravated Damages or any additional Damages resulting from the multiplication of compensatory Damages.
- 7 You gaining or having gained any personal profit or advantage to which You were not legally entitled or for which You may be held accountable to Your Community Association or any individual Member thereof.
- 8 Monies or gratuity given to You without authorisation by Your Community Association where such authorisation is necessary pursuant to the Articles of Your Community Association or prescribed law.



- 9 A conflict of duty or interest of Yours.
- 10 Any intentional exercise of the powers of You for a purpose other than the purpose for which such powers were conferred by the Articles of Your Community Association.
- 11 Any Wrongful Act made or threatened or in any way intimated on or before the inception date specified on the Schedule, except as otherwise provided in **Special Benefit 2 of Policy 6**.
- 12 Claims first notified to Us after the expiry of **Policy 6**, except as otherwise provided in **Insuring Clause b of Policy 6**.
- 13 Claims brought against Your Community Association Manager/ Agent, other than as covered under **a ii** of the insuring clause hereof, or other contracted person(s), firm or company when acting in their professional capacity.
- 14 Claims brought against You in a Court of Law outside Australia

Special conditions

Defence and settlement

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

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

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

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

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

Reporting and notice

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

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

whichever first occurs.

Severability and non-imputation

Where **Policy 6** insures more than one party, any conduct on the part of any party or parties whereby such party or parties:

- a failed to comply with the duty of disclosure in terms of the Insurance Contracts Act 1984; or
- b made a misrepresentation to Us before this contract of insurance was entered into; or
- c failed to comply with any terms or conditions of **Policy 6**;

will not prejudice the right of the remaining party or parties to indemnity as may be provided by **Policy 6**. Provided always that:

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

Subrogation

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

Special definitions

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

Claim, Claims

means

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

Defence Costs

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

Documents

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

Loss

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

Office Bearer

means:

- a a person appointed by the Community Association to act as an Office Bearer or committee member in terms of the *Community Titles Act*, *Body Corporate and Community Management Act*, *Community Land Management Act* or similar legislation applying where the Community Property and Common Area is situated;



- b** a Community Association Manager/Agent appointed as an agent of an Office Bearer and/or committee member;
- c** a person invited by an Office Bearer and/or committee member to assist in the management of the Community Association affairs.

Wrongful Act

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

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

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



Policy 7 – Machinery breakdown

What we insure

We insure You against Insured Damage provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time Damage occurs.

The amount We pay will:

- be calculated in accordance with the clause herein titled 'Claims - how we will settle your claim'; be subject to the application of any Excess shown on the Schedule; and
- not exceed the Sum Insured stated on the Schedule.

Additional benefits

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

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

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

Exclusions - what we do not insure

We will not pay for:

- 1 Damage caused by:
 - a Wear and Tear;
 - b chipping, scratching or discolouration of painted, polished or finished surfaces;
 - c the deterioration of any pre-existing crack, fracture, blister, lamination, flaw or grooving which had not previously penetrated completely through the entire thickness of the material of the Insured Item, notwithstanding that repair or renewal of the part affected may be necessary either immediately or at some future time, except where caused by Insured Damage and You did not know or should not reasonably have known of the pre-existing condition;
 - d the wearing away or wasting of material caused by or naturally resulting from atmospheric conditions, rust, Erosion, corrosion, oxidation or ordinary use;
 - e the tightening of loose parts, recalibration or adjustments;
 - f the carrying out of tests involving abnormal stresses or the intentional overloading of any Insured Item.
- 2 Damage to:
 - a glass or ceramic components;
 - b defective tube joints or other defective joints or seams;
 - c any valve fitting, shaft seal, gland packing joint or connection except where caused directly by Insured Damage;
 - d foundations, brickwork, and refractory materials forming part of an Insured Item;

- e television, video or audio equipment other than security system equipment;
 - f expendable items, including electrical and electronic glass bulbs, tubes, lamps, x-ray tubes, electrical contacts, fuses, heating elements, commutators, slip rings, conducting brushes, thermal expansion (TX) valves, thermostats, protective and controlling devices, over-loads, chains, belts, ropes, tyres, pressure switches, bearings, valves, valve plates, filters and dryers;
 - g computers, telecommunication transmitting and receiving equipment, electronic data processing equipment, electrical office machines, coin operated machines, gaming machines, storage tanks and vats, stationary and mobile pressure vessels containing explosive gases, mobile machinery, ducting, reticulating electrical wiring, water and gas piping and all other plant and equipment not owned by You;
 - h plant which has been hired or is on loan unless We specifically agree in writing.
- 3 consequential loss of any kind, including but not limited to loss of use, loss of contract, loss of profit/revenue, loss of opportunity, loss of goodwill and/or reputational damage, or special damages, other than that which is specifically stated Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul.
 - 4 Damage occurring during installation or erection other than the dismantling, movement and re-erection for the purpose of cleaning, inspection, repair or installation in another position within the Situation.
 - 5 Damage which is claimable from any manufacturer, supplier, engineer or other person under the provisions of any maintenance or warranty agreement.
 - 6 Loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts.
 - 7 the cost of converting refrigeration/air-conditioning units from the use of CFC (chlorofluorocarbon) refrigerant gas to any other type of refrigerant gas.

Claims - how we will settle your claim

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

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

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

Special definitions

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



Insured Damage

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

- a which is covered under **Policy 1**; or
- b which is not claimable under **Policy 7**.

Insured Item

means:

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



Policy 8 – Catastrophe insurance

What we insure

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

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

Special benefits

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

1. Temporary accommodation / community income - extended period of cover

a Temporary accommodation

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

- due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure';
- and the loss or damage to Your Community Property is admitted as a claim under **Policy 1**.

We will pay from the time indemnity provided under Special **Benefit 1a** of **Policy 1** is expended until the time You reoccupy Your Community Property following completion of rebuilding, repairs or replacement.

b Community Income

When You have leased out or can substantiate by means of a signed agreement that You would have leased out Your Community Property We will pay the actual Community Income You lose or would have lost if Your Community Property is made unfit to be occupied for its intended purpose by damage:

- due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure';
- and the loss or damage to Your Community Property is admitted as a claim under **Policy 1**.

We will pay from the time indemnity provided under Special **Benefit 1b** of **Policy 1** is expended until the time Your Community Property is relet following completion of rebuilding, repairs or replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant.

2. Temporary accommodation – escalation in cost

When You occupy Your Community Property We will pay for Escalation In The Cost Of Temporary Accommodation You necessarily incur if Your Community Property is made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure';

- and the loss or damage to Your Community Property is admitted as a claim under **Policy 1**.

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

3. Removal, storage

We will pay for the costs You necessarily incur in:

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

We will pay if the loss or Damage to Your Community Property is due to:

- the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure';
- and is admitted as a claim under **Policy 1**.

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

The combined total amount We will pay under **Special Benefits 1** to **3** arising out of any one Event claimable under **Policy 8** is limited to fifteen percent (15%) of the amount shown on the Schedule for **Policy 8** or such other percentage as We may agree in writing.

Claims - how we will settle your claim

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

- a the actual cost necessarily incurred to rebuild, repair or replace Your Community Property following a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and
- b the greater of either:
 - i the cost that would have applied to rebuild, repair or replace Your Community Property in terms of **Policy 1** immediately prior to the Catastrophe; or
 - ii the Sum Insured in force under **Policy 1** at the time of the Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'.

Special provisions

- 1 No payment will be made under **Policy 8** until such time as the greater amount determined in accordance with the provisions of **Clause b** of 'Claims – how we will settle your claim' has been fully expended in Replacement of Your Community Property.
- 2 In certifying the cost of Replacement of Your Community Property at the time immediately prior to a happening giving rise to a claim under **Policy 8** the qualified valuer, Loss Adjuster or other suitably qualified person will use as the basis of certification:
 - a the accepted building industry cost standards or recognised cost of materials guide in force on the day immediately prior to the happening of the Catastrophe or a day as close as practicable thereto;

- b** any extra cost necessarily incurred to comply with any Public or Statutory Authority requirements but will not include any cost that would have been incurred in complying with orders issued prior to the happening of the loss or Damage;
 - c** Architects fees, surveyors' fees and any other professional fees;
 - d** legal fees necessarily incurred in making submissions or applications to any Public or Statutory Authority, Builders Licensing Board, or Land and Environment Courts as a result of loss or Damage to Your Community Property;
 - e** fees, contributions or imposts payable to any Public or Statutory Authority to obtain consent to rebuild, replace or repair Your Community Property.
- 3** Any differences relating to the cost of Replacement at the time immediately prior to a happening giving rise to a claim under Policy 8 may be referred to the Australian Property Institute Inc who will appoint a qualified valuer whose decision will be binding and who will at the same time decide as to payment of the costs of such referral.

Special condition

Policy 8 is subject to the same terms, conditions and exclusions as **Policy 1** and **General Exclusions** except as they may be expressly varied herein.



Policy 9 – Government audit costs and legal expenses

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

Part A: Government audit costs

What we insure

We insure You, up to the Sum Insured shown on the Schedule for **Part A of Policy 9**, for Professional Fees You reasonably

incur with Our written consent, which We will not unreasonably withhold, in connection with an Audit first notified to You verbally or in writing during the Period of Insurance or within thirty (30) days thereafter.

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

- a any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;
- b all Claims reported in any one Period of Insurance.

Additional benefit

1 Record keeping audit

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

Exclusions - what we do not insure

- 1 We will not pay for Professional Fees:
 - a if prior to the commencement of the Period of Insurance You, or any person acting on Your behalf:
 - i received any notice of a proposed Audit;
 - ii had information that an Audit was likely to take place;
 - iii had information that would indicate to a reasonable person that an Audit was likely to take place.
 - b if a return, or a document required to be lodged in relation to an Audit, has not been lodged:
 - i at all;
 - ii properly;
 - iii by the due date.
 - c for any Audit that is conducted specifically for the purposes of determining if a fine, penalty or prosecution should be imposed in connection with:
 - i any act or omission by You; or
 - ii any failure, act or omission arising from or in connection with Your statutory obligations.
 - d charged by someone other than a Professional Adviser unless We have given Our prior written consent, which We will not unreasonably withhold.
 - e relating to the Audit of Your taxation and financial affairs unless the return is first lodged:
 - i during the Period of Insurance; or
 - ii not more than twelve (12) months prior to the original inception date of **Policy 9**;

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

- f relating to an Audit if You fail to comply with any requirement or obligation imposed upon You by any relevant legislation if a return in relation to the Audit was not prepared or reviewed by Your Professional Adviser prior to dispatch.
- g if You breach any conditions in this Policy, including failing to comply with any requirement imposed by any relevant legislation or failing to do what We require You to do if You intend to make a claim or You make a claim.

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

- a any fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar charges.
- b any review pertaining to You maintaining any industry status, licence, membership or compliance with any employee related legislation or regulations.
- c the gathering of data or information by any government, statutory body, authority or agency that is not directly part of an Audit.

Special conditions

- 1 You must:
 - a make all efforts to comply with the relevant legislation, procedures and guidelines issued by the Australian Taxation Office, or Commonwealth, State or Territory Department, Statutory Body or Agency in relation to the maintenance of records, books and documents;
 - b lodge taxation and other statutory returns within the prescribed time limits or if an extension is granted within the further period granted;
 - c upon becoming notified of an Audit or impending Audit promptly inform CHU Underwriting Agencies Pty Ltd by telephone, in writing or in person.
 - d obtain CHU Underwriting Agencies Pty Ltd written approval, which We will not unreasonably withhold, before engaging a Professional Adviser, other than Your accountant, and notify them of all Professional Fees Your accountant proposes to charge.
- 2 An Audit commences:
 - a at the time You first receive notice that an Auditor proposes to conduct an Audit; and
 - b is completed when:
 - i the Auditor has given written notice to that effect; or
 - ii the Auditor notifies You that it has made a Final Decision of a Designated Liability; or
 - iii when the Auditor has issued an assessment or amended assessment of a Designated Liability

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

What we insure

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

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

We will not pay:

- c unless any such notice or determination is first made or brought against You during the Period of Insurance and You report it to Us during that Period of Insurance or within thirty (30) days thereafter;
- d more than the Sum Insured for **Part B** for:
 - i any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;
 - ii all Claims reported in any one Period of Insurance.

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

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

Part C: Legal defence expenses

What we insure

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

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

We will not pay:

- a unless any such Claim is first made or brought against You during the Period of Insurance and You report it to Us during that Period of Insurance or within thirty (30) days thereafter;
- b more than the Sum Insured for **Part C** for:
 - i any Claim reported during the Period of Insurance including any such Claim reported but not finalised until a subsequent Period of Insurance;
 - ii all Claims reported in any one Period of Insurance.

Excess

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

Exclusions - what we do not insure

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

- a which You have pursued or defended without Our written consent, which We will not unreasonably withhold;
- b which You have pursued or defended contrary to or in a different manner from that advised by the Appointed Representative;
- c arising from an act, omission, liability or Event for which indemnity is otherwise provided under the terms and conditions of **Policy 2** (Liability to others) and **Policy 6** (Office Bearers Legal Liability Policy) or would have been provided if **Policy 2** and **Policy 6** were operative;
- d arising from circumstances that You knew of prior to the inception of this Policy, or a reasonable person in the circumstances could be expected to know, to be circumstances that may give rise to a Claim against You;
- e arising from a deliberate act, including a deliberate act of fraud or dishonesty, on Your part if a judgment or other final adjudication adverse to You establishes that such act was committed or attempted by You with actual dishonest purpose or intent and was material to the cause of action so adjudicated;
- f between You and Us including Our Directors, employees or servants;
- g which involves a conflict of duty or interest of Yours;
- h made or threatened or in any way intimated on or before the inception date shown on the Schedule, except as otherwise provided by **Special Condition 4**;
- i first notified to Us more than thirty (30) days after the expiry of this Policy, except as otherwise provided by **Special Condition 4**.

2 We will not be liable for:

- a the cost of litigation or proceedings initiated by You;
- b the payment of any compensation or Damages of any kind other than Your liability to pay fees, expenses and disbursements of other persons or entities by reason of an order of any Court, Arbitrator or Tribunal.

Special conditions

1 Appeal procedure

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

- a make a further written application to Us for Our written consent, which We will not unreasonably withhold, at least five (5) business days prior to the expiry of the time for instituting an appeal; or
- b if the time allowed by law to appeal is less than five (5) clear business days, You must advise Us as soon as practicable.

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

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

2 Bill of costs

You must forward Us all bills of costs or other communications relating to fees and expenses as soon as practicable after receipt by You. If requested by Us, You will instruct the Appointed Representative



to submit the bill of costs for taxation or adjudication by any relevant professional body, Court or Tribunal.

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

3 Consent

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

4 Continuous cover

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

Provided always that:

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

5 Information to be given to the appointed representative

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

6 Nomination of appointed representative

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

If agreement cannot be reached on the appointment the President of the Law Society within Your State will be requested to nominate an Appointed Representative. During this period We will be entitled but not bound to instruct an Appointed Representative on Your behalf if it is necessary to do so to safeguard Your immediate interests.

In all cases the Appointed Representative will be appointed in Your name and will act on Your behalf.

7 Offer of settlement

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

If such offer of settlement is considered to be fair and reasonable and You withhold Your agreement to such a settlement and elect to continue legal proceedings Our liability will not exceed the amount of Legal Defence Expenses incurred up to the date of such settlement offer.

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

8 Our access to the appointed representative

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

9 Recovery of legal defence expenses

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

10 Reporting and notice

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

11 Subrogation

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

Special definitions that apply to Parts A, B and C

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

Appeal Expenses

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

Appointed Representative

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

Audit

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



Tax, Stamp Duty, Compliance with *Superannuation Industry Supervision Act 1993* and Workers Compensation Returns.

Auditor

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

Business

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

Claim, Claims

means:

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

Designated Liability

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

Final Decision

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

Legal Defence Expenses

means:

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

Professional Adviser

means:

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

Professional Fees

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

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

Record Keeping Audit

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



Policy 10 - Lot Owners' Homes

Part A - Homes

Part A is a 'broad form' of accidental loss and Damage insurance contract in terms of the *Insurance Contracts Act, 1984*.

What we insure

We insure You up to the Sum Insured shown on the Schedule for **Part A of Policy 10** against ACCIDENTAL LOSS or DAMAGE to Your Home which occurs during the Period of Insurance

Additional Benefits

When Your Sum Insured for Part A of Policy 10 is not otherwise expended in respect of any one Event We will pay for:

1 Architects and professional fees, removal of debris

- a The cost of architect fees, surveyor fees and other professional fees;
- b The cost of removal, storage and/or disposal of debris, being the residue of Your Damaged Home and the Contents (including debris required to be removed from adjoining or adjacent public or private land), and of anything which caused the Damage;
- c The cost of dismantling, demolishing, shoring up, propping, underpinning, or other temporary repairs;
- d The cost of demolition and disposal of any undamaged portion of Your Home including undamaged foundations and footings in accordance with a demolition order issued by a Public or Statutory Authority;

You necessarily incur in Replacement of Your Home as a result of loss or Damage that is admitted as a claim under **Part A of Policy 10**.

2 Emergency cost of minimising losses

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

We will not pay more than \$2,000 unless You first obtain Our written consent prior to You incurring costs in excess of this amount, consent which will not be unreasonably withheld.

3 Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any Public or Statutory Authority to obtain their authority to rebuild, replace or repair Your Home as a result of loss or Damage that is admitted as a claim under **Part A of Policy 10** but

We will not pay for any fine or penalty imposed by any such Authority.

4 Legal fees

Legal fees You necessarily incur in making submissions and/or applications to any Public or Statutory Authority, Builders Licensing Board, or Land and Environment Courts as a result of loss or Damage to Your Home that is admitted as a claim under Part A of Policy 10.

5 Temporary protection

Reasonable cost of temporary protection and safety of Your Home and resident persons You necessarily incur as a result of loss or Damage to Your Home that is admitted as a claim under **Part A of Policy 10**.

We will not pay more than \$5000 unless You first obtain Our written consent prior to You incurring costs in excess of this amount.

6 Tsunami Damage

Loss or Damage to Your Home caused by a Tsunami.

7 Welfare concern

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

Special Benefits

Special Benefits are included in addition to Your Sum Insured for **Part A of Policy 10**.

1 Temporary accommodation / rent / contributions / storage

a Temporary accommodation

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

- i loss or Damage that is admitted as a claim under Part A of Policy 10; or
- ii reasonable access to or occupancy of Your Home being prevented by Damage from an Event claimable under Part A of Policy 10 happening to other property in the immediate vicinity.

We will pay:

- Under ai from the time of the Event until the time You reoccupy Your Home following completion of rebuilding, repairs or replacement; and
- under aii from the time of the Event until the time when access to Your Home is re-established.

b Rent

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

- i loss or Damage that is admitted as a claim under **Part A of Policy 10**; or
- ii reasonable access to or occupancy of Your Home being prevented by Damage from an Event claimable under **Part A of Policy 10** happening to other property in the immediate vicinity.

We will pay:

under **b i** from the time of the Event until the time Your Home is relet following completion of rebuilding, repairs or replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant; and

under **b ii** from the time of the Event until the time when access to Your Home is re-established.

c Disease, murder and suicide

We will pay for:

- i the cost of Temporary Accommodation You necessarily incur;
- ii the actual Rent You lose;

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

- the discharge, release or escape of legionella or other airborne

pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like;

- a human infectious or contagious disease, except for Communicable Disease.
- murder or suicide;

occurring at Your Situation.

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

d Failure of supply services

We will pay for:

- i the cost of Temporary Accommodation You necessarily incur;
- ii the actual Rent You lose;

if Your Home is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from loss or Damage by an Event claimable under **Part A of Policy 10** happening to property belonging to or under the control of any such supply authority.

Provided the failure of services extends for more than forty-eight hours We will pay from the time of the failure until the time such services are reinstated, or for a period of thirty (30) days, whichever first occurs.

e Cost of reletting

When You have leased out Your Home We will pay reasonable reletting costs up to \$1,500 if Your Home is made unfit to be occupied for its intended purpose by:

- i loss or Damage that is admitted as a claim under **Part A of Policy 10**; and
- ii Your tenant at the time of the Event subsequently advises they will not be reoccupying Your Home they previously leased.

f Community Association contributions and fees

We will pay up to \$2,000 for contributions, levies, maintenance and other fees You are required to pay to Your Community Association during the period Your Home is made unfit to be occupied for its intended purpose by loss or Damage that is admitted as a claim under **Part A of Policy 10**.

g Removal, storage - contents

We will pay the costs You necessarily incur in:

- i removing Your undamaged Contents to the nearest place of safekeeping;
- ii storing Your undamaged Contents at that place or an equivalent alternate place;
- iii returning Your undamaged Contents to Your Situation when occupancy of Your Home is permitted
- iv insuring Your undamaged Contents during such removal, storage and return;

Following loss or Damage to Your Home that is admitted as a claim under Part A of Policy 10 that makes it unfit to be occupied for its intended purpose.

The combined total amount We will pay under **Special Benefit 1** arising out of any one Event that is admitted as a claim under **Part A of Policy 10** is limited to fifteen percent (15%) of the amount shown on the Schedule for **Part A of Policy 10** or such other percentage as We may agree in writing.

2 Alterations / additions

When You make alterations, additions or renovations to Your Home during the Period of Insurance We will:

- a during the construction period:
- pay up to \$100,000 for loss or Damage to such alterations, additions or renovations by an Event claimable under **Part A of Policy 10** provided:
 - i the value of such work does not exceed that amount; or
 - ii unless You notify Us and We otherwise agree in writing before the commencement of such work;

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

3 Arson reward

We will pay a reward of up to \$10,000 for information (irrespective of the number of people supplying information) which leads to a conviction for arson, theft, vandalism or malicious Damage provided such loss or Damage is claimable under **Part A of Policy 10**.

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

4 Electric motors

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

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

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

We will not pay for:

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

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

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

- a increased usage of metered electricity, gas, sewerage, oil and water;
- b accidental discharge of metered electricity, gas, sewerage, oil and water;
- c additional management charges;



You are required to pay following loss or Damage to Your Home by an Event that is admitted as a claim under **Part A of Policy 10**.

6 Electricity, gas and water charges – unauthorised use

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

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

7 Emergency accommodation

When You occupy Your Home We will pay up to \$1,500 for the reasonable cost of emergency accommodation You necessarily incur if Your Home is made unfit to be occupied for its intended purpose by:

- a loss or Damage to Your Home that is admitted as a claim under **Part A of Policy 10**; or
- b if reasonable access to or occupancy of Your Home is prevented by Damage from an Event claimable under **Part A of Policy 10** happening to other property in the immediate vicinity;

8 Environmental improvements

If Your Home is:

- a Damaged by an Event claimable under **Part A of Policy 10**; and
- b the cost to rebuild, replace or repair the Damaged portion is more than twenty five percent (25%) of what the cost would have been had Your Home been totally destroyed;

We will, in addition to the cost of environmental improvements claimable under Part A of Policy 10 also pay up to \$2,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

9 Exploratory costs, replacement of defective parts

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

We will also pay for reasonable costs incurred in:

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

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

10 Fallen trees

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

We will not pay for removal or disposal of:

- a trees or branches that have fallen and not Damaged Your Home or landscaped gardens;
- b tree stumps or roots.

11 Fire extinguishing

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

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

12 Funeral expenses

When You occupy Your Home We will pay up to \$5,000 for funeral expenses if You or a family member who permanently resides with You dies as the direct consequence of loss or Damage to Your Home that is admitted as a claim under **Part A of Policy 10**.

13 Keys, lock replacement

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

- a re-keying or re-coding locks together with replacement keys; or
- b replacing locks with locks of a similar type and quality if they cannot be re-keyed or re-coded;

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

- i any building forming part of Your Home;
- ii the premises of a keyholder; or
- iii during the hold-up of a person who normally has the keys in their possession.

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

14 Landscaping

We will pay up to \$10,000 for the reasonable costs You necessarily incur in replacing or repairing Damaged trees, shrubs, plants, lawns or rockwork at Your Situation that are lost or Damaged by an Event claimable under **Part A of Policy 10**.

15 Modifications

When You occupy Your Home We will pay up to \$25,000 for modifications to Your Home if You are physically injured and become a paraplegic or quadriplegic as a direct consequence of loss or Damage to Your Home that is admitted as a claim under Part A of Policy 10.

This benefit only applies if the paraplegia or quadriplegia has continued for a period of no less than six (6) months from the date of event and is substantiated by a legally qualified medical practitioner.



16 Mortgage discharge

We will pay up to \$5,000 to discharge any mortgage over Your Home if it becomes a total loss, is not replaced and We have paid the amount due under **Part A of Policy 10**.

17 Pets, security dogs

When you occupy Your Home We will pay up to \$1,000 for the reasonable costs You necessarily incur for boarding pets or security dogs if Your Home is rendered unfit for its intended purpose by loss or Damage that is admitted as a claim under **Part A of Policy 10** and Temporary Accommodation does not allow pets or security dogs.

18 Purchaser's interest

We will cover a purchaser's legal interest in Your Home, in the terms of **Part A of Policy 10**, when the purchaser has signed an agreement to buy such property.

19 Removal, storage costs

We will pay up to \$10,000 for the reasonable costs You necessarily incur in:

- a removing any undamaged portion of Your Home to the nearest place of safe keeping;
- b storing such undamaged portion at that place or an equivalent alternate place;
- c returning such undamaged portion to the Situation when restoration work is completed;
- d insuring the undamaged portion of Your Home during such removal, storage and return; following loss or Damage to Your Home that is admitted as a claim under **Part A of Policy 10**.

20 Removal of squatters

We will pay up to \$1,000 any one Period of Insurance for legal fees You necessarily incur to repossess Your Home if squatters are living in it.

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

21 Title deeds

We will pay up to \$5,000 for the reasonable costs You necessarily incur in replacing Title Deeds to Your Home if they are lost or Damaged by an Event claimable under **Part A of Policy 10**, while anywhere in Australia

22 Water removal from basement

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

We will not pay if the inundation is caused by Flood or by any other Event that is not claimable under **Part A of Policy 10**.

Exclusions - what we do not insure

1 We will not pay for loss or Damage:

- a caused by Flood.
- b to retaining walls resulting from Storm or Rainwater
- c caused by lack of maintenance, rust, oxidation, corrosion, mould, Wear and Tear, fading, concrete or brick cancer, developing flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain Your Home in a reasonably

good state of repair. This includes when the Damage to the Home is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;

- d caused by non-rectification of a defect, error or omission in Your Home that You were aware of, or should reasonably have been aware of.
- e caused by overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.

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

- i Fusion of electric motors as covered under **Special Benefit 4**;
- ii lightning;
- iii power surge when such Event is confirmed by the supply authority; or
- iv resulting fire Damage.

- f caused by any action of the sea, high water or high tide, storm surge or tidal wave.

However We will pay if the loss or Damage is due to Tsunami.

- g caused by vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, Erosion or Earth Movement.

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

- i earthquake or seismological disturbance, Tsunami, explosion, physical impact by aircraft;
- ii bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus (but not Flood).

- h caused by underground (hydrostatic) water.

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

- i caused by the invasion of tree or plant roots nor for the cost of clearing pipes or drains blocked by any such invasion.

However We will pay for water or liquid Damage resulting from blocked pipes or drains.

- j inherent defect or latent defect.

- k vermin, mice, rats, termites, insects, mildew, or by pecking, biting, chewing or scratching by birds or animals.

However We will pay if any of these causes directly result in loss or Damage from any other Event claimable under **Part A of Policy 10** such as fire or glass breakage.

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

- m to water in swimming pools, spas or water tanks.

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

- o due to smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom).

- p caused by any process involving the application of heat being applied directly to any part of Your Home.

However We will pay if any other part of Your Home is Damaged or destroyed by fire.



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

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

However We will pay if the loss or Damage directly results from any other Event claimable under **Part A of Policy 10**.

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

t to Your Home if it is vacant and undergoing demolition unless Our written consent to continue cover (consent which will not unreasonably be withheld) has been obtained before the commencement of demolition.

u to Your Home directly resulting from construction, erection, alteration or addition where the value of such work exceeds \$250,000 unless Our written consent to continue cover has been obtained before the commencement of such work, which will not unreasonably be withheld.

However We will pay if the loss or Damage directly results from any other Event claimable under **Part A of Policy 10**.

2 We will not be liable for:

a demolition ordered by any Public or Statutory Authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your Home;

b the cost of rectifying faulty or defective materials or faulty or defective workmanship;

c consequential loss, including but not limited to any:

- loss of use;
- loss of contract;
- loss of profit/revenue;
- loss of opportunity;
- loss of goodwill and/or reputational damage; or
- special damages.

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

d Wear and Tear

Claims - how we will settle your claim

1 Replacement

If Your Home is Damaged, and Your claim is accepted, after consultation with you We will either rebuild, replace or repair.

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

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

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

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

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

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

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

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

ii not pay in excess of Indemnity Value of Your Home; and

iii seek release from further liability under this Policy.

We will not pay for the cost to:

i rebuild or replace any undamaged part of Your Home;

ii rebuild, replace or repair illegal installations.

For each and every claim You have to pay the amount of any Excess shown in **Part A of Policy 10** or on the Schedule.

2 Undamaged part of foundations and footings

If Your Home is Damaged and any Public or Statutory Authority requires replacement to be carried out on another site We will pay for the value of any undamaged part of Your Home, including foundations and footings, as though they had been destroyed.

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

3 Floor space ratio

If Your Home is Damaged and Replacement is limited or restricted by any Public or Statutory Authority requirement which results in the reduction of the floor space ratio index, We will pay:

a the difference between:

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

ii the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied; or alternatively We will pay:

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

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

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

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



4 Land value

We will pay the difference between Land Value before and after loss or Damage if any Public or Statutory Authority refuses to allow Your Home to be replaced or only allows partial Replacement, less any sum paid by way of compensation by any such Authority.

5 Electronic data

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

Special provisions

- 1 Under Clauses 2, 3 and 4 above, Our liability is limited to the extent to which the amount shown on the Schedule for Your Home is not otherwise expended.
- 2 Under Clauses 2. and 4. above, if there are any differences relating to value these may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be final and binding.

Special conditions

Uninhabited building

If Your Home becomes uninhabited We will only pay for loss of Damage caused by:

- a Earthquake;
- b Impact by vehicles, aircraft;
- c Storm and Rainwater;

unless Our prior written agreement to continue full cover during the uninhabited period has been obtained. Uninhabited means that in the ninety day (90) period before loss or Damage no person resided in Your Home overnight on at least one occasion.

Excesses

Earthquake excess

You have to pay or contribute in relation to earthquake or seismological disturbance the first \$250 of the cost of loss or Damage which occurs during any one period of seventy two (72) consecutive hours.

Other excesses

Whenever an Excess is shown on the Schedule, You have to pay or contribute the stated amount for each loss arising out of or consequent upon that numbered Event.

Part B - Liability to others

What we insure

We insure You up to the Limit of Liability shown on the Schedule for **Part B of Policy 10** if You become legally responsible to pay compensation for:

- Personal Injury; or
- Property Damage;

resulting from an Occurrence in connection with:

- the ownership (but not occupancy) of Your Home; or an operative **Additional Benefit**;

that happens during the Period of Insurance.

Additional benefits

We will pay up to the Limit of Liability for **Part B of Policy 10** for:

1 Bridges, roadways, kerbing, footpaths, services

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

2 Fertiliser, pesticide, herbicide application

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

We will not pay:

- a unless the fertiliser, pesticide or herbicide has been applied in conformity with any Public or Statutory Authority requirement or, in the absence of any such requirement, in conformity with the manufacturer's recommendations;
- b for loss or Damage to Your Lot or Home, or its improvements including gardens and lawns, to which the fertiliser, pesticide or herbicide was being applied.

Special benefits

1 Cost of defending a claim

We will pay:

- a all legal costs and expenses incurred by Us;
- b reasonable cost of legal representation You necessarily incur with Our written consent at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under **Part B of Policy 10**;
- c other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- d all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment;

in addition to the Limit of Liability shown on the Schedule for **Part B of Policy 10**.

2 Court appearance

We will pay compensation of \$250 per day if We require You to attend a Court as a witness in connection with a claim under **Part B of Policy 10**.

Exclusions - what we do not insure

We will not pay for any claim:

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

This exclusion does not apply to an 'eligible person' as defined under the *WorkCover Queensland Act*.

- 2 In respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Home is situated.

- 3 In respect of:

- a Damage to property belonging to, rented by or leased by You or in Your physical or legal control;
- b Damage to property belonging to any person who is deemed



- a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Home is situated;
 - c injury to or death of animals, other than domestic animals, on Your Lot;
 - d Personal Injury or Property Damage caused by animals, other than domestic animals, kept at Your Lot.
- 4 Arising out of the rendering or failure to render professional advice by You or any error or omission connected therewith.
 - 5 Arising out of the publication or utterance of a defamation, libel or slander:
 - a made prior to the commencement of **Part B of Policy 10**;
 - b made by You or at Your direction when You knew it to be false.
 - 6 Arising out of the ownership, possession or use by You of any Vehicle, Watercraft, hovercraft, aircraft or aircraft landing areas.
 - 7 Arising out of or in connection with the ownership of marinas, wharves, jetties, docks, pontoons or similar type facilities (whether fixed or floating) if such facilities are used for commercial purposes or provide fuel distribution facilities, unless We otherwise agree in writing.
 - 8 Arising out of construction, erection, demolition, alterations or additions to Your Home where the cost of such work exceeds \$250,000, unless You advise Us and obtain Our consent (which We will not unreasonably withhold), to continue cover before commencement of such works.
 - 9 Arising from vibration or from the removal or weakening of or interference with the support of land or buildings or any other property.
 - 10 Arising under the terms of any agreement unless liability would have attached to You in the absence of such agreement. This exclusion does not apply to liability assumed by You under any contract or lease of real or personal property.
 - 11 Arising out of or caused by the discharge, dispersal, release of or escape of Pollutants into or upon property, land, the atmosphere, or any water course or body of water. This exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place during the Period of Insurance.
 - 12 Arising out of or incurred in the prevention, removing, nullifying or clean-up of any contamination or pollution. This exclusion does not apply to clean-up, removal or nullifying expenses only which are incurred after a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place during the Period of Insurance.
 - 13 For fines or penalties or for punitive, aggravated, exemplary or additional Damages (including interest and costs) imposed against You.
 - 14 Arising out of the occupancy of Your Home or any other activity that earns You money or income other than rental or lease monies received as owner of Your Home.
 - 15 In respect of Personal Injury to any family members normally residing with You.
 - 16 In respect of Damage to property:
 - a owned by You or family members normally residing with You;
 - b not owned by but in Your care, custody or control or of a family member normally residing with You;

17 Made or actions instituted:

- a outside Australia;
- b which are governed by the laws of a foreign country.

Part C - Machinery breakdown

What we insure

We insure You against Insured Damage provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time Damage occurs.

The amount We pay will:

- be calculated in accordance with the clause herein titled 'Claims - how we will settle your claim';
- be subject to the application of any Excess shown on the Schedule; and
- not exceed the Sum Insured stated on the Schedule for **Part C of Policy 10**.

Additional benefits

Additional Benefits are included when Your Sum Insured for **Part C of Policy 10** is not otherwise expended in respect of any one Event.

We will pay for the reasonable cost of:

- 1 expediting repair including overtime working;
- 2 express or air freight;
- 3 replacing oil and refrigerant gas from air-conditioning units or refrigeration units;

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

Exclusions - what we do not insure

We will not pay for:

- 1 Damage caused by:
 - a Wear and Tear;
 - b chipping, scratching or discolouration of painted, polished or finished surfaces;
 - c the deterioration of any pre-existing crack, fracture, blister, lamination, flaw or grooving which had not previously penetrated completely through the entire thickness of the material of the Insured Item, notwithstanding that repair or renewal of the part affected may be necessary either immediately or at some future time, except where caused by Insured Damage and You did not know or should not reasonably have known of the pre-existing condition;
 - d the wearing away or wasting of material caused by or naturally resulting from atmospheric conditions, rust, Erosion, corrosion, oxidation or ordinary use;
 - e the tightening of loose parts, recalibration or adjustments;
 - f the carrying out of tests involving abnormal stresses or the intentional overloading of any Insured Item.
- 2 Damage to:
 - a glass or ceramic components;
 - b defective tube joints or other defective joints or seams;
 - c any valve fitting, shaft seal, gland packing joint or connection except where caused directly by Insured Damage;



- d foundations, brickwork, and refractory materials forming part of an Insured Item;
 - e television, video or audio equipment other than security system equipment;
 - f expendable items, including electrical and electronic glass bulbs, tubes, lamps, x-ray tubes, electrical contacts, fuses, heating elements, commutators, slip rings, conducting brushes, thermal expansion (TX) valves, thermostats, protective and controlling devices, over-loads, chains, belts, ropes, tyres, pressure switches, bearings, valves, valve plates, filters and dryers;
 - g computers, telecommunication transmitting and receiving equipment, electronic data processing equipment, electrical office machines, coin operated machines, gaming machines, storage tanks and vats, stationary and mobile pressure vessels containing explosive gases, mobile machinery, ducting, reticulating electrical wiring, water and gas piping and all other plant and equipment not owned by You;
 - h plant which has been hired or is on loan unless We specifically agree in writing.
- 3 consequential loss of any kind, including but not limited to loss of use, loss of contract, loss of profit/revenue, loss of opportunity, loss of goodwill and/or reputational damage, or special damages, other than that which is specifically stated.
 - 4 Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul.
 - 5 Damage occurring during installation or erection other than the dismantling, movement and re-erection for the purpose of cleaning, inspection, repair or installation in another position within the Situation.
 - 6 Damage which is claimable from any manufacturer, supplier, engineer or other person under the provisions of any maintenance or warranty agreement.
 - 7 Loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts.
 - 8 the cost of converting refrigeration/air-conditioning units from the use of CFC (chlorofluorocarbon) refrigerant gas to any other type of refrigerant gas.

Claims - how we will settle your claim

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

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

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

Special definitions

The words listed below have been given a specific meaning and these specific meanings apply to **Part C of Policy 10** when the words begin with a capital letter.

Insured Damage

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

- a which is covered under **Part A of Policy 10**; or
- b which is not claimable under **Part C of Policy 10**.

Insured Item

means:

- a lifts, elevators, escalators and inclinator provided they are subject to a current comprehensive maintenance agreement;
- b all other electrical, electronic and mechanical machinery, boilers and pressure vessels and similar plant; that forms part of Your Home.

Part D - Catastrophe insurance

What we insure

We insure You up to the Sum Insured shown on the Schedule for **Part D of Policy 10** against the Escalation in the cost of Replacement of Your Home if it is destroyed, or it is assessed as a constructive total loss, following a loss which occurs during the Period of Insurance:

- 1 a due to a Catastrophe; or
 - b other Event which occurs not later than sixty (60) days after a Catastrophe, provided Your Home has been continuously insured with Us for that period;
- and
- 2 the Event giving rise to the loss is admitted as a claim under **Part A of Policy 10**.

Special benefits

Special Benefits are included in addition to Your Sum Insured for **Part D of Policy 10**.

1 Temporary accommodation / rent - extended period of cover

a Temporary accommodation

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

- due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and
- the loss or Damage to Your Home is admitted as a claim under **Part A of Policy 10**.

We will pay from the time indemnity provided under **Special Benefit 1a of Part A of Policy 10** is expended until the time You reoccupy Your Home following completion of rebuilding, repairs or replacement.

b Rent

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

due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and the loss or Damage to Your Home is admitted as a claim under **Part A of Policy 10**.



We will pay from the time indemnity provided under **Special Benefit 1b of Part A of Policy 10** is expended until the time Your Home is relet following completion of rebuilding, repairs or replacement provided You demonstrate You have taken all reasonable actions to obtain a new tenant.

2 Temporary accommodation – escalation in cost

When You occupy Your Home We will pay for Escalation In The Cost Of Temporary Accommodation You necessarily incur if Your Home is made unfit to be occupied for its intended purpose:

due to the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and the loss or Damage to Your Home is admitted as a claim under **Part A of Policy 10**.

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

3 Removal, storage

We will pay for the costs You necessarily incur in:

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

We will pay if the loss or Damage to Your Home is due to:

- the happening of a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and
- is admitted as a claim under **Part A of Policy 10**.

The amount We pay will be reduced by any amount payable for such costs under **Part A of Policy 10**.

4 Cost of evacuation

When You occupy Your Home for residential purposes We will pay for the Cost of Evacuation You or any person or persons permanently residing with You at the time immediately prior to such a happening, necessarily incurred following an order issued by a Public or Statutory Authority, Body or entity or person so empowered by law, to evacuate Your Home:

- due to the happening of a Catastrophe; and
- the loss or Damage to Your Home is admitted as a claim under **Part A of Policy 10**.

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

The combined total amount We will pay under **Special Benefits 1 to 4** arising out of any one Event claimable under **Part D of Policy 10** is limited to fifteen percent (15%) of the amount shown on the Schedule for **Part D of Policy 10** or such other percentage as We may agree in writing.

Claims - how we will settle your claim

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

- a the actual cost necessarily incurred to rebuild, repair or replace Your Home following a Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'; and
- b the greater of either:
 - i the cost that would have applied to rebuild, repair or replace Your Home in terms of **Part A of Policy 10** immediately prior to the Catastrophe; or
 - ii the amount shown on the Schedule for **Part A of Policy 10** at the time of the Catastrophe, or other Event referred to in **Clause 1b** of 'What we insure'.

Special provisions

- 1 No payment will be made under **Part D of Policy 10** until such time as the greater amount determined in accordance with the provisions of **Clause b** of 'Claims – how we will settle your claim' has been fully expended in Replacement of Your Home.
- 2 In certifying the cost of Replacement of Your Home at the time immediately prior to a happening giving rise to a claim under **Part D of Policy 10** the qualified valuer, Loss Adjuster or other suitably qualified person will use as the basis of certification:
 - a the accepted building industry cost standards or recognised cost of materials guide in force on the day immediately prior to the happening of the Catastrophe or a day as close as practicable thereto;
 - b any extra cost necessarily incurred to comply with any Public or Statutory Authority requirements but will not include any cost that would have been incurred in complying with orders issued prior to the happening of the loss or Damage;
 - c Architects fees, surveyors' fees and any other professional fees;
 - d legal fees necessarily incurred in making submissions or applications to any Public or Statutory Authority, Builders Licensing Board, or Land and Environment Courts as a result of loss or Damage to Your Community Property;
 - e fees, contributions or imposts payable to any Public or Statutory Authority to obtain consent to rebuild, replace or repair Your Home.
- 3 Any differences relating to the cost of Replacement at the time immediately prior to a happening giving rise to a claim under **Part D of Policy 10** may be referred to the Australian Property Institute Inc who will appoint a qualified valuer whose decision be binding and who will at the same time decide as to payment of the costs of such referral.

Special condition

Part D of Policy 10 is subject to the same terms, conditions and exclusions as **Part A of Policy 10** and **General Exclusions** except as they may be expressly varied herein.



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Community Association Insurance Plan



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Residential Strata Insurance Plan
Product Disclosure Statement and Policy Wording



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