



# Community Association Supplementary Product Disclosure Statement

The Strength of **Experience.**

This document is dated 5 October 2021 and is a Supplementary Product Disclosure Statement (SPDS) that supplements and updates the Strata Community Insurance *Community Association Product Disclosure Statement* and Policy Wording dated 1 February 2021 (PDS) provided to you, and is issued by the insurer, Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 of GPO Box 9870 Melbourne VIC 3000.

This SPDS must be read together with the PDS and any other current SPDS that You are given which updates or amends the PDS.

The PDS is amended as follows:

## **The following change is made to the section titled ‘Contents’ on page 4**

The words ‘Your duty of disclosure’ are deleted and replaced with ‘Your duty to take reasonable care not to make a misrepresentation.’

## **The following changes are made to the section titled ‘General Information’ on page 9**

The following paragraphs are deleted:

It is important that You comply with the conditions of Your duty of disclosure, which can be found under the section Your duty of disclosure.

If You do not comply We may reduce the amount We pay for a claim in whole or in part, cancel the Policy, or both. If Your non-disclosure is fraudulent We may avoid the Policy from its beginning.

The following paragraphs are inserted:

It is important that You comply with the conditions of Your duty to take reasonable care not to make a misrepresentation, which can be found under the section Your duty to take reasonable care not to make a misrepresentation.

If You do not comply We may reject or not fully pay Your claim and/or cancel Your Policy. If the misrepresentation was deliberate or reckless, this is an act of fraud, and We may treat Your Policy as if it never existed.

## The following change is made to the section titled ‘Other important information’ on page 13

The last paragraph is deleted and replaced with the following:

Further We may also cancel Your Policy as permitted by law or refuse to pay or reduce the amount We pay under a claim to the extent We are prejudiced by Your non-compliance if You:

1. do not comply with the terms and conditions as detailed in the Policy;
2. do not comply with Your duty to take reasonable care not to make a misrepresentation; or
3. make a fraudulent claim.

## The following change is made to the section titled ‘Your duty of disclosure’ on page 14

The section is deleted and replaced with the following:

### Your Duty to take reasonable care not to make a misrepresentation

You must take reasonable care not to make a misrepresentation to Us. This responsibility applies until We issue You with a Policy for the first time or agree to renew, extend, vary/change, or reinstate Your Policy.

You must answer Our questions honestly, accurately and to the best of Your knowledge. A misrepresentation includes a statement that is false, partially false, or which does not fairly reflect the truth. It is not misrepresentation if You do not answer a question or if Your answer is obviously incomplete or irrelevant to the question asked.

The responsibility to take reasonable care not to make a misrepresentation applies to everyone who will be insured under the policy. If You are answering questions on behalf of anyone, We will treat Your answers or representations as theirs.

Whether or not You have taken reasonable care not to make a misrepresentation is to be determined having regard to all relevant circumstances, including the type of insurance, who it is intended to be sold to, whether You are represented by a broker, Your particular characteristics and circumstances We are aware of.

If You do not meet the above Duty, We may reject or not fully pay Your claim and/or cancel Your Policy. If the misrepresentation was deliberate or reckless, this is an act of fraud, and We may treat Your Policy as if it never existed.

If Our information or questions are unclear, You can contact Strata Community Insurance using the details on the back cover of this document.

## The following change is made to the section titled ‘Other adjustments’ on page 20

The last sentence is deleted and replaced with the following:

This condition does not affect any other rights that We have, including the rights We have under Your duty to take reasonable care not to make a misrepresentation.

## The following change is made to the section titled ‘Special conditions’ in Section 2 Part C on page 47

Special condition 5 on page 47 is deleted and replaced with the following:

### 5. Severability and non-imputation

We agree that where **Section 2 Part C** 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 to take reasonable care not to make a misrepresentation in terms of the *Insurance Contracts Act 1984* (Cth); or
- (b) failed to comply with any terms or conditions of **Section 2 Part C**;

will not prejudice the rights of the remaining party or parties to indemnity as may be provided by **Section 2 Part C**, subject to the following provisos:

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

## The following definition is inserted to the section titled ‘General definitions’ commencing on page 24

### Communicable Disease

means:

- (a) Any disease infectious in humans forming part of the Listed Human Diseases under, or that is the subject of a Human Biosecurity Emergency under, the Biosecurity Act 2015 (Cth) and any of its subsequent amendments or any similar such listing or declarations of diseases under any subsequent statute that repeals and replaces the Biosecurity Act 2015 (Cth) in whole or part, whether or not such declaration has taken place before or after inception of this Policy;

- (b) Highly Pathogenic Avian Influenza in humans; or
- (c) Any pandemic or epidemic, as declared as such by the World Health Organisation.

In all other respects the Policy remains unaltered and is subject to the terms, conditions and exclusions contained therein.

## The following general exclusion is inserted to the section titled 'General exclusions' commencing on page 23

### Communicable Disease

*We shall have no liability under this Policy in respect of any claims or costs arising out of any actual or alleged loss, liability, damage, compensation, loss of use, loss of profit, injury, sickness, disease, death, medical payment, defence cost, inquest cost, accident enquiry, cost, expense or any other amount incurred either directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or the actual or alleged transmission of a Communicable Disease.*

This exclusion does not apply to **Section 2 Part G** – Workers compensation, in respect of which cover is subject to the relevant terms, conditions, limits and exclusions provided in the applicable workers compensation policy.

## The following change is made to Section 1 – Part B, 2. on page 35

Section 1 – Part B, 2. on page 35 is deleted and replaced with the following:

### 2. Disease, murder and suicide

We will pay You for Community Rental Income that is lost if the Community Property cannot be occupied by order of the police, a public or statutory authority, other body, entity or person so empowered by law, due to:

- (a) the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like;
- (b) a human infectious or contagious disease *other than a Communicable Disease*;
- (c) murder or suicide;

occurring at the Situation.

We will pay for Community Rental Income lost 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.