

RESIDENTIAL STRATA TITLE INSURANCE

Product Disclosure Statement
and Policy Wording

Effective Date: 30 October 2026

Millennium
Underwriting Agencies

Product Disclosure Statement (PDS) for
Millennium Residential Strata Title Insurance Policy

Important Notice to the Insured

This insurance is a legal contract.

Please read it carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions.

The Insurance Broker or other intermediary who arranged this insurance should be contacted immediately if any correction is necessary.

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Residential Strata Title Insurance

Important Information

Claims made general information

The claims made general information set out below is provided for your information only. It does not form part of the insurance contract with you, and is not part of the policy.

Nothing contained in it imposes contractual obligations on you, or creates contractual rights. These are contained in the policy and any endorsement.

The optional Office Bearers' Liability and Legal Expenses Insurance section of the policy operates on a 'claims made and notified' basis. This means that the policy section covers you for claims as defined in the policy section first made against you and notified to us during the Period of Insurance.

The policy section does not provide cover in relation to:

- claims made after the expiry of the Period of Insurance even though the event giving rise to the claim may have occurred during the Period of Insurance;
- any actual or alleged error or misstatement, misleading statement, negligent act, error or omission, or breach of duty that occurred or allegedly occurred before the commencement date of the Period of Insurance;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the Period of Insurance;
- facts or circumstances of which you first became aware prior to the Period of Insurance, and which you knew or ought reasonably to have known had the potential to give rise to a claim under the policy section;
- claims arising out of circumstances noted on the proposal form for the current Period of Insurance or on any previous proposal form.

Important Information

Where you give notice in writing to us of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the Period of Insurance, and provided the claim would otherwise be covered under the policy, you have rights under subsection 40(3) of the Insurance *Contracts Act 1984* (Cth) to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the Period of Insurance. Any such rights arise under the legislation only. The terms of the policy section and the effect of the policy section is that you are not covered for claims made against you after the expiry of the Period of Insurance.

Please note that the above may be affected by any continuous cover provisions, where applicable, which may extend cover for notification of a claim as defined.

About Millennium Underwriting Agencies Pty Ltd

Millennium Underwriting Agencies Pty Ltd (MUA) (ABN 38 079 194 095, AFS Licence No. 246721) is an insurance underwriting agency and holds an AFS Licence to issue and deal in general insurance products.

MUA was established in 1998 and is part of the MGA Whittles Group of Companies.

MUA's contact details are as follows:

- by telephone on 08 8249 7900
- by writing to us at: PO Box 309, Kent Town SA 5071

If you would like a copy of our Financial Services Guide please contact us or refer to our website www.millennium.com.au

Association with an Insurance Broker

MUA has an association with MGA Insurance Brokers Pty Ltd (ABN 29 008 096 277, AFS Licence No. 244601).

MGA Insurance Brokers Pty Ltd and Millennium Underwriting Agencies Pty Ltd have some common directors and a proportion of the shares of each company have common ownership.

MGA Insurance Brokers Pty Ltd is a member of the Austbrokers network, a division of the AUB Group Ltd. AUB Group Ltd have an equity interest in their business.

Residential Strata Title Insurance

Introduction

Welcome and thank you for choosing Millennium Residential Strata Title Insurance.

This insurance is managed by Millennium Underwriting Agencies Pty Ltd, ABN 38 079 194 095, AFS Licence No. 246721.

The Residential Strata Title Insurance Policy is underwritten by Tokio Marine & Nichido Fire Insurance Co., Ltd. (**Tokio Marine & Nichido**) ABN 80 000 438 291, AFSL 246548. Tokio Marine & Nichido is a part of the Tokio Marine Group, a global insurance group. Tokio Marine Management (Australasia) Pty Ltd ABN 69 001 488 455 AR No. 1313066 (**TMMA**) is Our managing agent and representative in Australia and is authorised to act on Our behalf to arrange and administer the Policy and handle and settle claims in relation to it.

You can contact Us or TMMA by:

Phone: +61 2 9225 7500
Email: strataclaims@tokiomarine.com.au
Mail: GPO Box 4616
Sydney NSW 2001

Millennium Underwriting Agencies Pty Ltd is authorised to issue and administer this policy on Our behalf .

This Product Disclosure Statement (PDS) is designed to help You to:

- decide if this product will meet Your needs; and
- compare it with other products You may be considering.

You should read this PDS, and the Residential Strata Title Insurance Policy Wording which contains the detailed terms and conditions of the product, carefully before making a decision to purchase this product.

The Policy provides a number of covers which may or may not be provided to You as a retail client under the *Corporations Act 2001* (Cth) depending on Your circumstances. Only the parts of the Policy document relevant to cover provided to You as a retail client and any other documents which We tell You are included at or prior to entry into the insurance contract or when permitted or required by law, make up the PDS for the purposes of the Act.

This PDS and Policy Wording applies for any offer of renewal of the Policy We may make, unless We tell You otherwise.

Introduction

In this Policy, some words that begin with a capital letter have a special meaning throughout the Policy and their meaning is defined in the General Definitions. Certain words have special meanings applicable only to a particular Cover Section and their meaning is defined within that Cover Section.

Headings are provided for reference only and do not form part of the Policy for interpretation purposes.

You may request any further information that is available about this product by contacting Millennium at the address or telephone number shown on the back cover of the PDS.

About Our Residential Strata Title Insurance

The Residential Strata Title Insurance Policy is designed to cover the insurance requirements of Body Corporates for residential strata titled properties and contains the following Cover Sections:

1. Building and Common Contents
2. Catastrophe Cover
3. Legal Liability
4. Fidelity Guarantee
5. Personal Accident (Voluntary Workers)
6. Office Bearer's Liability and Legal Expenses

Cover Sections 2 – 6 are optional covers that are subject to Our underwriting and acceptance criteria. This means We may decline to offer an optional cover based on Our underwriting assessment. An additional premium is payable for each optional cover. You are only covered for the Cover Sections that are specified as applicable in the Schedule.

Our eligibility criteria are subject to change from time to time and We will advise You of any criteria that may apply at the time of Your application.

Preparation Date: 30 October 2026

Introduction

Summary of the available Cover Sections

The following is a limited summary only and as such does not form part of the terms of Your Policy. All cover is subject to the applicable Sum Insured, other limits and sub-limits and terms, conditions, exclusions and limitations that are not listed in the summary. You should read the Policy carefully to fully understand the extent of cover provided.

The Policy does not automatically provide cover for loss or Damage caused by Flood.

There is an option to apply for cover for Flood under the Building and Common Contents Section. Where We agree to provide this cover it will be shown on the Schedule.

Building and Common Contents

This provides cover against Damage (including from Storm Surge) to Your insured Building and Common Contents, occurring during the Period of Insurance up to the Sum Insured, unless stated otherwise.

Providing the Sum Insured has not been exhausted, Additional benefits within the Sum Insured are also provided, for example:

- Temporary protection and removal of debris;
- Reduced floor space ratio index;
- Loss of land value;
- Exploratory costs to locate the cause of bursting, leaking, discharging or overflowing of water tanks, water apparatus or water pipes;
- Reasonable costs of repairing or replacing electronic motors, with an output not exceeding 10kW, Damaged by Fusion.

We will also pay for Additional benefits above the Sum Insured, for example:

- Architects', surveyors' and consulting engineers' costs;
- Inflation of Costs;
- Capital Additions and Alterations;
- Loss of Rent/Temporary Accommodation;
- Boarding out of domestic pets or security dogs normally kept at the Property.

Limits or sub limits may apply to the Additional benefits within the Sum Insured and Additional benefits above the Sum Insured.

Introduction

Optional Benefits

Flood

There is an optional benefit available to include cover for loss or Damage to the Property at the Situation caused by Flood.

If We agree to provide the optional benefit it will be shown on the Schedule.

Catastrophe Cover

If We have accepted a claim under the Building and Common Contents Cover Section which has fully exhausted the Building Sum Insured Your Building, We will pay for the additional costs incurred in repairing or replacement of Your Building if it is Damaged during the Period of Insurance by an event which directly leads to the declaration of a state of emergency or state of disaster under the provisions of the *Emergency Management Act 2013* (NT), up to a maximum amount equivalent to 30% of the Sum Insured for Your Building.

Legal Liability

This provides cover for claims for compensation or expenses which You become legally liable to pay in respect of:

- Personal Injury, or
- Property Damage,

happening as a result of an Occurrence happening during the Period of Insurance in connection with the ownership of the Property.

Fidelity Guarantee

This provides cover for Body Corporate Funds which are lost as a direct result of theft, embezzlement, fraudulent misappropriation, conversion or fraud that occurs during the Period of Insurance.

Providing the Sum Insured has not been exhausted, an Additional benefit within the Sum Insured is also provided for auditors fees up to $2,500 per claim incurred by You to support a valid claim under this Cover Section.

Personal Accident (Voluntary Workers)

This provides cover for a Voluntary Worker who suffers Bodily Injury whilst engaged in work on Your behalf.

Office Bearer's Liability and Legal Expenses

This provides cover for You or Your Officer(s) against Claims for Loss arising out of any actual or alleged Wrongful Act(s) by an Officer while acting in such capacity for or on behalf of the Body Corporate.

Introduction

This Cover Section is offered on a 'claims made and notified' basis. This means that the insurance will respond to Claims:

- first made; and
- notified to Us,

during the Period of Insurance.

This also provides cover for the cost of Legal Expenses the Body Corporate incurs in relation to Authorised Litigation.

Additional benefits are also provided.

Significant Issues to Consider

Insurance contracts contain exclusions, terms and conditions, limits and sub-limits that You should be aware of when deciding to make Your purchase. These things may affect the amount of the payment that We will make to You if You have a claim.

The Policy has the ability to be customised to Your requirements. We suggest You contact Your insurance adviser prior to the purchase of this product. You should be aware of the following matters in considering whether this product is suitable for Your needs.

Excesses can apply

For each of the available Cover Sections, Excesses may apply. This is an amount that You must first contribute for each claim made under the Policy arising out of any one event of Occurrence, or the period for which no payment will be made by Us (as applicable).

Details of the Excess amounts and the circumstances in which they will be applied are set out in the definition of Excess in the General Definitions of the Policy Wording, the relevant Cover Section(s) or the Schedule.

Exclusions

This Policy contains a number of exclusions. General Exclusions apply to all Cover Sections within the Policy. Each Cover Section may also contain exclusions to the cover offered under that Cover Section and apply in addition to General Exclusions.

Before making a decision about whether to purchase the Policy, You should read the full details of all relevant exclusions, which are contained in the Policy Wording.

Introduction

Terms and Conditions

This Policy contains General Terms and Conditions. General Terms and Conditions are applicable to all Cover Sections and set out the obligations with which You or anyone else who is covered by the Policy need to comply. Cover Sections may also contain Special terms and conditions to the cover offered under those Cover Sections and those terms and conditions apply in addition to General Terms and Conditions.

Before making a decision about whether to purchase the Policy, You should read the full details of all relevant terms and conditions, which are contained in the Policy Wording.

If You do not meet them, to the extent permitted by law We may decline or reduce the claim payment to the extent We are prejudiced by Your non-compliance, or cancel Your Policy.

Make sure You have the cover You need

This document is of a general nature only and does not take into account your objectives, financial situation or needs. We do not provide any advice on the Policy.

You need to decide if this insurance is right for You and You should read all of the documents that make up the Policy to ensure You have the cover You need. You should discuss with Your insurance adviser the appropriate amounts for which You need to be insured.

You should also tell Your adviser or Us, as soon as possible, when Your circumstances change which are relevant to Your insurance Policy. For instance, if the Body Corporate purchases additional Common Contents.

If You do not tell Your insurance adviser or Us of these changes, in the event of You suffering Damage Your Sum Insured may not be adequate to cover Your loss, or You may not even have any cover under the Policy.

Introduction

Other important information

Some other important things to remember are:

1. Keep records such as receipts, invoices or other evidence of ownership and value of Property that You insure as proof of ownership and value should You have to make a claim.
2. When the Property is a total loss and We have paid out the total Sum Insured, the cover under the Building and Common Contents Cover Section ceases. If You rebuild or replace Your Property, You will need to take out new cover and pay the applicable Premium.
3. Further We may also cancel the Policy as permitted by law. or refuse to pay or reduce the amount We pay under a claim, or both, if You:
    a. do not comply with the terms and conditions as detailed in the Policy;
    b. do not comply with Your Duty to take reasonable care not to make a misrepresentation; or
    c. make a fraudulent claim.

Review Your Sums Insured regularly

You need to make sure You are happy with the relevant Sum(s) Insured and limits. If You do not adequately insure Yourself, You may have to bear the uninsured proportion of any loss Yourself. If You are unsure whether You have insured for the correct amount, You should seek professional advice.

Your Duty to take reasonable care not to make a misrepresentation

Before You start, reinstate, extend, or vary a policy with Us, You have a duty to take reasonable care not to make a misrepresentation to Us ("Your Duty").

When You ask for cover or request Your cover to be altered, You must answer all the specific questions that We ask accurately, honestly and with reasonable care, to the best of Your knowledge. This may mean, for example, that You should take reasonable steps to find out the answer to a question if You do not already know the answer before responding to the question. We rely on the information that You provide to Us to decide whether or not to insure You and, if so, on what terms (including the cost). Your Duty applies to everyone who will be insured under the Policy and Your answers to Our questions on their behalf will be treated as their representations.

Your Duty ends once We agree, in writing, to insure You. Whether or not You have taken reasonable care not to make a misrepresentation to Us will be determined with regard to all the relevant circumstances, including any of Your particular characteristics or circumstances which We were (or ought to have been) aware of. It may also include the type of insurance cover that You have asked for and who it is intended to be sold to, and whether or not someone was acting on Your behalf when You asked for cover.

If You do not take reasonable care not to make a misrepresentation, We may be entitled to reduce or deny any claim You may make or cancel the Policy altogether. If Your failure to comply with Your Duty is fraudulent, We may choose to avoid the contract from the beginning, which means treating it as though Your Policy never existed.

If You are uncertain about whether or not a particular matter should be disclosed to Us, please contact Us and We will try and assist You.

The General Insurance Code of Practice

We are signatories to the General Insurance Code of Practice, which sets out a commitment by the general insurance industry to raise standards of service and to promote better relations between customers and insurers.

The Code describes standards in areas such as buying insurance, claims handling and dispute resolution. The Code Governance Committee (CGC) is an independent body that monitors and enforces compliance with the Code.

For more information on the Code or the CGC, You can call Us on +61 2 9225 7500, email Us at strataclaims@tokiomarine.com.au, or You can access the Code at www.codeofpractice.com.au.

Introduction

How We calculate Your Premium

We calculate Your Premium on the basis of information that We receive from You when You apply for insurance about the risk to be covered by Us. The higher the risk is (e.g. high claims experience), the higher the Premium will be. Based on Our experience and expertise as an insurer, We decide what factors increase Our risk and how they should impact on the Premium.

Some factors impacting Premiums include:

- Your nominated Sum Insured;
- where Your Building is situated;
- the materials used in the construction of Your Building(s);
- Your insurance claims history;
- security measures used for Your Property (e.g. alarms, deadlocks);
- any optional covers You select and We agree to provide;
- any Excess amounts, or additional Excess You nominate to pay above Our basic Excess. When You purchase a Policy You may elect to take a higher Excess in the event of a claim, which will reduce the cost of Your Premium. If You are interested in this, You should ask Your intermediary or Us to supply You with quotes based on differing amounts of Excesses.

Your premium also includes amounts that take into account Our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST, Emergency and Fire Services Levy) in relation to Your Policy. These amounts will be set out separately on Your Schedule of insurance as part of the total Premium payable.

In cases where We are required to pay an estimated amount (e.g. for Fire Services Levies) based on criteria set by the Government, We allocate to the Policy Our estimate of the amount We will be required to pay. We may over or under recover in any particular year but, to the extent permitted by law, We will not adjust Your Premium because of this. You can ask Us for more details if You wish.

Minimum premiums may apply. In some cases, discounts may apply if You meet certain criteria We set. Any discounts/ entitlements only apply to the extent any minimum premium is not reached. If You are eligible for more than one, We also apply each of them in a predetermined order to the Premium (excluding taxes and government charges) as reduced by any prior applied discounts/entitlements. Any discounts will be applied to the base Premium calculated prior to any taxes being added.

Introduction

How and when do You pay the Premium and what happens if You don't pay it?

When You apply for this insurance, You will be advised of the total Premium amount payable, when it needs to be paid and how it can be paid. This amount will be set out in the Schedule, which will be sent to You after entry into the Policy. If You fail to pay by the due date We may reduce any claim payment by the amount of Premium owing or cancel the Policy in accordance with the process set out in "10. Cancellation" under the General Terms and Conditions section.

How to make a claim

In the event of a possible claim against the Policy, please contact Your insurance adviser or Us, as soon as possible.

You can contact Us on:

Phone: 1800 229 272
Email: strataclaims@tokiomarine.com.au
Mail: GPO Box 4616 Sydney NSW 2001

Please refer to the Claims Procedures on page 33.

Goods and Services Tax (GST)

The Policy has a GST provision in relation to Premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need. Please read carefully. Seek professional advice if You have any queries about GST and Your insurance.

Privacy Notice

Your privacy is important to Us. Tokio Marine & Nichido is bound in Australia by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles, along with any other applicable privacy laws and codes, when collecting, using, disclosing, holding, handling and transferring any personal information. Tokio Marine & Nichido has ongoing practices, procedures and systems in place to ensure that We manage personal information in an open and transparent way.

We may use Your personal information (such as Your name, date of birth, contact details, and in certain cases explained in Our Privacy Policy, sensitive information) for the following purposes: to determine whether and on what terms We might issue You an insurance policy; to open and administer any products and services You may sign up for; to help improve Our products and services; to undertake market research, customer data analysis and direct marketing activities; to manage and resolve complaints made; to report information required by law or regulations to perform any other appropriately related functions.

We may also use computer programs including artificial intelligence tools to assist us in carrying out the activities listed above. This includes using your personal information to develop, train, test, and deploy artificial intelligence models, and to make or assist in making decisions about you. Where computer programs are used in this way, we take reasonable steps to ensure that Your personal information is protected and used responsibly, in accordance with the Privacy Act 1988 (Cth).

If You don't provide all the personal information requested, the main consequence is that We may not be able to issue You with a Policy or process Your claim.

Unless it is unreasonable or impracticable under the circumstances, We will collect Your personal information directly from You, Your advisor or someone authorised by You, for example, Your insurance broker, financial planner, legal services provider, agent or carer.

In issuing and managing Your Policy or claim We may need to disclose Your personal information to Millennium Underwriting Agencies Pty Ltd and third parties such as another insurer, Our reinsurers, an insurance broker, Our legal providers, Our accountants, loss investigators or adjusters, anyone acting as Your agent or regulatory bodies as well as Our various third-party service providers described in Our Privacy Policy. We may also disclose Your information as required by law.

In providing You with Our services it may be necessary to disclose Your information overseas where We have a presence or engage such parties, including Japan, USA, Canada, Bermuda, New Zealand, Thailand, Hong Kong, Europe, the United Kingdom, Singapore, the Philippines, and India.

We will otherwise collect, hold, use and disclose Your personal information in accordance with Our Privacy Policy, which sets out how You may access and correct the personal information that We hold about You and how to lodge a complaint.

To learn more about collection and use of Your personal information, see Our Privacy Policy, which can be viewed at Our website www.tokiomarine.com.au. You can also request a copy by emailing privacy@tokiomarine.com.au.

Cooling Off Period

If You change Your mind about Your Policy and haven't made a claim, You can cancel it within 21 days from the date We issued a new Policy to You or the start date of a renewed Policy and We'll give You a full refund of the premium less any applicable government taxes or duties. To cancel Your Policy within the cooling off period, please contact Us.

Introduction

Complaints & dispute resolution

You are entitled to make a complaint about any aspect of Your relationship with Us. We are committed to resolving any complaint or dispute fairly and as quickly as possible. If You are dissatisfied with this product or Our service in any way, please follow the process explained in 'How to make a Complaint' below.

If You are not satisfied with the outcome of Our complaint review process, or if We have taken more than 30 days to respond to the complaint, You may be entitled to escalate the matter to the Australian Financial Complaints Authority (AFCA), if the complaint is within AFCA's jurisdiction as set out in their Rules. AFCA is an independent external dispute resolution scheme which is free of charge to You and can issue a binding outcome on Us.

How to make a Complaint

If You are dissatisfied with any aspect of Your relationship with Us or anyone We appoint to manage or defend a claim under this Policy, and You wish to make a complaint, You can do so by contacting Us:

You can contact Us in the following ways:

Email: complaints@tokiomarine.com.au

When You make a complaint, We will:

- acknowledge Your complaint within one business day of receiving it or as soon as practicable;
- record the complaint and give You the name and contact number of the person assigned to the complaint;
- keep You informed of complaint progress at least every ten business days, unless it is resolved earlier or You agree to a different timeframe; and
- provide an outcome within 30 days.

If You are not satisfied with Our response to Your complaint or We are unable to provide You with an outcome within 30 days, We will:

- where applicable, inform You of the reason for the delay;
- advise You of Your right to complain to AFCA, where applicable; and
- provide You with AFCA's contact details, which are also shown below:

Introduction

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

Waiting period for cyclone, Flood or Storm Surge

If We have agreed to cover Your Building and Common Contents under the Building and Common Contents Cover Section then the cover is provided subject to:

a. on any new Policy, a waiting period of seventy two (72) hours applies from the commencement of the new cover for Damage caused by a cyclone, Flood or Storm Surge; or

b. on any endorsements to the Policy that increase the level of cover such as a Sum Insured, a waiting period of seventy two (72) hours from the date of the increase in cover applies for Damage caused by a cyclone, Flood or Storm Surge.

Updating the Product Disclosure Statement

Certain information in Our Product Disclosure Statement (PDS) may need to be updated at various times if certain changes occur where required and permitted by law. We will provide You with a new PDS, supplementary PDS or other compliant document to update the relevant information except in limited cases.

Where the information is not something that would be materially adverse from the point of view of a reasonable person deciding whether to acquire the Policy We may provide You with notice of this information in other forms or keep an internal record of such changes. You can obtain a paper copy of any updated information without charge by contacting Your adviser or by contacting Us.

Financial Claims Scheme

In the unlikely event We were to become insolvent and could not meet our obligations under the Policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. More information can be obtained from www.fcs.gov.au.

Agency Arrangements and Agent's Remuneration

Millennium Underwriting Agencies Pty Ltd acts as Our agent when issuing and administering this policy and receives remuneration from Us for doing so. You can ask them or Us for more information about this remuneration.

Introduction

Terrorism and Cyclone Insurance Act 2003

We have determined that the Policy (or part of it) is a Policy to which the *Terrorism and Cyclone Insurance Act 2003* applies.

We may elect to reinsure part or all of Our liability under the Act with the Commonwealth Government reinsurer, the Australian Reinsurance Pool Corporation (ARPC).

As a consequence, We may be required to pay a premium to ARPC and that amount (together with the cost of that part of the cover provided by Us and administrative costs associated with the legislation) is reflected in the Premium charged to You. As with any other part of the Premium, it is subject to government taxes and charges such as GST, Stamp Duty and where applicable, Fire Service Levy.

For further information contact Us or Your intermediary.

Residential Strata Title Insurance

Residential Strata Title Insurance Policy Wording

Our contract with You

Where We agree to enter into a Policy with You it is a contract of insurance between You and Us and contains all the details of the cover that We provide.

Your Policy is made up of:

- this document which sets out the standard terms of Your cover and its limitations;
- Your most current Schedule issued by Us. The Schedule is a separate document, which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document; and
- any other change to the terms of the Policy otherwise advised by Us in writing (such as an endorsement or supplementary PDS) at or prior to entry into the insurance contract or when required or permitted by law. These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together and kept in a safe place for future reference.

We reserve the right to change the terms of the Policy where permitted to do so by law.

Please note, only those Cover Sections shown in Your Schedule are insured. Any new or replacement Schedule We may send to You, detailing changes to Your insurance or Period of Insurance, will become the current Schedule, which You should carefully read and retain.

Please keep Your Policy in a safe place. If You have any queries, please contact Your adviser or Us.

Our agreement with You

Subject to all of the terms and conditions contained in Your Policy and payment of, or Your agreement to pay, the Premium, We will insure You for the cover shown in Your Policy for those Cover Sections shown as insured in Your Schedule, up to those amounts shown in Your Schedule or any other applicable limits shown in Your Policy documents.

Residential Strata Title Insurance Policy Wording

General Definitions

The following definitions shall apply when used in Your Policy. For those definitions that only apply to one Cover Section, their special meaning is described in that Cover Section.

These definitions apply when the words start with a capital letter.

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

a. involves violence or threat of violence against one or more persons; or

b. involves damage to property; or

c. endangers life other than that of the person committing the action; or

d. creates a risk to health or safety of the public or a section of the public; or

e. is designed to interfere with or to disrupt any electronic system.

Aircraft means any vessel, craft, machine or object made or intended to fly or move in or through the atmosphere or space.

Body Corporate means the owners of the Property as incorporated or registered in terms of Strata Title Legislation.

Body Corporate Manager means a person or other entity appointed in writing by Your Body Corporate with delegated functions in terms of the Strata Title Legislation applicable at the insured Situation.

Cover Section means the different types of cover You can choose to apply for, as contained in the Policy, and if insured as shown in Your Schedule.

Computer Attack means any malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising the computer system or network of whatsoever nature.

Cyber War & Terrorism Event means an Act of Terrorism or Cyberterrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage.

Cyberterrorism means any premeditated politically, religiously, or ideologically (or similar objective) motivated attack or disruptive activity, or the threat thereof, by a group or individual against a computer system or network of whatsoever nature or to intimidate any person in furtherance of such objectives.

Damage(d) means direct physical loss or destruction of, or damage to, property from any sudden and accidental cause not otherwise excluded by the Policy.

Electronic Data means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic or electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for such equipment.

Excess means either:

1. the amount of money You must first contribute for each claim arising out of any one event, or Occurrence; or
2. the period for which no payment will be made by Us;

as specified in the Schedule or as otherwise stated in the Policy.

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:

1. a lake (whether or not it has been altered or modified);
2. a river (whether or not it has been altered or modified);
3. a creek (whether or not it has been altered or modified);
4. another natural watercourse (whether or not it has been altered or modified);
5. a reservoir;
6. a canal; or
7. a dam.

Indemnity Value means the cost to reinstate, replace or repair property to a condition substantially the same as, but not better or more extensive than, its condition at the time of Damage, taking into consideration age, condition, depreciation and remaining useful life.

Lot or Unit means an area at the Situation as shown on a plan as a lot or unit in terms of the applicable Strata Titles Legislation.

Perfluorinated Compounds, Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) means any:

1. chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including:
    a. polymer, oligomer, monomer or non-polymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;
    b. perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;
    c. perfluoropolyethers (PFPE);
    d. fluorotelomer-based substances;
    e. Side-chain fluorinated polymers; or
2. goods or products including containers, materials, parts, or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in paragraph 1) above.

Period of Insurance means the amount of time commencing on the Effective Date and ending at 4pm on the Expiry Date as shown in Your Schedule, unless ending earlier in accordance with the Policy terms or law.

Policy means this PDS and Policy Wording document, Your Schedule and any endorsements or alterations made in writing, that We have agreed to.

Premium means the amount We require You to pay Us for the cover We agree to provide. Your Premium is shown on Your Schedule. Government charges and/or levies will be added and separately identified on the Schedule.

Property means the Building and Common Contents:

Building means the building(s) as defined by Strata Title Legislation including:

1. fixtures and improvements of a structural nature. This includes in-ground swimming pools and spas;
2. fixed plant and machinery;
3. underground and overhead services owned by You or for which You are responsible;
4. paint and wallpaper in common areas and inside individual units;

5. permanently fixed or built-in appliances, air conditioners, stoves, ovens, hotplates, hot water systems, built in cupboards and bathroom fittings;
6. paved pathways, paved driveways, retaining walls, fences, gates and jetties;
7. Unit Owners' Fixtures and Improvements; or
8. any other items defined as buildings by the relevant Strata Title Legislation,

that are at the Situation shown in the Schedule, owned by You or for which You are legally responsible.

Building does not mean:

1. temporary wall, ceiling or floor coverings;
2. air conditioners that are not permanently fixed to the Building, clothes dryers, washing machines, microwave ovens and any free standing or portable appliance;
3. fixtures removable by a lessee or tenant at the end of the lease or tenancy; or
4. unpaved or gravel pathways or driveways.

Where anything in this definition of Building is contrary to Strata Title Legislation the requirements of Strata Title Legislation will apply.

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

1. freestanding domestic appliances, equipment, window coverings, internal blinds, curtains, light fittings, furniture and fittings;
2. carpets (whether fixed or unfixed), floating floors and floor rugs;
3. swimming pools or spas that are not in-ground;
4. swimming pool covers and accessories; or
5. portable plants;

owned by You or for which You are legally responsible:

a. at the Situation; or
b. while temporarily removed to another building in Australia for repair or service.

Common Contents does not mean:

1. Vehicles, Watercraft, Aircraft or their accessories whether attached or not;

2. property owned by or in the legal care, custody or control of any Unit Owner or Lot or Unit occupier;
3. works of art, curios and antiques, except up to $10,000 in total;
4. livestock, fish, birds or other animals;
5. money, other than as specifically covered under the Building and Common Contents Cover Section;
6. rockeries, trees, shrubs, plants (that are not portable), lawns, gravel, stones, clay or soil on paths or driveways or tennis courts, soil, bark or mulch in gardens or landscaping other than as covered under the Building and Common Contents Cover Section; or
7. temporary wall, floor and ceiling coverings within a Lot or Unit.

Where anything in this definition of Common Contents is contrary to Strata Title Legislation the requirements of Strata Title Legislation will apply.

Schedule means Your most recent Schedule of insurance applicable to the Period of Insurance. We give You this Schedule when You first buy this insurance and each time You request an addition, alteration or renewal. The Schedule forms part of Your Policy.

Situation means the land at the address shown on the Schedule where the Property is physically located.

Storm means violent weather, including strong winds and thunderstorms, which may be accompanied by rain, hail or snow.

Storm Surge means an abnormal increase in sea level associated with a tropical cyclone or other intense Storm.

Strata Title Legislation means the *Unit Title Schemes Act 2009* (NT), the *Unit Title Act 1975* (NT) where the Building is located relating to the division of land or buildings into Lots or Units and common property.

Sum Insured means the maximum amount We will pay for any claim under each Cover Section and as shown in Your Schedule, except as otherwise provided for in specific Cover Sections.

Unit Owner means a person, persons or others registered as a proprietor or owner or part owner of a Lot or Unit in terms of the Strata Title Legislation. The interests or liabilities of Unit Owners and/or occupiers of any Lot or Unit are not covered unless specifically provided for by the Policy.

Unit Owners' Fixtures and Improvements means the fixtures or improvements installed by a Unit Owner for their exclusive use 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.

Vehicle(s) means 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, except lawn- mowers or golf carts that are not required to be registered by law.

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

We, Us, Our means Tokio Marine & Nichido.

You, Your, Yours, Yourself, Insured means the Body Corporate named in the Schedule.

General Exclusions

These General Exclusions apply to all Cover Sections within the Policy. However, each Cover Section may also have specific exclusions to the cover offered under that Cover Section and those exclusions should be read in addition to the ones below.

1. Terrorism

The following exclusions apply to the extent permitted by law (including but not limited to as provided under the *Terrorism and Cyclone Insurance Act 2003* (Cth)) notwithstanding any provision to the contrary within the Policy or any endorsement to it:

a. Subject to b. below the Policy excludes and does not cover death, injury, illness, loss, Damage, destruction, liability, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:

   i. an Act of Terrorism;

   ii. any action in controlling, preventing, suppressing, retaliating against, or responding to an Act of Terrorism;

   iii. biological, chemical, nuclear or radioactive contamination, pollution, weapons or explosion arising from an Act of Terrorism;

   iv. non-material damages or non-physical damages of any kind arising from or in any way connected with an Act of Terrorism; or

v. any threat of an Act of Terrorism; regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

b. Where the Policy is not an eligible insurance contract as defined under the *Terrorism and Cyclone Insurance Act 2003* (Cth), then exclusion 1 a. i. above will not apply in relation to the Building and Common Contents Cover Section only, however in such circumstances Our maximum liability in the aggregate in any one Period of Insurance will not exceed the Sum Insured of the Building and Common Contents as shown in the Schedule or $100,000,000, whichever is the lesser. No cover is provided under this clause 1 b. for events which are excluded under General exclusion clauses 1a. ii., iii., iv. or v.

The Policy does not cover loss, Damage, destruction, injury or liability directly or indirectly caused by, arising from or in any way connected with:

2. Intentional Damage

a. consequential loss of any kind. This means We don't cover You for anything not expressly described in the cover sections of this Policy. Some examples of what We won't pay for include, loss of use, loss of profit, loss resulting from delay or lack of performance, fines, penalties, loss of contract or depreciation in value of any undamaged Property Insured;

b. a deliberate or intentional act by You or a person acting with Your express or implied consent unless for the purpose of preventing or eliminating danger to persons or Property;

3. Lawful Seizure

the lawful seizure, confiscation, nationalisation or requisition of the Property;

4. Damage by Authorities

destruction of, or Damage to, Property by or under the order of any Government or Public or Statutory Authority, unless required to reduce further destruction or Damage to the Property;

5. War

war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war or unrest, rebellion, revolution, insurrection, military or usurped power, looting, sacking or pillage following any of these, or the expropriation of Property;

6. Nuclear

a. ionising radiation from, or contamination by radioactivity from, any nuclear fuel or any nuclear waste or from the combustion of nuclear fuel (including any self-sustaining process of nuclear fission).

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.

e. any chemical, biological, bio-chemical, or electromagnetic weapon.

7. Cyber and Electronic Data

Notwithstanding any provision to the contrary in the Policy or any endorsement thereto, this Policy does not cover:

a. Damage to, loss, destruction, distortion, erasure, corruption, alteration, misrepresentation, theft or other dishonest, criminal, fraudulent or unauthorised manipulation of Electronic Data from any cause whatsoever (including, but not limited to Computer Attack and/or a Cyber War & Terrorism Event) or loss of use, reduction in functionality, loss, cost expense and/or fee of whatsoever nature resulting therefrom;

b. an error in creating, amending, entering, deleting or using Electronic Data; or

c. total or partial inability or failure to receive, send, access or use Electronic Data for any one time or at all;

d. the communication, display, distribution or publication of Electronic Data, provided that this exclusion 7 d. does not apply to Personal Injury arising therefrom to the extent that cover is provided under the Legal Liability Cover Section, or any business interruption losses resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage.

However, but for this exclusion, in the event that any Damage results from any of the matters described in this General Exclusion 7 (except Cyber War & Terrorism Event) the Policy, subject to all its terms, provisions, conditions, exclusions, and limitations, will cover direct Damage and/or consequential loss arising therefrom occurring during the Period of Insurance to insured Property.

8. Sanctions

Notwithstanding anything contained in this Policy to the contrary, We shall not be liable to provide any cover or benefit or pay any claim where the provision of cover or benefit or payment of claim would constitute a breach of any trade or economic sanction, embargo, prohibition or restriction imposed by any of the following: United Nations, United States of America, Australia, European Union, United Kingdom, or New Zealand, or any other applicable national trade or economic sanctions, laws or regulations. This clause shall apply where such geographical location, provision of goods, services or other reasons shall contravene such sanction, embargo, prohibition or restriction.

9. Communicable Diseases

We shall have no liability under this Policy in respect of any claims or costs arising out of any actual or alleged loss, liability, Damage, compensation, loss of use, loss of profit, injury, sickness, disease, death, medical payment, defence cost, inquest cost, accident enquiry, cost, expense or any other amount incurred either directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with:

a. Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or the actual or alleged transmission of a Communicable Disease.

b. As used herein, Communicable Disease shall mean any disease which can be transmitted by means of any substance or agent from any organism to another organism where

    i. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

ii. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

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

10. Perfluorinated Compounds, Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)

We shall have no liability under this Policy in respect of any claims or costs caused by, contributed to by, resulting from, arising out of or in connection, either directly or indirectly, with:

a. the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any PFAS; or

b. any abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating, or disposing of, or in any way responding to or assessing the effects of, PFAS.

General Terms and Conditions

1. Restricting Our Right of Recovery

Where another person is liable to compensate You for any loss, Damage, injury or liability, which is covered by the Policy but You have agreed not to seek recovery of any monies from that person or have agreed to limit any amount so recoverable, We may not cover You under the Policy for that loss, Damage or liability to the extent that Our right of recovery has been so restricted.

2. How and when do You pay the Premium and what happens if You don't pay it?

When You apply for this insurance You will be advised of the total Premium amount payable, when it needs to be paid and how it can be paid. Cover is provided on the basis that You have paid or agree to pay Us the Premium for the cover provided.

You must pay Your Premium on time because if We do not receive Your Premium by the due date or if Your payment is dishonoured We may cancel the Policy in accordance with the process set out in "10. Cancellation" under the General Terms and Conditions section.

3. Changes

a. Alteration to the risk.

You must promptly notify Us in writing if facts or circumstances alter from those which existed when the Policy commenced. You must notify Us if You know, or ought reasonably to have known, that the alteration in fact or circumstances is relevant to Our decision to insure You and the terms on which We will insure You. We will notify You of any proposed effect a change may have on the terms or premium payable on your Policy. Changes You must notify Us of include:

i. alteration to the Building, except as otherwise permitted by Us;

ii. where the nature of the occupation of or other circumstances affecting the Property are changed in such a way as to increase the risk of loss, Damage or liability;

iii. where the Property will be unoccupied for any period of more than sixty (60) consecutive days. See "4. Unoccupied Property" for further applicable terms and conditions;

iv. You being wound up or the administration of the Property being carried on by a schemes supervisor, liquidator, administrator, receiver or similar, or permanently discontinued; or

v. Your interest in the Property ceasing.

b. Changes to the Policy.

We may update the Policy from time to time if certain changes occur where required and permitted by law.

4. Unoccupied Property

If the Property should become totally unoccupied for a period of more than sixty (60) consecutive days, You must tell Us in writing and obtain Our written agreement for cover to continue beyond that period. If You do not do so, then for the period following the sixty days, the cover under Your Policy is limited to Damage caused by lightning, thunderbolt, impact and earthquake only. The period of sixty consecutive days is calculated from the date when the Property was last occupied, regardless of the commencement or renewal date of Your Policy.

5. Care and Maintenance

You must take all reasonable care and precautions to prevent or minimise loss, Damage, injury, illness or liability and comply with any applicable law, by-law, ordinance, statutory obligation, public authority requirements or regulation.

You must take all reasonable care to maintain the Property in sound condition.

Your Officers (as defined in the Office Bearer's Liability and Legal Expenses Insurance Cover Section) must be competent and use due diligence, acting at all times to avoid or diminish any claim.

6. Claims Procedures

a. As soon as reasonably possible after You become aware of anything which may result in a claim under the Policy You must, at Your own expense (unless the expense is otherwise covered under the terms of the Policy):

   i. inform the police of any malicious or intentional Damage, theft, attempted theft, loss of, or misappropriation of money or property as soon as possible;

   ii. take all reasonable action to minimise Damage or liability and recover lost or stolen property;

   iii. advise Us as soon as reasonably possible by telephone or in writing telling Us how the loss, Damage, injury or liability occurred. If Your notification is late and results in higher costs for Us or harms Our investigation opportunities Our liability may be reduced to the extent We are prejudiced by Your delay, including to nil;

   iv. take reasonable steps to preserve any products, appliances, plant or other items or property which might prove necessary or useful as evidence until We have had an opportunity for inspection. To ensure You are covered, please contact Us before any repairs or disposal;

   v. give Us all the information, proof and assistance We may reasonably require to defend or settle Your claim or to prosecute any recovery action;

   vi. comply with reasonable requests to provide written statements under oath if We require it; and

vii. send Us any claim, writ, summons, or full details of other relevant legal or other proceedings such as an impending prosecution or inquest, as soon as reasonably possible after You receive or become aware of.

b. You should not:

i. admit guilt or fault (except in court or to the police);

ii. admit liability, or offer or agree to settle any claim, without Our written consent; or

iii. authorise the disposal, repair or replacement of anything without Our agreement unless for safety reasons or to minimise or prevent further imminent loss, Damage, liability or injury. To ensure You are covered, please contact Us before any disposal, repair or replacement.

If You do make such admission, offer or agreement, We may reduce or refuse Your claim to the extent We are prejudiced by your admission, offer or agreement.

c. After You have advised Us of any loss, Damage or injury as set out in this general condition:

i. You must comply with all the terms and conditions of the Policy including the general terms and conditions, special terms and conditions and claims conditions. We may reduce or refuse Your claim to the extent We are prejudiced by Your non-compliance;

ii. We have the right to recover from any person against whom You may be able to claim any amount paid by Us and We will have full discretion in the administration, conduct, settlement or defence of any claim in Your name. We will act reasonably having regard to Your interests, and will keep You informed if you ask Us to. The amount recovered will be applied first to reducing the amount by which Your loss exceeds the payment made by Us plus any Excess applied. Any balance remaining after You have been fully compensated for Your loss, up to the amount We have paid to You to settle Your claim (including Our legal fees for recovery), will be retained by Us;

iii. We may take over and conduct, in Your name, the defence or settlement of any claim and We will have full discretion in the conduct of any proceedings in connection with the claim. We will act reasonably having regard to Your interests, and will keep You informed if you ask Us to;

iv. We may pay You the Sum Insured under the applicable Cover Section or any lesser amount for which a claim or claims under that Cover Section may reasonably be settled. After We have paid You, We will no longer be liable for the claim(s) (or future conduct of the claim(s)) except for costs and expenses incurred up until the time We agreed to pay;

v. if You recover or find any lost or stolen covered Property for which We have paid a claim, You must:

- tell Us as soon as reasonably possible; and
- give Us the recovered or found covered Property if We request You to do so; and

vi. You must provide Us details of any other insurance effected by You or on Your behalf. Where a claim that is covered by the Policy is also covered elsewhere, We may exercise Our right to seek contribution from the other insurer.

d. If You advise Us of loss or Damage to covered Property, as set out in this general condition:

i. We may, or anybody We appoint may, for reasonable purposes and in any reasonable manner:

- enter, inspect, take, or keep possession of the Buildings where the destruction or Damage occurred;
- inspect, take or keep possession of the covered Property for the purposes of Our investigations; and
- if We accept liability for the loss, sell such covered Property or dispose of it in a reasonable manner, and keep the proceeds of any salvage sale. At Our discretion (and if safe to do so), You may reclaim the Property Insured if You agree to pay the salvage price.

You are not entitled to abandon such Buildings or covered Property to Us. If We enter, take or keep possession of the Buildings or the covered Property it will not be an admission of liability nor will it affect any of Your obligations under this Policy;

ii. if We elect or become bound to reinstate or replace any covered Property, You must at Your own expense produce and give Us all such plans, documents, books and information as We may reasonably require;

iii. where We are not able to reinstate any covered Property exactly or completely (for example, if exact materials are no longer manufactured), We will reinstate in a reasonable manner in all the circumstances. In no case will We be bound to pay, in respect of any of the covered Property, more than the Sum Insured; and

iv. We may deny part or all of Your claim, cancel the Policy or both if the claim is fraudulent or false in any respect.

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

7. Goods and Services Tax Notice

The Policy has a GST provision in relation to Premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need. Please read carefully. Seek professional advice if You have any queries about GST and Your insurance.

Sums Insured

All monetary limits in the Policy may be adjusted for GST in some circumstances (see below).

Claim settlements – Where We agree to pay

When We calculate the amount We will pay You, We will have regard to the items below:

Acquisition of goods, services or repairs

Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a Damaged item insured under the Policy) We will pay for the GST amount.

We will pay the GST amount in addition to the Sum Insured or Limit of Indemnity or other limits shown in the Policy or in the Schedule (unless We state GST is included in Sum Insured or Limit of Indemnity).

If Your Sum Insured or Limit of Indemnity is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim.

We will reduce the GST amount We pay by the amount of any input tax credits to which You are or would be entitled.

Payment as compensation

Where We make a payment under the Policy as compensation instead of payment for a relevant acquisition, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to had the payment been applied to a relevant acquisition.

Where the Policy insures business interruption, We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by Your Business that is relevant to Your claim.

Disclosure – Input tax credit entitlement

If You register, or are registered, for GST You are required to tell Us Your entitlement to an input tax credit on Your Premium. If You fail to disclose or You understate Your entitlement, You may be liable for GST on a claim We may pay. The Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

8. Breach of Condition

We may refuse to pay or reduce a claim to the extent of Our prejudice, cancel the Policy or both if You are in breach of any of the conditions of the Policy.

9. Excess

You must pay or contribute the amount of any Excess shown on the Schedule in accordance with the relevant Cover Section or as otherwise stated in Your Policy.

If a single event results in claims under more than one Cover Section, only the single largest Excess will apply. However You must pay any earthquake excess, where applicable, in addition to this amount.

10. Cancellation

When you can cancel

You can cancel your policy whenever you want by telephoning us.

When we can cancel

We can cancel your policy when the law allows us to do so, including if:

- You failed to comply with your cancellation;

- we find out that you made a misrepresentation to us prior to the issue of the policy
- you don't comply with your policy's terms and conditions, including the terms of paying your premium
- you make any fraudulent claims under your policy or some other contract of insurance that provides cover during the same period of time that the policy covers you.

If we cancel the policy, we'll give you at least 3 business days' notice in writing before the cancellation date, either:

- in person to you or your agent;
- electronically; or
- by post to the address you've given us.

If you pay by monthly instalment and an instalment becomes overdue we may cancel your policy.

If the policy is cancelled either by you or us, we'll refund any premium covering the rest of the Period of Insurance, unless you've made a total loss claim under this policy and we've agreed to cover it.

11. Legislation references

Any reference in the Policy to any legislation, regulations, Codes or other requirements of any government or regulatory authority will be interpreted to include any successor, amendment, replacement, similar or delegated legislation or other requirements thereof, unless the Policy specifies otherwise.

12. Interpretation, Governing Law and Jurisdiction

Any phrase or word in the Policy will be interpreted in accordance with the law of the Commonwealth of Australia.

Your policy is governed by the law of the Australian State or Territory where your insured property is usually kept or is located. Any dispute relating to this Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the insured property is usually kept or located.

13. Emergency Mitigation Costs

In the case of an emergency where You are required to protect against imminent further loss or Damage to any property, as a direct result of that emergency, and the Property is covered by Your Policy, We will reimburse these costs to You. This is included in the Sum Insured.

14. Joint Insureds, Interested Parties

a. When more than one party is named on the Schedule as an insured, We will treat each as a separate and distinct party. The words You, Your, Yours, Insured will apply to each party in the same manner as if a separate Policy had been issued to each party; and

b. when any other party or entity has a legal insurable interest in Your Property duly noted in Your records We will treat each party or entity as a third party beneficiary without notification or specification provided such interest is fully disclosed to Us in the event of loss or Damage,

provided that in regards to both a. and b. Our liability for any Sum Insured or other Policy limit for any one event is not thereby increased.

Any act, breach or non-compliance with the terms and conditions of this Policy committed by any one such party or third party beneficiary shall not be prejudicial to the rights and entitlements of the other insured party(ies) or third party beneficiaries; provided that the other insured party(ies) or third party beneficiaries 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.

Building and Common Contents

What You are insured against

We agree to indemnify You against Damage (including from Storm Surge) to Your insured Building and Common Contents, occurring during the Period of Insurance subject to the cover provided herein.

In order to be sure that You are covered under this Policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You sought approval from Us first.

Definitions specific to this Cover Section

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

In the Open Air means:

- in the open air;
- under an open sided structure or carport; or
- on a patio or verandah.

Rent means the amount payable to a Unit Owner by their tenant(s) under the existing lease at the time immediately prior to the Damage, including outgoings payable by the tenant(s).

Temporary Accommodation means the amount of money calculated on the basis of similar accommodation to the Lot or Unit, located in the vicinity of the Situation.

Tsunami means a high tide or tidal wave caused by an earthquake, earth tremor or seismological disturbance under the sea.

Building and Common Contents

How much We will pay and how

We will pay up to the Sum Insured shown on Your Schedule for this Cover Section unless stated otherwise.

1. In the event of a claim for a Building We will at Our option:

   a. repair or replace the Building to a condition substantially the same as but not better or more extensive than when new;

   b. if You are completing repairs or replacement, pay the reasonable cost of repair or replacement to a condition substantially the same as but not better or more extensive than when new;

   c. if repairs or replacement are not being completed, pay a value equal to the Indemnity Value of the loss or insured Damage; or

   d. pay up to the Sum Insured for Buildings.

   We will not sell or dispose of any salvage without giving You the opportunity to purchase it at its salvage value, but this does not allow You to abandon any property to Us.

With Our prior written consent You shall not be bound to actually rebuild or replace the Building if it is destroyed but may purchase an alternative existing building to replace that destroyed. Such replacement shall be deemed to constitute 'rebuild and/or replacement' for the purpose of this insurance but We shall not, under any circumstances, be liable to make any payment beyond the Building Sum Insured for this Cover Section or the actual cost of rebuilding the Building destroyed, whichever is the lesser.

In any case the work of rebuilding, replacing, repairing, restoring or reinstating, as the case may be, must be commenced and carried out in a reasonable period and without unreasonable delay. If You cause unreasonable delays We shall not be liable to make any payment beyond the amount which would have been payable had the delay not occurred and You may have to pay any increased or additional cost (to the extent that We did not cause or contribute to the delay).

Where the Building has architectural features or structural materials of a particularly ornamental, antique or historical character, or the same materials are not readily available, We will use the nearest reasonably equivalent design and materials available to the original.

It is agreed that in calculating the cost which would have been incurred in reinstatement if the whole Building had been destroyed, the basis to be adopted is the cost of a similar type of building of current design and materials and of a reasonably equivalent utility and capacity.

2. In the event of a claim for Common Contents We will at Our option (acting reasonably):

   a. repair or replace the Common Contents to a condition substantially the same as but not better or more extensive than when new; or

   b. pay the reasonable cost of repair or replacement to a condition substantially the same as but not better or more extensive than when new.

   The most We will pay for Common Contents is:

      i. the Sum Insured for Common Contents stated in the Schedule for any one loss if the Common Contents were:

         - at the Situation stated in the Schedule, but not In the Open Air; or
         - temporarily removed from the Situation or in transit but not while in transit to or from a furniture repository.

      ii. $10,000 any one loss while In the Open Air at the Situation, but only if the Common Contents are designed to be used and kept outside.

   We will not sell or dispose of any salvage without giving You the opportunity to purchase it at its salvage value, but this does not allow You to abandon any property to Us.

Additional benefits within the Sum Insured

Subject to Our liability not being increased beyond the Sum Insured, where applicable We will also indemnify You for:

1. Temporary protection and removal of debris

   a. the temporary protection and safety of the Property pending repair or replacement following insured Damage The most We will pay for any one claim is $10,000 unless You first obtain Our written approval prior to You incurring costs in excess of this amount;

   b. the removal, storage and disposal of debris being the residue of Your Property following insured Damage and anything which caused the Damage;

   c. the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs following insured Damage to the Property, but not in connection with liability for pollution of any kind;

   d. the demolition and removal of any Property belonging to You which is no longer useful for the purpose it was intended, provided such demolition and removal is necessary for the purpose of the reinstatement or replacement of the Property and is following insured Damage but not in connection with liability for pollution of any kind;

e. Your legal liability for the cost of cleaning, removal, storage and/or disposal of debris from any premises, roadways, services, railways or waterways of others following insured Damage, but We will not pay for such costs if:

   i. You entered into an agreement to pay such costs without Our written consent, unless that liability would have attached even in the absence of such agreement; or

   ii. Your liability arises as a consequence of the discharge, dispersal, release or escape of pollutants.

2. Unit Owners' levies and fees

   In the event of insured Damage rendering any Lot or Unit unfit for habitation We will pay the maintenance fees and levies applicable to the Lot or Unit that are payable to You during the period that the Lot or Unit is unfit for habitation, up to a maximum of $2,000 per Lot or Unit.

3. Floor Space Ratio Index

   If the Building is Damaged as a result of an insured event and the relevant Public or Statutory Authority permits reinstatement only to a reduced floor space ratio index, We will pay (as soon as that difference is ascertained on completion of the reinstatement of the Building and certified by the architect acting on Your behalf in the reinstatement of the Property) in addition to any amount payable on reinstatement of the Building, the difference between:

   a. the actual cost of reinstatement to comply with the reduced floor space ratio index; and

   b. the cost of reinstatement at the time of Damage, had the reduced floor space ratio index not applied.

4. Loss of Land Value

   We will pay up to $500,000 for loss of land value as a result of any relevant Public or Statutory Authority not allowing, or allowing only partial, repair or replacement at the Situation where there has been insured Damage.

   We calculate this amount by subtracting:

   a. the sum of the land value after Damage plus the amount of any compensation paid to You by the authority; from

   b. the sum of the land value immediately prior to the Damage.

Building and Common Contents

5. Exploratory Costs

   When insured Damage to the Building or Common Contents is as a result of:

   a. bursting, leaking, discharging or overflowing of water tanks, water apparatus or water pipes; or

   b. leakage of oil from any fixed oil installation, including tanks, apparatus and pipes,

   We will pay the reasonable costs of locating the cause of the Damage and for any Damage caused in locating the leak.

   We will also pay up to $2,500 for the repair or replacement of the defective part or parts of such tanks, apparatus, pipes or other installations giving rise to the Damage.

6. Fusion

   We will pay the reasonable cost of repairing or replacing electric motors forming part of Your Property, which are Damaged by Fusion during the Period of Insurance.

   However, We will not pay for:

   a. the repair or replacement of any electric motor with an output greater than 10kW;

   b. the repair or replacement of a sealed or semi sealed refrigeration unit after 20 years from the date of manufacture of the unit;

   c. Damage to lighting or heating elements, fuses or protective devices;

   d. Damage to electrical contacts at which sparking or arcing occurs in ordinary working;

   e. Damage to lift, escalator or elevator motors;

   f. motors if the loss or Damage is covered under a guarantee or warranty or maintenance agreement; or

   g. other parts of any electrical machine, equipment, or any software.

7. Extra Cost of Reinstatement

   We will pay the additional costs to alter or upgrade Your Property incurred by You in complying with the requirements of any relevant Public or Statutory Authority imposed after Damage to the Building as a result of an insured event.

   Provided that We will not pay for any costs that would have been incurred in complying with Statutory Regulations applicable to the Property or Situation prior to the Damage.

8. Lock and Keys

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

   a. re-keying or re-coding locks and replacing keys and security access passes; or

   b. replacing locks, keys and security access passes with replacements of a similar type and quality if they cannot be re-keyed or re-coded,

   if keys, locks or security passes to Your Property are stolen or if there are reasonable grounds to believe that these have been duplicated or codes have become known to any unauthorised person during the Period of Insurance.

   We will not pay if there are reasonable grounds to believe keys, locks or security passes have been stolen or duplicated, or codes have become known, by any occupant or previous occupant of Your Property or by their friends or family permanently residing with them.

9. Electronic Data basis of settlement

   Should Electronic Data processing media insured by the Policy suffer Damage insured by the Policy, then the basis of settlement shall be the cost to repair, replace or restore such media to the condition that existed immediately prior to such loss or Damage, including the cost of reproducing any Electronic Data contained thereon (but not the cost of research, engineering, gathering or assembling the data itself), providing such media is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts.

   If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media only. This Policy does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if it cannot be recreated, reproduced, gathered or assembled.

Building and Common Contents

Additional benefits above the Sum Insured

We will also pay the following additional benefits in addition to the Building and Common Contents Sums Insured.

1. Inflation of Costs

   If You make a claim and We accept it, for the purposes of the claim settlement the Sums Insured for Your Building and/or Common Contents will be increased with reference to the increase in the Consumer Price Index (Housing group) from the Effective Date of the Period of Insurance. There will be no additional Premium payable for this increase. This benefit is not applicable to any other Sum Insured, limit or sub limit.

2. Capital Additions and Alterations

   We will cover You up to $300,000 for Damage to alterations, additions or renovations made to Your Property during the Period of Insurance, provided:

   a. You notify Us within a reasonable period of time following practical completion; and

   b. You pay or agree to pay Us any additional Premium We may request for this cover.

   We will not pay:

   a. where the total contract value of such works exceeds $300,000; or

   b. where You have entered into a contract with a builder or contractor and they are required by law to effect, or have effected, insurance that insures material damage and liability risks.

3. Loss of Rent/Temporary Accommodation

   For the purposes of Additional Benefits 3 A. to D, the basis of settlement is:

   a. when the Lot or Unit is leased to a tenant We pay Rent; or

   b. when the Unit Owner occupies their Lot or Unit We pay Temporary Accommodation.

Building and Common Contents

A. Loss of Rent

We will pay the Unit Owner(s) for the amount of Rent that is lost where:

a. insured Damage accepted as a claim under this Cover Section renders any leased Lot or Unit unfit to be occupied for its intended purpose. We will pay from the time of the event until the date the Lot or Unit becomes fit to be occupied for its intended purpose following repair or replacement; or

b. damage to property in the immediate vicinity during the Period of Insurance prevents reasonable access to the Building. We will pay from the time of the event until the date access to the Lot or Unit is re-established;

B. Temporary Accommodation

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

a. insured Damage accepted as a claim under this Cover Section renders any Lot or Unit unfit to be occupied for its intended purpose. We will pay from the time of the event until the date the Lot or Unit becomes fit to be occupied for its intended purpose.

b. damage to property in the immediate vicinity during the Period of Insurance prevents reasonable access to the Building. We will pay from the time of the event until the date access to the Lot or Unit is re-established;

C. Disease, Murder and Suicide

We will cover You where any Lot or Unit or leased common area is not permitted to be occupied during the Period of Insurance as a result of:

a. an order of a competent Government, Public or Statutory Authority as a result of a notifiable human infectious or contagious disease manifested by any person at Your Situation; or

b. murder or suicide.

We will only pay for the period which commences when the Lot or Unit or leased common area is not permitted to be occupied; and ceases after thirty (30) days or when the order is revoked, whichever occurs first.

However, there is no cover under Additional Benefit 3C paragraph a. if the order is directly or indirectly caused by, arising out of or in any way connected with a Communicable Disease as defined in General Exclusion whether occurring at Your Situation or elsewhere.

D. Failure of Public Supplies

We will pay the Unit Owner for:

a. the cost of Temporary Accommodation necessarily incurred; or

b. Rent that is lost;

if any Lot or Unit is rendered unfit to be occupied for its intended purpose as a result of the failure of any electricity, gas, water or sewage services that results from property belonging to or under the control of any public supply authority incurring loss or Damage by an event during the Period of Insurance that is not excluded under this Cover Section.

We will only pay for the period which commences twenty four (24) hours after the time of the failure and ceases after thirty (30) days or after the services are reinstated, whichever occurs first.

E. Unit Owners Travel Costs

When any Lot or Unit has been leased to a tenant and insured Loss or Damage accepted as a claim under this Cover Section renders the Lot or Unit unfit to be occupied for its intended purpose We will pay up to $250 per Lot or Unit for reasonable travel costs the Unit Owner incurs in visiting their Lot or Unit for the purpose of consulting with claim adjusters or building repairers.

We will not pay unless the Unit Owner first obtains Our consent to incur such travel costs.

F. Reletting Costs

When insured Damage accepted as a claim under this Cover Section:

a. renders a leased Lot or Unit unfit to be occupied for its intended purpose; and

b. following this Damage, but prior to the Lot or Unit becoming fit to be occupied for its intended purpose, the lessee advises they will not be re-occupying the Lot or Unit,

We will pay the Unit Owner the reasonable costs of reletting up to $1,500 per Lot or Unit.

G. Pets

For any Lot or Unit occupied solely for residential purposes, if a claim is accepted by Us under Additional Benefit 3 B to E then for the corresponding period of time We will also pay the reasonable boarding costs necessarily incurred for domestic pets or security dogs owned by the Unit Owner and normally kept at their property if the temporary accommodation in Additional Benefits 3 B to E. does not permit pets, provided that the maximum amount We will pay is $500 a week per Lot or Unit.

The combined total amount We will pay under Additional Benefit 3. A. to G. arising from any one event is the Sum Insured for Loss of Rent/Temporary Accommodation as shown on the Schedule.

4. Environmental Upgrade

   If We accept a claim for Damage to Your Building under this Cover Section and:

   a. the cost to repair or replace the Damage to Your Building exceeds fifty percent (50%) of the cost had Your Building been totally destroyed; and

   b. You elect to repair or rebuild Your Building,

   We will pay up to $10,000 any one event after deduction of any rebate You are eligible for under any government or council rebate scheme, for the cost of any combination of the following environmental improvements not installed prior to the Damage:

   a. rainwater tank;

   b. solar power systems, including solar hot water systems or photo-voltaic (PV) power systems;

   c. hot water heat exchange system; or

   d. grey water recycling system.

5. Professional Fees

   We will pay You for architects', surveyors' and consulting engineers' costs, including all incidental costs, legal and other fees and Clerk of Works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily and reasonably incurred in the process of replacement or reinstatement following insured Damage to the Building covered under this Cover Section, but not the costs, fees and salaries for preparing any claim made under this Policy or any other policy.

Building and Common Contents

6. Fire Extinguishment Costs

   We will pay You for the reasonable costs incurred for extinguishing fire at or in the vicinity of the Property or threatening to involve the Property or for preventing or diminishing imminent damage to the Property by any other peril insured against by this Policy, including Damage to gain access and the cost of replenishment of firefighting equipment and charges incurred for the purpose of shutting off the supply of water or other substance following accidental discharge from any fire protective equipment or otherwise escaping from intended confines.

7. Landscaping

   We will pay You for up to $25,000 for the reasonable costs in replacing rockeries, trees, shrubs, lawn and plants (that are not portable) Damaged by an insured event which is admitted as a claim under this Cover Section.

8. Modifications

   When a Unit Owner who normally resides in a Lot or Unit as their principal place of residence is physically injured and becomes a quadriplegic or paraplegic as the direct result of Damage to Your Property by an insured event which is admitted as a claim under this Cover Section We will pay the cost of modifying Your Property or their Lot or Unit to cater for the needs of the Unit Owner. The maximum amount We will pay is $25,000.

   This Additional Benefit only applies if the quadriplegia or paraplegia has continued for a period of not less than six (6) months following the insured event, is diagnosed to continue for an indefinite period and is substantiated by a legally qualified, registered medical practitioner.

9. Claims Preparation Costs

   We will pay up to $50,000 in total for the cost of fees and other expenses necessarily and reasonably incurred by You with Our written consent in the preparation of a claim under this Cover Section.

10. Meeting Room Hire

    We will pay up to $5,000 for the cost of hiring temporary meeting room facilities for the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy meeting room facilities forming part of Your Property as a result of Damage which is admitted as a claim under this Cover Section.

    We will pay from the time that the insured event occurred until Your meeting room facilities are re-established.

Building and Common Contents

11. Money

    We will pay up to $10,000 for loss of Your money while in the personal custody of a committee member of Yours, or of Your Body Corporate Manager while acting on Your behalf.

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

    a. any person in Your employment;

    b. a Unit Owner, including any family member permanently residing with them; or

    c. a proxy of a Unit Owner.

12. Mortgage Discharge

    We will pay up to $5,000 for the costs to discharge any mortgage over Your Property if it becomes a total loss, it is not replaced and We have paid the amount due for the claim under this Cover Section.

13. Personal Property of Others

    We will pay up to $10,000 if an insured event results in Damage to personal property of others (including employees) while in Your physical or legal control. The amount We pay will be based on the Indemnity Value of the Damaged personal property.

14. Removal of Squatters

    We will pay up to $1,000 any one Period of Insurance for legal fees You or any Unit Owner incurs to repossess Your Property or Lot or Unit if squatters are living in it.

    We will not pay unless You or the Unit Owner first obtains Our consent to incur such legal fees. Please contact Us to confirm consent for these costs.

15. Records

    We will pay the reasonable costs up to $20,000 that You necessarily incur for the rewriting or reconstruction of Your records and books of account following their insured Damage.

16. Unauthorised Use of Utility Services

    We will pay up to $2,000 any one Period of Insurance for the unauthorised use of metered electricity, gas, water and sewerage that You are legally required to pay if Your Building is occupied without Your consent. We will not pay unless You take reasonable action to prevent or terminate any unauthorised occupancy.

Building and Common Contents

Special terms and conditions

1. For claims under Additional Benefit 3. Floor Space Ratio Index or 4. Loss of Land Value:
   a. settlement shall be made following the ruling of the relevant Public or Statutory Authority that resulted in the loss of land value. Should the ruling of the authority subsequently be changed resulting in an increase in the land value or floor space ratio before completion of the reconstruction, You shall refund to Us that part of the claim paid in excess of the revised land value or floor space ratio.
   b. if We disagree with You over the values Our disagreement will be referred to two registered valuers for a decision. We will each appoint one valuer. If the two registered valuers do not agree We will pay the cost of a third registered valuer appointed by the President of the Australian Property Institute Inc. as an expert, not as an arbitrator, to determine the loss of land value or and that decision will be final and binding on both parties.
2. In the event of Damage for which You are insured under this Cover Section, the amount by which the Sum Insured is reduced as a consequence of the loss or Damage will be reinstated from the date of loss or Damage provided that:
   a. there is no written request from You or written notice by Us to the contrary;
   b. You pay, or agree to pay Us the Premium which We require for the reinstatement; and
   c. We have not paid a total loss or constructive total loss under this Cover Section.

Excess

If loss or Damage is caused by an earthquake or seismological disturbance an additional Excess of $500 applies for each earthquake event. Each earthquake event is measured over a 48 hour period from when the first earthquake starts and may include more earthquakes within that period. We will consider that another earthquake event has occurred if earthquake activity continues beyond a 48 hour period which means You will be required to pay another Excess for each subsequent earthquake event.

Any earthquake Excesses apply in addition to Your basic Excess.

For all other causes of loss or Damage, You must pay any amount shown in the Schedule as an Excess for this Cover Section.

Building and Common Contents

Optional benefit

This optional benefit is only applicable where We have agreed to provide cover, the Schedule shows that the optional benefit is insured and a Sum Insured appears.

1. Flood

We will pay for loss or Damage to Your Property at the Situation caused by Flood. We will pay up to the Sum Insured shown for Flood in the Schedule per event and in the aggregate for all loss or Damage arising from Flood in any one Period of Insurance.

Exclusion 1.f. does not apply to this optional benefit.

Exclusions

1. We do not insure You against loss or Damage caused directly or indirectly by or arising out of:

    a. an animal kept by a Unit Owner or tenant or anyone visiting the Situation, birds, moths, termites or other insects, vermin, or wildlife;

    b. water or rain to the exterior of the Building, unless by a sudden and unforeseen event;

    c. water seeping or percolating through walls, roofs or floors or by water entering as a result of structural defects, faulty design, any gradual process or faulty workmanship in the Building or water entering through an opening made for the purpose of alterations, additions, renovations or repairs.

    Exclusion c. will not apply to any subsequent Damage to Your Building or Common Contents if You were not aware of, and a reasonable person in the circumstances could not be expected to have been aware of, the structural defect, faulty design, any gradual process or faulty workmanship;

    d. hydrostatic pressure, the movement or popping of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds, including pavers;

    e. erosion, subsidence, landslide, earth movement or collapse, unless caused by or resulting from an earthquake, seismological disturbance or Flood (if the optional benefit for Flood is shown as insured on the Schedule);

    f. Flood, unless the optional benefit for Flood is shown as insured on the Schedule;

    g. the action of the sea, high water, or tidal wave, except that caused by or arising from Tsunami;

h. normal settling, seepage, shrinkage, creeping, heaving, vibration or expansion in buildings or foundations, walls, pavements, paths, roads, kerbing and other structural improvements;

i. the removal or weakening of or interference with the support of land, buildings or any other property;

j. Storm, hail or wind Damage to:

   i. retaining walls;

   ii. pathways, tennis courts;

   iii. jetties including Damage caused by waves;

   iv. pool covers or liners;

   v. other property In the Open Air unless it forms all or part of a permanent structure designed to function without the protection of walls or roof or where provided for within 'How Much We will pay and how' of this Cover Section;

k. smut or smoke from industrial operations (other than sudden and unforeseen Damage resulting therefrom), rust or oxidation, mildew, mould, contamination, pollution, wet or dry rot, corrosion, change of colour, algae, dampness of atmosphere;

l. variations in temperature, evaporation, disease, inherent vice or latent defects, loss of weight, change in texture or finish;

m. the process of cleaning involving the use of chemicals, dilution or contamination of chemicals or contamination of water in a swimming pool or spa;

n. wear and tear, fading, chipping, scratching or marring, gradual corrosion, concrete cancer, gradual deterioration or developing flaws, lack of maintenance, normal upkeep or making good; however, this exclusion will not apply to any subsequent Damage to Your Building or Common Contents if You were not aware of, and a reasonable person in the circumstances could not be expected to have been aware of, the wear and tear, gradual corrosion, gradual deterioration or developing flaws.

o. the invasion of tree or plant roots. However, if such an invasion blocks Your drainage system, this exclusion will not apply to any subsequent Damage to Your Building or Common Contents caused by the escape of water or liquids from the blocked pipes;

p. error or omission in design, plan or specification or failure of design;

q. faulty materials or faulty workmanship;

r. mechanical, hydraulic, electrical or electronic breakdown, Fusion (other than Fusion of an electric motor as provided for in 'Additional benefits within the Sum Insured'), failure, malfunction or derangement, of any machine or electrical and/or electronic device;

s. heating or any process involving the direct application of heat. Provided that this exclusion is limited to the item or items immediately affected and shall not extend to other Property Damaged as a result of heating or the direct application of heat;

t. consequential loss of any kind. This means We don't cover you for anything not expressly described in this Cover Section. Some examples of what We won't pay for include loss of use, delay, lack of performance, loss of contract or depreciation;

u. the incorrect siting of Buildings; or

v. non rectification of a property defect, error or omission that You were aware of, or should reasonably have been aware of.

2. We do not insure You for loss or Damage to:

   a. any boiler (other than boilers used for domestic purposes), economiser or pressure vessel including pipes and valves, caused by explosion thereof;

   b. water in swimming pools, spas or water tanks;

   c. vacant premises undergoing demolition; or

   d. alterations, additions or renovations to Your Property where the total contract value of the work exceeds $300,000;

3. We will not pay for:

   a. demolition ordered by Government or Public or Statutory Authorities due to failure on the part of You or Your agents to obtain the necessary permits required;

   b. the cost of clearing pipes or drains that have been blocked by tree or plant roots; or

   c. the cost to rectify faulty or defective materials, workmanship, design or specification.

Note: General Exclusions also apply.

Catastrophe Cover

This cover is only operative if the Schedule contains a Sum Insured for the Catastrophe Cover Section.

What You are insured against

We will pay for the additional costs incurred in repairing or replacement of Your Building if it is Damaged during the Period of Insurance by an event which directly leads to the declaration of a state of emergency or state of disaster under the provisions of the *Emergency Management Act 2013* (NT).

The maximum amount We will pay is the Sum Insured shown as a dollar amount in the Schedule for Catastrophe Cover, which shall be equivalent to 30% of the Sum Insured for Your Building.

Special terms and conditions

1. No cover under this Cover Section will be provided unless We have accepted a claim under the Building and Common Contents Cover Section which has fully exhausted the Building Sum Insured.
2. This Cover Section is subject to the same terms, conditions and exclusions applicable to the Building and Common Contents Cover Section including the terms and conditions that apply to the Policy, except as may be varied herein.

Note: General Exclusions also apply.

Legal Liability

This cover is only operative if the Schedule contains a Sum Insured for the Legal Liability Cover Section.

What You are insured against

We will indemnify You in respect of any claim for compensation or expenses which You become legally liable to pay in respect of:

1. Personal Injury; or
2. Property Damage;

as a result of an Occurrence happening during the Period of Insurance in connection with the ownership of the Property.

In order to be sure that You are covered under this Policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You sought approval from Us first.

Definitions specific to this Cover Section

Employment Practices means any wrongful or unfair dismissal, failure to promote, negligent reassignment, negligent disciplinary action, denial of natural justice, refusal to employ, demotion, negligent evaluation, harassment, invasion of privacy, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of employment or prospective employment by You.

Personal Injury means:

1. bodily injury, death, sickness, disease, shock, fright, mental anguish, psychiatric or psychological disorder or mental injury;
2. false arrest, false or wrongful detention or imprisonment or malicious prosecution;
3. the publication or utterance of defamatory or disparaging material;
4. wrongful eviction or entry or other invasion of privacy; or
5. assault or battery, not committed by You or at Your direction unless for the purpose of preventing or eliminating danger to persons or property.

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

Legal Liability

Property Damage means:

1. Damage to, or loss or destruction of, tangible property including any resulting loss of use from the Damage or destruction;
2. loss of use of tangible property, which has not been physically Damaged or destroyed, provided the loss of use is caused by or arises out of physical Damage of other tangible property and is as a direct result of an Occurrence.

Occurrence:

1. in relation to :
    a. Property Damage; and
    b. Personal Injury definition 1.

means any event, including continuous or repeated exposure to substantially the same general conditions, which causes Personal Injury or Property Damage which is neither expected nor intended by You to happen. Personal Injury and Property Damage arising directly or indirectly from one original source or cause shall be deemed to be the one Occurrence.

2. in relation to:

Personal Injury definitions 2, 3, 4 and 5. means any act or series of acts of the same or similar nature, which cause Personal Injury which is neither expected nor intended by You to happen. Any such act or series of acts regardless of their frequency or the number of claimants shall be deemed to be the one Occurrence.

Legal Liability

How much We will pay

We will not pay more than the Sum Insured in relation to any one Occurrence.

Supplementary Payments

In addition to the Sum Insured, We will pay all reasonable legal defence costs and expenses incurred by Us, or by You with Our prior written consent, in the investigation, settlement or defence of claims covered under this Cover Section.

Supplementary payments are payable subject to the following:

1. We may at Our discretion choose to pay You the Sum Insured where We consider that the Sum Insured is likely to be exhausted by payment of compensation. If We choose to do this We shall have no further obligation to pay any supplementary payments or to defend any suit on Your behalf.
2. If a payment exceeding the Sum Insured has to be made to dispose of a claim, Our liability for any supplementary payments We are obliged to pay is limited to the proportion that the Sum Insured bears to that payment.

Exclusions

We will not cover You for any loss, cost, benefit, legal liability, compensation or any other fees, charges or expenses of whatsoever kind, arising directly or indirectly from, contributed to by, resulting from, arising out of or in connection with:

1. Employer's Liability

a. Personal Injury to any person:

i. arising out of or in the course of their employment with You; or

ii. employed by You where such claims arise from a liability imposed by the provisions of any workers' compensation legislation, an industrial award or agreement or determination; or

b. liability imposed by any law relating to Employment Practices.

2. Vehicles

Personal Injury or Property Damage arising out of the ownership, possession, operation, control, maintenance or use by You of any Vehicle which is:

a. registered;

b. required to be registered by law; or

c. wholly or partly insured by You or on Your behalf by or under any legislation, including any compulsory statutory insurance or accident compensation scheme, or would have been, but for the failure to register the Vehicle or to apply for cover under the scheme or to comply with a term or condition of the scheme.

Exclusion 2. c. does not apply to Personal Injury or Property Damage caused by or arising:

i. from the delivery or collection of goods to or from any Vehicle which is beyond the limits of any public road i.e. off a public road;

ii. out of the loading or unloading of, or the delivery or collection of, goods to or from any Vehicle.

3. Property Owned or in Your Physical or Legal Control

a. Damage to property owned, rented or leased by You or in Your physical or legal control;

b. Damage to property belonging to any person deemed a worker or employee as per any workers' compensation legislation or similar applicable where Your Property is situated;

c. Personal Injury to animals at Your Situation; or

d. Personal Injury or Property Damage caused by animals.

4. Contractual Liabilities

any contract, warranty or agreement requiring You to be liable for Personal Injury or Property Damage regardless of fault except where the liability would have been implied by law in the absence of such contract, warranty or agreement.

5. Professional Indemnity

liability arising out of any breach of the duty owed in a professional capacity or any error or omission connected therewith, by You or persons for whose breaches of such duty You may be legally liable. This exclusion does not apply to the rendering of or failure to render medical advice or service by medical persons employed by You to provide first aid at Your Situation to employees or to persons other than employees in the event of an emergency.

6. Watercraft and Aircraft

the ownership, possession, use or operation of any Watercraft, Aircraft or Aircraft landing areas and all operations necessary and incidental to such craft.

Legal Liability

7. Business or Profession

Your business, trade or profession other than the ownership of the Property.

8. Goods Sold

the nature, condition or quality of goods (which includes containers) sold or supplied by You.

9. Building Alterations

construction, alteration, addition or demolition of a Building by You or on Your behalf where the total cost of the work exceeds $300,000.

10. Vibration/Removal of Support

vibration, removal or the weakening or interference with support to land, buildings or other property.

11. Territorial Limits

actions or claims made or instituted against You outside the Commonwealth of Australia.

12. Pollution

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

This exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended by You and takes place in its entirety at a specific time and place during the Period of Insurance.

13. Asbestos

the actual or alleged use or presence of asbestos or in any way involving asbestos, or asbestos contained in any materials in whatever form or quantity.

14. Defamation or disparaging material

the publication or utterance of defamatory or disparaging material made, issued, uttered, published or released by You or at Your direction with Your knowledge of its falsity.

15. Fines and Penalties

fines, penalties, or punitive, exemplary, liquidated or aggravated damages of any kind regardless of any other provisions of the Policy.

16. Tobacco or Tobacco Smoke

the inhalation or ingestion of, or exposure to

a. tobacco or tobacco smoke; or

b. any ingredient or additive present in any articles, items or goods which contain or include tobacco.

Legal Liability

17. Molestation

any actual or alleged sexual or child assault, abuse or molestation or any attempt thereat. This exclusion also applies to remove any duty to defend or pay any costs associated with the defence of any action, suit, proceeding, investigation or inquiry in connection therewith.

Note: General Exclusions also apply.

Fidelity Guarantee

This cover is only operative if the Schedule contains a Sum Insured for the Fidelity Cover Section.

What You are insured against

We will pay for the value of Funds which are lost as a direct result of an Event that occurs during the Period of Insurance.

Definitions specific to this Cover Section

Funds means money, negotiable instruments, 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 Unit Owners.

Event means:

a. theft;

b. embezzlement;

c. fraudulent misappropriation;

d. conversion; or

e. fraud.

How much We will pay

We will pay up to, but not more than, $50,000 per Event and in the aggregate in any one Period of Insurance.

Additional benefits within the Sum Insured

1. Auditors Fees

Subject to the Sum Insured not otherwise being exhausted, We will also reimburse You for fees payable by You to external auditors that are reasonably and necessarily incurred to support a valid claim under this Cover Section. The maximum amount We will pay for auditor's fees is $2,500 per claim.

Fidelity Guarantee

Exclusions

We will not be liable for:

1. any payment under this Cover Section unless You have previously exhausted Your rights and entitlements to payment under any other fidelity bond or fidelity fund, whether of a statutory nature or not.
2. any further Event committed after the initial discovery of loss.
3. any claims arising out of losses discovered more than twelve (12) months after the expiry of the Period of Insurance.
4. any losses arising out of an Event committed prior to the Period of Insurance commencing.
5. any losses You are not able to prove.

Note: General Exclusions also apply.

Personal Accident (Voluntary Workers)

This cover is only operative if the Voluntary Workers Cover Section is shown as insured on Your Schedule.

What You are insured against

We will pay the compensation detailed below in this Cover Section to a Voluntary Worker who suffers Bodily Injury whilst engaged in work on Your behalf which results in any of the listed insured events.

Definitions specific to this Cover Section

Bodily Injury means an injury to a person caused solely and directly by violent, accidental, external and visible means which happens at a definite time and place during the Period of Insurance. The injury must be independent of any other cause such as illness, sickness or disease.

Death means the cessation of all vital functions.

Partial Disablement means Bodily Injury that substantially prevents the Voluntary Worker from carrying out all the normal duties of their usual profession, business or occupation as certified by a legally qualified medical practitioner.

Total Disablement means Bodily Injury that entirely prevents the Voluntary Worker from carrying out all the normal duties of their usual profession, business or occupation as certified by a legally qualified medical practitioner, and not be able to work in a similar profession, business, or occupation for which the Voluntary Worker is qualified by education, training or experience.

Voluntary Worker means a person aged twelve (12) years of age or older who is a Unit Owner or other person working solely in connection with the Property on Your behalf without fee, remuneration or reward or any expectation of fee, remuneration or reward.

Personal Accident (Voluntary Workers)

How much We will pay for insured events

Insured events and compensation payable under this Cover Section are:

Defined Events	Compensation
1. Death	$200,000
2. Total and irrecoverable Loss of all sight in both eyes	$200,000
3. Total and permanent loss of the use of both hands or both feet, or the loss of use of one hand and one foot	$200,000
4. Permanent quadriplegia, paraplegia or incurable paralysis of all limbs	$200,000
5. Total and permanent loss of use of one hand or one foot	$100,000
6. Total and irrecoverable loss of all sight in one eye	$100,000
7. a. Total Disablement: in respect of each week of disablement	$2,000
b. Partial Disablement: in respect of each week of disablement	$1,000

Special terms and conditions

1. If any Voluntary Worker suffers Bodily Injury which results in more than one of the insured events 1. to 6. the aggregate total payable will not exceed the highest of the individual compensation values of the insured events1 to 6 incurred.
2. If the Voluntary Worker dies as a result of the insured Bodily Injury, We will reduce the amount We pay for the Death insured event by any compensation We have already paid for any other insured event.
3. We pay only if the Voluntary Worker is not entitled to compensation under any workers' compensation insurance, transport accident scheme or other statutory scheme or fund.
4. After the occurrence of any one of insured events 2. to 6. for which We have paid a claim there will be no further liability under this Cover Section in respect of the same Voluntary Worker for Bodily Injury sustained after that time.

5. In the event of a claim being made under this Cover Section, the Voluntary Worker must undertake, at Our expense, such medical examination(s) as We may reasonably require. We may arrange an autopsy or post mortem examination if thought necessary by Us provided that We are not precluded from doing so by law.

Exclusions

1. We will not pay:
   a. unless the insured event(s) occur within one calendar year of sustaining such Bodily Injury.
   b. for more than one of insured events 7.a. and 7.b. at the same time.
   c. for insured events 7.a. or 7.b. for Voluntary Workers who were not in receipt of a regular income of wages, salary or other remuneration from their personal exertion at the time of their disablement.
   d. under insured events 7.a. or 7.b. for the first week of disablement.
   e. under insured events 7.a. or 7.b. in excess of 104 weeks.
   f. unless the injured Voluntary Worker shall as soon as possible after the incident procure and follow medical advice from a legally qualified medical practitioner.
   g. for injury to any employee or contractor of Yours.
   h. any benefits, fees or charges that would result in Us contravening the *Health Insurance Act 1973* (Cth), the *Private Health Insurance Act 2007* (Cth), the *National Health Act 1953* (Cth) or any other applicable legislation (whether in Australia or otherwise).
   i. any amounts recoverable under a Medicare benefit or payable by any registered health benefits insurer.
2. We shall not be liable for any claim caused by, arising from or in any way connected with:
   a. any actual or attempted intentional self-injury or suicide.
   b. a Voluntary Worker being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner and taken according to instructions.
   c. a Voluntary Worker's pregnancy, childbirth or related complications other than miscarriage or childbirth which may have been accelerated or induced by the accident resulting in the Bodily Injury.

Note: General Exclusions also apply.

Office Bearer's Liability and Legal Expenses Insurance

This cover is only operative if the Schedule contains a Sum Insured for the Office Bearer's Liability and Legal Expenses Cover Section.

Important: 'Claims made' cover

This Cover Section is offered on a 'claims made and notified' basis. This means that the insurance will respond to Claims:

a. first made; and

b. notified to Us,

during the Period of Insurance.

In order to be sure that You are covered under this Policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You sought approval from Us first.

What You are insured against

1. Officer

We will indemnify any individual Officer against any Claim for Loss:

a. made against the Officer during the Period of Insurance specified in the Schedule of Insurance;

b. notified to Us in writing as soon as reasonably possible after the Officer becomes aware of the Claim, provided this notice is received during the Period of Insurance. If You do not notify Us as soon as reasonably possible, We may reduce or deny Your claim to the extent We are prejudiced by Your delay;

c. arising out of a Wrongful Act; and

d. for which the Officer has not been indemnified and is not entitled to be indemnified by the Body Corporate.

2. The Body Corporate

We will indemnify the Body Corporate against any Claim for Loss:

a. made against an Officer during the Period of Insurance;

b. notified to Us in writing as soon as reasonably possible after the Body Corporate becomes aware of the Claim, provided this notice is received during the Period of Insurance. If You do not notify Us as soon as reasonably possible, We may reduce or deny Your claim to the extent We are prejudiced by Your delay;

c. arising out of a Wrongful Act; and

d. to the extent that the Body Corporate is legally permitted and has agreed to indemnify the Officer, or for which the Body Corporate is vicariously liable at law.

3. Legal Expenses

We will indemnify You for the Legal Expenses You incur in Authorised Litigation arising out an act or omission by You (other than a Wrongful Act) in connection with Your conduct of the ordinary business and affairs of the Body Corporate in accordance with Strata Title Legislation, provided that:

a. a Claim is first made against You during the Period of Insurance; and

b. the Claim is notified to Us in writing during the Period of Insurance.

Definitions specific to this Cover Section

Authorised Litigation means any step in Litigation which is approved by Us under Special terms and conditions 8. of this Cover Section.

Claim means a written or verbal demand, writ, summons, application, other originating legal or arbitral proceeding, cross claim or counter claim that, with the exception of insured event 3. (Legal Expenses), alleges any Wrongful Act.

Legal Expenses means costs and disbursements reasonably and necessarily incurred by You and authorised by Us in defence of any Claim. Please contact Us to confirm approval for these costs.

Litigation means any civil proceeding in a court or tribunal exercising judicial power and any dispute resolution process.

Loss means all amounts payable by way of damages, judgements, costs of investigation, settlements negotiated with Our consent, legal costs and Legal Expenses, incurred in defending, investigating or monitoring a Claim and costs of appeal.

Officer means a person appointed by You as a committee member (including former committee members) in terms of Strata Title Legislation, but excludes anyone who is an authorised Body Corporate Manager or director or representative of such manager or any other person or entity employed on a fee for service basis.

Office Bearer's Liability and Legal Expenses Insurance

Wrongful Act means any actual or alleged error or misstatement, misleading statement, negligent act, error or omission, or breach of duty by an Officer while acting in such capacity for or on behalf of the Body Corporate.

How much We will pay

The total amount of Loss We will pay in respect of any one Claim and in the aggregate for all Claims during the Period of Insurance under insured event 1. (Officer) and 2.(The Body Corporate) of this Cover Section shall not exceed the Sum Insured stated in the Schedule regardless of the number of Claims made or reported.

Where any Wrongful Act results in more than one Claim all such Claims will jointly constitute one Loss and be deemed to have originated in the earliest policy year in which any of such Claim or Wrongful Act is first reported to Us. All Claims arising from or attributable to a series of the same, related or continuous Wrongful Acts or other related conduct are deemed to be one Claim.

The total amount payable by Us for any one Claim and in the aggregate for all Claims during the Period of Insurance under insured event 3. (Legal Expenses) shall not exceed the Sum Insured stated in the Schedule for Legal Expenses. We will not pay any Claim for Legal Expenses unless We agree there are reasonable grounds for the defence of such Claim.

If more than one Body Corporate or entity is specified in the Schedule, the Sums Insured will apply in the aggregate of all Claims against all Body Corporates or entities and not separately.

Office Bearer's Liability and Legal Expenses Insurance

Additional benefits

1. Severability and Non-imputation

We agree that any conduct on the part of any Officer, whereby such Officer breached the Duty to take reasonable care not to make a misrepresentation before this contract was entered into, or failed to comply with a term of this Policy, shall not prejudice the right of any other Officer to indemnity under the Policy, provided that such other Officer:

a. is innocent of and has no prior knowledge of any such conduct; and

b. shall as soon as reasonably possible upon becoming aware of any such conduct advise Us in writing of all known facts in relation to such conduct. If that other Officer does not notify Us as soon as reasonably possible, We may reduce or deny that other Officer's right to indemnity under the Policy to the extent We are prejudiced by the delay.

Nothing in this Additional Benefit relieves any Insured from the duty of disclosure owed to Us.

2. Continuous Cover

We agree that should a Claim, fact or circumstance arise which should have been or could have been notified to Us under an earlier Office Bearer's Liability policy issued by Us, We will accept the notification of such Claim, fact or circumstance under this Cover Section, provided that:

a. We have continuously been the insurer under an Office Bearer's Liability policy between the date when such notification should have been given and the date when such notification was in fact given;

b. but for the failure to notify Us of the facts during the previous policy period You would have been entitled to indemnity under a previous Office Bearers Liability policy issued by Us;

c. but for Exclusions 12 and 13 of this Cover Section You would have been entitled to indemnity under this Policy;

d. in failing to notify Us, You have not made or attempted to make a fraudulent misrepresentation or attempt there at; and

e. except as otherwise provided, the terms and conditions, limitations and Excesses applying to Additional Benefit 2. and to the notification will be the terms and conditions, limitations and excesses applying to the Office Bearers Liability Cover Section under the current Policy and Period of Insurance; and

f. the Sum Insured applicable will be the lesser of:

   i. the Sum Insured under the current Period of Insurance; or

   ii. the Sum Insured under the Office Bearers Liability policy under which the notification should have been given.

3. Appeal expenses – health and safety breaches

Subject to Our liability not being increased beyond the Sum Insured for Officer Bearer's Liability and Legal Expenses Insurance, We will also pay up to $150,000 in the aggregate during the Period of Insurance for expenses You necessarily incur with Our consent in appealing against:

a. any improvement or prohibition notice(s) issued to You under any workplace, occupational health, safety or other legislation applying where Your Property insured under the Policy is situated; or

b. any determination(s) made against You by a review committee, arbitrator, tribunal or Court under any workplace occupation health, safety or similar legislation applying where Your Property insured under the Policy is situated.

However, We will not pay under either a. or b. unless such notice or determination is:

a. first made against You; and

b. notified to Us,

during the Period of Insurance.

Office Bearer's Liability and Legal Expenses Insurance

Excess

You must pay any Excess shown on Your Schedule for each and every Claim for Loss. However only one Excess will be payable for all Claims arising from the same originating cause, source or Wrongful Act.

The Excess You must pay for each insured Claim under insured event 3. (Legal Expenses) is:

1. the first $1,000 of Legal Expenses; and
2. 10% of all Legal Expenses between the first $1,000 and $11,000.

Special terms and conditions

1. The Officer and/or Body Corporate must give Us written notice as soon as reasonably practicable during the Period of Insurance of:
   a. any Claim made against any Officer;
   b. the receipt of any notice of an intention to make a Claim against any Officer; or
   c. any circumstances which may give rise to a Claim, which an Officer or the Body Corporate first becomes aware of during the Period of Insurance. We will treat any subsequent Claim arising out of those circumstances as if it were a Claim made, and notified to Us, during the Period of Insurance.
2. We have the right, but not the duty, to at any time take over and conduct, negotiate, defend or settle in the Body Corporate's or Officer's name and on the Body Corporate's or Officer's behalf any Claim and will have full discretion in the conduct of any proceedings or in the settlement of any Claim. We will act reasonably having regard to the Body Corporate's or Officer's interests, and will keep them informed if they ask Us to.
3. Any amount paid by Us in the discharge or settlement of any threat or intimation of a Claim or in relation to any circumstance which might give rise to a Claim, shall be deemed to be a payment made in the discharge or settlement of the Claim, for the purpose of determining how much We will pay under 'What You are insured against' and 'How much We will pay'.

Office Bearer's Liability and Legal Expenses Insurance

4. If We recommend settlement of any Claim and You/the Officer does not agree to the settlement, You/the Officer may elect to contest the Claim. However, Our liability in connection with the Claim is then limited to the amount We recommended in settlement including the costs and expenses incurred with Our consent up to the date We recommended settlement.
5. We may at any time pay to any Officer/You or on any Officer's/Your behalf in respect of all Claim(s):

   a. the amount of:

      i. the Office Bearers' Liability aggregate limit; or

      ii. Legal Expenses aggregate limit,

   whichever is applicable (after deduction of any sum or sums already paid by Us); or

   b. any lesser sum for which the Claim(s) may be settled.

   Upon such payment We will relinquish conduct or control of the defence of all such Claim(s) and be under no further liability under the Policy in connection with such Claim(s), provided that We will pay for costs, charges and expenses recoverable from You in respect of the period prior to the date of such payment (whether or not this is pursuant to an order made subsequently) or incurred by Us or by You with Our written consent prior to the date of such payment.
6. The Officer / You must:

   a. give all reasonable assistance and co-operate with Us in the defence of Claims at their cost;

   b. not admit liability, make or accept any offer to settle any Claim, and if they do, We may reduce or refuse a claim to the extent We are prejudiced by the admission, offer or acceptance,

   c. not incur any costs without Our prior written agreement. Please contact Us to confirm Our agreement to these costs; and

   d. use due diligence and take reasonable steps at all times to avoid or diminish any Claim.

7. Allocation

   Where any liability or amount has been jointly, or jointly and severally, incurred between an Officer or You and any other uninsured person, Our liability under this Cover Section shall be the proportion of that liability or amount which We and You agree represents a fair and equitable allocation between the persons covered under this Cover Section and the other person(s) taking into account the relative benefits obtained in any settlement by the Officer or You and the other person(s) in or as a result of the Claim.

   Where any liability or amount is incurred in respect of any Claim which arises from both matters covered and matters not covered by this Cover Section, Our liability under this Cover Section is limited to the proportion of the liability or amount which We and You agree represents a fair and equitable allocation taking into account the relative and financial exposures attributable to covered matters and matters not covered under this Cover Section.

   If We and You are unable to agree on a fair and equitable allocation, then such allocation is to be determined by a Queen's or Senior Counsel (to be mutually agreed upon by the parties, or in the absence of agreement, to be appointed by the President of the Bar Association, or equivalent organisation, in the jurisdiction in which the liability amount was incurred). The costs for the Counsel are to be treated as defence costs.

   The Counsel is:

   i. to determine the fair and equitable allocation as an expert, not as an arbitrator. You, the Officer and We may make submissions to the Counsel; and

   ii. not limited to a consideration of such submissions and is to determine the fair and equitable allocation in his or her own judgement and opinion. Such determination shall be final and binding.

8. Authorised Litigation

   If You want Us to authorise any step in Litigation, You must give Us notice in writing when You first become aware that the relevant Litigation:

   a. may be commenced ; or

   b. if the Litigation arises without warning, has commenced.

In exercising Our discretion to authorise any step in the Litigation We will take into account:

a. the strengths and weaknesses of Your case;

b. the amount of money at stake;

c. the significance of the issues in the Litigation to Your ongoing business and affairs;

d. the amount of Legal Expenses to be incurred in the particular step and which may be incurred if the Litigation proceeds to a final determination;

e. any delay in notifying Us about the Litigation or that the Litigation may arise; and

f. any other matter which We reasonably consider to be relevant.

You must keep Us informed of all developments in the Litigation.

Exclusions

We will not be liable to make any payment for any Loss, Claim, benefit, legal liability, compensation or any other loss, costs, fees, charges or expenses of whatsoever kind, directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:

1. any duty, tax, levy or impost.
2. an Officer gaining or having gained any personal profit or advantage to which they are not legally entitled or for which they may be held accountable to You or another Unit Owner.
3. money or gratuity given to or taken by an Officer without Your authority where that authority is necessary pursuant to Your relevant rules, Memorandum, Scheme Statement, Articles, by-laws, or prescribed by law.
4. any Personal Injury (as defined in the Legal Liability Cover Section) or Damage to property. This exclusion will not apply to Claims which arise where You or any Officer have negligently failed to arrange public liability insurance.
5. liability for fines, penalties, punitive, exemplary, liquidated or aggravated damages of any kind or any additional damages resulting from the multiplication of compensatory damages regardless of any other provisions of this Policy.
6. any conflict of duty or interest.

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7. any intentional exercise of the power conferred on an Officer for a purpose other than the purpose for which those powers were conferred.
8. any Claim for defamation, libel or slander.
9. any Litigation against any Officer and/or You in a court of law or tribunal outside the Commonwealth of Australia.
10. any Claim that alleges dishonest, fraudulent or criminal activity or malicious act or omission of You or any Officer. This exclusion does not apply to the costs of a successful defence of such a Claim by You or the Officer.
11. any liability assumed under any contract, warranty or guarantee except to the extent such liability would have would have been implied by law in the absence of such contract or agreement.
12. any Claim made, threatened or in any way intimated before the inception of this Policy.
13. any Claim arising out of or in any way connected with any fact or circumstance of which any Officer was aware prior to the inception of this Policy or that a reasonable person in the Officer's position would reasonably be expected to know, might have the potential to lead to a Claim being made against any Officer.
14. any facts or circumstances notified to an insurer under any previous policy.
15. any Claim or circumstances first notified to Us after expiry of this Policy.
16. any matter disclosed in arranging this insurance.
17. any Claim for a decision not to obtain, effect or retain in force adequate insurances;
18. any salaries or remuneration of any Officer or Your servants or agents.
19. any Claim for Legal Expenses You have defended without Our written consent.
20. any cost of Your time spent in preparing or pursuing any Claim for Legal Expenses.
21. the cost of Litigation initiated by You, other than appeal costs incurred with Our prior written consent. Please contact Us to confirm consent for these costs.
22. any Legal Expenses under insured event 3. (Legal Expenses) involving a Claim between You and:
    a. any Officer;
    b. any Body Corporate member;

Office Bearer's Liability and Legal Expenses Insurance

c. any owner or occupier of any Lot or Unit within the Property;

d. any person claiming any interest in any Unit Owners' Fixtures and Improvements;

e. any servant or agent of Yours; or

f. Us or Our servants or agents.

Note: General Exclusions also apply.

Residential Strata Title Insurance Policy Wording

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