



# Flexible Residential Strata Plan Insurance

PRODUCT DISCLOSURE STATEMENT  
& POLICY WORDING





# CONTENTS

Product Disclosure Statement	2
Summary of Sub-Limits	9
Policy Wording	22
General Definitions	22
General Conditions	31
Claims Conditions	35
Section 1 Insured Property	40
Section 2 Liability to Others	55
Section 3 Voluntary Workers	60
Section 4 Fidelity Guarantee	63
Section 5 Office Bearers' Legal Liability	64
Section 6 Machinery Breakdown	69
Section 7 Catastrophe Insurance	72
Section 8 Government Audit Costs, Appeal Expenses and Legal Defence Expenses	76
Section 9 Lot Owners' Fixtures and Improvements	85
General Exclusions	86

Preparation date: 30th June 2024

AX 0001 0724

Effective Date: 14th July 2024

## Product Disclosure Statement (PDS)

This PDS was prepared on the 30th June 2024

### Important Information and Notices

There are two parts to this **Policy**. 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**.

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

Information in this PDS might change. If the change is adverse and might affect a reasonable person's decision to buy the **Policy**, then either a supplementary PDS (SPDS) or a new PDS will be provided at renewal. **You** can get a copy of all updates on the Flex website [www.flexinsurance.com.au](http://www.flexinsurance.com.au)

### About Lloyd's

This **Policy** is underwritten by certain underwriters at Lloyd's.

Lloyd's is the world's specialist insurance and reinsurance market.

With expertise earned over centuries, Lloyd's is the foundation of the insurance industry and the future of it. Led by expert underwriters and brokers who cover more than 200 territories, the Lloyd's market develops the essential, complex and critical insurance needed to underwrite human progress.

Backed by diverse global capital and excellent financial ratings, Lloyd's works with a global network to grow the insured world – building resilience for businesses and local communities and strengthening economic growth around the world.

The Insurer(s) have authorised the information contained in this PDS. Certain underwriters at Lloyd's, of whose definitive numbers and the proportions underwritten by them, can be supplied on application. In consideration of the premium specified in the **Schedule, the Insurer(s)** are bound, severally and not jointly, each for their own part and not one for another, their executors and administrators, to insure in accordance with the terms and conditions contained in the **Policy** or any **Endorsement**.

In Australia, Lloyd's is proud to be a member of the Insurance Council of Australia.

Lloyd's aims to provide the highest level of service to our Australian Policyholders and have developed procedures, applicable to the entire Lloyd's market, for the honest, fair and timely handling of complaints.

## General Insurance Code of Practice

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

Lloyd's has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au).

The Code Governance Committee ('CGC') is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the CGC go to [www.insurancecode.org.au](http://www.insurancecode.org.au)

## About FLEX Insurance

CHUISAVER Underwriting Agency Pty Ltd trading as Flex Insurance (Flex) is an underwriting agency that issues general insurance products for the Strata Industry and holds an Australian Financial Services Licence (AFS Licence No. 491113). Flex's ABN is 85 613 645 239. Flex can be contacted at [www.flexinsurance.com.au](http://www.flexinsurance.com.au).

Flex is a wholly owned subsidiary of, and a related Body Corporate to, CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070, AFSL no 243261) (CHU).

Flex is a company within the Steadfast Underwriting Agencies division of Steadfast Group Limited (ABN 98 073 659 677) (SGL).

## Authority to deal with Your Information

Flex may share the information which **You** have provided to it with its related Body Corporate(s) CHU Underwriting Agencies Pty Ltd, ABN 19 001 580 070, AFSL no 243261 (CHU), not only for the purpose of this Flex product but also for the secondary purpose of products offered by CHU. This includes if **You** tell **Us** something in seeking insurance from **Us**. In purchasing the product described in this PDS **You** consent to related Body Corporate disclosure for a secondary purpose.

## Authority to act on Our behalf

**We** have given Flex a binding authority to market, underwrite, settle claims and administer this **Policy** on **Our** behalf.

Any matters or enquiries **You** have should be directed to Flex. The contact details for Flex are shown on the back cover of this document.

Under the terms of this binding authority Flex acts as **the Insurer(s)** agent, and not **Yours**, but liability within the terms and conditions of the **Policy** remains at all times with **the Insurer(s)**.

## 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:

- the Product Disclosure Statement - this information is designed to help **You** understand this insurance and **Your** rights and obligations under it;
- the **Policy** Wording. 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** provide (see relevant coverage sections);
  - what Excesses **You** may have to pay;
  - when **You** are not insured (see General Exclusions and Specific Exclusions );
  - what **You** and **We** need to do in relation to claims;
  - **Your** 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 **Endorsement**; 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.

### **Sending You documents**

Documents relating to **Your** insurance **Policy** will be sent by post or email. Where **You** have been given the choice, they will be sent by **Your** chosen delivery method, and **You** can change **Your** preference at any time.

It is **Your** responsibility to make sure **Your** contact details are current (including telephone number, email and mailing address where relevant) and **You** must update this information within 14 days.

### **Significant features and benefits of Cover**

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 Section of the **Policy** is provided if specified as applicable in the **Schedule**.

#### **Section 1 – Insured Property**

**We** will insure **You** up to the **Sum Insured** shown in the **Schedule** for Section 1 - **Insured Property** for **Damage** to **Your Insured Property** (Building and **Common Area** Contents) that occurs during the **Period of Insurance** not otherwise excluded in the **Policy**. **We** provide cover for **Damage** to **Your Insured Property** by **Flood** unless excluded in the **Schedule**.

**We** also provide cover for Additional Benefits following insured **Damage** if the **Sum Insured** is not exhausted. Details of the Additional Benefits are set out under the heading 'Additional Benefits' in Section 1 - **Insured Property** of the **Policy**.

**We** also provide cover for Special Benefits in addition to **Your** Sum Insured under Section 1 - **Insured Property**. Details of the Special Benefits are set out under the heading 'Special Benefits' in Section 1 - **Insured Property** of the **Policy**.

There are also Optional Benefits available subject to payment of an additional premium. Details of the Optional Benefits are set out under the heading 'Optional Benefits' in Section 1 - **Insured Property** of the **Policy**.

## **Section 2 – Liability to Others**

**We** will indemnify **You** up to the **Limit of Liability** shown in the **Schedule** for Section 2 - Liability to Others if **You** become legally responsible to pay compensation for Personal Injury or Property **Damage** resulting from an Occurrence in connection with the ownership of **Your Common Area** and **Your Insured Property** that happens during the **Period of Insurance**.

**We** will also pay compensation up to the **Limit of Liability** for items listed under the heading 'Additional Benefits' in Section 2 - Liability to Others of the **Policy**.

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

## **Section 3 – Voluntary Workers**

**We** agree to pay to a **Voluntary Worker**, or that person's estate, the corresponding benefits set out in the Table of Benefits in Section 3 - **Voluntary Workers** in the **Event a Voluntary Worker** sustains bodily injury during the **Period of Insurance** when voluntarily engaged in work on **Your** behalf and the bodily injury was caused accidentally and, independently of any other cause which results in one of the insured Events as set out in the Table of Benefits.

## **Section 4 – Fidelity Guarantee**

**We** will indemnify **You** up to the **Sum Insured** shown in the **Schedule** for Section 4 - Fidelity Guarantee for the fraudulent misappropriation of **Your** Funds committed during the **Period of Insurance**.

## **Section 5 – 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 Section 5 - Office Bearers' Legal Liability will not exceed the **Limit of Liability** shown in the **Schedule** and is inclusive of the claimant's reasonable and relevant costs and expenses and the Defence Costs incurred by **Us** during the currency of any one **Period of Insurance**.

## **Section 6 – Machinery Breakdown**

**We** will insure **You** up to the **Sum Insured** shown in the **Schedule** for Section 6 - Machinery Breakdown against Insured **Damage** which occurs during the **Period of Insurance** and requires repair or **Replacement** provided that the Insured Item is within **Your Situation** and is in the ordinary course of working at the time the Insured **Damage** occurs.

**We** also provide cover for Additional Benefits following **Damage** if the **Sum Insured** is not exhausted. Details of the Additional Benefits are set out under the heading 'Additional Benefits' in Section 6 Machinery Breakdown.

## Section 7 – Catastrophe Insurance

We will insure **You** up to the **Sum Insured** shown in the **Schedule** for Section 7 - Catastrophe Insurance for any increase in the **Replacement** cost of **Your Insured 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 60 days after the Catastrophe; and
- b. the **Event** giving rise to the loss is admitted as a claim under Section 1 - **Insured Property**.

## Section 8 - Government Audit Costs, Appeal Expenses and Legal Defence Expenses

We will insure **You** on a Claims made basis for Parts A, B and C of Section 8 - Government Audit Costs, Appeal Expenses and Legal Defence Expenses 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**.

## Section 9 - Lot Owners' Fixtures and Improvements

We will insure the cost of replacing **Lot Owners' Fixtures and Improvements** in their **Lot/Unit** provided that the **Sum Insured** under Section 1 – **Insured Property** is exhausted. **Replacement** of such installations must be following **Damage** by any **Event** that is not otherwise excluded under Section 1 – **Insured Property**.

## Important Information

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, **Policy** Wording and the **Schedule** for full details of the cover, terms, definitions, conditions, exclusions and limits that apply to make sure it meets **Your** expectations.

## General 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** Wording 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**;
- b. the actual or alleged use or presence of asbestos;
- c. ionising radiation from, or contamination by radioactivity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

## General 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** Wording 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 Insured Property** is a total loss and **We** have paid out the total **Sum Insured**, this insurance ceases. If **You** rebuild or replace **Your Insured Property**, this requires a new insurance contract commencing at that time with an applicable premium.
- 3 When **You** first purchase and when **You** renew **Your** insurance if **You** do not pay the amount by the due date, **Your Policy** may be cancelled and **We** will write to let **You** know when this will happen.

### **Duty of Disclosure and Duty to not Misrepresent**

**Your Duty to take reasonable care not to make a misrepresentation (applicable to Section 1 - Insured Property, Section - 3 Voluntary Workers Personal Accident and Section 9 - Lot Owners' Fixtures and Improvements)**

#### **When applying for this Policy**

**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.

#### **When You renew Your Policy**

**You** must take reasonable care not to make a misrepresentation to **Us**. This responsibility applies until **We** renew **Your Policy** so if anything changes prior to **Your Policy's** renewal date **You** need to tell **Us**.

**You** must answer any of **Our** additional questions honestly, accurately and to the best of **Your** knowledge. Also, **You** must review **Your** responses to previous questions, replayed in the Renewal Invitation document, and advise **Us** immediately if any information is inaccurate or has changed. Amendments may impact the terms of this renewal offer.

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 **Your** answer is obviously not complete or is 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 **Us** on [info@flexinsurance.com.au](mailto:info@flexinsurance.com.au) or phone on 1300 201 021

### **Your Duty of Disclosure (applicable to Section 2 – Liability to Others, Section 3 - Fidelity Guarantee, Section 5 - Office Bearer's Liability, Section 6 - Machinery Breakdown, Section 7 – Catastrophe Insurance, Section 8 - Government Audit Costs, Appeal Expenses and Legal Defence Expenses)**

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

**You** have this duty until **We** agree to insure **You**.

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

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

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

### **If You do not tell Us something**

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

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

### **Limits on cover**

Throughout the **Policy** Wording there are limits of time and value that may apply to coverages. There are also different **Excess** payments that apply. The following tables show a summary of these limits and Excesses.

This summary does not include all details of the limits that apply and **You** must refer to each section of the **Policy** to determine the limit or **Excess** relevant to the cover provided.

### Sub-limit (\$) table

SECTION	SUB-LIMIT	WHAT WE'LL PAY
Section 1 – <b>Insured Property</b>	<b>Additional Benefit 2. Emergency cost of minimising losses</b> Reasonable emergency costs to minimise insured loss and avoid further losses	No more than \$2,000
Section 1 – <b>Insured Property</b>	<b>Additional Benefit 5. Temporary protection</b> Reasonable costs <b>You</b> incur for temporary protection and safety of <b>Your Insured Property</b> and persons who reside at <b>Your</b> Insured Property	No more than \$5,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 1. Temporary Accommodation / Rent / contributions / storage</b> Cost of <b>Temporary Accommodation</b> or the actual <b>Rent You</b> lose or would have lost	Up to \$1,000 per week up to 12 months
Section 1 – <b>Insured Property</b>	<b>Special Benefit 2. Alterations/additions</b> When <b>You</b> make alterations, additions or renovations to <b>Your Insured Property</b> during the <b>Period of Insurance</b>	Up to \$100,000 for <b>Damage</b> to such alterations, additions or renovations
Section 1 – <b>Insured Property</b>	<b>Special Benefit 3. Environmental improvements</b> For the cost of additional environmental improvements not previously installed such as <b>Rainwater</b> tanks and solar energy and grey water recycling systems.	Up to \$10,000 for the cost of additional environmental improvements
Section 1 – <b>Insured Property</b>	<b>Special Benefit 4. Exploratory costs, Replacement of defective parts</b> <ul style="list-style-type: none"> <li>• Repairing or replacing the defective part or parts of tanks, apparatus or pipes</li> <li>• Rectifying contamination <b>Damage</b> or pollution <b>Damage</b> to land at <b>Your Situation</b> caused by the escape of liquid</li> </ul>	Up to \$1,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 5. Fallen trees</b> Reasonable professional costs <b>You</b> necessarily incur for the removal and disposal of trees or branches that have fallen and caused <b>Damage</b> to <b>Your</b> Insured Property	Up to \$2,000

SECTION	SUB-LIMIT	WHAT WE'LL PAY
Section 1 – <b>Insured Property</b>	<b>Special Benefit 6. Landscaping</b> Reasonable costs <b>You</b> or a <b>Lot Owner</b> incurs in replacing or repairing <b>Damaged</b> trees, shrubs, plants, lawns or rockwork at <b>Your Situation</b> lost or <b>Damaged</b> by a claimable <b>Event</b>	Up to \$2,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 8. Personal property of others</b> Pay up to the <b>Indemnity Value</b> of personal property of others which is <b>Damaged</b> by an <b>Event</b> admitted as a claim while in <b>Your</b> physical or legal control	Up to \$1,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 9. Damaged office records</b> Reasonable expenditure <b>You</b> incur in collating, preparing, rewriting or reproducing records, books of account, <b>Electronic Data</b> and valuable papers directly related to <b>Your</b> Insured Property which are <b>Damaged</b> by a claimable <b>Event</b>	Up to \$20,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 10. Removal, storage costs</b> Reasonable costs <b>You</b> incur in removing and storing undamaged portion of <b>Your</b> Insured Property and then returning to the <b>Situation</b> following <b>Damage to Your</b> Insured Property that is admitted as a claim	Up to \$2,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 11. Water removal from basement</b> Reasonable costs <b>You</b> incur in removing water from basement or undercroft areas of <b>Your</b> Insured Property if such inundation is directly caused by <b>Storm</b> or <b>Rainwater</b>	Up to \$2,000
Section 1 – <b>Insured Property</b>	<b>Special Benefit 12. Claim preparation costs and fees</b> Reasonable cost of fees and other expenses in the preparation of a claim	Up to \$10,000
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 1. Increased exploratory costs</b> If selected, the amount <b>We</b> will pay for exploratory costs under the Special Benefit 4 'Exploratory costs, <b>Replacement</b> of defective parts' is increased	Increase from \$1,000 to \$10,000

SECTION	SUB-LIMIT	WHAT WE'LL PAY
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 3. Fusion of motors</b> If selected, <b>We</b> will pay the cost of repairing or replacing an electric motor forming part of <b>Your Insured Property Damaged by Fusion</b>	Up to \$3,500
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 5. Fallen trees</b> If selected, the amount <b>We</b> will pay under the Special Benefit 5 'Fallen trees' is increased	Increase from \$2,000 to \$3,500
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 6. Landscaping</b> If selected, the amount <b>We</b> will pay under the Special Benefit 6 'Landscaping' is increased	Increase from \$2,000 to the lesser of one percent of the Building Sum Insured or \$50,000
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 8. Personal property of others</b> If selected, the amount <b>We</b> will pay under the Special Benefit 8 'Personal Property of others' is increased	Increase from \$1,000 to \$5,000
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 9. Removal, storage costs</b> If selected, the amount <b>We</b> will pay under the Special Benefit 9 'Removal, storage costs' is increased	Increase from \$2,000 to \$15,000
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 11. Emergency accommodation</b> If selected, the reasonable cost of emergency accommodation <b>You</b> necessarily incur if <b>Your Lot/Unit</b> is made unfit to be occupied for its intended purpose	Up to \$1,500 a <b>Lot/Unit</b>
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 13. Electricity, gas, water and similar charges – Excess costs</b> If selected, the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water <b>You</b> are required to pay following <b>Damage</b> to Insured Property	Up to \$1,000
Section 1 – <b>Insured Property</b>	<b>Optional Benefit 14. Keys, lock Replacement</b> If selected, reasonable costs in rekeying, re-coding or replacing locks if keys to <b>Your Insured Property</b> are stolen as a consequence of forcible entry	Up to \$2,500

SECTION	SUB-LIMIT	WHAT WE'LL PAY
Section 1 – Insured Property	<p><b>Optional Benefit 15. Electricity, gas, water and similar charges – unauthorised use</b></p> <p>If selected, the cost of metered electricity, gas, sewerage, oil and water <b>You</b> are legally required to pay following its unauthorised use</p>	Up to \$1,000 any one <b>Period of Insurance</b>
Section 1 – Insured Property	<p><b>Optional Benefit 16. Funeral expenses</b></p> <p>If selected, funeral expenses if the <b>Lot Owner</b>, or a family member who permanently resides with the <b>Lot Owner</b>, dies as the direct consequence of <b>Damage to Your Insured Property</b></p>	Up to \$3,000 a <b>Lot/Unit</b>
Section 1 – Insured Property	<p><b>Optional Benefit 17. Modifications</b></p> <p>If selected, <b>We</b> will pay for modifications to that <b>Lot/Unit</b> if the <b>Lot Owner</b> permanently resides there and becomes a paraplegic or quadriplegic as a direct consequence of <b>Damage to Your Insured Property</b> admitted as a claim</p>	Up to \$15,000 a <b>Lot/Unit</b>
Section 1 – Insured Property	<p><b>Optional Benefit 18. Money</b></p> <p>If selected, loss of <b>Your</b> money while in the personal custody of an Office Bearer, committee member or of <b>Your Body Corporate Manager/Agent</b> while acting on <b>Your</b> behalf (excluding fraudulent misappropriation, larceny or theft by employees, <b>Lot Owners</b> including family or a proxy of a <b>Lot Owner</b>)</p>	Up to \$10,000
Section 1 – Insured Property	<p><b>Optional Benefit 19. Mortgage discharge</b></p> <p>If selected, to discharge any mortgage over <b>Your</b> Insured Property if it becomes a total loss and is not replaced</p>	Up to \$3,000
Section 1 – Insured Property	<p><b>Optional Benefit 20. Pets, security dogs</b></p> <p>If selected, Costs incurred by a <b>Lot Owner</b> occupying a residential <b>Lot/Unit</b> reasonable costs for boarding pets or security dogs if <b>Lot/Unit</b> is rendered unfit for its intended purpose by <b>Damage to Insured Property</b> admitted as a claim</p>	Up to \$1,000 a <b>Lot/Unit</b>
Section 1 – Insured Property	<p><b>Optional Benefit 22. Removal of squatters</b></p> <p>If selected, legal fees <b>You</b> incur to repossess <b>Your</b> Insured Property or a <b>Lot/Unit</b> if squatters are living in it</p>	Up to \$1,000 any one <b>Period of Insurance</b>

SECTION	SUB-LIMIT	WHAT WE'LL PAY
Section 7 – Catastrophe Insurance	<b>Special Benefits</b> Total amount payable under Section 7 for Special Benefits 1 to 4	<ul style="list-style-type: none"> <li>a) <b>Temporary Accommodation/Rent:</b> 15%;</li> <li>b) Escalation in cost: 5%;</li> <li>c) Removal, storage and Cost of Evacuation: combined 5% of the <b>Sum Insured</b> for Section 7 – Catastrophe Insurance</li> </ul>
Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	<b>Additional Benefit 1. Record Keeping Audit Professional Fees</b> <b>You</b> reasonably incur with <b>Our</b> written consent, which will not be unreasonably withheld in connection with a Record Keeping Audit	Up to \$1,000 in any one <b>Period of Insurance</b> for Professional Fees

### Sub-limit (time) table

SECTION	SUB-LIMIT	TIME LIMIT
Section 1 – Insured Property	<b>Optional Benefit 2. Extended Temporary Accommodation and Loss of Rent</b> If selected: <ul style="list-style-type: none"> <li>1. <b>Temporary Accommodation</b></li> <li>2. <b>Loss of Rent</b></li> <li>3. The cost <b>You</b> necessarily incur to abate the Rent of <b>Your</b> Tenant during this disruption</li> </ul>	<ul style="list-style-type: none"> <li>1. Until the time <b>You</b> can reoccupy</li> <li>2. Until <b>You</b> obtain a new <b>Tenant</b></li> <li>3. Not exceeding three months</li> </ul>
Section 1 – Insured Property	<b>Optional Benefit 10. Temporary Accommodation/Rent/contributions/storage</b> If selected, the Special Benefit 1 'Temporary Accommodation/Rent/contributions/storage' is extended to include the following: <ul style="list-style-type: none"> <li>a) <b>Covered Diseases</b>, murder and suicide</li> <li>b) Failure of supply services</li> <li>c) Cost of reletting</li> </ul>	<ul style="list-style-type: none"> <li>a) No more than 14 days</li> <li>b) If failure of services extends for more than 48 hours, <b>We</b> will pay for a period of up to 30 days</li> <li>c) Up to \$1,000 per <b>Lot/Unit</b></li> </ul>

## Excess table

SECTION	DESCRIPTION OF EXCESS	EXCESS AMOUNT TO PAY
Section 1 – Insured Property	<b>Specific Condition - Earthquake Excess</b> This <b>Excess</b> applies to Earthquake claims	\$500, or the <b>Excess</b> amount shown in the <b>Policy Schedule</b> , whichever is greater
Section 1 – Insured Property	<b>Specific Condition - Unoccupancy Excess</b> If 50% or more of the available <b>Lots/Units</b> are unoccupied at the time of loss	\$2,500
Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses	<b>Additional Excess</b> This <b>Excess</b> applies to each, and every claim made under Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses, Part C: Legal Defence Expenses	\$1,000 unless otherwise shown in the <b>Policy Schedule</b>

## 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 Insured Property**. These amounts are specified in the specific Sections 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 **Your Insured Property**, **You** may have to bear the uninsured proportion of any loss Yourself.

## 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:



- a. 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 Flex);
- b. 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.

### 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 Insured Property**;
- **Your** insurance history.

The total cost of the **Policy** is shown in the **Schedule** and is made up of **Your** premium plus government taxes, fees, duties and charges such as Stamp Duty, GST and any Emergency Services 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.

### Annual premium

**We** will let **You** know how much premium **You** need to pay **Us**, how to pay it and when. If **You** pay **Your** premium annually, **You** need to pay **Your** premium on time to ensure **You** are covered. If **You** don't pay the premium **Your Policy** may be cancelled and we'll write to **You** to let **You** know when this will happen.

### Instalment payments

Customers who acquire a **Policy** directly through Flex have an option to pay for the **Policy** by way of instalments.

If **You** pay **Your** premium by instalment, **Your Schedule** will show the date and frequency of **Your** instalments. If **Your** direct debit details change **You** must tell **Us** no later than seven days before **Your** next instalment is due to allow **Us** to process the change in time.

### What happens if You miss an instalment

If **You** miss an instalment We'll contact **You** to ask **You** to pay it or arrange to collect it from **You**. If **You** don't pay the missed instalment **Your Policy** may be cancelled and we'll write to **You** to let **You** know when this will happen.

If **You** don't pay the missed instalment and a claim arises, then **We** will deduct the missed instalment from **Your** claim.

### At renewal

If **You** pay by instalments, and **You** renew **Your Policy**, we'll continue to deduct instalments for **Your** renewed **Policy** at the new premium level according to the same instalment plan, unless **You** tell **Us** to stop **Your** direct debit.

If **You** don't want to renew, **You** must tell **Us** at least seven days before **Your Policy's** end date so that **We** can arrange for the direct debit to stop in time.

### A claim on **Your Policy** may affect **Your** renewal premium

If **You** have a claim, contact **Us** as soon as **You** can after the incident - see Claims Conditions – 1. 'What **You** must do'. To avoid **Your** claim being delayed, reduced or refused **You** must not unnecessarily delay notifying **Us** of the incident - see Claims Conditions – 2. 'What **You** must not do'. If **You** were in difficult circumstances that prevented **You** from telling **Us** about the claim, let **Us** know.

If **We** send **You** a renewal invitation and the premium doesn't take into account a claim on **Your Policy**, **You** agree to pay **Us** any additional premium **We** would have charged if **We** had known about that claim.

If **You** tell **Us** about the claim before **Your** renewal takes effect and **We** agree to continue to insure **You**, **We** may apply specific conditions to **Your Policy** (including an imposed **Excess**) and/or recalculate **Your** renewal premium and send **You** an updated renewal invitation.

If **Your Policy** has already renewed and **We** agree to continue to insure **You**, **We** may ask **You** for an additional premium. If **You're** paying in instalments, any remaining instalments will be adjusted to reflect the additional premium. If **You've** already paid **Your** renewal premium in full, **You'll** need to pay **Us** any additional premium to ensure **Your** cover is not affected. If **You** don't pay the additional premium by the due date then **We** may:

- deduct the outstanding premium amount from a claim payment; or
- cancel **Your Policy** - see General Conditions.

If it was reasonable in the circumstances for **You** to be unaware that **You** had a claim until after **We** issued **Your** renewal invitation, **We** will not ask **You** to pay the additional premium for that renewal period however the claim may affect **Your** future renewal premiums and/or future **Policy** conditions (including the application of any imposed **Excess**).

Please note **We** may have other rights under this **Policy** or as permitted by law, depending on the circumstances.

### If **Your** payment details change

If the direct debit details **You** use to pay **Us** change, such as **You** changing credit cards or bank accounts, **You** must tell **Us** at least seven days before **Your** next payment date to allow **Us** to process the change in time.

## Other costs, fees and charges

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

COSTS OR FEES	DETAILS
Administration Fee	An administration fee is payable by <b>You</b> for each <b>Policy</b> issued or renewed to cover Flex's administration cost of preparing and distributing the <b>Policy</b> . Any administration fee is noted in the <b>Schedule</b> and is not refundable in the <b>Event</b> 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 please refer to the Flex Financial Services Guide or contact Flex directly.
Refund of premium	<b>You</b> may cancel the <b>Policy</b> at any time. If <b>You</b> choose to cancel the <b>Policy</b> <b>We</b> will retain a portion of the premium which relates to the period for which <b>You</b> have been insured. <b>We</b> will refund the residue for the unexpired period less any non-refundable government taxes or charges, provided that no <b>Event</b> has occurred where liability arises under the <b>Policy</b> .
Commissions	SGL or Flex may receive a commission payment from <b>Us</b> when the <b>Policy</b> is issued and renewed. For details of the relevant commission paid, please refer to the Financial Services Guide, or contact SGL or Flex directly.

## Cooling off period

If **You** change **Your** mind about **Your Policy** and haven't made a claim, **You** can cancel the **Policy** within 21 days of its start or renewal date and we'll give **You** a refund less any non refundable taxes and charges that have been paid. If **You** cancel **Your Policy** in these circumstances, **You** will have no cover under the **Policy**.

To cancel **Your Policy** within the cooling off period, contact **Us** in writing or by email. This cooling off right does not apply if **You** have made or are entitled to make a claim.

## Making changes to the Policy

If **You** want to make any changes to the **Policy** please contact Flex. Any changes will only become effective if:

- a. **We** agree to make the changes;
- b. **You** pay **Us** any additional premium required; and/or
- c. **We** confirm in writing that the change is effective.

## Confirming transactions

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

## Claims made and Notified Insurance

Section 5 - Office Bearers' Legal Liability and Section 8 – 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(s)** 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(s)** 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(s) cannot refuse to pay a Claim which arises out of those facts, when made, because it was made after the expiry of the **Policy**.

## Flex Family and Domestic Violence Customer Support Policy

Flex recognises that family and domestic violence is a complex issue and Flex takes it seriously. For more information, Flex's Family and Domestic Violence Customer Support **Policy** is available at [flexinsurance.com.au](http://flexinsurance.com.au)

## How to make a claim

For Self Managed Strata Customers	For Brokers or Strata Managers
<p><b>Call:</b> 1300 001 293</p> <p><b>Email:</b> <a href="mailto:directclaims@flexinsurance.com.au">directclaims@flexinsurance.com.au</a></p> <p><b>Post:</b> Level 33, 101 Miller Street, North Sydney NSW 2060</p> <p><b>After Hours Emergency Hotline:</b> 1800 022 444</p>	<p><b>Call:</b> 1300 201 021</p> <p><b>Email:</b> <a href="mailto:claims@flexinsurance.com.au">claims@flexinsurance.com.au</a></p> <p><b>Post:</b> Level 33, 101 Miller Street, North Sydney NSW 2060</p> <p><b>After Hours Emergency Hotline:</b> 1800 022 444</p>

**You** should advise Flex as soon as reasonably practicable of an incident which could lead to a claim.

Having the required documentation and 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 Insured Property** 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 practicable 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.

### Complaints

If **You** have any concerns or wish to make a complaint in relation to this **Policy**, **Our** services or **Your** insurance claim, please let **Us** know and **We** will attempt to resolve **Your** concerns in accordance with **Our** Internal Dispute Resolution procedure. Please contact Flex in the first instance:

#### Flex Insurance

<b>Phone:</b>	1300 201 021
<b>Email:</b>	complaints@flexinsurance.com.au
<b>Postal Address:</b>	PO Box 500, North Sydney NSW 2059

**We** will acknowledge receipt of **Your** complaint and do **Our** utmost to resolve the complaint to **Your** satisfaction within 10 business days.

If **We** cannot resolve **Your** complaint to **Your** satisfaction, **We** will escalate **Your** matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team. Lloyd's contact details are:

#### Lloyd's Australia Limited

<b>Phone:</b>	(02) 8298 0783
<b>Email:</b>	idraustralia@lloyds.com
<b>Post:</b>	Suite 1603 Level 16, 1 Macquarie Place, Sydney NSW 2000

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

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

AFCA can be contacted as follows:

### AFCA

<b>Phone:</b>	1800 931 678
<b>Email:</b>	info@afca.org.au
<b>Post:</b>	GPO Box 3 Melbourne VIC 3001
<b>Website:</b>	www.afca.org.au

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

### More information

**You** can find more information about how Flex deals with complaints on the Flex website at <https://www.flexinsurance.com.au/resource/complaints-and-disputes/> or **You** can call **Us** on 1300 361 263 to speak with **Us** or request a copy of **Our** complaints brochure at no cost.

### Request for Information

**You** may request copies of information Flex have relied upon to arrive at Flex's decision(s) in the complaint handling process. In some instances, Flex may not release the information as requested and **You** may request a review of Flex's decision not to release such information. Flex will comply with Code requirements regarding providing information **You** request.

### Complaints just about privacy

If **You're** not happy with how Flex handled **Your** personal information, call Flex on 1300 201 021 or email Flex at [complaints@flexinsurance.com.au](mailto:complaints@flexinsurance.com.au). If **You're** not satisfied with Flex's response, **You** can contact the Office of the Australian Information Commissioner (OAIC):

### Office of the Australian Information Commissioner (OAIC)

<b>Phone:</b>	1300 363 992
<b>Email:</b>	enquiries@oaic.gov.au
<b>Post:</b>	GPO Box 5218, Sydney NSW 2001

## Privacy

In this Privacy Statement the use of “**We**”, “**Us**” and “**Our**” means **the Insurer(s)** and Flex unless specified otherwise.

**We** are committed to the safe and careful use of **Your** personal information in the manner required by the *Privacy Act 1988* (Cth) and the Australian Privacy Principles and the terms of this **Policy**.

**We** collect **Your** personal information in order to assess **Your** application for insurance and, if **Your** application is accepted, to administer and manage **Your** insurance **Policy** and respond to any claim that **You** make. To do this, **Your** personal information may need to be disclosed to reinsurers and service providers and related entities who carry out activities on **Our** behalf, such as assessors and facilitators, some of whom may be located in overseas countries that can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union. See the Privacy Policies/Notices set out below for further information.

**Our** contractual arrangements generally include an obligation for these reinsurers, service providers and related entities to comply with Australian privacy laws.

By providing **Us** with **Your** personal information, **You** consent to the disclosure of **Your** personal information to reinsurers, service providers and related entities in overseas countries to enable **Us** to assess **Your** application, to administer and manage **Your** insurance **Policy** and to respond to any claim that **You** make. If **You** consent to the disclosure of **Your** personal information to overseas recipients, and the overseas recipient handles **Your** personal information in a way other than in accordance with the Australian privacy laws, **We** may not be responsible for the handling of **Your** personal information by the overseas recipient.

If **You** choose not to provide **Your** personal information and/or choose not to consent and/or withdraw **Your** consent to the disclosure of **Your** personal information to overseas entities at any stage, **We** may not be able to assess **Your** application or administer and manage **Your** insurance **Policy** and respond to any claim that **You** make.

**Our** privacy policies contain information on how **You** may access personal information that each of **Us** hold, or seek correction of **Your** personal information and information on how to make a complaint about the handling of **Your** personal information and how complaints are handled. If **You** require more information, **You** can access certain underwriters at Lloyd’s Privacy Notice at <https://www.lloyds.com/help/privacy> and Flex’s Privacy **Policy** at [www.flexinsurance.com.au](http://www.flexinsurance.com.au)

## 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** and these specific meanings apply when the words are notated in Bold. Other words may have special meanings for particular Sections. These words will be defined in those Sections. In this **Policy**, where the context permits, words denoting the singular include the plural and vice versa.

### Action of The Sea

means tidal wave, high tide, king tide, **Storm Surge**, or any other movement of the sea except for **Tsunami**.

### Act of Terrorism

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



### Body Corporate

means the owner(s) of **Your Insured Property** and **Common Area** incorporated under the **Strata Legislation** where **Your Insured Property** and **Common Area** is situated.

### Body Corporate Manager/Agent

means a person or other entity appointed in writing by **Your Body Corporate** with delegated functions including the authority to act as an Office Bearer in terms of the **Strata Legislation** applying where **Your Insured Property** is situated.

### Common Area

means the area at **Your Situation** that is not part of any **Lot/Unit**. Where the **Strata Legislation** refers to Common Property, Common Property has the same meaning as **Common Area**.

### Computer System

**Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, **Data** storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

### Cyber Act

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

### Cyber Incident

**Cyber Incident** means:

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

### Cyber Loss

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

### Damage, 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**.

### Data

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

### Earth Movement

means landslide, landslip, mudslide, subsidence and the heaving, collapsing, vibration, **Erosion**, settlement or shrinkage of earth, but not earthquake.

Note: 'Heave' is the upward movement of the earth supporting a building because of the expansion of soil.

Landslip is the downward movement of sloping ground.

Subsidence is the downward movement of the ground beneath the Building(s) where the movement is unconnected with the Weight of the Building.

Settlement is the downward movement as a result of the ground being compressed by the Weight of the Building(s) within ten years of construction.

### 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 in the **Schedule**.

### Erosion

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

### Event

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

### Excess

means the amount **You** must pay or contribute towards a claim. The amount of any **Excess** is shown in the **Policy** or in the **Schedule**.

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.

### Floating Floors

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

## Flood

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

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

## Fusion

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

## Indemnity Value

means the cost to rebuild, replace or repair 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**.

## Insured Property

### 1 Building

Building means:

building or buildings as defined in the **Strata Legislation** applying where **Your** Building is situated, including:

- a. outbuildings;
- b. fixtures, gates and fences and structural improvements (other than **Floating Floors**);
- c. in-ground swimming 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 **You** own or have legal responsibility for at, in or adjacent to **Your Situation**.

## 2 Common Area Contents

**Common Area Contents** means:

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

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

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

**Building** and **Common Area Contents** do not include:

- a. aircraft, caravans, trailers, **Vehicles** (other than domestic garden appliances not required by law to be registered), hovercraft and **Watercraft** including their accessories or spare parts whether fitted or not;
- b. livestock, fish, birds or other animals;
- c. **Lot Owners'** Contents and any other personal property of theirs;
- d. money, other than as covered under Optional Benefit 18 of Section 1 – **Insured Property**;
- e. 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 6 of Section 1 – **Insured Property**;
- f. temporary wall, floor and ceiling coverings within a **Lot/Unit**, and mobile or fixed air-conditioning units servicing an individual **Lot/Unit** (if **Your Situation** is in Queensland).

Where anything in this definition of '**Insured Property**' is contrary to the **Strata Legislation** applying where **Your Building** is situated the requirements of that Act will apply.

### Land Value

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

### Limit of Liability

means the applicable **Limit of Liability** specified in the **Schedule** or as determined by the **Policy** where such limits are described for Section 2 – Liability to Others and Section 5 – Office Bearers' Legal Liability.

### Lot/Unit

means an area shown on a plan as a lot or unit in the **Strata Legislation** applying where **Your Insured Property** is situated.

### Lot Owner

means a person, persons or other entity registered as a proprietor or owner of an estate in fee simple in a **Lot/Unit** in **Your Building** in terms of the **Strata Legislation** applying where **Your Insured Property** is situated.

### Lot Owner's Contents

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

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

### Members

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

### 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 in the **Schedule**.

### Policy

means this Product Disclosure Statement and **Policy** Wording, the **Schedule** and any **Endorsements** issued to **You** which form **Your** insurance contract with **Us**.

### Rainwater

means the rain which falls naturally from the sky. It includes **Rainwater** run-off over the surface of the land.

### 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 **Your Insured Property** to comply with public, statutory or Environmental Protection Authority requirements, but does not include:
  - i any costs that would have been incurred in complying with orders issued prior to the happening of the loss;
  - ii any extra costs to alter or upgrade any portion of **Your** undamaged **Insured Property** if the cost to rebuild, replace or repair the **Damaged** portion is less than 25% of what the cost would have been had **Your Insured Property** been totally destroyed.

## Schedule

means the most recent current attachment to the **Policy** that specifies the **Situation**, those Sections and benefits that are in force and the details of the Sum(s) Insured or Limit(s) of Liability and includes any one or more of the following:

- a. the **Policy Schedule**;
- b. the renewal notice **You** have paid;
- c. the **Endorsement(s)** sent to **You**.

## Senior Counsel

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

## Situation

means the land at the address(es) shown in the **Schedule** where **Your Insured Property** is situated.

## Storm

means violent weather and high winds, sometimes accompanied by rain, hail or snow including a cyclone or tornado.

## Storm Surge

means the covering of normally dry coastal land by water as a result of wind and low atmospheric pressure caused by a **Storm**.

## Strata Legislation

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

- a. *Strata Schemes Management Act 2015* (NSW)
- b. *Strata Scheme Development Act 2015* (NSW)

- c. *Owners Corporation and other Acts Amendment Act 2021* (Vic)
- d. *Unit Titles (Management) Act 2011* (ACT)
- e. *Strata Titles Act 1998* (Tas)
- f. *Body Corporate and Community Management Act 1997* (Qld)
- g. *Strata Titles Act 1985* (WA)
- h. *Strata Titles Act 1988* (SA)
- i. *Unit Title Schemes Act 2009* (NT)

### Sum Insured

means the amount shown in the **Schedule** as the **Sum Insured** corresponding to the cover selected for Section 1 – **Insured Property**, Section 3 – **Voluntary Workers**, Section 4 – Fidelity Guarantee, Section 6 – Machinery Breakdown, Section 7 – Catastrophe Insurance, Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses and Section 9 – **Lot Owners’** Fixtures and Improvements.

### Temporary Accommodation

means, any **Lot/Unit** 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 applied immediately prior to the **Damage**.

### Tenant

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

### Tsunami

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

### 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 the **Body Corporate** without promise of reward or remuneration, other than an honorarium for duties associated with the position of an Office Bearer.

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

### Watercraft

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

### Wear and Tear

means physical deterioration to property occurring over time due to use and/or exposure to its environment.

### We, Our, Us, the Insurer(s)

means Certain Underwriters at Lloyd's, led by AXIS Managing Agency Ltd, Syndicate 1686 with all communications & transactions being via Flex Insurance unless otherwise clearly stated in this policy disclosure statement or other document/s

### You, Your, Yours

means:

- a. Section 1 – **Insured Property** and Section 7 – **Catastrophe Insurance**:  
the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named in the **Schedule** including:
  - i the interest of **Members**;
  - ii **Lot Owners** Special Benefits 1 and 6 of Section 1 – **Insured Property** and Optional Benefits 6, 10, 11, 16, 20, 22 and 23 of Section 1 – **Insured Property**;
  - iii **Lot Owners** Special Benefits 1, 2 and 4 of Section 7 – **Catastrophe Insurance**.
- b. Section 2 – **Liability to Others**:  
the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named on the **Schedule** including:
  - i the interest of **Members**;
  - ii the organisers of recreational activities in respect of Section 2 - **Liability to Others**;
  - iii a **Voluntary Worker** whilst engaged solely in work or duties on behalf of the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named in the **Schedule**, but excludes Office Bearers whilst acting in that capacity.
- c. Section 3 – **Voluntary Workers**:  
a **Voluntary Worker** whilst engaged solely in work or duties on behalf of the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named in the **Schedule**.
- d. Section 4 – **Fidelity Guarantee**, Section 6 – **Machinery Breakdown** and Section 8 - **Government Audit Costs, Appeal Expenses and Legal Defence Expenses**:  
the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named in the **Schedule**.
- e. Section 5 – **Office Bearers' Legal Liability**:  
the past, present or future Office Bearers or committee **Members** of the **Body Corporate**, Corporation, Owners Corporation, Plan or Directors of the Company, including those persons':



- 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 **Body Corporate Manager/Agent** or any other contracted person(s), firm or company when acting in their professional capacity.

**f. Section 9 – Lot Owners’ Fixtures and Improvements:**

the **Body Corporate**, Corporation, Owners Corporation, Plan or Company named in the **Schedule** including the interest of **Members**.

## General Conditions

These General Conditions apply to all Sections of the **Policy**. In addition to these General Conditions, each Section of the **Policy** will be subject to Specific Conditions. If any of these conditions 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 Body Corporate Manager/Agent

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

### 2 Tell Us when these things change

**You** must tell **Us** as soon as reasonably possible if any of the information noted below has changed:

- **You** are carrying out construction works, alterations or additions that exceed \$500,000; or
- **You** have cranes, hoists or similar attached to the **Insured Property** or at the **Situation**; or
- there is a change in the percentage of floor space used for commercial purposes; or
- **Your** building becomes subject to a Building Rectification Order, Fire Order or any other

Order issued by a statutory body.

If **You** don't tell **Us**, **We** may reduce or refuse to pay a claim.

When **You** tell **Us** about something that has changed or request a change to **Your Policy**, **We** will assess the change to the risk in accordance with **Our** underwriting rules and processes.

### Changes to Your cover

If **You** request any change to cover (e.g. **You** choose to add a Section or **You** increase the Sum(s) Insured) then, if **We** agree to the change, **We** will issue a new **Schedule** and ask **You** for any additional premium. If an additional premium is required, the change will only be effective when:

- if **You're** paying in instalments by direct debit, any remaining instalments have been adjusted to reflect the additional premium; or
- **You** have paid the additional premium by the due date **We** give to **You**.

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

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

### Changes to Your circumstances

Contact **Us** to discuss potential changes in circumstances when **You** know the details of the timing and nature of the changes before they happen, to find out in advance whether **We** will be able to continue to insure **You**.

If **You** tell **Us** about any of the following changes, then **We** will cancel **Your Policy** and refund any unused portion of the premium:

- **You** are carrying out construction works, alterations or additions that exceed \$500,000 that are unacceptable under **Our** underwriting rules and processes; or
- **You** have cranes, hoists or similar attached to the **Insured Property** or at the **Situation**.

If there is a change in the percentage of floor space used for commercial purposes, **We** may need to cancel **Your Policy**.

If **You** tell **Us** about any other change, **We** will consider it under **Our** underwriting rules and processes at the time.

## 3 Cancellation - how Your Policy may be cancelled

### Cancellation by You

**You** may cancel this **Policy** at any time by telling **Us** in writing.

#### Flex Insurance

<b>Email:</b>	info@flexinsurance.com.au
<b>Post:</b>	PO Box 2004, North Sydney NSW 2059
<b>Address:</b>	Level 33, 101 Miller Street, North Sydney NSW 2060

**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 or charges.

### Cancellation by Us

**We** via Flex 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 Failure to pay Your insurance premium

**You** must pay **Your** insurance premium. **We** may take steps to cancel the contract of insurance for non-payment of the insurance premium if it remains unpaid after 90 days.

#### 5 References to legislation

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

‘Subsequent legislation’ means:

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

#### 6 Service of Suit

The Insurer(s) agree that:

- a. if a dispute arises under this insurance, this insurance will be subject to Australian law and practice and **the Insurer(s)** will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- b. any summons, notice or process to be served upon **the Insurer(s)** may be served upon:

##### **Lloyd’s Underwriters’ General Representative in Australia**

<b>Address:</b>	Suite 1603, Level 16, 1 Macquarie Place, Sydney NSW 2000
<b>Phone:</b>	Phone: (02) 8298 0700

who has authority to accept service on behalf of **the Insurer(s)**;

- c. if a suit is instituted against any of **the Insurer(s)**, all Insurer(s) participating in this insurance will abide by the final decision of such Court or any competent Appellate Court.

In the event of a claim arising under this insurance NOTICE should be given as soon as reasonably practicable to Flex.

#### 7 Sanctions Suspension Clause

It is a condition of this insurance, and the Insured agrees, that the provision of any cover, the payment of any claim and the provision of any benefit hereunder shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit by **the Insurer(s)** would expose that Insurer(s) to any sanction, prohibition or restriction under any:

- a. United Nations' resolution(s); or
- b. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, Australia or United States of America.

Such suspension shall continue until such time as **the Insurer(s)** would no longer be exposed to any such sanction, prohibition or restriction.

## 8 Several Liability Notice

The subscribing **Insurer(s)** obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **Insurer(s)** are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

# Claims Conditions

If **You** have an occurrence that may result in a claim, **You** can report to Flex as follows:

## Flex Insurance

For Self Managed Strata Customers	For Brokers Or Strata Managers
<b>Call:</b> 1300 001 293 (9am-5pm AEST) <b>Email:</b> directclaims@flexinsurance.com.au	<b>Call:</b> 1300 201 021 (9am-5pm AEST) <b>Email:</b> claims@flexinsurance.com.au
<b>Address:</b> Level 33, 101 Miller Street, North Sydney NSW 2060 <b>Post:</b> PO Box 500, North Sydney NSW 2059 <b>Web:</b> <a href="https://flexinsurance.com.au/claims/make-a-claim/">https://flexinsurance.com.au/claims/make-a-claim/</a>	

### 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 loss or **Damage** and to prevent any further loss or **Damage**;
- b. report the incident to the police as soon as reasonably practicable following theft, vandalism, malicious **Damage** or misappropriation of money or property and provide details of the report to **Us**. **We** may need the police report number to process **Your** claim or **Our** recovery action if there is a third party who is liable for **Your** loss.

### 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. promptly inform Flex 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;
- 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 Insured Property** 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 Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 2 of Section 1 – **Insured Property**, **You** are not authorised to commence repairs without **Our** approval which **We** will not unreasonably withhold.

#### 5 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 lost or **Damaged Insured Property** that **We** have agreed to pay, where reasonable depending on the claims circumstances, **You** may need to enter into that agreement with the third party as **Our** agent.

#### 6 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.

#### 7 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.

#### 8 Salvage value

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

#### 9 Contribution and other insurance

When making a claim, **You** must notify **Us** of any other insurance that **You're** aware will or may, whether in whole or in part, cover any loss insured under **Your Policy**.

If at the time of any loss, **Damage** or liability there's any other insurance (whether issued to **You** or any other person) which covers the same loss, **Damage** or liability **You** must provide **Us** with any reasonable assistance **We** require to make a claim for contribution from any other insurer(s) subject to the *Insurance Contracts Act 1984* (Cth).

## 10 Preventing Our right of recovery

If **You**'ve agreed with or told someone who caused **You** loss, **Damage** or liability covered by **Your Policy** that **You** won't hold them responsible then, to the extent **We**'ve been prejudiced by this act, **We** won't cover **You** for that loss, **Damage** or liability.

## 11 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.

Should more than one **Excess** be payable for any claim arising from the one **Event**, the Excesses will not be aggregated and the highest single level of **Excess** will only apply.

For earthquake or seismological disturbance, where loss or **Damage** occurs during any one period of 72 consecutive hours, the **Excess** is \$500, or the **Excess** amount shown in the **Policy Schedule**, whichever is greater.

## 12 Joint insureds

When there is more than one insured on **Your Policy**, **We** may treat each as a separate and distinct party. The words **You**, **Your**, **Yours** may 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. **We** may treat what any one insured says or does in relation to **Your Policy** or any claim under it, as said or done by each of the insureds. **We** may rely on a request from one insured to change or cancel **Your Policy** or tell **Us** where a claim payment should be paid. 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.

## 13 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 claim for total loss;
- b. when **We** pay the full **Sum Insured**;
- c. to Section 5 – Office Bearers' Legal Liability;
- d. to Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses;
- e. To Optional Benefits 15 and 23 of Section 1 – **Insured Property**.

## 14 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.

## 15 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 loss. **You** may also specifically ask **Us** to recover this loss 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.

## 16 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.

## 17 Severability/Non-imputation/Innocent Non-disclosure

Where this **Policy** insures more than one party, and one party 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.

## 18 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:
  - i. 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
  - ii. when **We** settle direct with **You** **We** will pay up to the **Sum Insured, Limit of Liability** or other **Policy** limit and
  - iii. 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 (ITC) to which **You** are or would be entitled.

In these circumstances, the ITC 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 ITC) 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, 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 ITC 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.

## 19 Fraudulent Claims Clause

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

## Section 1 - Insured Property

### What We insure

If selected and shown in the **Schedule**, **We** will insure **You** up to the **Sum Insured** shown for Section 1 in the **Schedule** for **Damage to Your Insured Property** which occurs during the **Period of Insurance**.

### Additional Benefits

When the **Sum Insured** under Section 1 – **Insured Property** is not exhausted **We** will pay the following incurred as a result of **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property** 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 Insured Property** (including debris required to be removed from adjoining or adjacent public or private land), **Damaged Lot Owner's Contents** and occupier's contents 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 un**Damaged** portion of **Your Insured Property** including undamaged foundations and footings in accordance with a demolition order issued by a public or statutory authority;

that **You** necessarily incur in the **Replacement of Your Insured Property**.

#### 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 for this Additional Benefit unless **You** first obtain **Our** written consent, which will not be unreasonably withheld, prior to **You** incurring costs in **Excess** of this amount.

#### 3 Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any public or statutory authority to obtain their authority to rebuild, repair or replace **Your Insured Property** 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.

#### 5 Temporary protection

The reasonable cost **You** incur of temporary protection and safety of **Your Insured Property** and persons who reside at **Your Insured Property**.

Unless **You** obtain **Our** written consent, which **We** will not unreasonably withhold, prior to **You** incurring these costs, the most **We** will pay for this Additional Benefit is \$5,000.

## 6 Tsunami Damage

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

## 7 Emergency services

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

## 8 Lot/Unit internal wall coverings or paint

Where the **Strata Legislation** excludes paint and wallpaper within **Lot Owners'** Lots/Units from the definition of Building, and the **Sum Insured** under **Policy 1** is not otherwise expended in respect of any one **Event**, **We** will pay for the cost of repainting or re-wallpapering the internal walls or ceilings of a **Lot/Unit** at **Your Situation** if they are **Damaged** by an **Event** claimable under Section 1 – **Insured Property**. **Our** liability under this Additional Benefit is limited to the room, hallway or passageway where the **Damage** occurs.

## Special Benefits

The following Special Benefits are included in addition to the **Sum Insured** for Section 1 – **Insured Property**.

### 1 Temporary Accommodation / Rent / contributions / storage

#### a Temporary Accommodation

When **You** own and occupy **Your Lot/Unit** **We** will pay up to \$1,000 per week for the cost of **Temporary Accommodation** **You** necessarily incur if **Your Lot/Unit** is made unfit to be occupied for its intended purpose due to:

- i **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**; or
- ii reasonable access to or occupancy of **Your Lot/Unit** is prevented by **Damage** from an **Event** claimable under Section 1 – **Insured Property** happening to other property in the immediate vicinity.

**We** will pay:

- under Clause a i above from the time of the **Event** until the time **Your Lot/Unit** can be re-occupied following completion of rebuilding, repairs or **Replacement** or 12 months (whichever period is shorter); and
- under Clause a ii above from the time of the **Event** until the time when access to **Your Lot/ Unit** is re-established or 12 months (whichever period is shorter).

#### b Rent

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

- i **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**; or
- ii reasonable access to or occupancy of **Your Lot/Unit** or **Common Area** is prevented by **Damage** from an **Event** claimable under Section 1 – **Insured Property** happening to other property in the immediate vicinity.

**We** will pay:

- under Clause b i above from the time of the **Event** until the time **Your Lot/Unit** or **Common Area** is relet following completion of rebuilding, repairs or **Replacement** provided **You** demonstrate **You** have taken all reasonable actions to obtain a new **Tenant** or 12 months (whichever period is shorter); and
- under Clause b ii above from the time of the **Event** until the time when access to **Your Lot/ Unit** or **Common Area** is re-established or 12 months (whichever period is shorter).

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

## 2 Alterations / additions

When **You** make alterations, additions or renovations to **Your Insured Property** during the **Period of Insurance** **We** will during the construction period pay up to \$100,000 for **Damage** to such alterations, additions or renovations by an **Event** claimable under Section 1 – **Insured Property** provided:

- i the value of such work does not exceed that amount; or
- ii **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 Environmental improvements

If **Damage to Your Insured Property** is admitted as a claim under Section 1 – **Insured Property** and the cost to rebuild, replace or repair the **Damaged** portion is more than 25% of what the cost would have been had **Your Insured Property** been totally destroyed **We** will, in addition to the cost of environmental improvements claimable under Section 1 – **Insured Property**, 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.

## 4 Exploratory costs, Replacement of defective parts

**We** will pay for the reasonable exploratory costs **You** necessarily incur up to the amount of \$1,000 in locating the source of bursting, leaking, discharging or overflowing of tanks, apparatus or pipes used to hold or carry liquid of any kind.

The \$1,000 limit under this Special Benefit 4 includes the costs incurred in:

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

**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 and Tear**, gradual corrosion, gradual deterioration, **Earth Movement** or by trees, plants or their roots.

## 5 Fallen trees

**We** will pay up to \$2,000 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 Insured Property**.

**We** will not pay for removal or disposal of:

- a. trees or branches that have fallen and not **Damaged Your Insured Property**;
- b. tree stumps or roots.

## 6 Landscaping

**We** will pay up to \$2,000 for the reasonable costs **You** or a **Lot Owner** necessarily incur in replacing or repairing **Damaged** trees, shrubs, plants, lawns or rockwork at **Your Situation** lost or **Damaged** by an **Event** claimable under Section 1 – **Insured Property**.

## 7 Fire extinguishing

**We** will pay for reasonable costs and expenses **You** necessarily incur in extinguishing a fire at **Your Situation**, or in the vicinity of **Your Situation** and threatening to involve **Your Insured Property**.

**We** will also pay for the reasonable costs and expenses **You** necessarily incur for the purpose of preventing or diminishing **Damage** to **Your Insured Property** including the costs to gain access to any property.

## 8 Personal property of others

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

## 9 Damaged office records

**We** will pay up to \$20,000 for the reasonable expenditure **You** necessarily incur in collating information, preparing, rewriting or reproducing records, books of account, **Electronic Data** and valuable papers directly related to **Your Insured Property** which are **Damaged** by an **Event** claimable under Section 1 – **Insured Property**, while anywhere in Australia.

## 10 Removal, storage costs

We will pay up to \$2,000 for the reasonable costs **You** necessarily incur in:

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

## 11 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 Insured Property** if such inundation is directly caused by **Storm** or **Rainwater**.

We will not pay if the inundation is caused by any other **Event** that is not claimable under Section 1 – **Insured Property**.

## 12 Claim preparation costs and fees

We will pay up to \$10,000 for the reasonable costs and fees **You** necessarily incur with **Our** written consent, which **We** will not unreasonably withhold, in the preparation of a claim under this Section 1 – **Insured Property**.

## Optional Benefits

The following Optional Benefits are operative when shown as 'selected' in the **Schedule**.

### 1. Increased exploratory costs

If selected, the amount **We** will pay for exploratory costs under the Special Benefit 4 'Exploratory costs, **Replacement** of defective parts' will increase from \$1,000 to \$10,000. **We** will not pay more than \$1,000 for the costs incurred in:

- a. repairing or replacing the defective part or parts of such tanks, apparatus or pipes;
- b. rectifying contamination **Damage** or pollution **Damage** to land at **Your Situation** caused by the escape of liquid.

### 2. Extended Temporary Accommodation and Loss of Rent

If selected, the amounts **We** will pay for Special Benefit 1 '**Temporary Accommodation/Rent/contributions/storage**' are adjusted as follows:

#### Temporary Accommodation

- under Clause a.i. from the time of the **Event** until the time **Your Lot/Unit** can be re-occupied following completion of rebuilding, repairs or **Replacement**; and
- under Clause a.ii. from the time of the **Event** until the time when access to **Your Lot/Unit** is re-established.

## Loss of Rent

- under Clause b.i. from the time of the **Event** until the time **Your Lot/Unit** or **Common Area** 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 Clause b.ii. from the time of the **Event** until the time when access to **Your Lot/Unit** or **Common Area** is re-established;
- the cost **You** necessarily incur to abate the **Rent** of **Your Tenant** during this disruption from the time of the **Event** until the time when this disruption has ceased but in all not exceeding a maximum of three months.

## 3 Fusion of motors

If selected, **We** will pay up to \$3,500 for the cost of repairing or replacing an electric motor forming part of **Your Insured Property Damaged** by **Fusion**.

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 replacing with 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. other parts of any electrical appliance nor for any software;
- c. lighting or heating elements, fuses, protective devices or switches;
- d. contact at which sparking or arcing occurs in ordinary working.

## How We will settle Your Fusion claim

If **Your** Claim is accepted, in consultation with **You** **We** will settle **Your** claim by repairing or replacing the **Insured Property** or paying for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the **Damage**. **We** will not pay for the cost of any alterations, additions, improvements, modifications or overhauls.

## 4 Floating Floors

If selected, the definition '**Insured Property**' 'Building' Clause b is extended to include **Floating Floors**.

## 5 Fallen trees

If selected, the amount **We** will pay under the Special Benefit 5 'Fallen trees' will increase from \$2,000 to \$3,500.

## 6 Landscaping

If selected, the amount **We** will pay under the Special Benefit 6 'Landscaping' will increase from \$2,000 to the lesser of 1% of the Building **Sum Insured** or \$50,000.

## 7 Fire extinguishing

If selected, the Special Benefit 7 'Fire extinguishing' is extended to include the following additional covers:

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

- a. replenishing fire fighting appliances, replacing used sprinkler heads, and resetting fire, smoke and security alarm systems; and
- b. shutting off the supply of water or any other substance following the accidental discharge or escape of such substances from fire protective equipment.

## 8 Personal property of others

If selected, the amount **We** will pay under the Special Benefit 8 'Personal property of others', will increase to from \$1,000 to \$5,000.

## 9 Removal, storage costs

If selected, the amount **We** will pay under the Special Benefit 10 'Removal, storage costs' will increase from \$2,000 to \$15,000.

## 10 Temporary Accommodation/Rent/contributions/storage

If selected, the Special Benefit 1 '**Temporary Accommodation/Rent/contributions/ storage**' is extended to include the following:

- a. **Covered 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:

- **Covered Disease** occurring at **Your Situation**.
- 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 14 days, whichever first occurs.

- b. 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 Lot/Unit** or **Common Area** is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from **Damage** by an **Event** claimable under Section 1 – **Insured Property** happening to property belonging to or under the control of any such supply authority, provided the failure of services extends



for more than 48 hours **We** will pay from the time of the failure until the time such services are reinstated, or for a period of 30 days, whichever first occurs.

**c. Cost of reletting**

When **You** have leased out **Your Lot/Unit** or **Common Area** **We** will pay reasonable reletting costs up to \$1,000 a **Lot/Unit** or **Common Area** if it is made unfit to be occupied for its intended purpose due to:

- i **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**; and
- ii **Your Tenant** at the time of the **Event** subsequently advises they will not be reoccupying the **Lot/Unit** or **Common Area** they previously leased.

### 11 Emergency accommodation

If selected, when **You** occupy **Your Lot/Unit** for residential purposes **We** will pay up to \$1,500 a **Lot/Unit** for the reasonable cost of emergency accommodation **You** necessarily incur if **Your Lot/ Unit** is made unfit to be occupied for its intended purpose due to:

- a. **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**; or
- b. reasonable access to or occupancy of **Your Lot/Unit** being prevented by **Damage** from an **Event** claimable under Section 1 – **Insured Property** happening to other property in the immediate vicinity.

### 12 Arson reward

If selected, **We** will pay a total reward of up to \$5,000 for information (irrespective of the number of people supplying information) which leads to a conviction for arson, theft, vandalism or malicious **Damage** provided such **Damage to Your Insured Property** is claimable under Section 1 – **Insured Property**. **We** will pay the reward to the person or persons providing such relevant information or in such other manner as **We** may reasonably decide.

### 13 Electricity, gas, water and similar charges – Excess costs

If selected, **We** will pay up to \$1,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water **You** are required to pay following **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**.

### 14 Keys, lock Replacement

If selected, **We** will pay up to \$2,500 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 Insured 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 Insured Property**, or by their family or friends.

#### **15. Electricity, gas, water and similar charges – unauthorised use**

If selected, **We** will pay up to \$1,000 any one **Period of Insurance** for the cost of metered electricity, gas, sewerage, oil and water **You** are legally required to pay following its unauthorised use by any person taking possession or occupying **Your Insured Property** without **Your** consent.

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

#### **16. Funeral expenses**

If selected, when a **Lot/Unit** is occupied by the **Lot Owner** **We** will pay up to \$3,000 a **Lot/Unit** for funeral expenses if the **Lot Owner**, or a family member who permanently resides with the **Lot Owner**, dies as the direct consequence of **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**.

#### **17. Modifications**

If selected, when a **Lot/Unit** is occupied by the **Lot Owner**, **We** will pay up to \$15,000 a **Lot/Unit** for modifications to that **Lot/Unit** if the **Lot Owner** is physically injured and becomes a paraplegic or quadriplegic as the direct consequence of **Damage to Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property**.

This Benefit only applies if the paraplegia or quadriplegia has continued for a period of not less than six months from the date of the **Event** and is substantiated by a legally qualified medical practitioner.

#### **18. Money**

If selected, **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 Body Corporate 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**.

#### **19. Mortgage discharge**

If selected, **We** will pay up to \$3,000 to discharge any mortgage over **Your Insured Property** if it becomes a total loss, is not replaced and **We** have paid the **Sum Insured** payable under Section 1 – **Insured Property**.

## 20. Pets, security dogs

If selected, when a **Lot/Unit** is occupied solely for residential purposes, **We** will pay up to \$1,000 a **Lot/Unit** for the reasonable costs **You** necessarily incur for boarding pets or security dogs if the **Lot/Unit** is rendered unfit for its intended purpose by **Damage** to **Your Insured Property** that is admitted as a claim under Section 1 – **Insured Property** and **Temporary Accommodation** does not allow pets or security dogs.

## 21. Purchaser's interest

If selected, **We** will cover a purchaser's insurable interest in **Your Insured Property**, in accordance with the terms and conditions of Section 1 – **Insured Property**, when the purchaser has signed an agreement to buy part of or all of such property.

## 22. Removal of squatters

If selected, **We** will pay up to \$1,000 any one **Period of Insurance** for legal fees **You** necessarily incur to repossess **Your Insured Property** or a **Lot/Unit** if squatters are living in it.

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

## 23. Title deeds

If selected, **We** will pay up to \$3,000 for the reasonable costs **You** necessarily incur in replacing Title Deeds to a **Lot/Unit** or **Your Insured Property** if **Damaged** by an **Event** claimable under Section 1 – **Insured Property**, while anywhere in Australia.

### Specific Exclusions applicable to Section 1 – Insured Property

**We** will not pay for **Damage** caused by or arising directly or indirectly from:

- a. **Storm** or **Rainwater** to retaining walls;
- b. lack of maintenance, rust, oxidation, corrosion, mould, mildew, **Wear and Tear**, fading, concrete or brick cancer, developing flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain **Your Insured Property** in a reasonably good state of repair. This includes when the **Damage** to the **Insured Property** is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;
- c. overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current. however **We** will pay if the **Damage** is due to:
  - i **Fusion** of electric motors as covered under Optional Benefit 3 (if selected);
  - ii lightning;
  - iii power surge when such **Event** is confirmed by the supply authority; or
  - iv resulting fire **Damage**;
- d. any **Action of The Sea**;
- e. 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 **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;
- f. underground (hydrostatic) water. however **We** will pay if the **Damage** is due to bursting, leaking or overflowing of water tanks, pipes, or drains;
- g. 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;
- h. inherent defect or latent defect that **You** were aware of, or a reasonable person in the circumstances would have been aware of;
- i. vermin, mice, rats, termites, insects, or by pecking, biting, chewing or scratching by birds or animals. however **We** will pay if any of these causes directly result in **Damage** from any other **Event** claimable under Section 1 – **Insured Property** such as fire or glass breakage;
- j. the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds;
- k. normal settling meaning downward movement as a result of the ground being compressed by the Weight of the Building(s) within ten years of construction, creeping, heaving, seepage, shrinkage, or expansion in buildings, foundations / footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements;
- l. smut or smoke from industrial operations (other than sudden or unforeseen **Damage** resulting therefrom);
- m. any process involving the application of heat being applied directly to any part of **Your Insured Property**. However **We** will pay if any other part of **Your Insured Property** is **Damaged** or destroyed by fire.
- n. **Fusion** to electric motors, unless selected and covered under Optional Benefit 3.
- o. 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;
- p. carpets and other floor coverings resulting from staining, fading or fraying. However **We** will pay if the **Damage** directly results from any other **Event** claimable under Section 1 – **Insured Property**;
- q. boilers (other than boilers used for domestic purposes), economisers or pressure vessels and their contents resulting from the explosion thereof;
- r. **Your Insured Property** if it is vacant and undergoing demolition unless **Our** written consent to continue cover has been obtained before the commencement of demolition, which will not be unreasonably withheld;
- s. **Your Insured 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, which will not be unreasonably withheld, before the

commencement of such work. However, **We** will pay for **Damage** which results from any other **Event** claimable under Section 1 – **Insured Property**;

- t. keys that are stolen, unless selected and covered under Optional Benefit 14;
- u. money, unless selected and covered under Optional Benefit 18
- v. demolition ordered by any public or statutory authority as a result of **Your** failure, or the failure of anyone acting on **Your** behalf, to comply with any lawful requirement or due to the incorrect siting of **Your Insured Property**;
- w. **Damage** caused by non-rectification of an **Insured Property** defect, error or omission that **You** were aware of, or should reasonably have been aware of;
- x. the cost of rectifying faulty or defective materials or faulty or defective workmanship, design or specification;
- y. consequential loss, including but not limited to any:
  - i. loss of use;
  - ii. loss of contract;
  - iii. loss of profit/revenue;
  - iv. loss of opportunity;
  - v. loss of goodwill and/or reputational **Damage**; or
  - vi. special **Damages**;

other than specifically provided under an operative Additional Benefit, Special Benefit or Optional Benefit;

**z. Wear and Tear.**

## Claims - how We will settle Your claim

### 1 Rebuilding, Replacement or repair

If **Your Insured 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 Section 1 – **Insured Property** 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 Insured Property** contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available **We** will use the nearest equivalent available to the original materials;
- c. if it is lawful, and with **Our** prior written consent, which will not be unreasonably withheld, **You** will not be required to actually rebuild any Building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed.

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

- 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 Insured Property**; and
  - iii. seek release from further liability under this **Policy**.
  - iv. Where **We** can offer repair or replacement through a preferred supplier, but instead **You** request and **We** agree to pay a cash settlement, then the amount will not normally exceed what we would have paid **Our** preferred supplier or an amount calculated on an indemnity settlement basis should there be no preferred supplier solution.

**We** will not pay under Section 1 – **Insured Property** as part of the cost of **Replacement** for the cost to:

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

## 2 Undamaged part of Insured Property, foundations and footings

Subject to the **Sum Insured** applicable to Section 1 not being otherwise exhausted, if a Building is destroyed and reinstatement of the Building must be carried out at another site as a requirement by any lawful authority, then any undamaged foundations will be deemed destroyed and **We** will pay for the value of any undamaged foundation. If the presence of the abandoned foundations at the **Situation** increases the **Land Value** of that site, then **We** may deduct from the settlement of a destroyed Building claim a reasonable and proportionate amount equal to the difference between:

1. The unimproved value of the land at the **Situation**; and
2. The value of that land with the foundations.

All differences relating to the value of that amount may, by agreement, be referred to the National President of the Australian Property Institute who will appoint a registered and qualified valuer whose decision will, if all parties so agree, be final and binding and who will at the same time decide as to payment of any costs of such referral.

## 3 Floor space ratio

If **Your Insured 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;

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 **Insured 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 **Damage** if any public or statutory authority refuses to allow **Your Insured Property** to be replaced or only allows partial **Replacement**, less any sum paid by way of compensation by any such authority.

#### 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 Section 1 is not otherwise expended.
- 2 Under Clauses 2 and 4 above, any differences relating to value may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be final and binding.

#### Specific Conditions

##### Earthquake Excess

For earthquake or seismological disturbance, where loss or **Damage** occurs during any one period of 72 consecutive hours, the **Excess** is \$500, or the **Excess** amount shown in the **Policy Schedule**, whichever is greater.

##### Unoccupancy Excess

An **Excess** of \$2,500 will apply to Section 1 – **Insured Property** claims if 50% or more of the available Lots/Units are unoccupied at the time of loss.

### Other Excesses

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

For example, a different **Excess** may apply for a specific **Event** such as water **Damage, Flood, Storm** or another type of **Event**.

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.



## Section 2 – Liability to Others

### What We insure

If selected and shown in the **Schedule**, **We** will insure **You** up to the **Limit of Liability** shown in the **Schedule** for Section 2 – Liability to Others, if **You** become legally responsible to pay compensation for:

- a. Personal Injury; or
- b. Property **Damage**;

resulting from an Occurrence in connection with:

- a. the ownership of **Your Common Area** and **Insured Property**; or
- b. an operative Additional Benefit under this Section 2 – Liability to Others; that happens during the **Period of Insurance**.

For the avoidance of doubt, **We** agree to insure **You** up to the **Limit of Liability** specified in the **Schedule** for Section 2 – Liability to Others 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 Common Area** or **Insured Property**.

**We** will not pay:

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

#### 3 Recreational activities

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

#### 4 Services

compensation **You** become legally responsible to pay for Personal Injury or Property **Damage** arising out of the service or services **You** provide for the benefit, general use and enjoyment of **Lot Owners** and occupiers of Lots/Units at **Your Situation**.

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

**We** will not pay for any act of negligence of any council contractors on their part.

## 5 Watercraft

compensation **You** become legally responsible to pay for Personal Injury or Property **Damage** arising from any **Watercraft** (not exceeding eight 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.

## 6 Cost of defending a claim

- a. all legal costs and expenses incurred by **Us**;
- b. reasonable cost of legal representation **You** necessarily incur with **Our** written consent, which **We** will not unreasonably withhold, at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under Section 2 – Liability to Others;
- 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; inclusive of the **Limit of Liability** shown in the **Schedule** for Section 2 – Liability to Others.

## 7 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.

## 8 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**.

## 9 Wheelchairs, domestic garden equipment, other Vehicles

compensation **You** become legally responsible to pay for Personal Injury or Property **Damage** arising from any wheelchair, domestic 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.

## Optional Benefit

The following Optional Benefit operates when shown as 'selected' in the **Schedule**.

## 1 Court appearance

If selected, **We** will pay compensation of \$250 per day if **We** require a Member or **Your Body Corporate Manager/Agent** to attend a Court as a witness in connection with a claim under Section 2 – Liability to Others.

### Specific Exclusions applicable to Section 2 – Liability to Others

**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**.
- 2 in respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where **Your Insured 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 the operative items of Section 2 – Liability to Others;
  - b. **Damage** to property belonging to any person who is deemed a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where **Your Insured Property** is situated;
  - c. injury to or death of animals on **Your Common Area**;
  - d. Personal Injury or Property **Damage** caused by animals on **Your Common Area** other than guard or watch dogs **You** employ for security purposes.
- 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 defamation:
  - a. made prior to the commencement of Section 2 - Liability to Others;
  - 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 the operative items of Section 2 – Liability to Others.
- 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 Insured 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 ownership of **Your Common Area** and **Insured Property** under the terms of any written agreement with the company, person or firm appointed to manage ownership of **Your Common Area** and **Insured Property** 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.

### Specific Definitions

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

#### Occurrence

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

## Personal Injury

means:

- a. bodily injury (including death and illness), disability, fright, shock, mental anguish or mental injury;
- b. false arrest, wrongful detention, false imprisonment or malicious prosecution;
- 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.

## Pollutants

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

## Property Damage

means:

- 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.

## Section 3 – Voluntary Workers

### What We insure

If selected and shown in the **Schedule**, We will pay to a **Voluntary Worker**, or that person's estate, the corresponding benefit set out in the Table of Benefits below in the **Event** of such **Voluntary Worker** sustaining bodily injury during the **Period of Insurance**:

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

### Table of Benefits

insured event	Benefit
<b>1</b> Death	<b>\$100,000</b>
<b>2</b> Total and irrecoverable loss of all sight in both eyes	<b>\$100,000</b>
<b>3</b> 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	<b>\$100,000</b>
<b>4</b> Total and permanent loss of the use of one hand or of the use of one foot	<b>\$50,000</b>
<b>5</b> Total and irrecoverable loss of all sight in one eye	<b>\$50,000</b>
<b>6 a</b> Total Disablement from engaging in or attending to usual profession, business or occupation in respect of each Week of Total Disablement up to a maximum of 104 Weeks. The maximum benefit per Week is:	<b>\$1,000</b>
<b>6 b</b> Partial Disablement from engaging in or attending to usual profession, business or occupation in respect of each Week of Partial Disablement up to a maximum of 104 Weeks. The maximum benefit per Week is:	<b>\$500</b>
<b>7</b> The reasonable cost of domestic assistance certified by a qualified medical practitioner that a <b>Voluntary Worker</b> 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 \$250 up to a maximum of:	<b>\$2,500</b>
<b>8</b> 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	<b>\$1,000</b>

## Specific Exclusions

We will not pay any benefits with respect to any insured **Events** referred to in the Table of Benefits:

- a. arising out of intentional self-injury or suicide, or any attempt;
- b. 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;
- c. arising out of a **Voluntary Worker** being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner;
- d. to children under the age of 12 years;
- e. for bodily injury that does not manifest itself within 12 months of sustaining such bodily injury;
- f. arising out of a **Voluntary Worker** failing to procure and follow proper medical advice from a legally qualified medical practitioner;
- g. which is covered by Medicare, any workers' compensation legislation, any transport accident legislation, any common law entitlement, any government sponsored fund, plan or medical benefit scheme or any other insurance **Policy** required to be effected by or under law;
- h. which would result in **Us** contravening the *Health Insurance Act 1973* (Cth), the *Private Health Insurance Act 2007* (Cth) or the *National Health Act 1953* (Cth);
- i. for more than one of insured **Events** 6a and 6b in respect of the same period of time;
- j. under insured **Events** 6a and 6b in respect of persons not in receipt of wages, salaries or other remuneration from their personal exertion.

## Specific Conditions

The following conditions apply:

- 1 If a **Voluntary Worker** becomes entitled to benefits under more than one of the insured **Events** 1 to 5 in respect of the same bodily injury, the benefits payable will be cumulative up to 100% of the benefit payable for insured **Event** 1.
- 2 After the occurrence of any one of the insured **Events** 2 to 5 there will be no further liability under Section 3 – **Voluntary Workers** for these insured **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.

## Specific Definitions

The words listed below have been given a specific meaning and apply to Section 3 - **Voluntary Workers**.

### **Partial Disablement**

means The complete inability of a **Voluntary Worker** to engage in a substantial part of their usual occupation or business duties, while they are under the regular care of and acting in accordance with the instructions or advice of a doctor.

### **Total Disablement**

means The complete inability of a **Voluntary Worker** to engage in all of their usual occupation or business duties, while they are under the regular care of and acting in accordance with the instructions or advice of a doctor.



## Section 4 – Fidelity Guarantee

### What We insure

If selected and shown in the **Schedule**, **We** will pay, up to the **Sum Insured** shown in the **Schedule**, in respect of fraudulent misappropriation of **Your** Funds committed during the **Period of Insurance**.

### Specific Exclusions

**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 Section 4 – Fidelity Guarantee;
- 4** any claims arising out of losses discovered more than 12 months after the expiry of Section 4 – Fidelity Guarantee, or any renewal thereof.

### Specific Definition

The word listed below has been given a specific meaning and applies to Section 4 – Fidelity Guarantee when it begins with a capital letter.

### Funds

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

## Section 5 – Office Bearers’ Legal Liability

Section 5 - Office Bearers’ Legal Liability is issued on a Claims made and notified basis. This means Section 5 – Office Bearers’ Legal Liability responds to Claims first made against **You** during the **Period of Insurance** and notified to **Us** during the same **Period of Insurance**.

### What We insure

If selected and shown in the **Schedule**, **We** will, subject to any **Excess** specified in the **Schedule**:

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

arising from any Claim:

- a. first made against:
  - i **You**, individually or otherwise; or
  - ii **Your Body Corporate Manager/Agent** while acting as an Office Bearer; during the **Period of Insurance**; and
- b. reported to **Us** during the **Period of Insurance** or within 30 days thereafter.

Provided that Claims which do not comply with Clauses a and b above are not, other than as provided under Special Benefit 2 – Continuous cover of Section 5 - Office Bearers’ Legal Liability, the subject of this insurance or any indemnity.

The amount payable for all Claims under Section 5 – Office Bearers’ Legal Liability, will not in the aggregate exceed the **Limit of Liability** stated in the **Schedule**, inclusive of claimant’s costs and expenses and Defence Costs incurred by **Us**, during the currency of any one **Period of Insurance**.

### Special Benefits

#### 1 Payment of Defence Costs

In relation to any Claim under Section 5 – Office Bearers’ Legal Liability:

- 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:
  - i where **We** conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim; or
  - ii in any other case, reasonably decide to pay the Defence Costs arising from such Claim.

In the **Event** the Claim is withdrawn or that indemnity under Section 5 – Office Bearers’ Legal Liability 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 the Defence Costs, unless **We** agree in writing to waive recovery of the 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 **Period of Insurance** of Section 5 – Office Bearers' Legal Liability 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 Section 5 – Office Bearers' Legal Liability, 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 – Continuous cover will be the terms and conditions, including the **Limit of Liability** and **Excess**, applicable to this Section 5 – Office Bearers' Legal Liability 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 30 days following the expiry date of Section 5 – Office Bearers' Legal Liability 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 Section 5 – Office Bearers' Legal Liability.

Provided always that the terms and conditions applicable to this Special Benefit 3 – Extended period of cover and to that notification will be the terms and conditions, including the **Limit of Liability** and **Excess**, applicable to this Section 5 – Office Bearers' Legal Liability during the immediate prior **Period of Insurance**.

## Specific Exclusions

**We** will not pay for:

- 1 Claims arising from circumstances which **You** knew of prior to the Section 5 - Office Bearers' Legal Liability 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 **Strata Legislation** applying where **Your Insured Property** is situated;
- 5 Claims arising out of defamation 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 the **Body Corporate** or any individual Member thereof.
- 8 monies or gratuity given to **You** without authorisation by the **Body Corporate** where such authorisation is necessary pursuant to the Articles of the **Body Corporate** or prescribed law;
- 9 a conflict of duty or interest of **Yours**;
- 10 any intentional exercise of **Your** powers for a purpose other than the purpose for which such powers were conferred by the Articles of the **Body Corporate**;
- 11 any Wrongful Act made or threatened or in any way intimated on or before the inception date specified in the **Schedule**, except as otherwise provided in Special Benefit 2 – Continuous cover of Section 5 - Office Bearers' Legal Liability;
- 12 Claims first notified to **Us** after the expiry of Section 5 – Office Bearers' Legal Liability, except as otherwise provided in Insuring Clause b of Section 5 – Office Bearers' Legal Liability;
- 13 Claims brought against **Your Body Corporate Manager/Agent**, other than as covered under Clause a ii of this Section 5 – Office Bearers' Legal Liability, 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.

## Specific Conditions

### Defence and settlement

If **You** refuse to consent to any settlement recommended by **Us** and elect to continue any connected legal proceedings, **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 Flex on:

For Self Managed Strata Customers	For Brokers Or Strata Managers
<b>Call:</b> 1300 001 293	<b>Call:</b> 1300 201 021
<b>Email:</b> directclaims@flexinsurance.com.au	<b>Email:</b> claims@flexinsurance.com.au
<b>Post:</b> Level 33, 101 Miller Street, North Sydney NSW 2060	<b>Post:</b> Level 33, 101 Miller Street, North Sydney NSW 2060

- a. at the time **You** first give written notice to Flex that a Claim has been made against **You** for such Wrongful Act; or
- b. at the time **You** first give written notice to Flex:
  - 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 Section 5 – Office Bearers’ Legal Liability insures more than one party, any conduct on the part of any party or parties and such party or parties made a misrepresentation to **Us** before this contract of insurance was entered into, or failed to comply with any terms or conditions of Section 5 – Office Bearers’ Legal Liability, will not prejudice the right of the remaining party or parties to indemnity as may be provided by Section 5 – Office Bearers’ Legal Liability, provided always that such remaining party or parties be entirely innocent of and have no prior knowledge of any such conduct; and as soon as is reasonably practicable upon becoming aware of any conduct advise **Us** in writing of all known facts in relation to such conduct.

### Subrogation

In the **Event** of a payment under Section 5 – Office Bearers’ Legal Liability to or on **Your** behalf, **We** will, subject to the *Insurance Contracts Act 1984* (Cth), be subrogated to **Your** rights of recovery against all persons or organisations and **You** will provide reasonable assistance to **Us** by delivering instruments and papers and do all that is reasonably necessary to assist **Us** in the exercise of such rights.

### Specific Definitions

The words listed below have been given a specific meaning and apply to Section 5 - Office Bearers’ Legal Liability when they begin with a capital letter.

### 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**;
- c. A criminal proceeding commenced by a summons or charge against **You**.
- d. A formal request made by a policyholder for cover or compensation for a covered loss or covered event.

### 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 **Body Corporate** to act as an Office Bearer or committee member in terms of the **Strata Legislation** applying where **Your Insured Property** and **Common Area** is situated;
- b. a **Body Corporate** Manager 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 **Body Corporate** affairs.

### Wrongful Act

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

- a. of **You** serving as an Office Bearer or committee member or director of the **Body Corporate**; 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 Body Corporate**.

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

## Section 6 – Machinery Breakdown

### What We insure

If selected and shown in the **Schedule We** will insure **You** up to the **Sum Insured** for Section 6 – Machinery Breakdown shown in the **Schedule** for 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 in the **Schedule**; and
- not exceed the **Sum Insured** stated in the **Schedule**.

### Additional Benefits

Additional Benefits are included when the **Sum Insured** under Section 6 – Machinery Breakdown 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**.

### Specific Exclusions

**We** will not pay for:

- 1 **Damage** caused by:
  - a. Normal **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;
  - i. items for the exclusive use of a **Lot Owner** or **Tenant**.
- 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.

Where **We** can offer repair or replacement through a preferred supplier, but instead **You** request and **We** agree to pay a cash settlement, then the amount will not normally exceed what we would have paid **Our** preferred supplier or an amount calculated on an indemnity settlement basis should there be no preferred supplier solution.

## Specific Definitions

The words listed below have been given a specific meaning and these specific meanings apply to Section 6 – Machinery Breakdown when the words begin with a capital letter.

### Insured Damage

means **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 Section 1 – **Insured Property**; or
- b. which is not claimable under Section 6 – Machinery Breakdown.

### 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 Insured Property** or its services.

## Section 7 – Catastrophe Insurance

### What We insure

We insure **You** up to the **Sum Insured** shown in the **Schedule** for Section 7 – Catastrophe Insurance, against the Escalation in the cost of **Replacement** of **Your Insured Property** 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 60 days after a Catastrophe, provided **Your Insured 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 Section 1 – **Insured Property**.

### Special Benefits

Special Benefits are included in addition to the **Sum Insured** for Section 7 – Catastrophe Insurance.

The total amount **We** will pay under Special Benefits 1 to 4 arising out of any **Event** claimable under Section 7 – Catastrophe Insurance, is limited to the percentages shown below, of the **Sum Insured** for Section 7 – Catastrophe Insurance or such other percentage as **We** may agree in writing.

- a. Special Benefit 1 15%;
  - b. Special Benefit 2 5%;
  - c. Special Benefits 3 and 4 combined 5%.
- 1 **Temporary Accommodation / Rent - extended period of cover**

#### a. Temporary Accommodation

When **You** occupy **Your Lot/Unit** **We** will pay the reasonable cost of **Temporary Accommodation** **You** necessarily incur if **Your Lot/Unit** is **Damaged** and made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of ‘What **We** insure’; and
- the **Damage** to **Your Insured Property** is admitted as a claim under Section 1 – **Insured Property**.

**We** will pay from the time indemnity provided under Special Benefit 1a of Section 1 – **Insured Property** is expended until the time **Your Lot/Unit** can be re-occupied 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 Lot/Unit** or **Common Area**, **We** will pay the actual **Rent** **You**

lose or would have lost if **Your Lot/Unit** or **Common Area** is **Damaged** and made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of 'What **We** insure'; and
- the **Damage to Your Insured Property** is admitted as a claim under Section 1 – **Insured Property**.

**We** will pay from the time indemnity provided under Special Benefit 1b of Section 1 – **Insured Property** is expended until the time **Your Lot/Unit** or **Common Area** is re-let 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 Lot/Unit** **We** will pay for Escalation in the Cost of **Temporary Accommodation** **You** necessarily incur if **Your Lot/Unit** is **Damaged** and made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of 'What **We** insure'; and
- the **Damage to Your Insured Property** is admitted as a claim under Section 1 – **Insured Property**.

**We** will pay from the time **Temporary Accommodation** is obtained until the time **Your Lot/Unit** can be re-occupied following completion of rebuilding, repairs or **Replacement**.

## 3 Removal, storage

**We** will pay for the costs **You** necessarily incur in:

- removing any undamaged portion of **Your Insured Property** to the nearest place of safe keeping;
- storing the undamaged portion at that place or an equivalent alternate place;
- returning the undamaged portion to **Your Situation** when occupancy of **Your Insured Property** is permitted;
- insuring **Your** undamaged **Insured Property** during such removal, storage and return. **We** will pay if the **Damage to Your Insured Property** is due to:
- a Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of 'What **We** insure'; and
- the **Damage to Your Insured Property** is admitted as a claim under Section 1 – **Insured Property**.

The amount **We** pay will be reduced by any amount payable for such costs under Section 1 – **Insured Property**.

#### 4 Cost of Evacuation

When **You** occupy **Your Lot/Unit** 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, entity or person so empowered by law, to evacuate **Your Lot/Unit**:

- due to the happening of a Catastrophe; and
- the **Damage** to **Your Lot/Unit** is admitted as a claim under Section 1 – **Insured Property**.

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.

#### 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, is the difference between:

- a. the actual cost necessarily incurred to rebuild, repair or replace **Your Insured Property** following a Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of ‘What **We** insure’; and
- b. the greater of either:
  - i. the cost that would have applied to rebuild, repair or replace **Your Insured Property** under Section 1 – **Insured Property** immediately prior to the Catastrophe; or
  - ii. the **Sum Insured** in force under Section 1 – **Insured Property** at the time of the Catastrophe, or other **Event** referred to in Clause 1b under Section 7 – Catastrophe Insurance of ‘What **We** insure’.

#### Special Provisions

- 1 No payment will be made under Section 7 – Catastrophe Insurance, 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 Insured Property**.
- 2 In certifying the cost of **Replacement** of **Your Insured Property** at the time immediately prior to a happening giving rise to a claim under Section 7 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 **Damage**;
  - c. architects’ fees, surveyors’ fees and any other professional fees;

- d. legal fees reasonably and 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 **Damage to Your Insured Property**;
  - e. fees, contributions or imposts payable to any public or statutory authority to obtain consent to rebuild, replace or repair **Your Insured Property**.
- 3 Any differences relating to the cost of **Replacement** at the time immediately prior to a happening giving rise to a claim under Section 7 – Catastrophe Insurance may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be binding.

### Special Condition

Section 7 – Catastrophe Insurance is subject to the same terms, conditions and exclusions as Section 1 – **Insured Property**, except as they may be expressly varied.

### Special Definitions

The words listed below have been given a specific meaning and apply to Section 7 – Catastrophe Insurance when they begin with a capital letter.

#### 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.

#### 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.

#### Escalation in the Cost of Temporary Accommodation

means, when a **Lot/Unit** in **Your Insured Property** is occupied by a **Lot Owner**, the difference between:

- a. the amount of money payable for rental of a residential building or similar type accommodation of substantially the same size, containing similar facilities and in an equivalent suburban environment as **Your Insured Property**, following a Catastrophe or other loss referred to in Clause 1b under Section 7 – Catastrophe Insurance of 'What **We** insure'; and
- b. the cost of **Temporary Accommodation** that would have applied had the Catastrophe not occurred.

## Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses

This Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses is issued on a Claims made and notified basis. This means Parts A, B and C of Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses respond to Claims first made against **You** during the **Period of Insurance** and notified to **Us** during the same **Period of Insurance**.

### Part A: Government Audit Costs

#### What We insure

If selected and shown in the **Schedule**, **We** insure **You**, up to the **Sum Insured** shown for Part A: Government Audit Costs of Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses in the **Schedule**, 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 30 days thereafter.

**We** will not pay more than the **Sum Insured** for Part A: Government Audit Costs 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.

#### Specific Exclusions

**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 12 months prior to the original inception date of Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses; or
    - iii relates to a return for a financial year not more than three years prior to the date **You** received 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.

## Specific Conditions

### 1 **We** require **You** to:

- 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 Flex by telephone, in writing or in person;
- d. obtain Flex's 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

If selected and shown in the **Schedule**, We insure **You**, up to the **Sum Insured** shown for Part B: Appeal Expenses of Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses in the **Schedule** 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 Insured Property** is situated; or
- b. the determination under any workplace occupational health, safety or similar legislation applying where **Your Insured Property** is situated of a review committee, arbitrator, tribunal or Court.

**We** will not pay:

- a. unless any such notice or determination is first made or first brought against **You** during the **Period of Insurance** and **You** report it to **Us** during that **Period of Insurance** or within 30 days thereafter;
- b. more than the **Sum Insured** for Part B: Appeal Expenses 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

If selected and shown in the **Schedule**, **We** insure **You**, up to the **Sum Insured** shown for Part C: Legal Defence Expenses of Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses 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**, less any **Excess** shown in the **Schedule**:

- a. in connection with the ownership of **Your Common Area** and **Insured Property**;
- b. under the Competition and Consumer Act 2010 (Cth) 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 racial or sexual discrimination legislation.

**We** will not pay:

- a. unless:
  - i any such Claim is first made or first brought against **You** during the **Period of Insurance**;
  - ii **You** report it to **Us** during that **Period of Insurance** or within 30 days thereafter;
  - iii there are reasonable grounds for the defence of any such Claim.
- b. more than the **Sum Insured** for Part C: Legal Defence Expenses 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, pay or contribute a minimum amount of \$1,000 unless otherwise shown in the **Policy Schedule**.

### Specific Exclusions

- 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 Section 2 – Liability to Others or Section 5 – Office Bearers' Legal Liability or would

have been provided if Section 2 – Liability to Others or Section 5 – Office Bearers’ Legal Liability were operative;

- d. arising from circumstances that **You** knew of prior to the inception of this Section of the **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 in the **Schedule**, except as otherwise provided by Specific Condition 4. Continuous cover;
- i. first notified to **Us** more than 30 days after the expiry of this **Policy**, except as otherwise provided by Specific Condition 4. Continuous cover.

## 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.

## Specific 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 written application to **Us** for **Our** written consent, which **We** will not unreasonably withhold, at least ten 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 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 to **Us** all bills of costs, Tax Invoices 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, which **We** will not unreasonably withhold, enter into any agreement with the Appointed Representative as to their 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 covered 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 brought 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 that:

- a. **We** have continuously been the **Insurer(s)** between the date when such notification should have been given and the date when such notification was given; and
- b. the terms and conditions applicable to Specific Condition 4. Continuous cover and to that notification will be the terms and conditions, including the **Limit of Liability** and **Excess**, 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 relevant information and assistance as reasonably required. **You** will give a complete and truthful account of the facts of the case, shall supply all relevant 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 reasonably requested.

### 6 Nomination of Appointed Representative

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 provide **You** with **Our** reason for reaching this decision. Alternatively, **You** may request **Us** to nominate **Your** own solicitor to act as the Appointed Representative.

If agreement cannot be reached on the appointment of an Appointed Representative, the President of the Law Society within **Your** State will be requested to nominate an Appointed Representative. Until the Representative is appointed, **We** will be entitled but not bound to instruct an Appointed Representative on **Your** behalf if **We** consider it necessary to do so to safeguard **Your** immediate interests. In all cases the Appointed Representative will be appointed in **Your** name and will act on **Your** behalf.

## 7 Offer of settlement

**You** must inform **Us** as soon as practicable and reasonable 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 this settlement offer and elect to continue legal proceedings, **Our** liability will not exceed the amount of Legal Defence Expenses incurred up to the date of the 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 **Your** 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 information, report documents or advice relating to the Claim notwithstanding any perceived or actual prejudice if the Appointed Representative refuses to make the 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 the 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 that is covered under this **Policy**.

## Specific Definitions

The words listed below have been given a specific meaning and apply to Section 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses 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 and 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 (Cth) 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.

### **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 and **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.

## Section 9 – Lot Owners’ Fixtures and Improvements

### What We insure

If selected and shown in the **Schedule** and **You** have exhausted the **Sum Insured** under Section 1 - **Insured Property**, **We** insure **You** up to the **Sum Insured** shown for Section 9 – **Lot Owners’ Fixtures and Improvements** in the **Schedule** for **Damage to Lot Owners’ Fixtures and Improvements**. The **Event** must be claimable under Section 1 – **Insured Property** and must occur during the **Period of Insurance**.

Section 9 – **Lot Owners’ Fixtures and Improvements** is subject to the same terms, conditions, and exclusions as Section 1 – **Insured Property**, except as may be expressly varied and recorded in the **Schedule**.

### Claims - how We will settle Your claim

If **Lot Owners’ Fixtures and Improvements** are **Damaged** and **Your** claim is covered, **We** will either replace, repair or pay the amount it would cost to replace or repair the **Damage**.

The amount **We** pay under Section 9 – **Lot Owners’ Fixtures and Improvements** will be the cost of **Replacement** at the time of **Replacement** subject to the following provisions:

- a. the necessary work of replacing or repairing the **Damage** must be commenced and carried out without unreasonable delay;
- b. if **You** cause unreasonable delays in commencing or carrying out **Replacement** or repair, **We** will not pay extra costs that result from that delay;
- c. Where materials used in the original construction are not readily available, **We** will use the nearest equivalent available;
- d. when **We** want to replace or repair and **You** do not want this to occur **We** will only pay **Indemnity Value**.
- e. Where **We** can offer repair or replacement through a preferred supplier, but instead **You** request and **We** agree to pay a cash settlement, then the amount will not normally exceed what we would have paid **Our** preferred supplier or an amount calculated on an indemnity settlement basis should there be no preferred supplier solution.

**We** will not pay for the cost to:

- i replace undamaged **Lot Owners’ Fixtures and Improvements**;
- ii replace or repair illegal installations.

### Specific Conditions

#### Floating Floors

If the Optional Benefit 4. **Floating Floors** under Section 1 – **Insured Property** is selected and shown in the **Schedule**, the below definition for **Lot Owners’ Fixtures and Improvements** is extended to include **Floating Floors**.

## Specific Definitions

The words listed below have been given a specific meaning and apply to Section 9 – **Lot Owners' Fixtures and Improvements**.

### Lot Owners' Fixtures and Improvements

means any fixture or structural improvement, other than **Floating Floors**, installed by a **Lot Owner** for their exclusive use and which is permanently attached to or fixed to **Your Building** so as to become legally part of it, including any improvements made to an existing fixture or structure.

## General Exclusions

These General Exclusions apply to all Sections of the **Policy**. In addition to these General Exclusions, each Section of the **Policy** will be subject to Specific Exclusions.

### What We will not pay

**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 Terrorism Exclusion

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

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

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

#### 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 9 – **Damaged** office records, under Section 1 – **Insured Property**.

#### 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 Radioactive Contamination and Explosive Nuclear Assemblies Exclusion

- a. loss or destruction of or **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;



- b. any legal liability of whatsoever nature; directly or indirectly caused by or contributed to by or arising from:
  - i ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - ii the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## 6 War and Civil War Exclusion

directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or **Damage** to property by or under the order of any government or public or local authority.

## 7 Communicable disease

- 1 This **Policy**, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical **Damage** occurring during the **Period of Insurance**. Consequently and notwithstanding any other provision of this **Policy** to the contrary, this **Policy** does not insure any loss, **Damage**, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
- 2 For the purposes of this clause, loss, **Damage**, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - a. for a Communicable Disease; or
  - b. any property insured hereunder that is affected by such Communicable Disease.
- 3 As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - a. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
  - b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
  - c. the disease, substance or agent can cause or threaten **Damage** to human health or human welfare or can cause or threaten **Damage** to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
- 4 This clause applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s) except as listed in point 5 below.
- 5 Note however that for the purpose of Section 1- **Insured Property** Property Optional Benefit 10 only this clause shall not apply to the following Covered Diseases where there is an occurrence originating at **Your** insured location :

**Covered Diseases** means Measles; Meningococcal infection/disease; Gastroenteritis; Legionellosis (Legionnaires Disease); Salmonellosis (Salmonella Infection); and Escherichia coli Infection, as defined (if so defined) in the Communicable Diseases Network Australia (CDNA) national surveillance case definitions published by the Department of Health (or otherwise), as at the date of inception or renewal of this **Policy**, but in each case, excluding variations or mutations of those diseases (unless expressly included in the CDNA definitions).

All other terms, conditions and exclusions of the **Policy** remain the same.

## 8 Cyber and Data Exclusion

Notwithstanding any provision to the contrary within this **Policy** or any **Endorsement** thereto this **Policy** excludes any:

- a. **Cyber Loss**;
- b. loss, **Damage**, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, **Replacement**, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**;

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

In the **Event** any portion of this clause is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

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

## 9 Laws impacting cover

**We** will not be liable to provide any cover, pay any claim or provide any benefit under this **Policy**, to the extent that it is unlawful for **Us** to do so.

## 10 Institute Radioactive Contamination, Chemical, Biological, BioChemical and Electromagnetic Weapons Exclusion Clause

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith.

- 1 In no case shall this insurance cover loss, **Damage**, liability or expense directly or indirectly caused by or contributed to by or arising from:
  - a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
  - b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
  - c. any weapon or device employing atomic or nuclear fission and/or **Fusion** or other like reaction or radioactive force or matter;

- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e. any chemical, biological, bio-chemical, or electromagnetic weapon.

### 11 Electronic Date Recognition Exclusion

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

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

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

### 12 Biological or Chemical Materials Exclusion

It is agreed that this insurance excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto.

### 13 Radioactive Contamination Exclusion Clause - Physical Damage - Direct

This **Policy** does not cover any loss or **Damage** arising directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination however such nuclear reaction nuclear radiation or radioactive contamination may have been caused \* NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination any loss or **Damage** arising directly from that Fire shall (subject to the provisions of this **Policy**) be covered EXCLUDING however all loss or **Damage** caused by nuclear reaction nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

THIS PAGE LEFT BLANK INTENTIONALLY

THIS PAGE LEFT BLANK INTENTIONALLY

THIS PAGE LEFT BLANK INTENTIONALLY





Level 33, 101 Miller Street, North Sydney NSW 2060  
PO Box 2004, North Sydney NSW 2059

CHUISAVER Underwriting Agency Pty Ltd ABN 85 613 645 239 (AFS Licence No: 491113) trading as Flex Insurance is an underwriting agency acting under a binding authority as agent for the Insurer, certain underwriters at Lloyd's.

AX 0001 0724