



27 November 2023

Dear Member,

**SANCTUARY COVE PRIMARY THOROUGHFARE BODY CORPORATE GTP 201  
ANNUAL GENERAL MEETING**

**The ANNUAL GENERAL MEETING of the Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201, is to be held at Meeting Room 1, Sanctuary Cove Body Corporate Services, Shop 1A, Building 1, Masthead Way, Sanctuary Cove QLD 4212, on Monday 11<sup>th</sup> December 2023 at 10:00am**

We look forward to seeing you at the meeting. However, if you are unable to attend, please assist the Body Corporate by completing the attached voting paper, or by completing the proxy form and returning it back to the Secretary of the Primary Thoroughfare Body Corporate.

In order to avoid delaying commencement of the meeting, it would be appreciated if proxies and voting papers could be received by this office at least 24 hours prior to the meeting. However, proxies and voting papers will be accepted prior to the commencement of the meeting.

**ENCLOSED INDEX OF DOCUMENTS**

- 1. NOTICE AND AGENDA OF MEETING**
- 2. GENERAL INSTRUCTIONS FOR VOTING**
- 3. CORPORATE NOMINEE/PROXY FORM**
- 4. VOTING PAPER**
- 5. FINANCIAL STATEMENTS WITH AUDIT REPORT & EXPENDITURE REPORT (MARKED A)**

Yours Sincerely,

*Sanctuary Cove Body Corporate Services Pty Ltd*  
for the Secretary

REPLY TO: PO Box 15, SANCTUARY COVE QLD, 4212
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*Sanctuary Cove Resort Act 1985  
Building Units and Group Titles Act 1980  
Building Units and Group Titles Regulations 1998*

## **NOTICE OF THE ANNUAL GENERAL MEETING OF SANCTUARY COVE PRIMARY THOROUGHFARE BODY CORPORATE GTP 201**

**Notice of business to be dealt with at the  
ANNUAL GENERAL MEETING of the Sanctuary  
Cove Primary Thoroughfare Body Corporate GTP 201, to be held at  
Meeting Room 1, Sanctuary Cove Body Corporate Services,  
Level 1 Masthead Way, Sanctuary Cove QLD 4212, on  
Monday 11<sup>th</sup> December 2023 at 10:00am**

The following agenda sets out the substance of the motions to be considered at the meeting. The full text of each motion is set out in the accompanying Voting Paper.

The last item of business is the election of the Executive Committee.

Please read the attached General Instructions to ensure that all documents are completed correctly as failure to do so may jeopardise your entitlement to vote.

### **AGENDA**

- A. Attendance record including admittance of proxies and voting papers
- B. Quorum
- C. Financial Status of RBC's
- D. Recording of the Meeting
- E. Appointment of Chairperson for the Meeting
- F. Motions
  - 1. Approval of previous minutes held on 26<sup>th</sup> October 2023
  - 2. Financial Statements Year Ending 31 October 2023
  - 3. No Appointment of Auditor
  - 4. Appointment of Auditor
  - 5. Insurance Renewal
- G. Election of Executive Committee

<b>Nominations Received for Executive Committee</b>	
<b>Position</b>	<b>Name</b>
<b>Chairperson</b>	Mr Stephen Anderson
<b>Secretary</b>	Mr Dale St George
<b>Treasurer</b>	Mr Dale St George
<b>Ordinary Member</b>	Mr Paul Sanders
	Mr Barry Teeling



NOTE: The PTBC has delegated the powers, authorities, duties and functions of the Secretary and Treasurer to the Manager in accordance with section 91AB (7) of the *Sanctuary Cove Resort Act 1985* (Qld).

## 7. General Business

There has been no general business submitted prior to distribution of this notice.

### **IMPORTANT NOTE**

Please return **all** completed voting papers, proxy forms, company nominee forms to the **Secretary before 11 December 2023** in the reply-paid envelope enclosed with this notice to Sanctuary Cove Body Corporate Services, PO Box 15 Sanctuary Cove QLD 4212, or email [ptbc@scove.com.au](mailto:ptbc@scove.com.au)



## GENERAL INSTRUCTIONS

1. Each PTBC member (whether an individual or nominee) may vote in respect of each motion as well as on election of the chairperson, secretary and treasurer of the body corporate and other members of the committee.
2. In the case of a proprietor of a lot subject to a mortgage shown on the roll, voting may only take place in accordance with section 131 of the *Building Units and Group Titles Act 1980*.
3. Except in the case of a motion requiring a unanimous resolution or a resolution without dissent, a PTBC member may only vote if all contributions levied and other moneys recoverable have been duly paid before the commencement of the meeting.
4. Each PTBC member may vote:
  - a. in person at the meeting;
  - b. by a person appointed in writing given to the secretary of the PTBC before a time specified in the notice (being at time no later than the time for the holding of the meeting) as a proxy; or
  - c. in respect of some or all of the motions set out in the notice by casting the person's vote on the voting paper accompanying this notice; or
  - d. in respect of the election of the chairperson, secretary or treasurer of the body corporate and other members of the committee, by furnishing to the secretary of the body corporate the ballot paper indicating the person's vote thereon.
5. A motion shall not be submitted at a general meeting unless notice of the motion has been given in accordance with Schedule 3 of the *Sanctuary Cove Resort Act 1985*.
6. No business shall be raised at a meeting unless that business is set forth in the notice.

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**ORDINARY RESOLUTION**, for a duly convened general meeting of the primary thoroughfare body corporate, means a resolution that is passed by the members of the body corporate whose voting entitlements total more than 50% of the total of all voting entitlements recorded in the relevant body corporate roll.

**SPECIAL RESOLUTION** means a resolution which is passed at a duly convened general meeting of the primary thoroughfare body corporate by the members whose lots (whether initial lots, secondary lots, group title lots or building unit lots) have an aggregate lot entitlement of not less than 75% of the aggregate of all lot entitlements recorded in the principal body corporate roll.

### APPOINTMENT OF PROXY

A proxy under this division –

- (a) must be in approved form; and
- (b) must be in the English language; and
- (c) cannot be irrevocable; and
- (d) cannot be transferred by the holder of the proxy to a third person; and
- (e) lapses at the end of the primary thoroughfare body corporate's financial year or at the end of a shorter period stated in the proxy; and
- (f) may be given by any person who has the right to vote at a general meeting; and
- (g) subject to the limitations contained in this division, may be given to any individual; and
- (h) must appoint a named individual.



**Company Nominee/Alternate Nominee**

Sanctuary Cove Resort Act 1985, Building Units and Group Titles Act 1980

If you need help completing this form, please contact the Body Corporate Office on **07 5500 3333**.

**Section 1 — Lot Details**

<b>Details of Lot.</b>	Body Corporate ..... Lot Number ..... GTP/BUP Number ..... Plan Number (if known) ..... Address ..... SANCTUARY COVE QLD 4212
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**Section 2 — Registered Owner and Address Details**

<b>Details of Corporate Lot Owner.</b>	Corporation Name ..... ABN ..... First/Alternate Nominee (cross out whichever not applicable) Address..... Suburb..... State ..... Postcode .....
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**Section 3 — Company/Alternate Nominee**

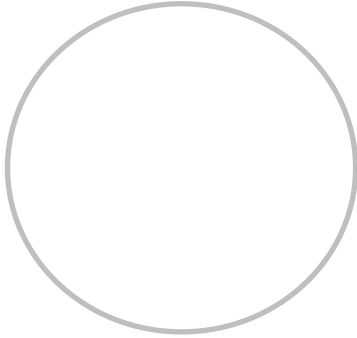
<b>Details of Corporate Nominee.</b>	Name..... Position (if applicable) ..... Address..... Suburb..... State ..... Postcode ..... Email ..... @ ..... Phone ..... Mobile .....
--------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------

(This is the person the corporation authorises to act on its behalf)

For each alternate Company Nominee – please complete a separate form

**Section 4 — Authority**

<b>Signed by the Lot Owner.</b>	I/we acknowledge that: - I/We are the persons who have authority to complete this Company Nominee Form for the Lot and authorise the nominee to exercise or perform on its behalf any power, authority, duty, or function as advised on behalf of the company as owner of the lot, and to act as the Company Nominee. Dated (dd/mm/yyyy)..... The Common Seal of ..... Pty Ltd. Was hereunto Affixed by authority of its Board of Directors In the Presence of: ..... Signature ..... Director (name) ..... Signature ..... Secretary/Authorised Person (name)
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Affix the company Common Seal

**Section 5 — Contact**

Please post to: **Sanctuary Cove Body Corporate Services, PO Box 15, SANCTUARY COVE QLD 4212** or scan and email to **enquiries@scove.com.au**



Proxy form for Body Corporate meetings  
Building Units and Group Titles Act 1980

**Section 1 – Body corporate secretary details**

Name: The Secretary  
Address of scheme: C/- Sanctuary Cove Primary Thoroughfare Body Corporate, PO Box 15,  
SANCTUARY COVE, 4212

**Section 2 – Authorisation**

Notes: The Regulations set out a number of restrictions on the use of proxies, including ability for the body corporate to further restrict their use including prohibition. If there is insufficient space, please attach separate sheets.

I/we

Name of owner 1: .....

Signature: .....Dated: \_\_\_/\_\_\_/\_\_\_

Name of owner 2: .....

Signature: .....Dated: \_\_\_/\_\_\_/\_\_\_

being the Proprietor/s of the following Lot/s

Lot number/s: .....Plan number: .....

Name of Body Corporate:

.....

hereby appoint,

Proxy (full name): .....

as my/our proxy to vote on my/our behalf (*including adjournments*) at (please tick **one**)

- The body corporate meeting to be held on \_\_\_/\_\_\_/\_\_\_
- All body corporate meetings held before \_\_\_/\_\_\_/\_\_\_ (*expiry date*)
- All body corporate meetings held during the rest of the body corporate's financial year unless I/we serve you with a prior written withdrawal of the appointment

unless I/we serve you with a prior written withdrawal of the appointment of Proxy.

Signature of proxy holder: .....Dated: \_\_\_/\_\_\_/\_\_\_

Residential address: .....

Suburb: .....State: .....Postcode: .....

Postal address: .....

Suburb: .....State: .....Postcode: .....



**MINUTES OF PTBC EXECUTIVE COMMITTEE MEETING**  
**For Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201**

**Location of meeting:** Meeting Room 1, Sanctuary Cove Body Corporate Services, Sanctuary Cove, QLD 4212

**Date and time of meeting:** Thursday 26<sup>th</sup> October 2023  
10:07am – 10:32

**Chairperson:** Mr Stephen Anderson

**ATTENDANCE**

**The following members were present at the meeting in Person:**

Position: Chairperson Member Name: Mulpha Sanctuary Cove Investments Pty Ltd Lot 6 Rep: Mr Stephen Anderson

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 31 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 32 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 38 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Principal Body Corporate GTP 202 Rep: Mr Stuart Shakespeare

**The following members were present at the meeting by Voting Paper and In Person:**

**The following members present by Voting Paper:**

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 10 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 20 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 51 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 52 SP 301179 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 52 SP 327424 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 53 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 54 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 58 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Rep Lot 16: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 1 Rep: Mr Paul Sanders

**The following members were represented at the meeting by Proxy:**

**Present by Invitation:**

Mr Dale St George, PTBC Secretary, (DSG)  
Ms Jodie Cornish, Manager Body Corporate, SCBCS

**Apologies:**

Mr Paul Sanders

A quorum was present.

Nil Conflict of Interest.

The Meeting was not recorded.

**Motions**

**1 Approval of Previous PTBC EC Minutes (Agenda Item 6.1) CARRIED**

Proposed by: Statutory Motion

**RESOLVED** That the Minutes of the PTBC Executive Committee Meeting held on 31<sup>st</sup> August 2023 be accepted as a true and correct record of the proceedings of the meeting.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**2 Approval of PTBC EC VOC Minutes (Agenda Item 6.2) CARRIED**

Proposed by: Statutory Motion

**RESOLVED** That the VOC Minutes of the PTBC Executive Committee Meeting held on 8<sup>th</sup> September 2023 be accepted as a true and correct record of the proceedings of the meeting.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		



**3 Approval of PTBC EC VOC Minutes (Agenda Item 6.3) CARRIED**

Proposed by: Statutory Motion

**RESOLVED** That the VOC Minutes of the PTBC Executive Committee Meeting held on 13<sup>th</sup> September 2023 be accepted as a true and correct record of the proceedings of the meeting.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**4 Approval of PTBC EC VOC Minutes (Agenda Item 6.4) CARRIED**

Proposed by: Statutory Motion

**RESOLVED** That the VOC Minutes of the PTBC Executive Committee Meeting held on 21<sup>st</sup> September 2023 be accepted as a true and correct record of the proceedings of the meeting.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**5 Approval of PTBC EC VOC Minutes (Agenda Item 6.5) CARRIED**

Proposed by: Statutory Motion

**RESOLVED** That the VOC Minutes of the PTBC Executive Committee Meeting held on 21<sup>st</sup> September 2023 be accepted as a true and correct record of the proceedings of the meeting.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**6 Body Corporate - Matters in Progress (Agenda Item 6.6)****CARRIED**

Proposed by: PTBC Chairperson

**RESOLVED** That the PTBC EC notes the Matters in Progress Report August/September 2023 as tabled and provides an instruction to the Body Corporate Manager to remove items (as detailed at the meeting)

**NOTE:**

**95 – Village gates** - diagram will be handed out at the PBC EGM for reference.

**102 – Safety Concerns** – Important project, the buggy path is a problem. It is not wide enough for two buggies.

**104 – Site Wide** – Progressing.

**106 – Rezoning** – To be removed.

**109 – Lot 81 & Lot 10** – To be removed.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**7 Body Corporate – Operations Report (Agenda Item 6.7)****CARRIED**

Proposed by: PTBC Chairperson

**RESOLVED** That the PTBC EC notes Operations Report September 2023 as tabled.

**NOTE:**

*DSG advised PTBC/PBC balanced to budget this financial year, depending on water. New Safety Champion system coming which will enable reporting to be quicker.*

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**8 Body Corporate – FSC Minutes (Agenda Item 6.8)****CARRIED**

Proposed by: PTBC Chairperson

**RESOLVED** That the PTBC EC notes and accepts the FSC Minutes dated 15<sup>th</sup> September 2023 as tabled.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**9 Body Corporate – FSC Minutes (Agenda Item 6.9) CARRIED**

Proposed by: PTBC Chairperson

**RESOLVED** That the PTBC EC notes and accepts the FSC Minutes dated 20<sup>th</sup> October 2023 as tabled.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**10 Correspondence for Information (Agenda Item 7) CARRIED**

Proposed by: PTBC Chairperson

**RESOLVED** That the PTBC EC notes and accepts the Correspondence for Information, Aug/Sept 2023 as tabled.

**NOTE:**

*Alphitonia information for PBC not PTBC.*

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

Proposed by: PTBC Chairperson

**RESOLVED** that the date of the next PTBC Extraordinary General Meeting will be Thursday 14<sup>th</sup> December 2023 10:00am.

Further **RESOLVED** that the date of the next PTBC Executive Committee Meeting will be Thursday 14<sup>th</sup> December 2023 10:00am.

Yes	4
No	0
Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**Meeting Closed at @ 10:32am**

Chairperson: .....



## **MINUTES OF PTBC EXTRAORDINARY GENERAL MEETING**

### **For Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201**

**Location of meeting:** Meeting Room 1, Sanctuary Cove Body Corporate Services, Sanctuary Cove, QLD 4212

**Date and time of meeting:** Thursday 26<sup>th</sup> October 2023  
9:57am – 10:06am

**Chairperson:** Mr Stephen Anderson

#### **ATTENDANCE**

##### **The following members were Present at the Meeting:**

Position: Chairperson Member Name: Mulpha Sanctuary Cove Investments Pty Ltd Lot 6 Rep: Mr Stephen Anderson

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 31 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 32 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Mulpha Sanctuary Cove Hotel Investments Pty Limited Lot 38 Rep: Mr Barry Teeling

Position: Ordinary Member Name: Principal Body Corporate GTP 202 Rep: Mr Stuart Shakespeare

##### **The following members were represented at the meeting by voting paper & In Person:**

##### **The following members present by Voting Paper:**

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 10 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 20 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 51 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 52 SP 301179 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 52 SP 327424 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 53 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 54 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 58 Rep: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Rep Lot 16: Mr Paul Sanders

Position: Ordinary Member Name: Sanctuary Cove Golf and Country Club Holdings Limited Lot 1 Rep: Mr Paul Sanders

##### **The following members were represented at the meeting by Proxy:**

**Present by Invitation:**

Mr Dale St George, Secretary  
Ms Jodie Cornish, Minute Taker

**Apologies:**

Mr Paul Sanders

A quorum was present.  
Nil Conflict of Interest.  
The Meeting was not recorded.

**MOTIONS**

**1 Approval of Previous General Meeting Minutes – 31<sup>st</sup> August 2023 (Agenda Item 5.1) CARRIED**

Proposed by: Statutory Motion

<b>RESOLVED</b> That the Minutes of the PTBC Extraordinary General Meeting held on 31 <sup>st</sup> August 2023 be accepted as a true and correct record of the proceedings of the meeting.	Yes	4
	No	0
	Abstain	0

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**2 Facilities – Road Sweeping Maintenance – Contract Extension (Agenda Item 5.2) CARRIED**

Proposed by: Statutory Motion

<b>RESOLVED</b> that the PTBC approves the extension of the current term of the Road Sweeping works contract held by Specialised Pavement Services for a period of one (1) year, noting all other terms and conditions of the contract are to remain unchanged.	Yes	4
	No	0
	Abstain	0

**FURTHER RESOLVED** the PTBC approves the increase in the fixed price Contract Sum, effective from November 1, 2023, in accordance with current inflationary pressures. The revised contract price will be adjusted from \$ 21,660.21 inc. GST to \$25,927.27 inc. GST for the PTBC.

Members Name	Yes	No	Abstain
Stephen Anderson	X		
Paul Sanders	X		
Barry Teeling	X		
Stuart Shakespeare	X		

**6. Correspondence for Information:**

**6.2 Registration for Alphitonia** – Incorrectly added to PTBC, will need to be added to PBC for November.

**6.4/6.5 Water Supply & Deed Agreement –**

- DSG advised he wrote to the Mayor and CEO and received a response the next day. He submitted a lot of changes and they agreed to all bar one, the removal of infrastructure. However, it was mentioned that they won't be enforcing it.
- DSG advised PTBC will sign an agreement to supply PBC to A Class Water.

**7. Business Arising:**

**7.1 Asset improvement Programme Update –**

- DSG advised PRV bloggers on 16 points around site, will test within 6-12 months. There is a claim with the Insurance Brokers for reimbursement up to \$300k, awaiting decision on this.

**Next meeting Thursday 14<sup>th</sup> December 2023 @ 10:00am**

**Meeting Closed at 10:06am**

**Chairman .....**



**VOTING PAPER**  
**Annual General Meeting for Sanctuary Cove Primary  
Thoroughfare Body Corporate GTP 201**

**Location of meeting:** Meeting Room 1, Sanctuary Cove Body Corporate Services, Shop 1A,  
Building 1, Masthead Way, Sanctuary Cove QLD 4212

**Date and time of meeting:** Monday 11<sup>th</sup> December 2023 10:00AM

**Instructions**

If you want to vote using this voting paper, then **circle or tick** either **YES, NO** or **ABSTAIN** opposite each motion you wish to vote on. You may vote for as few or as many motions as you wish. It is not necessary to vote on all motions.

**After signing the completed voting paper, forward it promptly to the Secretary at the address shown at the end of the agenda.**

**Motions**

<b>1</b>	<b>Approval of Previous Meeting Minutes</b>	<b>ORDINARY RESOLUTION</b>
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Proposed by: Statutory Motion

That the Minutes of the Executive Committee and Extraordinary General Meeting held on 26 <sup>th</sup> October 2023 be accepted as a true and correct record of the proceedings of the meeting.	Yes	
	No	
	Abstain	

<b>2</b>	<b>Financial Statements Year Ending 31 October 2023</b>	<b>ORDINARY RESOLUTION</b>
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Proposed by: the Chairperson

That the Primary Thoroughfare Body Corporate:	Yes	
(a) accepts that the body corporate is a non-reporting entity and that to the best of the knowledge and belief of the Members of the body corporate, would remain so in the current financial year; and	No	
(b) approves and adopts the audited Statements of Income and Expenditure for the year ending 31 October 2023 showing a surplus of \$33,175.37 in the Administration Fund and a deficit of \$818,003.22 in the Sinking Fund, together with the Statement of Assets and Liabilities as at 31 October 2023 showing total Net Assets (accumulated funds) of \$1,916,477.85.	Abstain	
<i>Note:</i> <i>The PTBC Administrative Fund Balance year ending 31 October 2023 is \$337,639.08 given the carried forward balance of \$370,814.45 from the previous year. The PTBC Sinking Fund Balance year ending 31 October 2023 is \$1,578,838.77</i>		





**3 No Appointment of Auditor** **SPECIAL RESOLUTION**

Proposed by: Statutory Motion

That pursuant to Section 70(5) of the Sanctuary Cove Resort Act 1985, and in accordance with the provisions of Part 2 of the Second Schedule Sections 1(5A), 1(5B) and 1(5C) of the Building Units and Group Titles Act 1980 the accounts of the body corporate relating to the financial year ending 31 October 2024 not be audited.

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Abstain	<input type="checkbox"/>

Please note: If you want the accounts to be audited, vote NO.

**4 Appointment of Auditor** **ORDINARY RESOLUTION**

Proposed by: Statutory Motion

That pursuant to Section 70(5) of the Sanctuary Cove Resort Act 1985 and Part 2 of the Second Schedule Section 1(5) (ba) of the Building Units and Group Titles Act 1980, auditors PKF Chartered Accountants, conduct the audit of the body corporate financial records for the financial year ending 31 October 2024 at a cost of \$4,015 inc GST.

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Abstain	<input type="checkbox"/>

*Note:*  
*This is an increase of \$363.00 from last year.*

**5 Insurance Renewal Date** **ORDINARY RESOLUTION**

Proposed by: Statutory Motion

That the PTBC accepts moving the renewal date for Insurance from 31/01/2024 to 31/12/2023. The PTBC will be credited for the unused portion of premium (January). By moving the renewal date, allows for a more cohesive delivery of renewal terms.

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Abstain	<input type="checkbox"/>

*Note: The total cost for the Insurance Policy for 2023/2024 is \$299,960 which sees an increase of \$22,499. However, allowing a credit of \$21,949.43 for the month owing in January.*

**GTP:**                      **Lot Number:**                      **Unit Number:**

I/We require that this voting paper, completed by me/us be recorded as my/our vote in respect of the motions set out above.

**Name of voter:** \_\_\_\_\_

**Signature of vote:** \_\_\_\_\_ **Date:** \_\_\_\_\_

SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE  
(Sanctuary Cove Primary G.T.P. 201)  
FOR THE YEAR ENDED 31 OCTOBER 2023  
FINANCIAL STATEMENTS

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

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# Sanctuary Cove Primary G.T.P. 201

## BALANCE SHEET

AS AT 31 OCTOBER 2023

	ACTUAL 31/10/2023	ACTUAL 31/10/2022
<b><u>OWNERS FUNDS</u></b>		
Administrative Fund	337,639.08	370,814.45
Sinking Fund	1,578,838.77	2,396,841.99
<b><u>TOTAL</u></b>	<b><u>\$ 1,916,477.85</u></b>	<b><u>\$ 2,767,656.44</u></b>

### THESE FUNDS ARE REPRESENTED BY

#### CURRENT ASSETS

Cash At Bank	19,223.05	8,942.26
Mbl Ptbc Fix Term 1	500,000.00	1,000,000.00
Mbl Ptbc Fix Term 2	0.00	500,000.00
Mbl Ptbc Fix Term 3	0.00	500,000.00
Sccsl - 50% Shareholding	5,500.00	5,500.00
Macquarie At Call	1,686,726.93	1,433,163.78
Boq At Call Ptbc	1,006.85	2,095.77
Levies Billed Not Due	625,047.62	611,362.50
Other Arrears	0.00	602,890.47
Utility Arrears	92,799.15	151,099.95
Secondary Debtors	1,852.20	643.50
Accruals Receivables	779,024.54	10,495.21
Prepayments	243,842.63	150,291.86
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>3,955,022.97</b>	<b>4,976,485.30</b>

#### NON-CURRENT ASSETS

<b><u>TOTAL NON-CURRENT ASSETS</u></b>	<b>0.00</b>	<b>0.00</b>
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#### TOTAL ASSETS

**3,955,022.97**      **4,976,485.30**

#### CURRENT LIABILITIES

Gst Clearing Account	10,213.45	884.37
Payg Clearing Account	0.00	233.00
Provision - Income Tax	16,114.77	0.00
Creditors	396,696.67	420,972.47
Accruals	1,045,172.13	957,496.08
Levies Billed Not Due	568,225.10	555,784.09



BODY  
CORPORATE  
Sanctuary Cove

## Sanctuary Cove Primary G.T.P. 201

### BALANCE SHEET

AS AT 31 OCTOBER 2023

	ACTUAL 31/10/2023	ACTUAL 31/10/2022
Prepayments	(0.01)	0.00
Levies In Advance	2,123.01	273,458.85
<b><u>TOTAL LIABILITIES</u></b>	<b>2,038,545.12</b>	<b>2,208,828.86</b>
<b><u>NET ASSETS</u></b>	<b><u>\$ 1,916,477.85</u></b>	<b><u>\$ 2,767,656.44</u></b>



BODY  
CORPORATE  
Sanctuary Cove

## Sanctuary Cove Primary G.T.P. 201

### STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 01 NOVEMBER 2022 TO 31 OCTOBER 2023

	ACTUAL	BUDGET	ACTUAL
	01/11/22-31/10/23	01/11/22-31/10/23	01/11/21-31/10/22
<b><u>ADMINISTRATIVE FUND</u></b>			
<b><u>INCOME - ADMINISTRATIVE FUND</u></b>			
Administrative Fund Levy	1,373,136.36	1,372,986.00	1,425,620.05
Mutual Revenue - Water	3,345,492.71	0.00	2,507,640.57
Mutual Revenue - Water Potable	458,872.76	0.00	333,056.56
Mutual Revenue - Water Waste	458,481.94	0.00	246,082.89
Non-Mutual Rev - Certificates	33.82	0.00	59.41
Non-Mutual Rev - Other	2,045.46	0.00	727.27
<b><u>TOTAL ADMIN. FUND INCOME</u></b>	<b>5,638,063.05</b>	<b>1,372,986.00</b>	<b>4,513,186.75</b>
<b><u>EXPENDITURE - ADMIN. FUND</u></b>			
Accounting - Audit	3,309.50	3,255.00	3,112.84
Accounting - Tax Services	220.00	220.00	180.00
<b><u>ADMIN - BANK CHARGES</u></b>			
Admin - Bank Charges	119.72	156.00	167.20
Admin - Software Licence Costs	11,605.04	10,986.00	6,306.38
Admin - Meetings	278.19	0.00	347.96
Admin - It Maintenance Fees	10,720.88	10,609.00	10,299.96
Admin - Postage	170.84	144.00	204.86
Admin - Print/Copy Costs	1,030.16	960.00	1,077.11
Management Fees	454,034.44	380,454.00	348,884.52
Security Services Fees	66,280.75	73,981.00	70,118.98
Consultant Services	9,235.00	10,000.00	26,920.00
Legal Services	20,042.00	10,000.00	4,772.54
Bad Debt Expense	2,090.00	0.00	0.00
Cleaning	1,775.00	0.00	0.00
Debt Collection Costs	0.00	500.00	0.00
Electrical - Contract	22,186.14	25,650.00	17,904.58
Electrical-Materials/Machinery	12,511.91	15,900.00	13,862.12
Fire Protection-Audit/Inspect	1,898.64	600.00	0.00
Gross Pollutant Trap - Mtce	1,237.84	0.00	112.92
Grounds & Garden - Contract	182,144.28	182,624.00	179,747.28
Grounds & Garden - Other	38,838.62	45,000.00	49,120.50
Grounds & Garden - Mulching	3,600.00	31,882.00	3,754.50
Grounds & Garden - Tree Mgmt	26,300.00	35,000.00	22,814.00
Hire & Rental	6,426.88	7,531.00	7,319.52
Insurance - Brokerage	1,994.45	1,947.00	1,854.00



BODY  
CORPORATE  
Sanctuary Cove

## Sanctuary Cove Primary G.T.P. 201

### STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 01 NOVEMBER 2022 TO 31 OCTOBER 2023

	ACTUAL	BUDGET	ACTUAL
	01/11/22-31/10/23	01/11/22-31/10/23	01/11/21-31/10/22
Insurance - Excess	(20,000.00)	5,000.00	10,000.00
Insurance- Premium	80,597.54	92,536.00	83,888.27
Irrigation - Contract	74,506.74	74,427.00	74,427.24
Irrigation -Material/Machinery	2,505.04	25,000.00	15,632.01
Irrigation - Golf Lakes Mtce	37,414.86	27,192.00	23,778.48
Irrigation - A Class Water	6,157.89	26,280.00	4,389.68
Pest Control	1,200.00	2,000.00	2,372.72
Plumbing - Contract	7,993.12	12,754.00	6,893.88
Plumbing - Materials/Machinery	3,996.75	16,000.00	22,303.08
Mtce - Animal Management	109,065.16	141,110.00	41,524.66
Repairs & Maintenance	14,815.42	10,000.00	16,684.75
Rep & Mtce - Air Conditioning	2,978.43	5,500.00	3,885.77
Rep & Mtce - Electrical	1,794.50	5,000.00	3,108.33
Rep & Mtce - Fences	12,000.00	3,896.00	6,505.22
Rep & Mtce - Gates	38,935.56	32,500.00	42,608.02
Rep & Mtce - Cctv	0.00	2,500.00	5,105.00
Roads	6,194.53	15,000.00	37,517.00
Road Sanding	19,765.00	21,218.00	17,110.00
Road Sweeping	19,691.16	20,282.00	19,392.80
Signage	2,948.91	3,500.00	3,890.00
Waste Removal - Other	0.00	4,000.00	1,449.98
Land Holding - Land Tax	6,875.48	17,678.00	18,128.22
Land Holding - Rates	6,916.81	6,875.00	6,555.24
Utilities - Electricity / Gas	92,230.49	94,149.00	80,948.75
Utilities - Water	1,574.66	20,000.00	1,574.63
Utilities - Water Oncharged	4,262,847.41	0.00	3,086,780.01
Water Meter Reads	0.00	229.00	94.15
Workers Compensation	182.68	194.00	182.68
<b>TOTAL ADMIN. EXPENDITURE</b>	<b>5,671,238.42</b>	<b>1,532,219.00</b>	<b>4,405,612.34</b>
<b>SURPLUS / DEFICIT</b>	<b>\$ (33,175.37)</b>	<b>\$ (159,233.00)</b>	<b>\$ 107,574.41</b>
Opening Admin. Balance	370,814.45	370,814.45	263,240.04
<b>ADMINISTRATIVE FUND BALANCE</b>	<b>\$ 337,639.08</b>	<b>\$ 211,581.45</b>	<b>\$ 370,814.45</b>

## Sanctuary Cove Primary G.T.P. 201

### STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 01 NOVEMBER 2022 TO 31 OCTOBER 2023

	ACTUAL	BUDGET	ACTUAL
	01/11/22-31/10/23	01/11/22-31/10/23	01/11/21-31/10/22
<b><u>SINKING FUND</u></b>			
<b><u>INCOME - SINKING FUND</u></b>			
Sinking Fund Levies	849,999.99	850,000.00	1,021,529.99
Sinking Fund Discount	0.01	0.00	0.00
Mutual Rev - Rental Compound	41,774.17	50,000.00	0.00
Non-Mutual Rev - Insurance Rec	0.00	0.00	8,237.58
Interest Earned	69,748.19	5,000.00	21,886.72
<b><u>TOTAL SINKING FUND INCOME</u></b>	<b>961,522.36</b>	<b>905,000.00</b>	<b>1,051,654.29</b>
<b><u>EXPENDITURE - SINKING FUND</u></b>			
S/Fund Income Tax Expense	15,684.77	0.00	(3,573.70)
Accounting- Tax Instalment	0.00	0.00	5,463.42
Consultant S/Fund Reports	4,850.00	20,000.00	5,400.00
Bridges	77,037.24	150,000.00	8,750.20
Buildings Ptbc	0.00	2,600.00	15,718.53
Building-Contractors Compound	231,212.98	0.00	1,167,001.99
Electrical Lights	44,956.80	150,000.00	28,548.14
Ftth	0.00	0.00	(379,808.61)
Insurance - Charges Recovered	(954.80)	0.00	8,237.58
Hydraulic/Electrical Supplies	5,732.01	0.00	677.51
Irrigation Control	1,050,578.43	0.00	473,408.05
Irrigation Valves	0.00	1,000.00	0.00
Landscape	51,695.57	250,000.00	6,117.54
Pathways	39,433.81	50,000.00	0.00
Pumps	79,885.80	50,000.00	5,527.83
Roads	0.00	0.00	25,187.50
Roadways-Kerbs & Gutters	58,980.00	50,000.00	11,392.50
Security System	28,654.14	0.00	5,262.50
Switchboard Meter	0.00	10,000.00	0.00
Vehicles	23,464.20	0.00	0.00
Walls Fences	68,314.63	75,000.00	5,940.56
Wastewater Line	0.00	0.00	16,374.73
Water Point	0.00	10,000.00	1,823.00
<b><u>TOTAL SINK. FUND EXPENDITURE</u></b>	<b>1,779,525.58</b>	<b>818,600.00</b>	<b>1,407,449.27</b>
<b><u>SURPLUS / DEFICIT</u></b>	<b>\$ (818,003.22)</b>	<b>\$ 86,400.00</b>	<b>\$ (355,794.98)</b>
Opening Sinking Fund Balance	2,396,841.99	2,396,841.99	2,752,636.97





BODY  
CORPORATE  
Sanctuary Cove

## Sanctuary Cove Primary G.T.P. 201

### STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 01 NOVEMBER 2022 TO 31 OCTOBER 2023

	ACTUAL	BUDGET	ACTUAL
	01/11/22-31/10/23	01/11/22-31/10/23	01/11/21-31/10/22
<b><u>SINKING FUND BALANCE</u></b>	<b><u>\$ 1,578,838.77</u></b>	<b><u>\$ 2,483,241.99</u></b>	<b><u>\$ 2,396,841.99</u></b>

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Basis and Conventions**

Sanctuary Cove Primary G.T.P 201 ('The Body Corporate') is not a reporting entity because, in the Body Corporate Secretary's opinion, there are no users dependent on general purpose financial statements. The Financial Statements are therefore "Special Purpose Financial Statements" that have been prepared solely to meet the requirements of the Sanctuary Cove Resort Act 1985.

No Accounting Standards have mandatory applicability and consequently none have been adopted, except as stated within these accounts.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

**Accounting Policies**

The significant accounting policies adopted are stated in order to assist in the general understanding of the Financial Statements. These policies have been consistently applied except as otherwise indicated.

**Mutual Revenue - Water**

This entity collects and on pays water charges to the service provider. Water expenses of \$4,262,847 (2022: \$3,086,780) and water revenue of \$4,262,847 (2022: \$3,086,780) have been included in the Financial Statements and have a Nil effect in the Financial Statements. Revenue and expense for water and water charges recovered is accounted for on receipt or issue of invoices and no adjustment is made for the accounting period to which it applies. Water expenses are costs which are not recoverable and are recognised in the Financial Statements under Utilities - Water, Water Meter Reads and Water Testing.

**Taxation**

The liability method of tax effect accounting has been adopted.

Income tax is payable by the Body Corporate on income received which is non mutual income of the Body Corporate such as interest received.

Income tax expense is calculated at the rate of 30% on taxable income. The income tax expense for the year was \$15,685 (2022: \$1,890).

Provision for income tax of \$16,115 (2022:\$nil) has been recognised as the net tax payable by the Body Corporate.

**GST**

Revenue, expenses and assets are recognised net of the amount of GST. GST is accounted for on receipt or issue of invoices and no adjustment is made for the accounting period to which it applies. The net amount of GST recoverable from, or payable to, the ATO is included in GST Clearing A/c in the balance sheet.

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Levies Billed Not Due**

Levies Billed Not Due (if any) in the asset section of the Balance Sheet represents the total gross amount of levies invoiced (including GST) to members as at balance date which are not actually due until after the year end.

In the liability section of the Balance Sheet, the GST component of these invoices is recorded to the GST Clearing Account with the remaining net amount being recorded to a corresponding liability account, Levies Billed Not Due.

These amounts are recorded because the body corporate uses the GST accruals method which requires recognition of GST when invoices are issued by the body corporate.

**Levies in Arrears / Other Arrears / Utility Arrears**

The item shown as Levies in Arrears (if any) in the Asset section of the Balance Sheet represents the gross value of all levies in arrears as at year end.

Other Arrears (if any) are amounts charged to members for late payment penalties and/or external debt recovery expenses (e.g. legal fees) that have not been received at year end.

Utility Arrears (if any) are amounts charged to members for the late payment of utility invoices.

**Levies in Advance**

The item shown in Levies in Advance (if any) in the liabilities section of the Balance Sheet represents the gross value of levies which have been received in advance of their due date.

**Other Payments in Advance**

The item shown as Other Payments in Advance (if any) in the liabilities section of the Balance Sheet represents the gross value of levies which have been received in advance of their due date.

**Comparative Information**

Where the presentation or classification of non material items in the financial report has been amended from one year to the next, comparative amounts have been represented or reclassified to ensure comparability with the current reporting period.

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**2 ORGANISATION**

The Sanctuary Cove Primary Thoroughfare Body Corporate is the controlling authority for overall management of the Sanctuary Cove Primary Thoroughfare. It is organised as a non-profit organisation for the purposes of maintaining and preserving common property of the body corporate. The Body Corporate, which operates according to the legislative stipulations of the Sanctuary Cove Resort Act 1985, began its operation on 11 June 1987.

The Sanctuary Cove Primary Thoroughfare Body Corporate consists of 4,250 lot entitlements.

**3 MEMBER'S LEVIES**

The average quarterly levy per lot entitlement including GST, was \$143.85 (2022: \$158.35), of which \$80.77 excluding GST (2022: \$92.25) per lot entitlement was allocated to the administrative fund (administration fund) and \$50.00 excluding GST (2022: \$60.09) per lot entitlement to the sinking fund.

The annual budget and levies on proprietors are determined by the Executive Committee and are approved by Committee Members. The surplus/deficit of funds in the Administrative Fund at the end of the operating year will reflect a decrease/increase in levies in a subsequent year. Sinking Fund amounts are carried forward as a provision for future replacement and upgrade of asset infrastructure.

**4 SINKING FUND**

The Sanctuary Cove Primary Thoroughfare Body Corporate is responsible for replacement/renewal of its common infrastructure assets from time to time, based on a review of the condition and suitability of the common infrastructure assets.

The Sanctuary Cove Primary Thoroughfare Body Corporate also undertakes from time to time the introduction of new common infrastructure assets to support the growing nature of Sanctuary Cove Resort.

**5 MANAGEMENT FEES**

Management Fees and Security Services Fees recognised in the Administration Fund Income Statement include a net cost recovery of \$65,880 (2022: \$26,363). In accordance with the Administration and Management agreement, Sanctuary Cove Community Services Ltd and Sanctuary Cove Security Services Pty Ltd shall credit/invoice any surplus/shortfall in their financial statements to each stakeholders in pro rata proportion as a recovery of costs/return of fees.

Any adjustment that is required upon completion of the 2023 audit of Sanctuary Cove Community Services Ltd & its Controlled Entities will be made in the year ended 31 October 2023.

<b>6 PREPAYMENTS</b>	<b>NOTE</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
Security Services Fee		21,654	20,092
Management Fees		109,850	101,802
	7	131,504	121,894
Insurance Premium		19,997	21,978
Land Tax		13,751	0
Admin - Software Licence Costs		1,871	6,419
Animal Management		76,720	0
<b>Total Prepayments</b>		<b>243,843</b>	<b>150,291</b>

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**7 PREPAYMENTS/CREDITORS**

Creditors balance as at 31 October 2023 includes the GST inclusive value for the prepayment expense of the Management and Security Fees of \$144,654 (2022 \$134,083). The GST exclusive amount of \$131,504 (2022 \$121,893) was recognised as a prepayment in Current Assets offsetting the amount recognised in Creditors. No adjustments were necessary or recognised.

<b>8 ACCRUED RECEIVABLES</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Sinking Fund</b>		
Accrued Bank interest	4,816	10,495
Accrued Rebates	16,542	0
Accrued Water Rechargeable	765,397	0
<b>Total Sinking Fund</b>	<b>786,755</b>	<b>10,495</b>
<b>Total</b>	<b>786,755</b>	<b>10,495</b>
<b>9 ACCRUALS</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Administration Fund</b>		
Accounting - Audit	2,600	2,212
Accounting - Tax services	220	0
Admin - Print/Copy Costs	314	831
Admin - Software Licence Costs	1,342	0
Animal management	17,137	18,947
Consulting & Legal Fees	200	0
Electrical - Contract & Materials/Machinery	836	659
Fire Protection - Audit & Inspection	1,898	0
Grounds & Garden - Contract & Other	3,600	7,755
Irrigation - Maintenance	4,055	1,982
Plumbing - Contract & Material/Machinery	530	8,781
Repairs & Maintenance	0	159
Repairs & Maintenance - Electrical	150	150
Repairs & Maintenance - Fences	0	600
Rep & Maint - Air Conditioning	360	900
Rep & Maint - CCTV	0	1,264
Rep & Maint - Gates	4,338	2,436
Roads	1,641	1,641
Utilities - Electricity/Gas	19,292	9,581
Utilities - Water Oncharged	950,583	745,951
<b>Total Administration Fund</b>	<b>1,009,096</b>	<b>803,847</b>
<b>Sinking Fund</b>		
Accounting - Tax Instalment	0	3,020
Bridges	2,450	0
Building-Contractors Compound	0	14,258
Insurance-Charges Recovered	0	2,669
Irrigation Control	17,892	128,174
Pumps	0	5,528
Vehicles	23,464	0
	<b>43,806</b>	<b>153,649</b>
<b>Total</b>	<b>1,052,902</b>	<b>957,496</b>

**SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**10 CONTINGENT LIABILITIES**

In the role of a body corporate, it is expected that from time to time legal disputes arise from various issues. The body Corporate believes that it is highly unlikely any material obligations currently exist as a result of any such disputes.

**DECLARATION BY THE BODY CORPORATE SECRETARY  
TO THE MEMBERS  
SANCTUARY COVE  
PRIMARY THOROUGHFARE BODY CORPORATE**

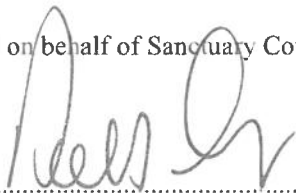
As detailed in Note 1 to the financial statements, the Body Corporate is not a reporting entity because in the Body Corporate Secretary's opinion, there are no users dependent on general purpose financial statements. The financial statements are therefore "Special Purpose Financial Statements" that have been prepared solely to meet the requirements of the Sanctuary Cove Resort Act 1985.

The Body Corporate Secretary of the Sanctuary Cove Primary Thoroughfare Body Corporate declares that:-

- (a) the financial statements and notes as set out on pages 3 to 13 are in accordance with the Sanctuary Cove Resort Act 1985 and give a true and fair view of the body corporate financial position as at 31 October 2023 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
- (b) there are reasonable grounds to believe that the body corporate will be able to pay its debts as and when they become due and payable.

Dated at Sanctuary Cove this 24 day of November 2023.

for and on behalf of Sanctuary Cove Community Services Ltd by:-



.....  
**Dale St George**  
**Body Corporate Secretary**

**SANCTUARY COVE PRIMARY GTP 201  
INDEPENDENT AUDIT REPORT**

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**Opinion**

We have audited the balance sheet and the statements of income and expenditure of Sanctuary Cove Primary GTP 201 (“the Body Corporate”) for the year ended 31 October 2023, and notes to the financial statement, including a summary of significant accounting policies (together “the financial statement”).

In our opinion, the accompanying financial statements gives a true and fair view, in all material respects, the financial position of the Body Corporate and its financial performance for the year ended 31 October 2023 in accordance with the Sanctuary Cove Resort Act 1985.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in *Auditor’s Responsibility for the Audit of the Financial Statement* section of our report. We are independent of the Body Corporate in accordance with the ethical requirements of the Accounting Professional and Ethical Standard’s Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial statement in Australia, and we have fulfilled our ethical requirements in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter – Basis of Accounting**

We draw attention to accompanying notes to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting responsibilities of those charged with governance and the requirements of the Sanctuary Cove Resort Act 1985. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Independence**

We are independent of the Body Corporate in accordance with the ethical requirements of the Accounting Professional and Ethical Standard’s Board APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.



### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards relevant to preparing such a financial report, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Body Corporate's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management neither intends to liquidate the Body Corporate or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Body Corporate's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

Our audit does not include providing an opinion on whether the Sinking Fund levies for the year ended 31 October 2023 are reasonably based to meet future commitments.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Body Corporate's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Body Corporate’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**PKF (Gold Coast)**



**Marietta Phillips**

Divisional Director of Audit & Assurance

24<sup>th</sup> Day of November 2023



Insurance Mentor Pty Ltd  
T/as Insurance Mentor  
ABN: 92 655 065 884  
Authorised Rep No: 400675

# Insurance Program

**Body Corporate for Sanctuary Cove Principal Body  
Corporate GTP 202 and Sanctuary Cove Primary  
Thoroughfare Body Corporate GTP 201**

Renewal Report



## Introduction

We are pleased to present this insurance Renewal Report for your consideration. The information used to negotiate terms follows our meeting, telephone and email conversations throughout October and November.

Each section of this Program deals with important aspects of your insurance requirements and should be carefully considered.

The Program contains insurance terms negotiated for Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201 for the twelve (12) month period, 31/12/2023 to 31/12/2024.

During the year we approached Sanctuary Cove Community Services (the Company) to discuss the possibility of moving the expiry date of this policy to 31/12/2023. This allows for a more cohesive delivery of renewal terms as these are required by the group prior to December to allow collation and delivery for the upcoming General Meetings.

In previous years, given that the expiry date was 31/01, it was proving difficult to obtain terms from Insurers almost 4 months out from expiry.

The moving of these dates has created credits for the unused portion of premium (January). This can be applied to your outstanding renewal amount, details of which are noted within this report.

We are of the firm belief that notwithstanding the importance of cost factors, the protection of your asset structure and earnings record, at reasonable premiums, forms the basis of a well orientated and satisfactory Insurance Program.

Thus, when reviewing your Insurance Program, we recommend careful consideration is given to:

- The scope of protection you are purchasing;
- The level of Deductible/Excess you carry;
- Your sums insured which must be sufficient to comply with your Policy Terms and Conditions and fully protect your assets and liabilities.

## Important

The following points should always be considered:

1. This Document does not replace, take precedence or form part of the insurance contracts arranged by us on your behalf. The insurance contracts are evidenced by the policy documents, which are forwarded to you after we have received them from the Insurers and checked them for accuracy.
2. The Document is not intended to be a complete or exact guide to the terms, conditions, warranties and exclusions of your insurance contracts. These can only be determined by studying the policy documents.
3. The Document cannot be construed as legal evidence of insurance.
4. It is essential that you comply with all relevant laws, by-laws and regulations and that all due and reasonable precautions be taken for the prevention or mitigation of losses, as though you were uninsured. Failure to do so could prejudice your rights and entitlements under your insurance policies.
5. This Document is the property of Insurance Mentor Pty Ltd (ABN 92 655 065 884 ) and is confidential to Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201. Accordingly, no part of this Insurance Report should be reproduced, stored or transmitted in any form or by any means to any third party, by Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201, including its officers and employees, without the express authorisation of Insurance Mentor Pty Ltd .

## About Insurance Mentor Pty Ltd

As business owners ourselves, we understand the importance of providing prompt, professional, efficient advice and service.

Insurance Mentor utilises a wide range of reputable authorised insurers, selected on the basis of the quality of their products and services. After objectively assessing our customers needs, we can utilise the strengths and skills of the appropriate insurer to ensure we give the customer the right protection.

Our knowledge of the insurance industry and experience in designing and handling insurance programs for many customers, enables us to provide objective advice on selecting the right insurance program to adequately cover the customer's assets and liabilities.

We understand that your time is already scarce, and by ensuring we understand your business, we take care of all the details from choosing the right cover to the claims process itself.

## About Resilium Insurance Broking Pty Ltd

Resilium Insurance Broking Pty Ltd is a registered General Insurance Broker (Financial Services Licence No. 460382) and a principal member of the National Insurance Brokers Association. As a member of NIBA we abide by the NIBA Code of Conduct and the General Insurance Brokers Code of Practice. We also subscribe to Australian Financial Complaints Authority (AFCA).

All Resilium Advisers are part of a national network giving our insurance advisers the benefits of maintaining their own local presence whilst being able to tap into a national buying group for products and services needed by their customers in today's complex business world.

## Our Commitment To You

As your appointed General Insurance Advisers, we commit to undertake the following:

- Complete a full analysis of your insurable and uninsurable business risk exposures.
- Engage with you to establish your individual Risk Management philosophy and assist with the implementation of an appropriate risk control and transfer strategy. We present various excess options and recommend the structure that will suit your needs.
- Present recommendations and alternatives, then place your insurable risk programme with financially secure Insurers, according to your instructions
- When it comes time to claim, we clarify your entitlements, assist with the paperwork and provide assistance with the claims process to ensure payments are received promptly.
- Additional Risk Management, Professional Risk Surveying, Specialist Claims Management and OH&S Services are available through our trusted business partners.

## Our Office

P: (07) 5688 0973

M: 0400 011 925

Ground Floor, Suite 7/20 Queensland Ave BROADBEACH QLD 4218

PO Box 150 BROADBEACH QLD 4218

## Service Personnel

The service personnel responsible for your account are:

**Lizzie Nelson** - Director

Authorised Representative No. 400675

P: (07) 5688 0973

M: 0400 011 925

E: [lizzie@insurancementor.com.au](mailto:lizzie@insurancementor.com.au)

**Nikki Rich** – Account Executive

Authorised Representative No 1298913

P: (07) 5688 0973

E: [nikki@insurancementor.com.au](mailto:nikki@insurancementor.com.au)

**Naomi Matsumura** – Account Executive

Authorised Representative No 1304107

P: (07) 5688 0973

E: [naomi@insurancementor.com.au](mailto:naomi@insurancementor.com.au)



## Insured Names and Business Description

Unless shown otherwise all covers will be placed in the Name(s) of Insured and using the Description of Business outlined below. Please check the accuracy of both descriptions for the forthcoming insurance year.

It is essential that you advise our office of any alteration necessary to the Name of Insured or the Description of Business, and of any changes that may increase the original risk, including acquisitions or disposals, adoption of cessation of processes or systems. Your Insurers will assess and accept the risks at the quoted premiums based on the information given. Any variations of these details, if not advised to them, could result in an uninsured loss.

### Insured

Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201

## Executive summary

We again pleased to provide you with this this report outlining outcomes for the renewal of the below mentioned policies:

Strata Insurance – Property & Ancillary Covers

Strata Insurance - Public Liability & Ancillary Covers

Last policy renewal a full market quotation was carried out, and CHU Underwriting Agencies Pty Ltd (CHU) presented as the most competitive Insurer in terms of capacity as well as cost.

The expiring Insurer, SUU confirmed they were no longer willing to offer certain sections of cover, and all other Insurers were unable to write this style of risk due to their capacity restrictions or underwriting guidelines (this cover is predominantly for roadways, landscaping, infrastructure and the like which is slightly unorthodox when compared to a standard Strata property).

At renewal this year we have focussed our efforts on the existing policy Insurer, CHU. We have detailed overleaf all policy outcomes.



### **Strata Insurance (Property)**

This policy has performed well during the year, suffering 1 claim at an approximate cost of \$40,000 (damage to pipe and resultant lost water). This claim is ongoing and will be finalised in the coming weeks.

We have utilised all expiring sums insured and note that these have been increased as standard by the Insurer by 5% on the Property policy.

Pleasingly the total premium attaching to the Strata Insurance (Property) policy for the Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201 has been capped at 10% (noting 5% increase in property sum insured). There have been nil increases to the deductible levels.

### **Strata Insurance (Public Liability)**

Both the Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202 and Sanctuary Cove Primary Thoroughfare Body Corporate GTP 201 have individual Liability covers. The policies have suffered nil claims during the year.

There have been nil changes to the limits noted on each policy, as well as nil changes to the deductibles applicable.

We are pleased to confirm the premium on each policy has come down slightly from \$12,878 to \$12,485.

## Premium Summary

### Renewal Premium Outcomes:

Insurance Policy	2023/2024 Premium	2022/2023 Premium
Strata Insurance – Property	\$260,035	\$236,750
Strata Insurance - Public Liability Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202	\$12,485	\$12,878
Strata Insurance - Public Liability Body Corporate for Sanctuary Cove Principal Body Corporate GTP 201	\$12,485	\$12,878
Fee for Service	\$14,955	\$14,955
<b>Total</b>	<b>\$299,960</b>	<b>\$277,461</b>

### Credits Applicable for short term adjustment:

Insurance Policy	Credit Applicable
Strata Insurance – Property	-\$19,986.65
Strata Insurance - Public Liability Body Corporate for Sanctuary Cove Principal Body Corporate GTP 202	-\$981.39
Strata Insurance - Public Liability Body Corporate for Sanctuary Cove Principal Body Corporate GTP 201	-\$981.39
<b>Total</b>	<b>-\$21,949.43</b>

## Policy Schedules

### Strata Insurance - Property

<b>Policy Wording</b>	CHU COMMUNITY ASSOCIATION INSURANCE PLAN – CUSTOM
<b>The Insured</b>	BODY CORPORATE FOR SANCTUARY COVE PRINCIPAL BODY CORPORATE GTP 202 & SANCTUARY COVE PRIMARY THOROUGHFARE BODY CORPORATE GTP 201
<b>Situation</b>	SANCTUARY COVE QLD 4212
<b>Policy Period</b>	31/12/2023 to 31/12/2024 at 4:00pm

### Policies Selected

#### Policy 1:

Community Property Community property:	\$133,118,348
Community income:	\$19,967,752
Common area contents:	\$1,331,184
Policy 2 – Liability to Others	Not Selected
Policy 3 – Voluntary Workers	Not Selected
Policy 4 – Fidelity Guarantee	Not Selected
Policy 5 – Office Bearers’ Legal Liability	Not Selected
Policy 6 – Machinery Breakdown	Sum Insured: \$250,000
Policy 7 – Catastrophe Insurance	
Sum Insured:	\$19,016,906
Extended Cover - Loss of Rent & Temporary Accommodation/Community Income/Storage:	\$2,995,162
Policy 8 – Government Audit Costs and Legal Expenses	Not Selected
Flood Cover is excluded	

### Excesses

Policy 1 – Community Property	\$10,000
Policy 6 – Machinery Breakdown Standard:	\$1,000

### Strata Insurance – Public Liability

<b>Policy Wording</b>	CHU COMMUNITY ASSOCIATION INSURANCE PLAN – CUSTOM
<b>The Insured</b>	BODY CORPORATE FOR SANCTUARY COVE PRINCIPAL BODY CORPORATE GTP 202
<b>Situation</b>	SANCTUARY COVE QLD 4212
<b>Policy Period</b>	31/12/2023 to 31/12/2024 at 4:00pm

### Policies Selected

Policy 1 – Community Property	Not Selected
Policy 2 – Liability to Others Limit of liability:	\$50,000,000
Policy 3 – Voluntary Workers Death:	\$200,000
Total Disablement:	\$2,000 per week
Policy 4 – Fidelity Guarantee	Sum Insured: \$100,000
Policy 5 – Office Bearers’ Legal Liability	Limit of liability: \$10,000,000
Policy 6 – Machinery Breakdown	Not Selected
Policy 7 – Catastrophe Insurance	Not Selected
Policy 8 – Government Audit Costs and Legal Expenses Part A:	Government Audit Costs: \$25,000
Part B:	Appeal expenses – common property health & safety breaches: \$100,000
Part C: Legal Defence Expenses:	\$50,000

Nil Excess

**Strata Insurance – Public Liability**

**Policy Wording** CHU COMMUNITY ASSOCIATION INSURANCE PLAN – CUSTOM  
**The Insured** SANCTUARY COVE PRIMARY THOROUGHFARE BODY CORPORATE GTP 201  
**Situation** SANCTUARY COVE QLD 4212  
**Policy Period** 31/12/2023 to 31/12/2024 at 4:00pm

**Policies Selected**

Policy 1 – Community Property	Not Selected
Policy 2 – Liability to Others Limit of liability:	\$50,000,000
Policy 3 – Voluntary Workers Death:	\$200,000
Total Disablement:	\$2,000 per week
Policy 4 – Fidelity Guarantee	Sum Insured: \$100,000
Policy 5 – Office Bearers’ Legal Liability	Limit of liability: \$10,000,000
Policy 6 – Machinery Breakdown	Not Selected
Policy 7 – Catastrophe Insurance	Not Selected
Policy 8 – Government Audit Costs and Legal Expenses Part A:	Government Audit Costs: \$25,000
Part B:	Appeal expenses – common property health & safety breaches: \$100,000
Part C: Legal Defence Expenses:	\$50,000

Nil Excess

## Important Information

### Privacy Policy

#### Introduction

Resilium Insurance Broking Pty Ltd respects the privacy of all personal information collected and is committed to managing that information responsibly. This Privacy Policy outlines how we manage personal information and comply with current legislation.

This Policy applies to any personal information you provide to Resilium Insurance Broking Pty Ltd and to any personal information we collect, use, disclose or handle about individuals from other sources. It does not apply to our employee records which are not subject to the Act.

Resilium Insurance Broking Pty Ltd is bound by the Privacy Act 1988 (Cth: 21-12-2001) which sets out standards to be met in the collection, use, disclosure and handling of personal information.

#### Information Collection

We will only collect and hold personal information that is necessary for us to have to attend to your insurance, risk management and related needs. This will include such information as your name, age, address, contact details, gender, employment, income, health and medical history, insurance and claims history, information about the subject matter of the insurance, credit card details and other relevant information.

We generally collect personal information directly from the relevant individual but in some cases, we may collect it indirectly from a third party. We will only collect sensitive information if you consent or other requirements under the Privacy Act have been met.

#### Information Use & Disclosure

We only use and disclose your personal information in accordance with the terms of the Privacy Act.

We use the personal information collected principally for the purpose of assessing and advising you on your insurance needs, approaching the insurance/reinsurance market and placing your insurance, handling insurance claims or for risk management. This may include identifying and providing you with information about other products or services that may help you to understand and make decisions about your insurance, risk management and related needs. Where necessary, we may disclose information about you to third parties. For example, information may be provided to insurers, reinsurers, insurance intermediaries, service providers, finance providers, consultants, advisers and agents. If you are proposing for insurance or renewing insurance, relevant or material information must be disclosed to the insurer under your legal duty of disclosure (for this purpose a special Duty of Disclosure notice will be provided to you).

We have a duty to maintain the confidentiality of our clients' affairs, including personal information. Our duty of confidentiality applies except where disclosure of personal information is with our client's consent or compelled by law.

#### Keeping Information Accurate

We endeavour to ensure that information we hold about you is accurate, complete and up to date whenever we collect, use or disclose it.

We will provide you with copies of insurance policies, schedules, benefit statements, renewal notices and invoices that show many of the items of primary information that we hold and give you the opportunity to identify any incorrect information. It is therefore important that you check these insurance documents carefully. In some instances, you (or another party on your behalf) will be asked to complete insurance declarations annually to update information.

To assist us to keep your personal information accurate and up to date, please also advise us of any changes as they occur.

### Information Security

Your personal information may be stored in hard copy documents, as electronic data, or in our software or systems. We endeavour to protect any personal information that we hold from misuse and loss, and to protect it from unauthorised access, modification and disclosure. Some of the ways we achieve this are:

- Confidentiality requirements on our employees
- Policies on document storage security
- Security measures for access to our systems
- Only providing access once proper identification has been given
- Controlling access to our premises.

### Openness

This Privacy Policy sets out how we manage your personal information and protect your privacy.

Should you require further information in relation to the sort of personal information we hold, and our management of this information please contact our Privacy Officer, identified at the end of this document.

### Access & Correction

You have a right to access any personal information that we hold about you on written request, unless precluded by the Privacy Act. If we do not provide you with access, we will provide you with reasons for the refusal.

If you determine that the information, we hold about you is incorrect, we will take reasonable steps to correct the information.

Should you require access to your personal information please contact your account executive or our Privacy Officer. You may be required to provide suitable identification to enable us to protect the security and privacy of your personal information.

### Transfer of Information Overseas

We may transfer your personal information overseas where it is necessary for the purposes described above. For example, some insurers are based overseas, and we need to provide your personal information to them to arrange your cover.

### Dealing with us Anonymously

Our operational and legal obligations will generally require that you identify yourself to us for us to provide insurance broking and risk management services to or on your behalf.

### Opting out of receiving Marketing Information

If we send you any information about services or products, or you do not want us to disclose your personal information to any other organisation (including related bodies corporate) you can opt out by contacting your Resilium Insurance Broking Pty Ltd adviser.

## Complaints or Concerns

If you have any complaints or concerns about privacy matters, please advise our Privacy Officer in writing via:

Complaints Officer  
Resilium Insurance Broking  
GPO Box 1884  
Sydney NSW 2001

## Changes and Developments

It is important that you advise your adviser of any material alterations in the business or products or indeed any aspect which may have a bearing on the adequacy of your insurance program. Your insurers have assessed and accepted the risks based on the information given (particularly the above description) and any variation of these details could prejudice a claim. In general terms, these alterations may include:

- Acquisition of new companies and/or mergers or divestitures in which you are involved in Australia or overseas.
- Purchase, construction or occupancy of new premises: vacation, temporary unoccupancy, demolition, extension or alteration of existing premises.
- Increase in values in excess of insured limits for Buildings, Plant and Stock.
- Substantial removal of stocks or equipment to other locations.

Contractual liabilities, including leases, hiring agreements and the like.

Hire, lease or borrowing of plant or equipment, charter of aircraft or waterborne craft.

Granting of indemnities or hold - harmless agreements.

Substantial changes in processes, occupancy, products, or extension of business operations.

- Contractual liabilities, including leases, hiring agreements and the like.
- Hire, lease or borrowing of plant or equipment, charter of aircraft or waterborne craft.
- Granting of indemnities or hold - harmless agreements.
- Substantial changes in processes, occupancy, products, or extension of business operations.
- Alterations, amendment to or disconnection of fire or burglary protection systems.
- Proposed installation of pressure plant or new key machines.
- If Fidelity Guarantee is insured, any alteration to the system of checks, supervision, audits and the like must be advised to Insurers immediately.
- Any new Joint Venture.
- Issuance of any shares, debentures, ADR's, etc; issuance of a prospectus or Information Memorandum; listing on a stock exchange; issuance of a public or private offering.

The agreements referred to in the highlighted points above often contain obligations which are not immediately obvious. It is important that these agreements be referred to us so that we may assess the extent of your liability and determine whether your policies provide adequate cover.

## Building/Work

We would appreciate early advice of plans for new buildings or substantial alterations so that we may -advise on suitable insurance and indemnity clauses to be included in the contract for your protection. We will also advise on the most economical approach to insurance and standards of protection and security.



## Important Notices & Disclosure to Insurers

### Introduction

Important Notices in this Section outline your rights and obligations in entering into insurance contracts. It is essential that you read these notices carefully and advise your Account Manager immediately if you make a further 'declaration' or have questions about general or policy specific important notices.

### Disclosure

**Your Duty of Disclosure** – contracts of general insurance are subject to the Insurance Contracts Act. Before you enter into a contract of general insurance with an insurer, you have a duty under the Insurance Contracts Act 1984 to disclose to the insurer every matter that you know, or could reasonably be expected to know is relevant to the insurer's decision to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer
- that is of common knowledge
- that your insurer knows, or in the ordinary course of his business, ought to know
- as to which compliance with your duty is waived by the insurer.

### Non-Disclosure

If you fail to comply with your Duty of Disclosure, the insurer may be entitled to reduce his liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

### Comments

Your Duty of Disclosure is a serious matter as it may affect your rights when it comes to claims. For this reason, it should be given due importance by all management and senior staff.

It is imperative that past losses and claims information is kept up-to-date and fully disclosed to insurers. Whilst Resilium Insurance Broking Pty Ltd will maintain records of all losses/claims which occur during our appointment, Resilium Insurance Broking Pty Ltd does not accept responsibility for losses/claims occurring prior to appointment or for checking that full disclosure has been made regarding these.

As a result of these issues, we recommend that you:

- Supply all management and senior staff with a copy of the Duty of Disclosure
- Emphasise to them that the Duty of Disclosure applies not only on inception of the insurance but also when policies are varied or renewed
- Emphasise that the Duty of Disclosure is extremely important regarding issues of past claims, cancellation of insurance policies, premium penalties and any other matters which may influence the Insurer's acceptance of the risk (for example criminal convictions or insolvency or previous companies), and
- Ensure that an effective system is in place to bring all relevant matters to their attention.

If you have any doubts as to whether an issue is relevant, please discuss this with your insurance adviser.

### Your Duty of Disclosure – Other contracts

Please note that in relation to policies which are not governed by the Insurance Contracts Act 1984 such as marine insurance (other than marine inland transit insurance and pleasure craft insurance) and insurance required by statute, the insured still owes a Duty of Disclosure to the insurer. This is a duty to disclose to the insurer before the contract is concluded, every material circumstance which is known to the insured. Every circumstance is material which would influence the judgment of a prudent insurer in fixing the premium or determining whether they will take the risk. The insurer may avoid the contract from inception if the insured fails to make such disclosure. In the case of insurance required by statute, such as compulsory third-party motor vehicle insurance, the insurer may have rights or recovery against the insured in the event of misrepresentation, misstatement or non-disclosure.

### Disclosure – Subsidiary and Associated Companies

**Your Duty of Disclosure** – Cover which is arranged for subsidiary and/or associated companies in addition to named insureds.

If you enter into a contract of insurance on behalf of any subsidiary and/or associated company of the named insured, that subsidiary and/or associated company has the same duty of disclosure as the named insured. We recommend that you ensure that each subsidiary and/or related company is made aware of the duty of disclosure and given an opportunity to make any necessary disclosures.

## Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith, which requires that parties to the contract should act toward each other honestly and fairly, avoiding any attempt to deceive in assuming and performing contractual obligations. Failure to do so on the part of the insured may permit the insurer to refuse to pay a claim or to cancel the policy.

## Essential reading of Policy Wording

We will provide you with a full copy of your policy as soon as it is received from the insurer. It is essential that you read this document without delay and advise your Adviser in writing of any aspects which are not clear or where the cover does not meet with your requirements.

## Change of Risk or Circumstance

It is vital that you advise the insurer of any changes to your company's usual business. For example, insurers must be advised of any:

- Mergers or acquisitions
- Changes in occupation or location
- New products or services, or
- New overseas activities.

If you are in doubt as to whether to notify your insurer of a change in business operations, please consult your adviser.

**PLEASE NOTE THAT YOUR DUTY OF DISCLOSURE ALSO APPLIES  
WHEN YOU AMEND, ALTER OR ENDORSE A POLICY.**

## Subrogation

Some policies contain provisions that either exclude or reduce the insurer's liability for a claim if you waive or limit your rights to recover damages from another party in relation to any loss.

You may prejudice your rights regarding a claim if, without the prior agreement from your insurers, you make any agreement with a third party that will prevent the insurer from recovering the loss from that, or another party.

If you have such agreements, we may be able to negotiate with the insurer to permit them and therefore please advise your adviser accordingly.

Examples of these are "hold harmless" clauses which can be found in Lease Agreements, in maintenance or supply contracts from security or fire protection installers and in repair contracts. Please consult Resilium Insurance Broking Pty Ltd if you have any concerns.

## Un-named Parties

Most policy conditions will exclude indemnity to other parties (e.g. Mortgagees, lessors, principals, etc) unless their interest is properly noted on the policy.

If you require the interest of a party other than the named insured to be covered, you must specifically request this.

## Average/Co-Insurance

**Some policies contain an Average/Co-Insurance clause meaning that you must insure for the full value of the property insured. If you under insure, your claim may be reduced in proportion to the amount of the under insurance.**

The calculation of "full value" for the purposes and application of the Average/Co-Insurance clause may change from one policy to another. These variables must be considered when calculating the "full value" of your property. Please review these with your Adviser if you have any doubts. As an example, you may need to establish with us:

- the date from which Average/Co-Insurance clause would apply – it could be the date of loss/damage or the inception date of the policy
- the type of cover – for example, if your policy is arranged so that cover is on a "maximum loss" basis, then an Average/Co-Insurance clause would still relate to the full value of the property insured
- the basis of valuation. This may be "Indemnity" or "Reinstatement/Replacement".

**Note:** Indemnity is defined as placing the insured in the same financial position after the loss, as applied before the loss (i.e., Not new for old replacement). "Reinstatement/Replacement" on the other hand means replacing the property destroyed or restoring the damage in new materials without any deduction for depreciation.

A simple example, illustrating the basic principle, application and effect of the Average/ Co-Insurance clause is as follows:

Full (Replacement) Value	\$1,000,000
Sum Insured	\$ 500,000
Therefore, you would be self-insured for 50% of the full value.	
Amount of Claim, say	\$ 100,000
Amount payable by Insurers as a result of the application of Average/Co-Insurance (being 50% of the \$100,000)	\$ 50,000

Only 50% of the total damage would be payable by the insurers as a claim due to the underinsurance of the property.

## Business Interruption Insurances

Some policies contain an Average/Co-Insurance clause which is fully set out in the “Basis of Cover” or “Policy Specification” of the policy. For the types of cover usually provided, the Average/Co-Insurance calculation is arrived at by applying the Rate of Gross Profit; Revenue or Rentals (as applicable) to the Annual Turnover, Revenue or Rentals (as applicable); these factors first being appropriately adjusted as provided for in the “Trend of Business” or “Other Circumstances” clause.

Please contact your adviser should you have any concerns about the application of any Average/Co-Insurance clause.

## Claims made during the period of insurance

This notice applies to any policy being placed or renewed that is arranged on a “claims made” basis. Examples of policies with claims made triggers are Directors and Officers Liability/Company Reimbursement, Superannuation Trustees Liability and Products Liability (exports to USA/Canada) policies. This means that claims first made against you AND reported to the insurer during the period of insurance are covered irrespective of when the act causing the claim occurred, subject to the provision of any clause/s relating to a “retroactive date” (see definition below).

**Please note** the effect of Section 40(3) of the Insurance Contracts Act 1984. If you become aware of facts that may give rise to a claim, and you give written notice to the insurer of those facts as soon as possible (and before the policy period expires) then the insurer may not deny liability for that claim, when made, solely because it was made after the expiry of the policy period. For this reason, you must advise your Adviser who will advise the insurer in writing of all incidents that may give rise to a claim against you without delay after such incidents come to your attention and **prior to the policy’s expiry date**.

If you are in doubt about the application of this clause to your policy, please contact your adviser.

## Retroactive Date

The policy does not provide cover in respect of claims arising out of acts committed prior to any “Retroactive Date” specified in the policy wording unless you specifically request and obtain this cover. An additional premium may apply to any extension to the retroactive date.

## Regular Reporting Procedures

For premium calculation purposes and in maintaining policy control on whether coverage and amounts of insurance are adequate it is essential that reporting procedures are undertaken for the following classes of insurance at the appropriate intervals.

### Industrial Special Risks

Annually at the time of the Policy renewal a declaration of:

- **Declaration of Assets** - the Replacement cost or Indemnity value according to the
  - basis on which the respective property is insured.
- **Declaration of Gross Profit** - a declaration of actual Gross Profit earned under the
  - terms of the policy together with an estimate for the ensuing year.
- **Declaration of Payroll** - if dual wages basis of settlement applies then a declaration
  - of actual wages paid together with an estimate for the ensuing year.

### Workers' Compensation

Annually at the time of Policy renewal a Declaration is to be provided for each State detailing the Occupational Classifications and the respective Gross Earnings paid under each classification during the year of insurance. An estimate of the Gross Earnings to be paid for the ensuing year is also required.

### Motor Vehicle

Annually at the time of the Policy renewal, a declaration of vehicles insured.

### Public Liability/Products Liability

Annually upon policy renewal a declaration of actual turnover for the preceeding year and an estimate of the turnover for the ensuing year.

### Marine – Overseas

A Declaration of all shipments comprising imports, exports and sending's within Australia for the current year together with the estimated value of these shipments for the ensuing year.

### Travel

Annually at the time of Policy renewal, a declaration of estimated of total number of overseas, interstate and intrastate trips and average duration for the coming 12 months.

## Claims Procedures

As the nature of accidents cannot be predicted or do not follow set patterns, it is impossible to give guidelines for procedures in every claim. However, procedures for some classes of insurance are provided to cover most circumstances. For any other claim involving other classes of insurance, the client should always contact the adviser without delay.

### The Advisers Role In Claims

As an insurance adviser does not have authority to pay claims, the insurance advisers role is one of providing advice and assistance to the insured. An insurance adviser will advise the Insured on the procedure to be followed in the event of a claim. In providing such advice and assistance it is imperative that the Insurance adviser remain aware of their legislative responsibilities as well as their responsibilities to their client. An insurance adviser will liaise with the Insured, insurance companies, loss assessors and adjusters regarding a claim. An insurance adviser is also able to assist determine policy coverage and assist the insured in claiming maximum benefits under their insurance policy.

### General Claim Procedures

In the event of an incident that might give rise to a claim under a policy of insurance, the following general procedure is to be followed: -

- All circumstances which may have the potential to develop into a loss must be reported to your adviser who will in turn notify the insurance company without delay.
- All reasonable steps should be taken following an accident or loss to protect the property or person from any further damage or injury.
- Notify the Policy, Fire, Ambulance or SES immediately if required;
- Never admit liability or take action that may be seen as an admission of liability and do not attempt to negotiate with any third party.

### Home and Contents

- Report to police within 24 hours and obtain the police report when available.
- Report to adviser, advising circumstances, nature and extent of loss.
- Take necessary actions and precautions to prevent and minimize further loss or damage.
- Adviser to advise insurer of claim
- The insurer may appoint an adjuster to investigate. Please preserve any evidence of loss or damage for investigation purposes.
- Adviser to forward the following claim documents to insured:
  - Claim Instructions
  - Claim FormForward the following claim documents to adviser:
  - Claim form duly signed and completed
  - Police Report
  - Where the claim is for Fire, the Fire Brigade Report Original invoices of damaged items
  - Quotations and or receipts of repairs or replacement of property or items
  - Photographs showing areas of damage
- Upon settlement of the claim, the client is to sign a release for settlement.

## Motor Vehicle Claims

### **Accident Procedure**

In the event of an accident, follow this procedure:

- If any person has been killed or injured, render any necessary assistance
- Stop and exchange name and address with any other party involved
- Do not admit liability or take any action that could be construed as an admission of liability
- Record the registration number and make of any other vehicle
- Ensure that you note the exact time and location of the accident, together the conditions of the road (for example, slippery following heavy rain)
- Record the names and addresses of as many witnesses as possible at the scene of the accident
- Report accident to police if required by the Traffic Act
- Note the name of the police officer, the police station, and the time and date of reporting
- Report the accident to your Insurance adviser or Insurance Company immediately
- Obtain a written quotation for the necessary repairs from a reputable repairer.

### **Theft Procedure**

If you discover the theft of a motor vehicle:

- Report the theft to the police as soon as possible
- Note the name of the police officer, the police station, and the time and date of reporting

### **Windscreen Breakage**

If your vehicle's windscreen is cracked or broken within 100kms of the Insured premises, follow the normal accident procedure. If the windscreen is broken on a trip and you cannot drive the vehicle any distance, take the vehicle to the nearest windscreen repairer to replace the windscreen. If the repairer is not prepared to carry out the work on a credit basis, it is expected, as a matter of prudence, that you would pay for the cost out of your own funds and seek reimbursement from the Insurance Company upon return from the trip.

### **Own Damage & Theft Claims**

The process for motor vehicle insurance claims is as follows:

- Insured to complete a Motor Vehicle Accident Claim Form
- Attach the original quotation for repairs or the invoice or receipt for replacement of windscreen
- Check the details of the claim form
- Make any corrections as required
- Make a copy of the claim form and supporting document
- Notify your adviser or the insurance company immediately
- Leave the original claim form in the vehicle for the insurance assessor
- The insurance company will arrange for the insurance assessor to inspect the vehicle and authorise the necessary repairs to be carried out
- The assessor will collect the original claim form for the insurance company
- The assessor will authorise repairers to carry out the work
- The repairer will invoice the insurance company for the cost (less the excess amount)
- The repairer will invoice the insured for the excess
- The insured will arrange for the payment of the excess. The repairer will require payment of the excess before releasing the vehicle

### **Third Party Damage Claims**

If you are involved in an accident with a third party and do not wish to claim under your own insurance: -

- Do not admit liability
- Advise your adviser and insurance company immediately

- Obtain a quotation for repairing your vehicle
- Send a Letter of Demand and the repair quotation to the third party
- Keep a copy of the quotation and the letter
- If the third party pays the cost of repairs the matter is settled
- If no response is received, a second letter of demand should be sent seven (7) days after the first one
- If they ignore the second letter, the matter should be referred to your solicitor

If you are involved in an accident with a third party and do not wish to claim under your own insurance: -

- Do not admit liability
- Inform your adviser and insurance company immediately
- Forward any writs, summons, letters of demand, repair quotations or invoices to the insurance company immediately

### **Personal Injury Claims**

If a person who is not an employee of the insured is injured on the Insured's property or as a result of the company's actions use the following procedure:

- Complete a Report of Injury form covering full details of the accident and injury. The Report of Injury form should be completed by the injured person and should be sent to the insurance company via your adviser
- Under no circumstances should anybody admit any liability in respect of the injury nor give opinions on the question of liability. No payments are to be made as acts of grace or otherwise
- Inform your adviser of the accident. Your adviser will provide you with an appropriate claim form for completion
- Your adviser advises the Insurer of the incident
- The insurer decides whether the Insured is liable. The insurer may seek additional information from the claimant and the Company before deciding
- If the insurer accepts liability, the insured is advised accordingly when further documentation, if any, concerning the claim may be required to be lodged with the insurance company
- The insured completes a claim form and sends the documents to the insurer through the adviser
- The insurer processes the claim. Proceeds are normally made payable to the claimant and may be despatched directly to them by the insurer
- If the insurer declines a claim, the claimant is advised accordingly by the insurer and the matter is closed
- The claimant may take up the matter further directly with the insurer, either themselves or through a solicitor

### **Property Damage Claims**

Property damage is covered under property insurance cover usually in the form of a Home and Contents or Business Insurance policy

- You notify the adviser of the claim
- Your adviser will notify the insurance company
- Your adviser will provide you with a claim form for completion along with any instructions for making a claim
- The insurance company may appoint an assessor to visit your premises and assess the damage
- You complete a claim form and supported by copies of purchase orders, quotations and invoices the claim is lodged with your adviser following the insurance assessor's visit if necessary
- The assessor will quantify the loss and make recommendations to the insurance company for settlement
- The insurance company processes the claim and forwards a settlement cheque to the insured deducting any excess applicable



### Money Claims

In the event of a loss giving rise or likely to give rise to a claim:

- Immediately file a police report and render all reasonable assistance in the discovery and punishment of the perpetrator, and recovery of the money lost
- Notify the insurance company giving a description of the situation, and an indication as to the nature and extent of the loss or damage.
- Submit to the Company a detailed Statement of Claim including but not limited to:
  - A detailed description of the causation and situation leading to the loss.
  - The value lost.
  - Details of other insurance policies in force.
- Immediate action must be taken and put in place to minimize the loss and to prevent further loss
- At your expense produce to the Company such books of account and other business books, vouchers, invoices, balance sheets, and other documentary proof as may be required for the purpose of investigation and verification

### Theft, Loss or Damage Claims

- Report theft, loss or damage to the police immediately. Note the name of the police officer and the date and the time of reporting
- Notify your adviser and insurance company immediately
- If necessary, the insurance company arranges for an assessor to visit the Insureds premises and assess the theft, loss or damage
- Obtain quotations to replace the items stolen or lost or to carry out the necessary repairs to equipment damaged and place a purchase requisition with the selected supplier or repairer
- Forward copies of quotations, purchase order and replacement invoices to the insurance company as soon you receive them
- You are required to complete a claim form and lodge it with your adviser supported by appropriate documentation, that is, copies quotations, purchase order and replacement invoices
- Your adviser will forward the claim form and supporting documents to the insurance company
- The insurance company processes the claim and forwards a settlement cheque to the insured after deducting any applicable excess

### Workers Compensation Claims

A staff member who has sustained an injury or illness in relation to their employment and wishes to lodge a Workers Compensation claim should proceed with the following

- report the injury to your supervisor as soon as possible after the incident and complete a Report of Injury, Illness or Incident form
- Report the injury or illness to the Occupational Health & Safety Officer
- Report the injury or illness to your adviser and insurance company immediately
- Complete relevant claim forms and submit to the insurance company with a supporting Workers Compensation medical certificate
- It is important that claim forms, together with Workers Compensation medical certificates, are lodged as soon as possible after the accident or injury. Claims which are made more than six months after the injury will not be accepted by the insurer unless a reasonable cause for the delay can be shown.

### **Notification of Workers Compensation Claims to the Insurer**

- The Occupational Health & Safety Officer should notify the insurer within 48 hours of receipt of a report of a significant injury. A significant injury is one where the staff member is unable to continue in their normal duties for 7 days or more.
- The insurer will allocate an incident or claim number to each reported claim. The Occupational Health & Safety Officer will notify the staff member of this claim number as soon as possible so they can advise their treating practitioners for invoicing purposes.

### **Forwarding Important Workers Compensation Documents**

- Additional certificates and leave forms for further periods off work and accounts and receipts for subsequent medical treatment must be submitted immediately to the Occupational Health & Safety Officer. Claimants are advised to keep a copy of all documents submitted.
- Any absence from duty (even if only of short duration) arising from an accident or injury at work must be supported by a Workers Compensation medical certificate in order to be considered as workers' compensation leave. Leave forms for all time lost must be signed by the Occupational Health & Safety Officer together with the necessary medical certificates. Absences which are not supported by a medical certificate will be charged as another form of leave.
- Insurance claims processes require staff to continue to submit up to date Workers Compensation medical certificates up until they receive a final Workers Compensation medical certificate from the Nominated Treating doctor.
- Copies of any accounts, with the claim number noted on them should be kept by the staff member and forwarded to the Occupational Health & Safety Officer for passing onto the insurer for payment.

### **Liability Claims**

It is vitally important that incidents (e.g. an accident involving a visitor to the University) which could give rise to a claim in the future are advised immediately to your adviser and Insurance Company to enable the correct procedures to commence. It is feasible that a statement of claim in the Courts could be received many years after the event and that witnesses' memories are dimmed by the passage of time. Therefore, immediate notification will give the Insurance Company the opportunity to take statements from witnesses whilst the incident is still fresh in their minds. Immediately following the occurrence of an incident that may give rise to a claim, the following should be undertaken:

- All reasonable steps should be taken following an incident to protect the person or property from further injury or damage.
- Advise your adviser and insurance company of the incident.
- Any correspondence received from third parties should be forwarded to the insurance company via your adviser for reply.

## Major Uninsured Risks

The following classes of insurance are available for purchase and may include those classes which you have already purchased. This list is inclusive of the most common classes of insurance and is intended to provide a brief summary of covers available to assist in your assessment of whether such insurance protection may be required.

If you would like any additional information about any of these classes of insurance, please contact your adviser. Not all these covers may apply to your circumstances, however as business is continually changing, we suggest that this list be reviewed regularly to ensure that your current insurance program is still satisfactory in meeting your needs. Additionally, should an exposure exist which is neither included in your current insurance program, nor listed below, we would be pleased to investigate that availability of protection against such exposure.

	Covered or N/A	Recommended
<b>Property</b>		
<b>Burglary /Theft</b> Loss of or damage to insured property resulting from burglary or theft.		
<b>Business Interruption</b> Loss of insurable profits due to interruption of the business as a result of loss, destruction or damage caused by an insured peril / risk.		
<b>Crop (Growing)</b> Loss, destruction or damage to crops from an insured peril/ risk.		
<b>Fidelity Guarantee/Employee Fraud</b> Loss sustained through fraudulent or dishonest acts committed by employees.		
<b>Fire and Perils/Industrial Special Risks</b> Loss/damage to insured property as a result of fire and/or extraneous perils and/ or other risks as specified.		
<b>Flood</b> 'Flood' means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:  (a) a lake (whether or not it has been altered or modified); (b) a river (whether or not it has been altered or modified); (c) a creek (whether or not it has been altered or modified); (d) another natural watercourse (whether or not it has been altered or modified); (e) a reservoir; (f) a canal; (g) a dam.		

	Covered or N/A	Recommended
<b>General Property</b> Loss of or damage to defined property normally of a specialized nature which is not covered under a Fire / ISR Policy.		
<b>Glass Breakage</b> Accidental damage to internal and / or external glass, mirrors, tiles and signs.		
<b>Livestock</b> Death or illness to specified livestock.		
<b>Money</b> Loss of money and negotiable instruments.		
<b>Machinery</b>		
<b>Boiler and Pressure Vessel Explosion</b> Loss or damage due to explosion or collapse of boilers and/or pressure vessels requiring a certificate of registration.		
<b>Machinery Breakdown - Material Damage</b> Sudden and unforeseen loss or damage to plant and machinery.		
<b>Machinery Breakdown - Business Interruption</b> Loss from interruption or interference to the business as a result of loss or damage to plant and / or machinery.		
<b>Electronic Equipment</b>		
<b>Computer Multi Risks   Computer Breakdown   Business Interruption</b> Physical loss or damage, including mechanical or electrical breakdown, to computing equipment and loss due to interruption of the business as a result of loss, destruction or damage by an insured peril / risk.		

	Covered or N/A	Recommended
<p><b>Cyber Insurance</b></p> <p>First Party Costs - reimburses the Insured for the costs they would incur to respond to a breach, such as IT Forensic Costs, Credit Monitoring Costs, Public Relations Expenses and Cyber Extortion Costs (including ransom payments to hackers).</p> <p>Third Party Claims - covers the Insured's liability to third parties from a failure to keep data secure, such as claims for compensation by third parties, investigations, defense costs and fines and penalties from breaching the Privacy Act.</p> <p>Business Interruption - this section provides reimbursement for the Insured's loss of profits resulting from the breach, as well as any additional necessary expenses it may need to incur to continue business as usual.</p>		
<b>Marine</b>		
<p><b>Carriers Liability</b></p> <p>Legal liability for loss of and / or damage to goods and or merchandise owned by others when in your care custody and control and whilst in transit within Australia.</p>		
<p><b>Charterers Legal Liability</b></p> <p>Insured's legal liability to owner of a chartered vessel and/or to third parties arising out of the signing of a charter party agreement.</p>		
<p><b>Fine Arts Risk</b></p> <p>Loss of or damage to fine art and curios whilst on display, exhibition or in transit.</p>		
<p><b>Marine Hull</b></p> <p>The loss of specified vessels or craft as a result of an insured peril.</p>		
<p><b>Marine Inland</b></p> <p>Loss of and / or damage to goods and or merchandise whilst in transit within Australia.</p>		
<p><b>Marine - Overseas</b></p> <p>Loss and / or damage to goods and or merchandise whilst in transit to and from Australia.</p>		
<p><b>Protection and Indemnity</b></p> <p>The insured's liability to third parties as a result of ownership of a vessel / craft.</p>		
<b>Construction</b>		

	Covered or N/A	Recommended
<p><b>Advanced Profits / Rentals</b></p> <p>Consequential loss of profits/ rentals as a result of the delayed completion of a project due to loss, damage or destruction caused by an insured peril / risk.</p>		
<p><b>Construction Risks / Liability / Advanced Profits</b></p> <p>Loss, destruction of or damage to contract works and all materials ascribed to the contract whilst in transit and on or adjacent to "the site" (cover applies both during the construction and maintenance periods and is tailored to reflect the particular risks mentioned/ applicable to specific contracts). Coverage can include legal liability for injury to any person and/or damage to any property of others arising out of the construction / maintenance operations.</p>		
<p><b>Construction Risks / Liability / Advanced Profits</b></p> <p>Financial loss arising from the failure of parties to a contract to fulfil their contractual obligations.</p>		
<p><b>Contract Penalties /Liquidated Damages</b></p> <p>Penalties under contract for delay in completion of a contract on schedule.</p>		
<p><b>Liability</b></p>		
<p><b>Employment Practices Liability</b></p> <p>Legal Liability to pay arising out of a claim for employee discrimination, unfair dismissal, workplace harassment</p>		
<p><b>Environmental Impairment (EIL)</b></p> <p>Legal liability for personal injury or property damage caused by non-sudden or long-term pollution. This policy can also cover the insured for legal costs and the costs of removing, rendering harmless or cleaning up of any substance which has caused or would cause environmental damage.</p>		
<p><b>Contractual Liability</b></p> <p>Extension to Broadform Liability covering Injury or damage as a result of contractual conditions.</p>		
<p><b>Libel and Slander/ Defamation</b></p> <p>Indemnifies insured against claims for libel and slander by any person provided that such claims arise out of the occupation and conduct of the insured.</p>		
<p><b>Management Liability</b></p> <p>Incorporating Directors and Officers Liability, Statutory Liability, Crime cover and Employment Practices.</p>		

	Covered or N/A	Recommended
<p><b>Broadform Liability (Public Liability Products Liability)</b></p> <p>Legal liability for bodily injury and/or damage to property occurring in connection with the business.</p> <p>Legal liability for bodily injury and damage to property caused by any products sold or supplied by the insured.</p>		
<p><b>Products Performance Guarantee</b></p> <p>Legal liability either at law or under guarantee to repair or replace defective products made, sold or distributed by the insured.</p>		
<p><b>Products Protection (Malicious product tamper/contamination)</b></p> <p>The costs and loss of net profit where products are withdrawn or destroyed due to active or alleged contamination or malicious tamper so as to render the product unfit or dangerous for use.</p>		
<p><b>Products Recall</b></p> <p>Legal liability for all costs, expenses and damages for withdrawal or recall of goods or products because of any known or suspected defect or deficiency therein.</p>		
<p><b>Professional Indemnity</b></p> <p>Legal liability to compensate third parties for loss or injury sustained by them arising out of negligent acts, errors or omissions on the part of the insured in the conduct of their business.</p>		
<p><b>Statutory Liability</b></p> <p>Legal costs and expenses for investigating and defending allegations of wrongful breaches of a statute and including fines or penalties that are payable to regulatory authorities arising from such breach.</p>		
<p><b>Taxation and Audit Expenses</b></p> <p>Professional fees charged by an accountant in connection with a Tax or other Government audit, including costs in obtaining expert advice.</p>		
<p><b>Trade Credit</b></p> <p>Credit Insurance for the risk of your customer not paying for the goods or services you've supplied.</p>		
<p><b>Umbrella</b></p> <p>Similar cover to Public/ Products Liability except that cover is expanded to include difference in conditions, extending over underlying motor vehicle, workers compensation liability and other liability policies as agreed.</p>		

	Covered or N/A	Recommended
<p><b>Workers Compensation</b></p> <p>Legal liability under the respective State / Territory Acts and at common law for injury sustained by employees in the course of their employment.</p>		
<p><b>Personnel</b></p>		
<p><b>Corporate Travel</b></p> <p>Baggage, overseas medical expenses, money, personal accident and loss of deposits for insured persons whilst travelling on the business of the insured. This policy is often purchased on an annual basis with the insured client as beneficiary.</p>		
<p><b>Employment Practices Liability</b></p> <p>Legal Liability to pay arising out of a claim for employee discrimination, unfair dismissal, workplace harassment.</p>		
<p><b>Group Personal Accident</b></p> <p>A nominated group of individuals for a specified benefit against loss of limbs and disablement. The benefits are payable to the company or association purchasing the cover.</p>		
<p><b>Domestic</b></p>		
<p><b>Caravan</b></p> <p>Loss of or damage to Caravans and legal liability to third parties arising out of the use of Caravans.</p>		
<p><b>Householders</b></p> <p>Covering domestic dwellings and contents against fire and other perils including theft and personal liability (when contents is taken).</p>		
<p><b>Landlords</b></p> <p>Residential investment properties and contents against fire and other perils including theft and loss of rent.</p>		
<p><b>Motor Vehicle</b></p> <p>Loss of or damage to motor vehicles and legal liability to third parties arising out of the use of motor vehicles.</p>		
<p><b>Personal Accident and Illness</b></p> <p>Covering individuals for specified benefits against loss of limbs, disablement and weekly income. The benefits are payable to the insured or deemed beneficiary purchasing the cover.</p>		



	Covered or N/A	Recommended
<p><b>Strata Title Insurance</b></p> <p>Residential and Commercial Properties against fire and other perils including burglary; loss of rent; fidelity; machinery breakdown; liability; professional indemnity; voluntary workers.</p>		
<p><b>Commercial Motor</b></p>		
<p><b>Motor Vehicle</b></p> <p>Loss of or damage to commercial motor vehicles and legal liability to third parties arising out of the use of the insured motor vehicles.</p>		
<p><b>Motor Vehicle Down Time</b></p> <p>Assistance towards expenses while heavy transport vehicle is being repaired or replaced following an insured event – up to the specified maximum benefit period.</p>		

## Insurance Related Terms

Your insurance policies and this report include terms which are peculiar to insurance and whilst your Adviser is always available to explain the meanings, detailed below for your guidance are explanations of the more common ones.

<b>Adjustment Premium:</b>	The premium determined after expiration of the policy on the declaration of details such as wages, stock values etc., or the loss experience under the policy. The original premium charged on such policies may be referred to as the advance premium, the base premium, the initial premium or the deposit premium.
<b>Aggregate Limit:</b>	The total amount of money an insurance company will pay under a liability policy for claims that arise.
<b>Annual Premium:</b>	The amount of premium that must be paid annually to meet the contractual requirements of the policy and keep it fully in force.
<b>Assurance:</b>	A term commonly used in England to distinguish life “assurance” from general (i.e., non-life) insurance.
<b>Average Clause:</b>	A clause in a policy requiring that, where property is insured for less than its full value, the Insured is required to bear a proportion of any loss. The proportion is the amount by which the property is under insured expressed as a percentage of its full value at the time of the loss.
<b>Bona Fides:</b>	Good faith.
<b>Bonds:</b>	<p>A surety bond is a contract of guarantee which has three parties:</p> <ul style="list-style-type: none"> <li>§ The Surety or guarantee, i.e., the Insurance Company.</li> <li>§ The person who is to perform the subject matter of the bond, i.e., the Contractor.</li> </ul> <p>The person in whose favour the bond is issued, i.e., the Owner or Obligee.</p> <p>Under a bond, the Surety undertakes to hold itself responsible up to the specified amount for the non-performance or malperformance of an expressed obligation; i.e., the obligation of the Contractor.</p>
<b>Cancellation:</b>	A complete termination of an existing policy before its expiration. Usually on the insured may cancel a policy if all premiums due have been paid.
<b>Capacity:</b>	The amount of insurance or reinsurance available from an individual underwriter or from the entire insurance market in a particular locality or country.
<b>Claim:</b>	A demand or notice of the right or alleged right, of any party to recover from an insurance company on account of an alleged loss resulting from a contingency or cause covered by the policy; or a demand by a third party against an Insured on account of loss, damage, or injury caused, or alleged to have been caused by the Insured and alleged to be covered by the Insured’s policy.
<b>Claimant:</b>	The party making a claim under an insurance policy. The claimant may be the Insured. Under liability policies, the claimant is a third party.

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<b>Claims Incurred But Not Reported ('IBNR'):</b>	Claims resulting from accidents or occurrences which have taken place but of which the Insurer has not received notice or report of loss.
<b>Compulsory Third Party Insurance ('CTP'):</b>	Insurance covering accidental bodily injury to or death of third parties as a result of a road traffic accident. All owners of motor vehicles using public roads in Australia are required to have CTP cover taken out in the state in which each vehicle owned is registered. Third party property damage insurance is not compulsory and is classified with comprehensive motor vehicle insurance. The parties involved in a road traffic accident are: § First Party - the Insured or policyholder § Second Party - the Insurer § Third Party - all persons involved other than the driver of the vehicle at fault.
<b>Consequential Loss:</b>	A loss not directly caused by damage to property but arising as a result of such damage. For example, lost production and thus loss of profits following a factory fire. See Loss of Profits Insurance.
<b>Contributory Negligence:</b>	Lack of care on the part of the individual injured or suffering loss that helped to cause or aggravated the accident or loss.
<b>Co-Insurance:</b>	It is common practice for insurance contracts to be subject to Co-Insurance or Average, which means that if the value of the property insured exceeds the sum insured, then you would be required to contribute proportionally to each and every loss. Your Account Manager can explain which policies include such a clause.
<b>Container Liability:</b>	Covers contractual liability for loss of/or damage to hired/leased containers and additional costs incurred.
<b>Contra Proferentem:</b>	"The words of deeds are to be interpreted most strongly against him who uses them". A rule of construction whereby in the event of an ambiguity it is to be read against the party who drafted the document.
<b>Cost, Insurance &amp; Freight (C.I.F.):</b>	The F.O.B. cost plus freight, insurance and all other charges for delivery to the declared port or final destination.
<b>Cover:</b>	The scope of the protection provided by an insurance contract.
<b>Cover Note:</b>	Temporary contracts to protect the Insured while the procedures for the preparation and issuing of the actual insurance policy are progressing.
<b>Deposit Premium:</b>	Certain policies are written under conditions, which provide that the final premium is not determined until the policy has expired. The premium charged at the inception of cover is the "advance" "professional" or "deposit" premium. The term is also sometimes used to refer to the initial premium paid by an applicant for life insurance which is held in suspense by the life company pending its acceptance or rejection of the proposal.

<b>Defamation:</b>	The act of publishing an utterance to a third party, including verbally, which causes injury to the honour or reputation of another. A defamatory statement can take two basic forms: a) Libel, which is a defamatory statement in permanent form such as in writing or by other media. b) Slander: defamation in transient form such as an oral communication.
<b>Discovery:</b>	Obtaining of information on oath from a party to legal proceedings.
<b>Dual Basis Payroll:</b>	This takes its name from the fact that indemnity is provided for payroll i.e., wages and salaries, during two separate periods. The first is the initial selected period e.g. 10 weeks beginning with the damage during which 100% of the rate of payroll is applied. After the initial period, the cover continues throughout the remainder of the full indemnity period but for a reduced proportion of the payroll. Cover is flexible as the initial period can be compressed or extended depending upon the effects of a loss.
<b>Ejusdem Generis:</b>	(Of the same kind). A rule of construction whereby words of a general nature following words of a particular meaning are construed to mean the same kind as the particularly defined words.
<b>“Employers” Liability:</b>	A prescribed class of insurance business commonly referred to as Workers’ Compensation insurance.
<b>Endorsement:</b>	Documentary evidence of a change to an existing policy, for example, change of address, increase in sum insured, etc. An endorsement may result in an additional premium, a return premium or no premium adjustment.
<b>Equity:</b>	(Natural justice). An additional body of rules formulated to supplement the rules and procedure of the common law.
<b>Estoppel:</b>	A rule of evidence by which the conduct of one party precludes him from denying that the facts are not otherwise than his conduct has led another to believe to the latter’s detriment.
<b>Excess:</b>	A policy condition whereby the Insured is required to pay a portion of the loss, as stipulated in the policy (e.g. the first \$50 of a motor vehicle damage claim), the Insurer paying the balance over that amount.
<b>Exemplary Damages:</b>	See Punitive Damages.
<b>Exgratia Payment:</b>	A payment made for which the insurer is not liable under the terms of the policy. For example, a payment made in lieu of incurring far greater legal expenses in defending a claim.
<b>Extra Cost Of Reinstatement:</b>	Provides protection for additional cost to comply with Government Regulations following a loss e.g. your previous premises may have had a wooden staircase whereas current regulations require brick thus your initial sum insured should allow for reinstatement in brick.
<b>Fire Brigade Charges (or Levies):</b>	Amounts payable by insurance companies to fire brigade authorities by virtue of the various state governments.

<b>Franchise:</b>	A policy condition whereby no claim is admissible until the loss exceeds a specified amount, at which point the Insurer pays the full amount of the claim.
<b>Free on Board (F.O.B.):</b>	Relates to the cost and charges from the supplier's works, including the cost of the goods, cases, packing, rail, delivery charges, dock charges, insurance, customs and agents charges at the port of shipment. In other words, the total cost of the goods to be delivered to the vessel.
<b>Fraud</b>	A deliberate deception to gain an unfair or unlawful advantage.
<b>False Arrest and False Imprisonment:</b>	A wrongful act that deprives a person of his right of liberty is an actionable tort. Placing a person in a locked room or a locked part of the premises amounts to false imprisonment as in case of a department store who arrest a customer suspected of shoplifting. If they did not let the customer first leave the store, the customer could then claim that they intended paying for the item before leaving the store in which case there could be grounds for false arrest.
<b>General Average:</b>	A term used in Maritime Law to cover special claims. Briefly it means that if property or a vessel is sacrificed for the common good of all property on that vessel, then all parties involved will contribute to the loss of those whose goods were sacrificed i.e., if a ship carrying goods on your behalf is forced to jettison your goods for the safety of the ship as a whole, then the owners (or their insurers) of the other cargo on the ship would contribute so as to reduce your loss. Similar principles would apply for other owners if their cargo were jettisoned to protect yours.
<b>Indemnity:</b>	The principle of indemnity is to place the insured in the same financial position after a loss as that which he occupied immediately before the loss. That is the Insured does not receive "new for old".
<b>Inherent Vice:</b>	This term refers to a quality inherent in property that produces damage to the property without the assistance of an outside agency and by its own action e.g., Weevils in flour.
<b>Insurable Gross Profit:</b>	This term is used in the Business Interruption policy and comprises Net Profit plus the total of all expenses, which will not diminish proportionally with a reduction in turnover e.g. Rent and Rates. This is calculated by adding Turnover and Closing Stock less the sum of Opening Stock and the Uninsured Working Expenses.
<b>Interrogatories:</b>	Written questions put by one party, in an action to be answered on affidavit by the other on matters relating to the action.
<b>Insurable Interest - General Insurance:</b>	An interest in relation to, or liability with respect to the subject matter of insurance which is of such a nature that damage to the subject matter or injury or damage caused by or liability arising from the subject matter would result in tangible loss to the person concerned.
<b>Malpractice:</b>	Usually refers to a medical issue and relates to damages as a result of a claim arising out of a bodily injury or mental injury to or death of any patient caused by or allegedly arising out of any act, error or omission in professional services.

<b>Material Fact:</b>	In insurance, a material fact is something that “if known at the time when the negotiations took place, would have reasonably affected the minds of prudent and experienced insurers in deciding whether to accept the insurance or in fixing the rate of premium to be charged if the insurance was accepted”. The issue of ‘materiality’ is further covered by the provisions of the Insurance Contracts Act (1984).
<b>Misdescription:</b>	An error, mistake or misstatement in the description of any property, interest or liability. If the subject matter of a policy is so inadequately described that it cannot be identified with precision the policy may be voided. This is covered by the Insurance Contracts Act (1984).
<b>Misfeasance:</b>	The improper performance of a lawful act.
<b>Negligence:</b>	The failure to exercise the care that the circumstances demanded from the person concerned to enable him, in general terms, to avoid causing loss, damage or injury to another.
<b>Non Disclosure:</b>	Failure to disclose the existence of a particular fact that ought to be disclosed. It implies a keeping back or suppression and not an inadvertent omission to disclose it.
<b>Nonfeasance:</b>	Neglect or failure to carry out something that ought to be done, such as failure to repair a highway.
<b>Nuisance:</b>	Neighbouring landowners or occupiers have a duty to make reasonable use of their premises so as not to invade the rights of another. The activities of a neighbour that interfere with the occupier’s use and enjoyment of land are a private nuisance the remedy for which is an action for damages, or an injunction or both. This is distinguished from a public nuisance that is one which affects a large number of people and for which there is no right of action by an individual unless they can show they are affected more than other methods of the public.
<b>Onus of Proof:</b>	Burden or responsibility of proving.
<b>Protection and Indemnity:</b>	Covers liability to third parties arising out of the ownership of watercraft/vessels.
<b>Proximate Cause:</b>	The immediate or proximate cause (causa causans) i.e., an unbroken series of events leading to some happening as distinct from the remote cause (causa sine qua non), which only indirectly causes a loss or event.
<b>Proper Law:</b>	The proper law of a contract is the system of law by which the parties intend the contact to be governed, i.e., the system of law that applies in Australia, the United Kingdom or any other country that suits the purposes of the various parties to the contract.

<b>Punitive Damages:</b>	<p>Punitive or exemplary damages are damages intended to punish the defendant for conduct showing a conscious and contumelious (insolent or reproachful) disregard for the rights of a plaintiff. They are intended to have a deterrent effect, both on the defendant concerned and on other potential defendants at large.</p> <p>They are also intended to soothe any urge for revenge felt by victims and to discourage “any temptation to engage in self-help likely to endanger the peace”.</p> <p>Exemplary damages are also called punitive damages, vindictive damages or retributory damages, and are often excluded from liability insurance policies.</p>
<b>Rectification:</b>	<p>The equitable remedy which allows either party to a document to have its provisions corrected so as to properly reflect the true nature of their agreement. A court will only order rectification if the party seeking its indulgence can prove that: (1) there was a final agreement, and (2) the failure to record the agreement in the document was due to the mutual mistake of both parties.</p>
<b>Res Ipsa Loquitur:</b>	<p>(The thing speaks for itself). A rule of evidence whereby the circumstances are such that prima facie loss or injury appears to have been due to the negligence.</p>
<b>Respondent Superior:</b>	<p>(Let the principal answer). A master is responsible to third parties for the acts of his employee committed in the course of the employment. If done in the employer’s interest, even if against his instructions, the employer is liable. This liability is extended by legislation in some states to prevent the employer claiming indemnity from a negligent employee and even to ‘hold harmless’ the employee.</p>
<b>Release:</b>	<p>A signed document accepting settlement for a loss.</p>
<b>Reinstatement and/or Replacement:</b>	<p>This is a method of insuring property on a “new for old” basis. In the event of a loss where property is insured under these conditions, settlement would be based on the cost of replacing the property or restoring the damage in new materials without any deductions for depreciation.</p>
<b>Strict Liability:</b>	<p>A liability owed to another under special circumstances although injury is caused without negligence or intention, e.g. where occupier of land brings on to it something liable to do injury to others if it escapes therefrom.</p>
<b>Subrogation:</b>	<p>The statutory or legal right of an Insurer to recover from a third party who is wholly or partially responsible for a loss paid by the Insurer under the terms of the policy. For example, when an Insurer has paid the Insured for loss sustained to his car as the result of a collision, the Insurer may collect through the process of subrogation from the person whose car caused the damage. Subrogation recoveries are treated as reductions of losses paid.</p>
<b>Third Party (Under A Liability Insurance Policy):</b>	<p>A person, not a party to the insurance contract, who has an alleged or actual right of action for injury or damage against the person insured under this policy.</p>
<b>Tort:</b>	<p>(A wrong). A civil wrong for which the remedy is a common law action for unliquidated damages, and which is not exclusively the breach of a contract, or the breach of a trust or other merely equitable obligation.</p>

<b>Trespass:</b>	Trespass is an unlawful act committed with force or violence on the person, property or relative right of another. Trespass to the person has developed into torts of assault, battery and false imprisonment. Trespass to goods occurs when a person deliberately uses or otherwise interferes with goods in the possession of another. Trespass to land is the intrusion upon land occupied by another without invitation of any sort and without the occupiers consent.
<b>Uberrimae Fidei:</b>	In all contracts of insurance it is a fundamental principle that the parties must exercise the utmost good faith towards each other. Any material fact that would influence the parties to the contract must be disclosed; otherwise, there is ground for avoiding the policy.
<b>Ultra Vires:</b>	(Beyond the power). Any action in excess of legal authority.
<b>Vicarious Liability:</b>	Liability at law for the acts of another such as principal for agent, master for servant.
<b>Volenti Non Fit Injuria:</b>	(To a willing person no injury is done) If a person suffers harm after having consented to run the risk of this harm, he cannot subsequently succeed in a tort action for such harm; his consent will be raised against him as a general defence. In order that a defendant may succeed with a defence of consent, he must prove two things: (a) That the plaintiff knew there was a risk; (b) That he agreed to run the risk at his own expenses.
<b>Underwriter:</b>	One who determines the acceptability or retention of business. Loosely, one involved in setting premiums. Also used to denote an insurance company.
<b>Waiver:</b>	The giving up or abandoning some right or benefit either expressly or by conduct, which leads the other party to believe such right or benefit, is renounced or disclaimed.
<b>Warranty:</b>	A guarantee or assurance as applied to insurance where an insured warrants the truth of any statement or existence of any circumstances or performance of any matter at common law; such must be strictly and literally true or fulfilled, otherwise the policy may be avoided by the insurer. However, this is modified by the provisions of the Insurance Contracts Act (1984).
<b>Writ:</b>	A document in the Queen's name and under the seal of the Crown, a Court or an officer of the Crown, commanding a person to do or forbear from doing some act.



# Community Association Insurance Plan



Product Disclosure Statement  
and Policy Wording





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Date of preparation: 12 July 2023

Date effective: 1 October 2023

QM563 - 1023

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

This summary does not include all details of the limits that apply and You must refer to each limit or Excess individually for the full details.

**Sub-limit (\$) table**

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



# Community Association Insurance Plan



POLICY SECTION	SUB-LIMIT	WHAT WE'LL PAY
<b>Policy 1 – Community Property</b>	<b>Special Benefit 16 - Personal property of others</b> Pay up to the Indemnity Value of other's personal property which is Damaged by an Event admitted as a claim while in Your physical or legal control	Up to \$10,000
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Special Benefit 17 - Pets, security dogs</b> Costs incurred for boarding pets or security dogs if Your Community Property and/or Home is rendered unfit for its intended purpose by Damage to Community Property and/or Home admitted as a claim	Up to \$1,000
<b>Policy 1 – Community Property</b>	<b>Special Benefit 19 - Damaged office records</b> Reasonable expenditure You incur in collating, preparing, rewriting or reproducing records, books of account, Electronic Data and valuable papers directly related to Your Community Property which are Damaged by a claimable Event	Up to \$50,000
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Special Benefit 20 of Policy 1 and Special Benefit 19 of Policy 9 - Removal, storage costs</b> Reasonable costs You incur in removing and storing undamaged portion of Your Community Property and/or Home and then returning to the Situation following Damage to Your Community Property and/or Home admitted as a claim	Up to \$10,000
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Special Benefit 21 of Policy 1 and Special Benefit 20 of Policy 9 - Removal of squatters</b> Legal fees incurred to repossess Your Community Property and/or Home if squatters are living in it	Up to \$1,000 any one Period of Insurance
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Special Benefit 22 of Policy 1 and Special Benefit 21 of Policy 9 - Title deeds</b> Reasonable costs to replace Title Deeds to Your Community Property and/or Home if Damaged by a claimable Event	up to \$5,000
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Special Benefit 23 of Policy 1 and Special Benefit 22 of Policy 9 - Water removal from basement</b> Reasonable costs You incur in removing water from basement or undercroft areas of Your Community Property and/or Home if such inundation is directly caused by Storm or Rainwater	Up to \$2,000
<b>Policy 7 – Catastrophe Insurance</b>	<b>Special Benefits</b> Total amount payable under Policy 7 for Special Benefits 1 to 3	The combined total amount We will pay under Special Benefits 1 to 3 is limited to 15% of the Sum Insured shown in the Schedule for Policy 7 or such other percentage as We may agree in writing
<b>Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses</b>	<b>Additional Benefit 1 - Record Keeping Audit</b> Professional Fees You reasonably incur with Our written consent, which will not be unreasonably withheld in connection with a Record Keeping Audit	Up to \$1,000 in any one Period of Insurance for Professional Fees
<b>Policy 9 – Lot Owners' Homes</b>	<b>Special Benefit 7 - Emergency accommodation</b> For reasonable cost of emergency accommodation should Your Home be made unfit to be occupied or access is prevented as a result of Damage from a claimable Event	Up to \$1,500
<b>Policy 9 – Lot Owners' Homes</b>	<b>Special Benefit 8 - Environmental improvements</b> For the cost of additional environmental improvements not previously installed such as rainwater tanks, solar	Up to \$2,000 for the cost of additional environmental improvements
<b>Policy 9 – Lot Owners' Homes</b>	<b>Special Benefit 12 - Funeral expenses</b> If You or a family member permanently residing with You in Your Home dies as a direct consequence of Damage to Your Home	Up to \$5,000
<b>Policy 9 – Lot Owners' Homes</b>	<b>Special Benefit 15 - Modifications</b> For modifications to Your Home if You are physically injured and become a quadriplegic or paraplegic as a direct consequence of Damage to Your Home admitted as a claim	Up to \$25,000



### Sub-limit (time) table

POLICY SECTION	SUB-LIMIT	TIME LIMIT
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<p><b>Special Benefit 1c - Disease, murder and suicide</b></p> <p>If You are not permitted to occupy Your Community Property and/or Home by order of the Police, a public or statutory authority, other body, entity or person so empowered by law, due to:</p> <ul style="list-style-type: none"> <li>the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like;</li> <li>a human infectious or contagious disease, except for communicable disease;</li> <li>murder or suicide;</li> </ul> <p>occurring at Your Situation</p>	Not exceeding a maximum of 30 days
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<p><b>Special Benefit 1d - Failure of supply services</b></p> <p>If Your Community Property and/or Home is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Policy 1 or Policy 9</p>	Provided the failure of services extends for more than 48 hours We will pay from the time of the failure until the time such services are reinstated, not exceeding a maximum of 30 days

### Excess table

POLICY SECTION	DESCRIPTION OF EXCESS	EXCESS AMOUNT TO PAY
<b>Policy 1 – Community Property and Policy 9 - Lot Owners' Homes</b>	<b>Earthquake Excess</b>	\$500, or the Excess amount shown in the Policy Schedule, whichever is greater
<b>Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses</b>	<p><b>Additional Excess</b></p> <p>This Excess applies to each and every Claim made under Policy 8 Part C</p>	\$1,000 unless otherwise shown in the Policy Schedule



## Product Disclosure Statement (PDS)

This PDS was prepared on the 12th July 2023.

### Important Information and Notices

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

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

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

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

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

Information in this PDS might change. If the change is adverse and might affect a reasonable person's decision to buy the Policy, then either a supplementary PDS (SPDS) or a new PDS will be provided at renewal. You can get a copy of all updates (whether adverse or not adverse) at no charge by Us, simply by calling Us.

### About QBE

The Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 (QBE). QBE Insurance (Australia) Limited is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886.

We have authorised the information contained in this PDS.

### QBE in the community

Premiums4Good™

We are committed to giving back to the communities that We operate in. Through Premiums4Good™, We invest a portion of customer premiums into investments that have additional social or environmental features. So, when You choose Us as Your Insurer, Your Premium automatically does some good.

### About CHU

CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070) (CHU) is a specialist strata and community title insurance underwriting agency and holds an Australian Financial Services Licence (AFS Licence No: 243261).

CHU iSAVER Underwriting Agency Pty Ltd (ABN 85 613 645 239, AFSL 491113) trading as Flex Insurance (Flex) is a wholly owned subsidiary of CHU. CHU is a wholly owned subsidiary of Steadfast Group Ltd (ABN 98 073 659 677) ('SGL').

### Authority to act on Our behalf

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

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

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

### For more information or to make a claim

Please contact CHU to make a claim. They also have an after hours Emergency Claims Hotline that You can contact on 1800 022 444. The Claims Conditions section sets out the full details of what You need to do in the event of a claim.

### Claims made and Notified Insurance

Policy 5 – Office Bearers' Legal Liability and Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses of this Policy provides cover on a claims made and notified basis. This means that this Policy only covers claims first made against You during the period this Policy is in force and notified to the Insurer as soon as practicable in writing while the Policy is in force. This Policy may not provide cover for any claims made against You if at any time prior to the commencement of this Policy You became aware of facts which might give rise to those claims being made against You.

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

### Privacy

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

We take the security of Your personal information seriously.

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

Our Privacy Policy describes in detail from whom We collect personal information, as well as where We store it and the full list of ways We could use it. You can find it at [qbe.com/au/about/governance/privacy-policy](http://qbe.com/au/about/governance/privacy-policy)

You can view CHU's Privacy Policy at [www.chu.com.au](http://www.chu.com.au) or obtain a copy by contacting CHU's / Steadfast's Privacy Officer at:

Phone:	+61 2 9307 6656
Email:	<a href="mailto:privacyofficer@steadfastagencies.com.au">privacyofficer@steadfastagencies.com.au</a>
Post:	PO Box A2016, Sydney South NSW 1235

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

## What You should read

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

- all of the Product Disclosure Statement - this information is designed to help You understand this insurance and Your rights and obligations under it;
- the Policy Wording. It tells You about:
  - what makes up the insurance i.e. Your contract with Us which We call a Policy;
  - important definitions that set out what We mean by certain words;
  - the cover We can provide (see Policies 1 to 9);
  - what Excesses You may have to pay;
  - when You are not insured (see General Exclusions and other exclusions under Policies 1 to 9);
  - what You and We need to do in relation to claims;
  - Yours and Our cancellation rights.
- the relevant quote/proposal form You need to complete to apply for cover (if applicable);
- any Schedule when it is issued to You; and
- any other documents We may give You which vary Our standard terms of cover set out in this document.

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

## Significant features and benefits

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

### Policy 1 – Community Property

We insure You up to the Sum Insured shown in the Schedule for Policy 1 for Damage to Your Community Property (Building and Common Area Contents) that occurs during the Period of Insurance not otherwise excluded in the Policy.

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

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

### Policy 2 – Liability to Others

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

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

### Policy 3 – Voluntary Workers

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

### Policy 4 – Fidelity Guarantee

We will indemnify You up to the Sum Insured stated in the Schedule for Policy 4 for the fraudulent misappropriation of Your funds committed during the Period of Insurance.

### Policy 5 – Office Bearers' Legal Liability

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

The amount payable in respect of all Claims under Policy 5 will not exceed the Limit of Liability shown in the Schedule and is inclusive of the claimant's costs and expenses and the Defence Costs incurred by Us during the currency of any one Period of Insurance.

### Policy 6 – Machinery Breakdown

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

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

We also provide cover for Special Benefits in addition to the Sum Insured for Policy 6. Details of the Special Benefits are set out under the heading 'Special Benefits' in Policy 6.

### Policy 7 – Catastrophe Insurance

We insure You up to the Sum Insured shown in the Schedule for Policy 7 for any increase in the Replacement cost of Your Community Property following a loss which occurs during the Period of Insurance:

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

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

We insure You on a Claims made basis for Parts A, B and C of Policy 8 which means We will respond to Claims first made against You during the Period of Insurance and notified to Us during that Period of Insurance.

### Policy 9 – Lot Owners' Homes

Lot Owners' Homes are covered for Damage that occurs during the Period of Insurance. This cover also includes Additional and Special Benefits up to specified limits.





## Important information You should understand

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

## Exclusions

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

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

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

## Conditions

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

1. Payment of any Excess shown in this Policy or in the Schedule for each claim made may be requested from You when the claim is lodged, or may be deducted from Our payment if Your claim is accepted.
2. When Your Community Property is a total loss and We have paid out the total Sum Insured, this insurance ceases. If You rebuild or replace Your Community Property, this requires a new insurance contract commencing at that time with an applicable Premium.
3. When You first purchase and when You renew Your insurance if You do not pay the amount by the due date Your Policy may be cancelled and We will write to let You know when this will happen.
4. When renewing Your insurance with Us, You have a duty to take reasonable care not to make a misrepresentation. This means giving Us true, complete and accurate answers to Our questions, including where You provide information on someone else's behalf. We use Your answers to decide whether to insure You and on what terms. You must advise Us of any changes to Your claims or insurance history that a reasonable person in the circumstances would tell Us. CHU will notify You in writing of any effect a change may have on Your insurance renewal.

## The cost of this insurance

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

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

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

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

## Paying Your Premium

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

## Annual Premium

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

## A claim on Your Policy may affect Your renewal Premium

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

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

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

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

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

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

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

## Other costs, fees and charges



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

**Administration Fee**

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

**Refund of Premium**

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

**Commissions**

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

**Confirming transactions**

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

**Sending You documents**

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

It is Your responsibility to make sure Your contact details are current (including telephone number, email and mailing address where relevant) and You must update these as soon as they change.

**How to make a claim**

Please contact CHU to make a claim, the contact details are shown on the back cover of this document. They also have an after hours Emergency Claims Hotline that You can contact on 1800 022 444.

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

- provide details of the incident and when requested complete the claim form We send You;
- subject to reasonable notice and at a reasonable time that suits You and Us, allow Us or Our appointed representative to inspect Your Community Property and/or Home and take possession of any Damaged item(s) if reasonable and required;
- take all reasonable steps to reduce the Damage or loss and prevent further loss or Damage;
- inform the police as soon as reasonably practicable following theft, vandalism, malicious damage or misappropriation of money or

property;

- where practicable and reasonable not dispose of any Damaged items without first seeking Our approval; and
- not get repairs done, except for essential temporary repairs, and where reasonable We will seek Your cooperation in selecting the repairer or supplier.

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

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

**Cooling off period**

If You change Your mind about Your Policy and haven’t made a claim, You can cancel it within 21 days of the start or renewal date and We’ll give You a full refund. If You cancel Your Policy in these circumstances, You will have no cover under the Policy.

To cancel Your Policy within the cooling off period, contact Us in writing or by email.

This cooling off right does not apply if You have made or are entitled to make a claim.

**Cancellation**

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

Further details about cancellation are shown in the General Conditions.

**General Insurance Code of Practice**

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. The aims of the Code are fully supported by CHU. You can read the Code at [codeofpractice.com.au](http://codeofpractice.com.au)

The Code Governance Committee is an independent body that monitors and enforces insurers’ compliance with the Code. For more information about the Code Governance Committee please visit [insurancecode.org.au](http://insurancecode.org.au)

We recognise that family and domestic violence is a complex issue and We take it seriously. For more information about support, Our Family and Domestic Violence Customer Support Policy is available at [qbe.com/au](http://qbe.com/au) and at [chu.com.au](http://chu.com.au)

**Complaints**

We’re here to help. If You’re unhappy with any of Our products or services, or the service or conduct of any of Our suppliers, please let Us know and We’ll do Our best to put things right.

**Step 1 – Talk to Us**

Your first step is to get in touch with the team looking after Your Policy, direct debit, or claim. You’ll find their contact details on Your Policy documents, letters, or emails from Us. Please provide Our team with as much information as possible so they can try to fix the problem quickly and fairly.

For additional assistance in lodging a complaint, please refer to <https://www.chu.com.au/resource/complaints-and-disputes>

**Step 2 – Customer Relations**



If Your complaint isn't resolved by the team looking after Your Policy, direct debit, or claim, You can ask them to refer Your complaint on to Our Internal Dispute Resolution Team. An Internal Dispute Resolution Specialist will review Your complaint independently and provide You with Our final decision.

You can also contact the Internal Dispute Resolution Team directly:

Phone:	1300 193 174
Email:	complaints@chu.com.au
Post:	PO Box 500, North Sydney NSW 2059 or Level 33, 101 Miller Street, North Sydney NSW 2060

### Step 3 – Still not resolved?

If We're unable to resolve Your complaint to Your satisfaction within a reasonable time, or You're not happy with Our final decision, You can refer Your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We are a member of AFCA and their decisions are binding on Us.

Phone:	1800 931 678
Email:	info@afca.org.au
Post:	GPO Box 3, Melbourne VIC 3001

AFCA will inform You if Your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit [afca.org.au](http://afca.org.au)

### More information

You can find more information about how We deal with complaints on Our website at [www.chu.com.au/resource/complaints-and-disputes/](http://www.chu.com.au/resource/complaints-and-disputes/) or You can call Us on 1300 361 263 to speak with Us or request a copy of Our complaints brochure at no cost.

### Complaints just about privacy

You can view CHU's Privacy Policy at [www.chu.com.au](http://www.chu.com.au) or obtain a copy by contacting CHU's Privacy Officer at:

Phone:	1300 289 248
Email:	compliance@chu.com.au
Post:	PO Box 500, North Sydney NSW 2059

### Request for Information

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

### Contact CHU

Phone:	1300 361 263
Email:	info@chu.com.au

### Financial Claims Scheme

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if You meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

### How to contact APRA

Phone:	1300 558 849 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online:	<a href="http://www.apra.gov.au/financial-claims-scheme-general-insurers">www.apra.gov.au/financial-claims-scheme-general-insurers</a>

### Monetary limits on the cover

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

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

### Payment of Excesses

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

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

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

### GST Implications

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

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

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

## Policy Wording

### Our Agreement

The agreement between You and Us consists of:

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

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

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

### Excesses

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

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

### How much We will pay

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

### General Definitions

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

#### Action of The Sea

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

#### Act of Terrorism

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

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

#### Catastrophe

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

#### Common Area

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

#### Community Association

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

#### Community Association Manager/Agent

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

#### Community Income

means money received for:

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

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

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

#### Community Property

means:

- a. building or buildings as defined by the Community Titles Act, Body Corporate and Community Management Act, Community Land Management Act or similar legislation applying where Your Community Property and Common Area is situated, including:
  - i outbuildings;
  - ii fixtures and structural improvements;
  - iii in-ground pools and spas;
  - iv marinas, wharves, jetties, docks, pontoons, swimming platforms, or similar type facilities (whether fixed or floating) which are used for non-commercial purposes and which do not provide fuel distribution facilities, unless We are advised and otherwise agree in writing;
  - v satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
  - vi underground and overhead services within the Common





Area but not those services contained within the boundaries of a Lot Owner's Lot.

- b. Common Area Contents** (but not so as to limit the generality thereof):
- i furniture, furnishings, household goods, light fittings, internal blinds, curtains, fire extinguishers and the like;
  - ii built-in or free standing appliances such as dishwashers, washing machines and dryers, other electrical items;
  - iii carpets (whether fixed or unfixed), floor rugs;
  - iv swimming pools or spas that are not in-ground;
  - v swimming pool or spa covers and accessories;
  - vi wheelchairs, domestic garden equipment including lawn mowers, golf carts, golf buggies or other similar type items but only if such item is not required by law to be registered; that You own or have legal responsibility for:
- at, in or adjacent to Your Situation, or
  - temporarily removed elsewhere in Australia including transit to and from Your Situation.

Community Property does not include:

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

### Contents

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

### Cost of Evacuation

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

### Damage, Damaged

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

### Declared Value Statement

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

- a. the Home Buildings to be insured;
- b. any other interested party; and
- c. the monetary amount of cover required under A to D of Policy 9 for each Home Building.

The total of these monetary amounts appears in the Schedule as the

Sum Insured.

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

### Earth Movement

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

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

### Electronic Data

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

### Endorsement

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

### Erosion

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

### Escalation in the Cost of Temporary Accommodation

means the difference between:

- a. the amount of money payable for rental of accommodation of substantially the same size containing similar facilities and in an equivalent suburban environment as Your Community Property or Home following a Catastrophe or loss from another Event claimable under Policy 7 or Part D of Policy 9 which occurs no later than 60 days thereafter; and
- b. the cost of Temporary Accommodation that would have applied had the Catastrophe or other loss not occurred.

### Event, Events

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

### Excess

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

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

### Extra Expenses

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

Extra Expenses include the reasonable cost of:

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

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

#### **Flood**

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

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

#### **Fusion**

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

#### **Home, Homes**

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

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

that You own or have legal responsibility for at, in or adjacent to Your Situation.

#### **Indemnity Value**

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

You with details of Our calculation if requested by You.

#### **Land Value**

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

#### **Lot/Lots**

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

#### **Lot Owners, Lot Owners'**

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

#### **Members**

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

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

#### **Occurrence**

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

#### **Period of Insurance**

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

#### **Personal Injury**

means:

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

which happens during the Period of Insurance anywhere in Australia.



## Policy

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

## Pollutants

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

Waste includes material to be recycled, reconditioned or reclaimed.

## Premium

means any amount We require You to pay under the Policy and includes, any state and federal government taxes (including GST), fees, duties and charges as applicable.

## Property Damage

means:

- a. physical Damage to or destruction of tangible property including its loss of use following such physical Damage or destruction; or
- b. loss of use of tangible property which has not been physically damaged or destroyed provided that the loss of use has been caused by an Occurrence;

which happens during the Period of Insurance anywhere in Australia.

## Rainwater

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

## Rent

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

## Replacement

means:

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

## Schedule

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

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

## Senior Counsel

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

## Service, Services

means:

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

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

## Situation

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

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

## Storm

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

## Storm Surge

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

## Sum Insured, Limit of Liability

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

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

## Temporary Accommodation

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

## Tenant

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



**Tsunami**

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

**Vehicle, Vehicles**

means:

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

**Voluntary Worker**

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

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

**Watercraft**

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

**Wear and Tear**

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

**We, Our, Us, the Insurer**

means QBE Insurance (Australia) Limited ABN 78 003 191 035.

**You, Your, Yours**

means:

- a **in respect of Policy 1:**  
the Community Association named in the Schedule including the interest therein of Members.
- b **in respect of Policy 2:**  
the Community Association named in the Schedule including:
  - i the interest therein of Members;
  - ii the organisers of recreational activities in respect of Additional Benefit 5 of Policy 2;
  - iii a Voluntary Worker whilst engaged solely in work or duties on behalf of Your Community Association named in the Schedule, but excludes Office Bearers whilst acting in that capacity.
- c **in respect of Policies 3, 4, 6, 7 and 8:**  
the Community Association named in the Schedule.
- d **in respect of Policy 5:**  
the past, present or future Office Bearers and/or committee members of Your Community Association named in the Schedule including those persons:
  - i estate, heirs, legal representative or assigns;
  - ii legal representative or assigns if he/she is incompetent, insolvent or bankrupt;

but does not include a Community Association Manager/Agent or any other contracted person(s), firm or company when acting in their professional capacity.

**e in respect of Policy 9:**

the owner of a Home Building shown on the Declared Value Statement and Schedule.

**General Conditions**

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

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

**1. Acts or omissions of Your Community Association Manager/ Agent**

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

**2. Tell Us when these things change**

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

- You are carrying out construction works, alterations or additions on:
  - Community Property that exceed \$500,000; or
  - a Lot Owner’s Home that exceeds \$250,000; or
- You have cranes, hoists or similar attached to the Community Property or Home, or at the Situation; or
- there is a change in the percentage of floor space used for commercial purposes; or
- Your building becomes subject to a Building Rectification Order, Fire Order or any other Order issued by a statutory body.

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

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

**Changes to Your cover**

If You request any change to cover (e.g. You choose to add a Policy or You increase the Sum(s) Insured) then, if We agree to the change, We will issue a new Schedule and ask You for any additional Premium. If an additional Premium is required, the change will only be effective when You have paid the additional Premium by the due date We give to You.

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

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





### Changes to Your circumstances

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

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

- Under Policy 1 – Community Property, if You are carrying out construction works, alterations or additions that exceed \$500,000 that are unacceptable under Our underwriting rules and processes; or
- Under Policy 9 – Lot Owners' Homes, if You are carrying out construction works, alterations or additions that exceed \$250,000 that are unacceptable under Our underwriting rules and processes; or
- You have cranes, hoists or similar attached to the Community Property or Home, or at the Situation.

If there is a change in the percentage of floor space used for commercial purposes, We may need to cancel Your Policy and replace it with another policy.

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

### 3. Cancellation - how Your Policy may be cancelled

#### Cancellation by You

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

#### Cancellation by Us

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

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

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

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

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

amount but We will reduce the GST amount We pay by the amount of any Input Tax Credits to which You are or would be entitled.

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

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

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

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

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

### 5. Joint insureds

When there is more than one insured on Your Policy, We may treat each as a separate and distinct party. The words You, Your, Yours may apply to each party in the same manner as if a separate Policy had been issued to each party, provided Our liability for any Sum Insured, Limit of Liability or other Policy limit for any one Event or Occurrence is not thereby increased. We may treat what any one insured says or does in relation to Your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel Your Policy or tell Us where a claim payment should be paid. Any act, breach or non-compliance with the terms and conditions of this Policy committed by any one such party shall not be prejudicial to the rights and entitlements of the other insured party(ies), provided that the other insured party(ies) upon becoming aware of any such act, breach or non-compliance which increases the risk of loss, Damage or liability give Us written notice within a reasonable time.

### 6. Excess

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

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

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

### 7. Reinstatement of Sum Insured

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



This condition does not apply:

- a. when We pay a total loss;
- b. when We pay the full Sum Insured;
- c. to Policy 5 – Office Bearers’ Legal Liability;
- d. to Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses;
- e. to Special Benefits 6 and 23 of Policy 1 – Community Property .

**8. Governing law and jurisdiction**

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

**9. Subrogation, recovery action & uninsured loss**

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

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

You will need to give Us documents supporting Your loss. Before We include any uninsured loss in the recovery action We will also ask You to agree to the basis on which We will handle Your recovery action.

Where required and within reason, You may need to contribute to legal costs in some circumstances.

**10. Related Claims**

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

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

will be deemed to be one claim.

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

Where this Policy insures more than one party, where one party made a misrepresentation to Us before the Policy was entered into this shall not prejudice the right of any other insured person to indemnity as may be provided by this Policy provided that:

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

**12. References to legislation**

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

‘Subsequent legislation’ means:

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

**General Exclusions**

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

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

**1. Act of Terrorism**

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

**2. Asbestos**

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

**3. Electronic Data**

Losses or damage to Electronic Data, except as provided for by Special Benefit 19 – Damaged office records, under Policy 1.

**4. Intentional damage**

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

**5. Nuclear**

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

**6. War, expropriation**

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

**7. Sanctions limitation and exclusion**

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

**8. Communicable diseases**

There is no cover under any section of Your Policy for any claim, loss, damage, cost, injury, death or legal liability that is caused by or arises from or in connection with any contagious or communicable disease.



## 9. Cyber incident

There is no cover under any section of Your Policy for any claim, loss, damage, cost, injury, death or legal liability that is caused by or arises from or in connection with:

- an unauthorised or malicious act, software, coding or instructions;
- a threat, hoax, scam or fraud;
- programming or operator error; or
- outage,

affecting the use, integrity, security, operation, storage of, or access to, data, information, a computer, system, device, appliance, equipment, software, hardware, back-up facility or a component of or attachment to any of these, regardless of time or place.

Examples of what are not covered under Your Policy:

- loss, damage, destruction, distortion, erasure, corruption or alteration of, or loss of access to, or interference with, data on a computer or access to an internet service, due to malicious software or a cyber-attack, including but not limited to viruses, worms, Trojan Horses, back doors, logic bombs, trap doors, denials of service, ransomware or any computer hacking;
- unauthorised access to or copying of personal information via the internet or mobile phone network;
- unauthorised access to, or interference with the operation of, an appliance or device via the internet, Wi-Fi or Bluetooth;
- unauthorised access to Your computer or device provided by means of a scam, or connection of a storage or other device affected by malicious software.

However, You will still have cover for physical damage to Your property insured under Your Policy caused by an Event such as fire.

## 10. Laws impacting cover

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

## Claims Conditions

### 1. What You must do

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

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

### 2. What You must not do

Whatever the circumstances You must not:

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

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

### 3. How to make a claim

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

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

### 4. Claim preparation costs and fees

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

Claims Condition 4 - Claim preparation costs and fees does not apply to Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses.

### 5. Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 2 - Emergency cost of minimising losses of Policy 1 – Community Property, or Additional Benefit 2 – Emergency cost of minimising losses – Policy 9 – Lot Owners' Homes, You are not authorised to commence repairs without Our approval, which We will not unreasonably withhold.

### 6. Repairs or Replacement

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

### 7. You must assist Us

Where reasonable You must:

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

#### **8. False or misleading information**

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

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

#### **9. Salvage value**

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

#### **10. Contribution and other insurance**

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

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

#### **11. Preventing Our right of recovery**

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



## Policy 1 - Community Property

### What We insure

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

### Additional Benefits

When the Sum Insured under Policy 1 is not otherwise expended We will pay the following incurred as a result of Damage to Your Community Property that is admitted as a claim under Policy 1 for:

#### 1. Architects' and professional fees, removal of debris

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

that You necessarily incur in the Replacement of Your Community Property.

#### 2. Emergency cost of minimising losses

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

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

#### 3. Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any public or statutory authority to obtain their authority to rebuild, repair or replace Your Community Property, but We will not pay for any fine or penalty imposed by any such authority.

#### 4. Legal fees

Legal fees You necessarily incur in making submissions and/or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts.

#### 5. Temporary protection

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

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

#### 6. Tsunami Damage

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

#### 7. Emergency services

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

### Special Benefits

The following Special Benefits are included in addition to the Sum Insured for Policy 1.

#### 1. Temporary Accommodation / Community Income / contributions

##### a. Temporary Accommodation

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

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

We will pay:

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

##### b. Community Income

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

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

We will pay:

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

##### c. Disease, murder and suicide

We will pay for:

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

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

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



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

- a human infectious or contagious disease, except for communicable disease;
- murder or suicide;

occurring at Your Situation.

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

**d. Failure of supply services**

We will pay for:

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

if Your Community Property is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Policy 1 happening to property belonging to or under the control of any such supply authority, provided the failure of services extends for more than 48 hours We will pay from the time of the failure until the time such services are reinstated, or for a period of 30 days, whichever first occurs.

**e. Cost of reletting**

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

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

**f. Meeting room hire**

We will pay up to \$5,000 for the cost of hiring temporary meeting room facilities for the purpose of holding Your annual general meeting or committee meetings if You are unable to occupy the meeting room facilities forming part of Your Community Property due to Damage to Your Community Property that is admitted as a claim under Policy 1.

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

**The combined total amount We will pay under Special Benefit 1 - Temporary Accommodation / Community Income / contributions – a. to f. arising out of any one Event that is admitted as a claim under Policy 1 is limited to 15% of the Sum Insured for Policy 1 as shown in the Schedule or such other percentage as We may agree in writing.**

**2. Alterations/additions**

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

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

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

insurance policy that insures material Damage and liability risks.

**3. Arson reward**

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

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

**4. Fusion of motors**

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

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

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

We will not pay for:

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

**How We will settle Your Fusion claim**

If Your claim is accepted, We will settle Your claim reasonably in one of the following ways:

- a. repairing Your Community Property;
- b. replacing Your Community Property; or
- c. paying for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Fusion.

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

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

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

We will pay up to \$2,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water You are required to pay following Damage to Your Community Property by an Event that is admitted as a claim under Policy 1.

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



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

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

## 7. Environmental improvements

If Damage to Your Community Property is admitted as a claim under Policy 1 and the cost to rebuild, replace or repair the Damaged portion is more than 25% of what the cost would have been had Your Community Property been totally destroyed We will, in addition to the cost of environmental improvements claimable under Policy 1, also pay up to \$10,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

## 8. Exploratory costs, Replacement of defective parts

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

We will also pay for reasonable costs incurred in:

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

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

## 9. Fallen trees

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

We will not pay for removal or disposal of:

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

## 10. Fire extinguishing

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

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

following the accidental discharge or escape of such substances from fire protective equipment.

## 11. Keys, lock Replacement

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

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

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

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

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

## 12. Landscaping

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

## 13. Lot Owner's contributions and fees

We will pay up to \$2,000 a Lot for contributions, levies, maintenance and other fees required to be paid by individual Lot Owners which You, having used all reasonable endeavours, are unable to collect from them during the period their Home is made unfit to be occupied for its intended purpose by Damage that is admitted as a claim under Policy 9 or would have been claimable if they had been covered under Policy 9.

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

## 14. Money

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

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

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

## 15. Mortgage discharge

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

## 16. Personal property of others

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

### 17. Pets, security dogs

We will pay up to \$1,000 for the reasonable costs You necessarily incur for boarding pets or security dogs if Your Community Property is rendered unfit for its intended purpose by Damage that is admitted as a claim under Policy 1 and Temporary Accommodation does not allow pets or security dogs.

### 18. Purchaser's interest

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

### 19. Damaged office records

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

### 20 Removal, storage costs

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

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

following Damage to Your Community Property that is admitted as a claim under Policy 1.

### 21. Removal of squatters

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

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

### 22. Title deeds

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

### 23. Water removal from basement

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

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

### Optional Benefits

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

### 1. Extra Expenses

If selected, We will pay up to the Sum Insured for:

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

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

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

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

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

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

### Exclusions

1. We will not pay for damage caused by or arising directly or indirectly from:

- a. Flood;
- b. Storm or Rainwater to retaining walls;
- c. lack of maintenance, rust, oxidation, corrosion, mould, mildew, Wear and Tear, fading, concrete or brick cancer, developing flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain Your Community Property in a reasonably good state of repair. This includes when the damage to the Community Property is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;
- d. overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current. However We will pay if the Damage is due to:
  - i Fusion of electric motors as covered under Special Benefit 4;
  - ii lightning;
  - iii power surge when such Event is confirmed by the supply authority; or
  - iv resulting fire Damage;
- e. any Action of The Sea;
- f. vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, Erosion or Earth Movement.

However We will pay if the Damage is due to:

- i earthquake or seismological disturbance, Tsunami, explosion, physical impact by aircraft;
- ii bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus (but not Flood).
- g. underground (hydrostatic) water. However We will pay if the Damage is due to bursting, leaking or overflowing of water tanks, pipes, or drains;





- h.** the invasion of tree or plant roots nor for the cost of clearing pipes or drains blocked by any such invasion. However We will pay for water or liquid Damage resulting from blocked pipes or drains;
  - i.** inherent defect or latent defect that you were aware of, or a reasonable person in the circumstances would have been aware of;
  - j.** vermin, mice, rats, termites, insects, or by pecking, biting, chewing or scratching by birds or animals. However We will pay if any of these causes directly result in Damage from any other Event claimable under Policy 1 such as fire or glass breakage;
  - k.** the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds;
  - l.** normal settling, creeping, heaving, seepage, shrinkage, or expansion in buildings, foundations / footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements;
  - m.** smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);
  - n.** any process involving the application of heat being applied directly to any part of Your Community Property. However We will pay if any other part of Your Community Property is Damaged or destroyed by fire.
- 2.** We will not pay for damage to:
- a.** water in swimming pools, spas or water tanks;
  - b.** glass caused by artificial heat, during installation or removal, which has a crack or imperfection, or is required to be insured by any other party in terms of an occupancy agreement;
  - c.** carpets and other floor coverings resulting from staining, fading or fraying. However We will pay if the Damage directly results from any other Event claimable under Policy 1;
  - d.** boilers (other than boilers used for domestic purposes), economisers or pressure vessels and their contents resulting from the explosion thereof;
  - e.** Your Community Property if it is vacant and undergoing demolition unless Our written consent to continue cover has been obtained before the commencement of demolition, which will not be unreasonably withheld;
  - f.** Your Community Property directly resulting from construction, erection, alteration or addition where the value of such work exceeds \$500,000 unless Our written consent to continue cover has been obtained, which will not be unreasonably withheld, before the commencement of such work. However We will pay if the Damage directly results from any other Event claimable under Policy 1.
- 3.** We will not pay for:
- a.** demolition ordered by any public or statutory authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your Community Property;
  - b.** Damage caused by non-rectification of a Community Property defect, error or omission that You were aware of, or should reasonably have been aware of;
  - c.** the cost of rectifying faulty or defective materials or faulty or defective workmanship, design or specification;
  - d.** consequential loss, including but not limited to any:

- i.** loss of use;
  - ii.** loss of contract;
  - iii.** loss of profit/revenue;
  - iv.** loss of opportunity;
  - v.** loss of goodwill and/or reputational damage; or
  - vi.** special damages;
- other than specifically provided under an operative Additional Benefit or Special Benefit;
- e.** Wear and Tear.

## Claims - how We will settle Your claim

### 1. Rebuilding, Replacement or repair

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

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

- a.** the necessary work of rebuilding, replacing or repairing (which may be carried out upon another site or in any manner suitable to Your requirements provided Our liability is not increased), must be commenced and carried out without unreasonable delay;
- b.** where Your Community Property contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available We will use the nearest equivalent available to the original materials;
- c.** if it is lawful, and with Our prior written consent, which will not be unreasonably withheld, You will not be required to actually rebuild any building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed.  
Such Replacement will be deemed to constitute Replacement for the purpose of this insurance provided Our liability is not increased;
- d.** if You cause unreasonable delays in commencing or carrying out Replacement, We will not pay any extra costs that result from that delay;
- e.** when We wish to rebuild, replace or repair and You do not want this to occur and submit a claim for cash settlement in lieu, We will only pay Indemnity Value which means We will:
  - i.** reduce the amount payable after due consideration of age and condition of the property at the time of loss, We will ensure any reduction of the amount payable is fair and reasonable;
  - ii.** not pay in excess of Indemnity Value of Your Community Property; and
  - iii.** seek release from further liability under this Policy.

We will not pay under Policy 1 as part of the cost of Replacement for the cost to:

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

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

## 2. Undamaged part of Community Property, foundations and footings

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

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

## 3. Floor space ratio

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

- a. the difference between:
  - i the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; and
  - ii the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied;

alternatively We will pay:

- b.
  - i the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; plus
  - ii the cost of purchasing an existing building or part thereof equivalent in size to the area by which the floor space ratio index has been reduced; or
  - iii the cost of purchasing a block of land and the cost of Replacement thereon of Community Property equivalent in size to the area by which the floor space ratio index has been reduced;

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

## 4. Land Value

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

## 5. Electronic Data

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

## Special Provisions

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

## Excesses

### Earthquake Excess

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



## Policy 2 – Liability to Others

### What We insure

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

### Additional Benefits

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

#### 1. Bridges, roadways, kerbing, footpaths, services

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

#### 2. Car park liability

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

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

#### 3. Fertiliser, pesticide, herbicide application

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

We will not pay:

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

#### 4. Hiring out of sporting and recreational facilities

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

#### 5. Recreational activities

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

#### 6. Services

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

Services includes local council requirements for contractors (e.g. garbage) to enter Your Community Property to perform related services.

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

#### 7. Watercraft

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

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

#### 8. Wheelchairs, domestic garden equipment, other Vehicles

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

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

### Special Benefits

#### 1. Cost of defending a claim

We will pay:

- a. all legal costs and expenses incurred by Us;
- b. reasonable cost of legal representation You necessarily incur with Our written consent which We will not unreasonably withhold at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under Policy 2;
- c. other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- d. all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment;

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

#### 2. Court appearance

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

### Exclusions

We will not pay for any claim:

1. In connection with any liability for Personal Injury to any employee arising out of or in the course of their employment with You.
2. In respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Community Property is situated.



3. In respect of:
  - a. damage to property belonging to, rented by or leased by You or in Your physical or legal control, other than as provided under an operative Additional Benefit of Policy 2;
  - b. damage to property belonging to any person who is deemed a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Community Property is situated;
  - c. injury to or death of animals on Your Common Area;
  - d. Personal Injury or Property Damage caused by animals on Your Common Area other than guard or watch dogs You employ for security purposes.
4. arising out of the rendering or failure to render professional advice by You or any error or omission connected therewith. This exclusion does not apply to the rendering or failure to render professional medical advice by a legally qualified medical practitioner, legally qualified registered nurse, dentist or first aid attendant You use to provide first aid services at Your Situation.
5. arising out of the publication or utterance of a defamation, libel or slander:
  - a. made prior to the commencement of Policy 2;
  - b. made by You or at Your direction when You knew it to be false.
6. arising out of the ownership, possession or use by You of any Vehicle, Watercraft, hovercraft, aircraft or aircraft landing areas other than as provided under an operative Additional Benefit of Policy 2.
7. arising out of or in connection with the ownership of marinas, wharves, jetties, docks, pontoons or similar type facilities (whether fixed or floating) if such facilities are used for commercial purposes or provide fuel distribution facilities, unless We otherwise agree in writing.
8. arising out of construction, erection, demolition, alterations or additions to Your Community Property where the cost of such work exceeds \$500,000, unless You advise Us and obtain Our written consent, which We will not unreasonably withhold, to continue cover before commencement of such works.
9. arising from vibration or from the removal or weakening of or interference with the support of land or buildings or any other property.
10. arising under the terms of any agreement unless liability would have attached to You in the absence of such agreement.

This exclusion does not apply to:

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

11. arising out of or caused by the discharge, dispersal, release or escape of Pollutants into or upon property, land, the atmosphere, or any water course or body of water. This exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place during the Period of Insurance.
12. arising out of or incurred in the prevention, removing, nullifying or clean-up of any contamination or pollution. This exclusion does not apply to clean-up, removal or nullifying expenses only which are incurred after a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place during the Period of Insurance.
13. for fines or penalties or for punitive, aggravated, exemplary or additional Damages (including interest and costs) imposed against You.
14. made or actions instituted:
  - a. outside Australia;
  - b. which are governed by the laws of a foreign country.

#### Definitions

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

#### Business

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



## Policy 3 – Voluntary Workers

### What We insure

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

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

### Table of Benefits

Insured event	Benefit
1. Death	\$200,000
2. Total and irrecoverable loss of all sight in both eyes	\$200,000
3. Total and permanent loss of the use of both hands or of the use of both feet or the use of one hand and one foot	\$200,000
4. Total and permanent loss of the use of one hand or of the use of one foot	\$100,000
5. Total and irrecoverable loss of all sight in one eye	\$100,000
6.a. Total Disablement from engaging in or attending to usual profession, business or occupation in respect of each week of Total Disablement up to a maximum of 104 weeks. The maximum benefit per week is:	\$2,000
6.b. Partial Disablement from engaging in or attending to usual profession, business or occupation in respect of each week of Partial Disablement up to a maximum of 104 weeks. The maximum benefit per week is:	\$1,000
7. The reasonable cost of domestic assistance certified by a qualified medical practitioner that a Voluntary Worker is totally disabled from performing his/her usual profession, business, occupation or usual household activities - in respect of each week of disablement a weekly benefit not exceeding \$500 up to a maximum of:	\$5,000
8. The reasonable cost of travel expenses necessarily incurred at the time of, or subsequent to, the sustaining of bodily injury to obtain medical treatment - up to a maximum of:	\$2,000
9. The reasonable cost of home tutorial expenses if the Voluntary Worker is a full time student – in respect of each week of Total Disablement a weekly benefit not exceeding \$250 up to a maximum of:	\$2,500
10. The reasonable cost of burial or cremation of a Voluntary Worker up to a maximum of:	\$5,000

### Exclusions

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

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

### Conditions

The following conditions apply:

- a. If a Voluntary Worker becomes entitled to benefits under more than one of the insured events 1 to 5 in respect of the same bodily injury, the benefits payable will be cumulative up to 100% of the benefit payable for insured event 1.
- b. After the occurrence of any one of the insured events 2 to 5 there will be no further liability under Policy 3 – Voluntary Workers for these insured events in respect of the same Voluntary Worker.
- c. In the event of a claim involving the death of a Voluntary Worker We will be entitled to have a post-mortem examination carried out at Our expense.

### Definitions

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

#### Partial Disablement

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

#### Total Disablement

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





## Policy 4 – Fidelity Guarantee

### What We insure

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

### Exclusions

We will not pay for:

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

### Definitions

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

### Funds

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



## Policy 5 – Office Bearers’ Legal Liability

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

### What We insure

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

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

arising from any Claim:

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

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

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

### Special Benefits

#### 1. Payment of Defence Costs

In relation to any Claim under Policy 5:

- a. where indemnity has been confirmed by Us in writing, We will pay Defence Costs arising from such Claim;
- b. where indemnity has not been confirmed by Us in writing, We will:
  - i where We conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim; or
  - ii in any other case, reasonably decide to pay the Defence Costs arising from such Claim.

Provided always that in the event the Claim is withdrawn or that indemnity under Policy 5 is subsequently withdrawn or denied, We will cease to advance Defence Costs and You will refund any Defence Costs advanced by Us to the extent that You were not entitled to such Defence Costs, unless We agree in writing to waive recovery of such Defence Costs.

#### 2. Continuous cover

Should a Claim, fact or circumstance arise which should have been or could have been notified to Us during a prior Period of Insurance

of Policy 5 or under an earlier Office Bearers’ Legal Liability Insurance Policy issued by Us, We will accept the notification of such Claim, fact or circumstance under Policy 5, provided always that:

- a. We have continuously been the Insurer under an Office Bearers’ Legal Liability Insurance Policy between the date when such notification should have been given and the date when such notification was in fact given; and
- b. the terms and conditions applicable to this Special Benefit 2 – Continuous cover and to that notification will be the terms and conditions, including the Limit of Liability and Excess, applicable to this Policy 5 under which the notification should have or could have been given.

#### 3. Extended period of cover

Should a Claim, fact or circumstance arise within a period of 30 days following the expiry date of Policy 5 and Your renewal instructions have not been received We will, subject to Your renewal instructions being received by Us within that period, accept the notification of such Claim, fact or circumstance under Policy 5.

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

### Exclusions

We will not pay for:

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



prescribed law;

9. a conflict of duty or interest of Yours;
10. any intentional exercise of the powers of You for a purpose other than the purpose for which such powers were conferred by the Articles of Your Community Association;
11. any Wrongful Act made or threatened or in any way intimated on or before the inception date specified in the Schedule, except as otherwise provided in Special Benefit 2 – Continuous cover of Policy 5;
12. Claims first notified to Us after the expiry of Policy 5, except as otherwise provided in Insuring Clause b of Policy 5;
13. Claims brought against Your Community Association Manager/ Agent, other than as covered under a ii of the Insuring Clause hereof, or other contracted person(s), firm or company when acting in their professional capacity;
14. Claims brought against You in a Court of Law outside Australia.

## Conditions

### Defence and settlement

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

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

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

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

We will include the cost of the Senior Counsel’s opinion in Your Defence Costs.

### Reporting and notice

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

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

whichever first occurs.

### Severability and non-imputation

Where Policy 5 insures more than one party, any conduct on the part of any party or parties whereby such party or parties:

- a. made a misrepresentation to Us before this contract of insurance was entered into; or
- b. failed to comply with any terms or conditions of Policy 5;

will not prejudice the right of the remaining party or parties to indemnity as may be provided by Policy 5. Provided always that:

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

### Subrogation

In the event of a payment under Policy 5 to or on Your behalf We will, subject to the Insurance Contracts Act 1984, be subrogated to all Your rights of recovery against all persons or organisations and You will execute and deliver instruments and papers and do all that is necessary to assist Us in the exercise of such rights.

### Definitions

The words listed below have been given a specific meaning and apply to Policy 5 when they begin with a capital letter.

### Claim, Claims

means:

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

### Defence Costs

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

### Documents

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

### Loss

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

### Office Bearer

means:

- a. a person appointed by the Community Association to act as an Office Bearer or committee member in terms of the Community Titles Act, Body Corporate and Community



# Community Association Insurance Plan



Management Act, Community Land Management Act or similar legislation applying where the Community Property and Common Area is situated;

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

## **Wrongful Act**

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

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

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



## Policy 6 – Machinery Breakdown

### What We insure

If selected and shown in the Schedule, We will insure You up to the Sum Insured for Policy 6 shown in the Schedule for Insured Damage provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time Damage occurs.

The amount We pay will:

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

### Additional Benefits

Additional Benefits are included when the Sum Insured under Policy 6 is not otherwise expended in respect of any one Event. We will pay for the reasonable cost of:

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

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

### Exclusions

We will not pay for:

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

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

### Claims – how We will settle Your claim

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

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

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



## Definitions

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

### Insured Damage

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

- a. which is covered under Policy 1 – Community Property; or
- b. which is not claimable under Policy 6 – Machinery Breakdown.

### Insured Item

means:

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

that forms part of Your Community Property or its services.



## Policy 7 – Catastrophe Insurance

### What We insure

If selected and shown in the Schedule, We insure You up to the Sum Insured shown in the Schedule for Policy 7, against the Escalation in the cost of Replacement of Your Community Property if it is destroyed, or it is assessed as a constructive total loss, following a loss which occurs during the Period of Insurance:

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

### Special Benefits

Special Benefits are included in addition to the Sum Insured for Policy 7.

#### 1. Temporary Accommodation / Community Income – extended period of cover

##### a. Temporary Accommodation

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

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

We will pay from the time indemnity provided under Special Benefit 1a of Policy 1 is expended until the time Your Community Property can be re-occupied following completion of rebuilding, repairs or Replacement.

##### b. Community Income

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

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

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

#### 2. Temporary Accommodation – escalation in cost

When You occupy Your Community Property We will pay for Escalation in the Cost of Temporary Accommodation You necessarily incur if Your Community Property is Damaged and made unfit to be occupied for its intended purpose:

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

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

#### 3. Removal, storage

We will pay for the costs You necessarily incur in:

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

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

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

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

The combined total amount We will pay under Special Benefits 1 to 3 arising out of any one Event claimable under Policy 7 is limited to 15% of the Sum Insured shown in the Schedule for Policy 7 or such other percentage as We may agree in writing.

### Claims – how We will settle Your claim

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

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

### Special Provisions

1. No payment will be made under Policy 7 until such time as the greater amount determined in accordance with the provisions of Clause b of ‘Claims – how We will settle Your claim’ has been fully expended in Replacement of Your Community Property.
2. In certifying the cost of Replacement of Your Community Property at the time immediately prior to a happening giving rise to a claim under Policy 7 the qualified valuer, loss adjuster or other suitably qualified person will use as the basis of certification:



- a. the accepted building industry cost standards or recognised cost of materials guide in force on the day immediately prior to the happening of the Catastrophe or a day as close as practicable thereto;
  - b. any extra cost necessarily incurred to comply with any public or statutory authority requirements but will not include any cost that would have been incurred in complying with orders issued prior to the Damage;
  - c. architects' fees, surveyors' fees and any other professional fees;
  - d. legal fees necessarily incurred in making submissions or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts as a result of Damage to Your Community Property;
  - e. fees, contributions or imposts payable to any public or statutory authority to obtain consent to rebuild, replace or repair Your Community Property.
3. Any differences relating to the cost of Replacement at the time immediately prior to a happening giving rise to a claim under Policy 7 may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be binding.

### Conditions

Policy 7 is subject to the same terms, conditions and exclusions as Policy 1 – Community Property, except as they may be expressly varied herein.

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

This Policy 8 is issued on a Claims made and notified basis. This means Parts A, B and C of Policy 8 respond to Claims first made against You during the Period of Insurance and notified to Us during the same Period of Insurance.

### Part A: Government Audit Costs

#### What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part A: Government Audit Costs of Policy 8 in the Schedule, for Professional Fees You reasonably incur with Our written consent, which We will not unreasonably withhold, in connection with an Audit first notified to You verbally or in writing during the Period of Insurance or within 30 days thereafter.

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

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

#### Additional Benefit

##### 1. Record Keeping Audit

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

#### Exclusions

1. We will not pay for Professional Fees:
  - a. if prior to the commencement of the Period of Insurance You, or any person acting on Your behalf:
    - i received any notice of a proposed Audit;
    - ii had information that an Audit was likely to take place;
    - iii had information that would indicate to a reasonable person that an Audit was likely to take place.
  - b. if a return, or a document required to be lodged in relation to an Audit, has not been lodged:
    - i at all;
    - ii properly;
    - iii by the due date.
  - c. for any Audit that is conducted specifically for the purposes of determining if a fine, penalty or prosecution should be imposed in connection with:
    - i any act or omission by You; or
    - ii any failure, act or omission arising from or in connection with Your statutory obligations.
  - d. charged by someone other than a Professional Adviser unless We have given Our prior written consent, which We will not unreasonably withhold.
  - e. relating to the Audit of Your taxation and financial affairs unless the return is first lodged:
    - i during the Period of Insurance; or
    - ii not more than 12 months prior to the original inception date of Policy 8; or
    - iii relates to a return for a financial year not more than three years prior to the date You receive notification of an Audit.

- f. relating to an Audit if You fail to comply with any requirement or obligation imposed upon You by any relevant legislation if a return in relation to the Audit was not prepared or reviewed by Your Professional Adviser prior to dispatch.
  - g. if You breach any conditions in this Policy, including failing to comply with any requirement imposed by any relevant legislation or failing to do what We require You to do if You intend to make a Claim or You make a Claim.
2. We will not under any circumstances pay for the cost of:
    - a. any fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar charges;
    - b. any review pertaining to You maintaining any industry status, licence, membership or compliance with any employee related legislation or regulations;
    - c. the gathering of data or information by any government, statutory body, authority or agency that is not directly part of an Audit.

#### Conditions

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

### Part B: Appeal Expenses – common property, health and safety breaches

#### What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part B: Appeal Expenses of Policy 8 in the Schedule for Appeal Expenses You necessarily incur with Our consent, which We will not unreasonably withhold, in appealing against:





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

We will not pay:

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

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

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

## Part C: Legal Defence Expenses

### What We insure

If selected and shown in the Schedule, We insure You, up to the Sum Insured shown for Part C: Legal Defence Expenses of Policy 8 for Legal Defence Expenses You necessarily incur with Our written consent, which We will not unreasonably withhold, in connection with litigation arising out of a Claim made or brought against You less any Excess shown in the Schedule:

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

We will not pay:

- a. unless:
  - i any such Claim is first made or first brought against You during the Period of Insurance;
  - ii You report it to Us during that Period of Insurance or within 30 days thereafter;
  - iii there are reasonable grounds for the defence of any such Claim.
- b. more than the Sum Insured for Part C: Legal Defence Expenses for:

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

### Excess

For each and every Claim You must, pay or contribute a minimum amount of \$1,000 unless otherwise shown in the Policy Schedule.

### Exclusions

1. We do not insure Legal Defence Expenses for any Claim:
  - a. which You have pursued or defended without Our written consent, which We will not unreasonably withhold;
  - b. which You have pursued or defended contrary to or in a different manner from that advised by the Appointed Representative;
  - c. arising from an act, omission, liability or Event for which indemnity is otherwise provided under Policy 2 – Liability to Others and Policy 5 – Office Bearers’ Legal Liability or would have been provided if Policy 2 – Liability to Others and Policy 5 – Office Bearers’ Legal Liability were operative;
  - d. arising from circumstances that You knew of prior to the inception of this Policy, or a reasonable person in the circumstances could be expected to know, to be circumstances that may give rise to a Claim against You;
  - e. arising from a deliberate act, including a deliberate act of fraud or dishonesty, on Your part if a judgment or other final adjudication adverse to You establishes that such act was committed or attempted by You with actual dishonest purpose or intent and was material to the cause of action so adjudicated;
  - f. between You and Us including Our directors, employees or servants;
  - g. which involves a conflict of duty or interest of Yours;
  - h. made or threatened or in any way intimated on or before the inception date shown in the Schedule, except as otherwise provided by Condition 4 – Continuous cover;
  - i. first notified to Us more than 30 days after the expiry of this Policy, except as otherwise provided by Condition 4 – Continuous cover.
2. We will not be liable for:
  - a. the cost of litigation or proceedings initiated by You;
  - b. the payment of any compensation or damages of any kind other than Your liability to pay fees, expenses and disbursements of other persons or entities by reason of an order of any Court, Arbitrator or Tribunal.

### Conditions

#### 1. Appeal procedure

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

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



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

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

**2. Bill of costs**

You must forward Us all bills of costs or other communications relating to fees and expenses as soon as practicable after receipt by You. If requested by Us, You will instruct the Appointed Representative to submit the bill of costs for taxation or adjudication by any relevant professional body, Court or Tribunal.

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

**3. Consent**

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

**4. Continuous cover**

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

Provided always that:

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

**5. Information to be given to the Appointed Representative**

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

**6. Nomination of Appointed Representative**

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

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

**7. Offer of settlement**

You must inform Us as soon as practicable and reasonable if You receive an offer to settle a Claim.

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

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

**8. Our access to the Appointed Representative**

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

**9. Recovery of Legal Defence Expenses**

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

**10. Reporting and notice**

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

**11. Subrogation**

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

**Definitions**

The words listed below have been given a specific meaning and apply to Policy 8 when they begin with a capital letter.

**Appeal Expenses**

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





## **Appointed Representative**

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

## **Audit**

means an audit or investigation of Your taxation and financial affairs by the Australian Taxation Office, or by a Commonwealth, State or Territory Department, Statutory Body or Agency in relation to and following the lodgement of Your return(s), including but not limited to Business Activity Statement (BAS), Capital Gains Tax, Fringe Benefits Tax, Income Tax, Prescribed Payment and Group Tax Returns, Payroll Tax, Stamp Duty, Compliance with Superannuation Industry Supervision Act 1993 and Workers Compensation Returns.

## **Auditor**

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

## **Business**

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

## **Claim, Claims**

means:

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

## **Designated Liability**

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

## **Final Decision**

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

## **Legal Defence Expenses**

means:

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

and necessarily incurred in appealing or resisting an appeal from the judgment or determination of a Court, Arbitrator or Tribunal.

## **Professional Adviser**

means:

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

## **Professional Fees**

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

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

## **Record Keeping Audit**

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



## Policy 9 – Lot Owners’ Homes

### Part A – Homes

#### What We insure

If selected and shown in the Schedule, We will insure You up to the Sum Insured shown for Part A of Policy 9 in the Schedule for Damage to Your Home which occurs during the Period of Insurance.

#### Additional Benefits

When the Sum Insured for Part A of Policy 9 is not otherwise expended We will pay the following incurred as a result of Damage to Your Home that is admitted as a claim under Part A of Policy 9 for:

##### 1. Architects’ and professional fees, removal of debris

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

that You necessarily incur in the Replacement of Your Home.

##### 2. Emergency cost of minimising losses

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

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

##### 3. Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any public or statutory authority to obtain their authority to rebuild, repair or replace Your Home, but We will not pay for any fine or penalty imposed by any such authority.

##### 4. Legal fees

Legal fees You necessarily incur in making submissions and/or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts.

##### 5. Temporary protection

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

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

##### 6. Tsunami Damage

Loss or Damage to Your Home caused by a Tsunami.

##### 7. Emergency services

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

#### Special Benefits

The following Special Benefits are included in addition to the Sum Insured for Part A of Policy 9.

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

###### a Temporary Accommodation

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

- i Damage to Your Home that is admitted as a claim under Part A of Policy 9; or
- ii reasonable access to or occupancy of Your Home being prevented by Damage from an Event claimable under Part A of Policy 9 happening to other property in the immediate vicinity.

We will pay:

- under Clause ai from the time of the Event until the time Your Home can be re-occupied following completion of rebuilding, repairs or Replacement; and
- under Clause aii from the time of the Event until the time when access to Your Home is re-established.

###### b Rent

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

- i Damage to Your Home that is admitted as a claim under Part A of Policy 9; or
- ii reasonable access to or occupancy of Your Home being prevented by Damage from an Event claimable under Part A of Policy 9 happening to other property in the immediate vicinity.

We will pay:

- under Clause bi from the time of the Event until the time Your Home is relet following completion of rebuilding, repairs or Replacement provided You demonstrate You have taken all reasonable actions to obtain a new Tenant; and
- under Clause bii from the time of the Event until the time when access to Your Home is re-established.

###### c Disease, murder and suicide

We will pay for:

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

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

- the discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plant cooling towers and the like;
- a human infectious or contagious disease, except for communicable disease;



- murder or suicide;  
occurring at Your Situation.

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

#### **d** Failure of supply services

We will pay for:

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

if Your Home is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage by an Event claimable under Part A of Policy 9 happening to property belonging to or under the control of any such supply authority, provided the failure of services extends for more than 48 hours We will pay from the time of the failure until the time such services are reinstated, or for a period of 30 days, whichever first occurs.

#### **e** Cost of reletting

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

- i Damage to Your Home that is admitted as a claim under Part A of Policy 9; and
- ii Your Tenant at the time of the Event subsequently advises they will not be reoccupying Your Home they previously leased.

#### **f** Community Association contributions and fees

We will pay up to \$2,000 for contributions, levies, maintenance and other fees You are required to pay to Your Community Association during the period Your Home is made unfit to be occupied for its intended purpose due to Damage to Your Home that is admitted as a claim under Part A of Policy 9.

#### **g** Removal, storage - Contents

We will pay the reasonable costs You necessarily incur in:

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

following Damage to Your Home that is admitted as a claim under Part A of Policy 9 that renders the Home unfit to be occupied for its intended purpose.

**The combined total amount We will pay under Special Benefit 1 - Temporary Accommodation / Rent / contributions / storage - a. to g. arising out of any one Event that is admitted as a claim under Part A of Policy 9 is limited to 15% of the amount shown in the Schedule for Part A of Policy 9 or such other percentage as We may agree in writing.**

## **2. Alterations/additions**

When You make alterations, additions or renovations to Your Home during the Period of Insurance We will during the construction period pay up to \$100,000 for Damage to such alterations, additions or renovations by an Event claimable under Part A of Policy 9 provided:

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

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

## **3. Arson reward**

We will pay a total reward of up to \$10,000 for information (irrespective of the number of people supplying information) which leads to a conviction for arson, theft, vandalism or malicious damage provided such Damage to Your Home is claimable under Part A of Policy 9. We will pay the reward to the person or persons providing such relevant information or in such other manner as We may reasonably decide.

## **4. Fusion of motors**

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

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

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

We will not pay for:

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

### **How We will settle Your Fusion claim**

If Your claim is accepted, We will settle Your claim reasonably in one of the following ways:

- a. repairing Your Home;
- b. replacing Your Home; or
- c. paying for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Fusion.

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

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

## **5. Electricity, gas, water and similar charges – excess costs**

We will pay up to \$2,000 for the cost of increased usage, accidental discharge or additional management charges of metered electricity, gas, sewerage, oil and water You are required to pay following

Damage to Your Home by an Event that is admitted as a claim under Part A of Policy 9.

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

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

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

**7. Emergency accommodation**

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

- a. Damage to Your Home that is admitted as a claim under Part A of Policy 9; or
- b. reasonable access to or occupancy of Your Home is prevented by Damage from an Event claimable under Part A of Policy 9 happening to other property in the immediate vicinity.

**8. Environmental improvements**

If Damage to Your Home is admitted as a claim under Part A of Policy 9 and the cost to rebuild, replace or repair the Damaged portion is more than 25% of what the cost would have been had Your Home been totally destroyed We will, in addition to the cost of environmental improvements claimable under Part A of Policy 9, also pay up to \$2,000 for the cost of additional environmental improvements not previously installed such as rainwater tanks, solar energy and grey water recycling systems.

**9. Exploratory costs, Replacement of defective parts**

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

We will also pay for reasonable costs incurred in:

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

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

**10. Fallen trees**

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

We will not pay for removal or disposal of:

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

**11. Fire extinguishing**

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

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

**12. Funeral expenses**

When You occupy Your Home We will pay up to \$5,000 for funeral expenses if You or a family member who permanently resides with You dies as the direct consequence of Damage to Your Home that is admitted as a claim under Part A of Policy 9.

**13. Keys, lock Replacement**

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

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

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

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

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

**14. Landscaping**

We will pay up to \$10,000 for the reasonable costs You necessarily incur in replacing or repairing Damaged trees, shrubs, plants, lawns or rockwork at Your Situation that are lost or Damaged by an Event claimable under Part A of Policy 9.

**15. Modifications**

When You occupy Your Home We will pay up to \$25,000 for modifications to Your Home if You are physically injured and become a paraplegic or quadriplegic as a direct consequence of Damage to Your Home that is admitted as a claim under Part A of Policy 9.

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





## 16. Mortgage discharge

We will pay up to \$5,000 to discharge any mortgage over Your Home if it becomes a total loss, is not replaced and We have paid the Sum Insured payable under Part A of Policy 9.

## 17. Pets, security dogs

When You occupy Your Home We will pay up to \$1,000 for the reasonable costs You necessarily incur for boarding pets or security dogs if Your Home is rendered unfit for its intended purpose by Damage to Your Home that is admitted as a claim under Part A of Policy 9 and Temporary Accommodation does not allow pets or security dogs.

## 18. Purchaser's interest

We will cover a purchaser's legal interest in Your Home, in accordance with the terms and conditions of Part A of Policy 9, when the purchaser has signed an agreement to buy such property.

## 19. Removal, storage costs

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

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

following Damage to Your Home that is admitted as a claim under Part A of Policy 9.

## 20. Removal of squatters

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

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

## 21. Title deeds

We will pay up to \$5,000 for the reasonable costs You necessarily incur in replacing Title Deeds to Your Home if they are Damaged by an Event claimable under Part A of Policy 9, while anywhere in Australia.

## 22. Water removal from basement

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

We will not pay if the inundation is caused by Flood or by any other Event that is not claimable under Part A of Policy 9.

## Exclusions

1. We will not pay for Damage caused by or arising directly or indirectly from:
  - a. Flood;
  - b. Storm or Rainwater to retaining walls;
  - c. lack of maintenance, rust, oxidation, corrosion, mould, mildew, Wear and Tear, fading, concrete or brick cancer, developing

flaws, wet or dry rot, gradual corrosion or gradual deterioration or, failure to maintain Your Home in a reasonably good state of repair. This includes when the Damage to the Home is caused by light, air, sand, the climate (which includes wind or rain) or the passage of time;

- d. overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current. However We will pay if the Damage is due to:
    - i. Fusion of electric motors as covered under Special Benefit 4;
    - ii. lightning;
    - iii. power surge when such Event is confirmed by the supply authority; or
    - iv. resulting fire Damage;
  - e. any Action of The Sea;
  - f. vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, Erosion or Earth Movement. However We will pay if the Damage is due to:
    - i. earthquake or seismological disturbance, Tsunami, explosion, physical impact by aircraft;
    - ii. bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus (but not Flood).
  - g. underground (hydrostatic) water. However We will pay if the Damage is due to bursting, leaking or overflowing of water tanks, pipes, or drains;
  - h. the invasion of tree or plant roots nor for the cost of clearing pipes or drains blocked by any such invasion. However We will pay for water or liquid Damage resulting from blocked pipes or drains;
  - i. inherent defect or latent defect that you were aware of, or a reasonable person in the circumstances would have been aware of;
  - j. vermin, mice, rats, termites, insects, or by pecking, biting, chewing or scratching by birds or animals. However We will pay if any of these causes directly result in Damage from any other Event claimable under Part A of Policy 9 such as fire or glass breakage;
  - k. the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds;
  - l. normal settling, creeping, heaving, seepage, shrinkage, or expansion in buildings, foundations / footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements;
  - m. smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);
  - n. any process involving the application of heat being applied directly to any part of Your Home. However We will pay if any other part of Your Home is Damaged or destroyed by fire.
2. We will not pay for Damage to:
    - a. water in swimming pools, spas or water tanks;
    - b. glass caused by artificial heat, during installation or removal, which has a crack or imperfection, or is required to be insured by any other party in terms of an occupancy agreement;
    - c. carpets and other floor coverings resulting from staining,

fading or fraying. However We will pay if the Damage directly results from any other Event claimable under Part A of Policy 9;

- d. boilers (other than boilers used for domestic purposes), economisers or pressure vessels and their contents resulting from the explosion thereof;
- e. Your Home if it is vacant and undergoing demolition unless Our written consent to continue cover has been obtained before the commencement of demolition, which will not be unreasonably withheld;
- f. Your Home directly resulting from construction, erection, alteration or addition where the value of such work exceeds \$250,000 unless Our written consent to continue cover has been obtained, which will not be unreasonably withheld, before the commencement of such work. However We will pay for Damage which results from any other Event claimable under Part A of Policy 9.

**3. We will not pay for:**

- a. demolition ordered by any public or statutory authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your Home;
- b. Damage caused by non-rectification of a defect, error or omission in Your Home that You were aware of, or should reasonably have been aware of;
- c. the cost of rectifying faulty or defective materials or faulty or defective workmanship, design or specification;
- d. consequential loss, including but not limited to any:
  - i. loss of use;
  - ii. loss of contract;
  - iii. loss of profit/revenue;
  - iv. loss of opportunity;
  - v. loss of goodwill and/or reputational damage; or
  - vi. special damages;
 other than as specifically provided under an operative Additional Benefit or Special Benefit;
- e. Wear and Tear.

**Claims - how We will settle Your claim**

**1. Rebuilding, Replacement or repair**

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

The amount We pay under Part A of Policy 9 will be the cost of Replacement at the time of Replacement subject to the following provisions:

- a. the necessary work of rebuilding, replacing or repairing (which may be carried out upon another site or in any manner suitable to Your requirements provided Our liability is not increased), must be commenced and carried out without unreasonable delay;
- b. where Your Home contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available We will use the nearest equivalent available to the original materials;

- c. if it is lawful, and with Our prior written consent, which will not be unreasonably withheld, You will not be required to actually rebuild any building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed.  
Such Replacement will be deemed to constitute Replacement for the purpose of this insurance provided Our liability is not increased;
- d. if You cause unreasonable delays in commencing or carrying out Replacement, We will not pay any extra costs that result from that delay;
- e. when We wish to rebuild, replace or repair and You do not want this to occur and submit a claim for cash settlement in lieu, We will only pay Indemnity Value which means We will:
  - i. reduce the amount payable after due consideration of age and condition of the property at the time of loss, We will ensure any reduction of the amount payable is fair and reasonable;
  - ii. not pay in excess of Indemnity Value of Your Home; and
  - iii. seek release from further liability under this Policy.

We will not pay under Part A of Policy 9 as part of the cost of Replacement for the cost to:

- i. rebuild or replace any undamaged part of Your Home;
- ii. rebuild, replace or repair illegal installations.

For each and every claim You have to pay the amount of any Excess shown in Part A of Policy 9 or in the Schedule.

**2. Undamaged part of Home, foundations and footings**

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

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

**3. Floor space ratio**

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

- a. the difference between:
  - i. the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; and
  - ii. the estimated cost of Replacement at the time of Damage had the reduced floor space ratio index not applied;

alternatively We will pay:

- b.
  - i. the actual costs incurred in Replacement in accordance with the reduced floor space ratio index; plus
  - ii. the cost of purchasing an existing building or part thereof equivalent in size to the area by which the floor space ratio index has been reduced; or
  - iii. the cost of purchasing a block of land and the cost of Replacement thereon of Home equivalent in size to the area by which the floor space ratio index has been reduced; provided that Our Liability does not exceed the estimated cost of Replacement at the time of Damage had the reduced floor



space ratio index not applied.

#### 4. Land Value

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

#### 5. Electronic Data

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

#### Special Provisions

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

#### Special Conditions

##### Uninhabited building

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

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

unless Our prior written agreement to continue full cover during the uninhabited period has been obtained, which will not be unreasonably withheld. Uninhabited means that in the 90 consecutive day period before Damage, no person resided in Your Home overnight on at least one occasion.

#### Excesses

##### Earthquake Excess

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

##### Other Excesses

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

#### Part B - Liability to Others

##### What We insure

If selected and shown in the Schedule, We will insure You up to the Limit of Liability shown in the Schedule for Part B of Policy 9 if You become legally responsible to pay compensation for Personal Injury or Property Damage resulting from an Occurrence in connection with the ownership (but not occupancy) of Your Home or an operative Additional Benefit that happens during the Period of Insurance.

#### Additional Benefits

We will pay up to the Limit of Liability for Part B of Policy 9 for:

##### 1. Bridges, roadways, kerbing, footpaths, services

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

##### 2. Fertiliser, pesticide, herbicide application

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

We will not pay:

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

#### Special Benefits

##### 1. Cost of defending a claim

We will pay:

- a. all legal costs and expenses incurred by Us;
- b. reasonable cost of legal representation You necessarily incur with Our written consent which We will not unreasonably withhold at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under Part B of Policy 9;
- c. other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- d. all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment;

in addition to the Limit of Liability shown in the Schedule for Part B of Policy 9.

##### 2. Court appearance

We will pay compensation of \$250 per day if We require You to attend a Court as a witness in connection with a claim under Part B of Policy 9.

#### Exclusions

We will not pay for any claim:

1. In connection with any liability for Personal Injury to any employee arising out of or in the course of their employment with You.
2. In respect of liability imposed by the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Home is situated.
3. In respect of:
  - a. Damage to property belonging to, rented by or leased by You or in Your physical or legal control;



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

- b. not owned by but in Your care, custody or control or of a family member normally residing with You;
17. Made or actions instituted:
    - a. outside Australia;
    - b. which are governed by the laws of a foreign country.

### Part C - Machinery Breakdown

#### What We insure

If selected and shown in the Schedule, We will insure You up to the Sum Insured for Part C of Policy 9 for Insured Damage provided that the Insured Item is within Your Situation and is in the ordinary course of working at the time Damage occurs.

The amount We pay will:

- be calculated in accordance with the clause herein titled 'Claims - how We will settle your claim';
- be subject to the application of any Excess shown in the Schedule; and
- not exceed the Sum Insured stated in the Schedule for Part C of Policy 9.

#### Additional Benefits

Additional Benefits are included when the Sum Insured for Part C of Policy 9 is not otherwise expended in respect of any one Event. We will pay for the reasonable cost of:

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

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

#### Exclusions

We will not pay for:

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





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

### Claims - how We will settle Your claim

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

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

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

### Special Definitions

The words listed below have been given a specific meaning and these specific meanings apply to Part C of Policy 9 when the words begin with a capital letter.

### Insured Damage

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

- a. which is covered under Part A of Policy 9; or
- b. which is not claimable under Part C of Policy 9.

### Insured Item

means:

- a. lifts, elevators and incliners provided they are subject to a current comprehensive maintenance agreement;
- b. all other electrical, electronic and mechanical machinery, boilers and pressure vessels and similar plant;

that forms part of Your Home.

## Part D - Catastrophe Insurance

### What We insure

If selected and shown in the Schedule, We insure You up to the Sum Insured shown in the Schedule for Part D of Policy 9, against the Escalation in the cost of Replacement of Your Home if it is destroyed, or it is assessed as a constructive total loss, following a loss which occurs during the Period of Insurance:

1. a. due to a Catastrophe; or
- b. other Event which occurs not later than 60 days after a Catastrophe, provided Your Home has been continuously insured with Us for that period; and
2. the Event giving rise to the loss is admitted as a claim under Part A of Policy 9.

### Special Benefits

Special Benefits are included in addition to the Sum Insured for Part D of Policy 9.

#### 1. Temporary Accommodation / Rent - extended period of cover

##### a. Temporary Accommodation

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

- due to the happening of a Catastrophe, or other Event referred to in Clause 1b of 'What We insure'; and
- the Damage to Your Home is admitted as a claim under Part A of Policy 9.

We will pay from the time indemnity provided under Special Benefit 1a of Part A of Policy 9 is expended until the time Your Home can be re-occupied following completion of rebuilding, repairs or Replacement.

##### b. Rent

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

- due to the happening of a Catastrophe, or other Event referred to in Clause 1b of 'What We insure'; and
- the Damage to Your Home is admitted as a claim under Part A of Policy 9.



We will pay from the time indemnity provided under Special Benefit 1b of Part A of Policy 9 is expended until the time Your Home is relet following completion of rebuilding, repairs or Replacement provided You demonstrate You have taken all reasonable actions to obtain a new Tenant.

## 2. Temporary Accommodation – escalation in cost

When You occupy Your Home We will pay for Escalation in the Cost of Temporary Accommodation You necessarily incur if Your Home is Damaged and made unfit to be occupied for its intended purpose:

- due to the happening of a Catastrophe, or other Event referred to in Clause 1b of ‘What We insure’; and
- the Damage to Your Home is admitted as a claim under Part A of Policy 9.

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

## 3. Removal, storage

We will pay for the costs You necessarily incur in:

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

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

- the happening of a Catastrophe, or other Event referred to in Clause 1b of ‘What We insure’; and
- the Damage to Your Home is admitted as a claim under Part A of Policy 9.

The amount We pay will be reduced by any amount payable for such costs under Part A of Policy 9.

## 4. Cost of Evacuation

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

- due to the happening of a Catastrophe; and
- the Damage to Your Home is admitted as a claim under Part A of Policy 9.

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

The combined total amount We will pay under Special Benefits 1 to 4 arising out of any one Event claimable under Part D of Policy 9 is limited to 15% of the Sum Insured shown in the Schedule for Part D of Policy 9 or such other percentage as We may agree in writing.

## Claims - how We will settle Your claim

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

- a. the actual cost necessarily incurred to rebuild, repair or replace Your Home following a Catastrophe, or other Event referred to in Clause 1b of ‘What We insure’; and
- b. the greater of either:
  - i the cost that would have applied to rebuild, repair or replace Your Home in terms of Part A of Policy 9 immediately prior to the Catastrophe; or
  - ii the Sum Insured shown in the Schedule for Part A of Policy 9 at the time of the Catastrophe, or other Event referred to in Clause 1b of ‘What We insure’.

## Special Provisions

1. No payment will be made under Part D of Policy 9 until such time as the greater amount determined in accordance with the provisions of Clause b of ‘Claims – how We will settle Your claim’ has been fully expended in Replacement of Your Home.
2. In certifying the cost of Replacement of Your Home at the time immediately prior to a happening giving rise to a claim under Part D of Policy 9 the qualified valuer, loss adjuster or other suitably qualified person will use as the basis of certification:
  - a the accepted building industry cost standards or recognised cost of materials guide in force on the day immediately prior to the happening of the Catastrophe or a day as close as practicable thereto;
  - b any extra cost necessarily incurred to comply with any public or statutory authority requirements but will not include any cost that would have been incurred in complying with orders issued prior to the Damage;
  - c architects’ fees, surveyors’ fees and any other professional fees;
  - d legal fees necessarily incurred in making submissions or applications to any public or statutory authority, Builders Licensing Board, or Land and Environment Courts as a result of Damage to Your Home;
  - e fees, contributions or imposts payable to any public or statutory authority to obtain consent to rebuild, replace or repair Your Home.
3. Any differences relating to the cost of Replacement at the time immediately prior to a happening giving rise to a claim under Part D of Policy 9 may be referred to the Australian Property Institute Inc. who will appoint a qualified valuer whose decision will be binding.

## Special Condition

Part D of Policy 9 is subject to the same terms, conditions and exclusions as Part A of Policy 9, except as they may be expressly varied herein.

# What's changed

At CHU, we always strive to ensure that we communicate our intentions and actions as clearly as possible in our insurance policies. We have recently undertaken a review of our Product Disclosure Statement (PDS) and Policy Wording documents and have made changes to better explain:

- how your insurance policy will operate,
- what you can expect from us and
- what we ask of you in return.

The purpose of this document is to provide a summary of recent changes to your policy terms and conditions. This document does not form part of any insurance policy and is not used in the assessment of insurance claims. Any insurance claim will be assessed against the PDS and Policy Wording policy terms and conditions and applicable law.

This document clarifies the key changes made to two different versions of this wording, QM563 Community Association Insurance Plan, that have been released recently.

## COMMUNITY ASSOCIATION INSURANCE PLAN

### Summary of key changes for QM563-1023

We've updated our Community Association Insurance Plan Product Disclosure Statement and Policy Wording (from QM563-0122 to QM563-1023).

To see how your cover has changed, we've provided a summary of the key changes below:

Change type	What's changed	Explanation	Details can be found in
Deletion of Policy Section	Policy 4 – Workers Compensation has been removed	CHU will no longer offer Workers Compensation.	Policy 4 – Workers Compensation has been removed in its entirety and all references to Workers Compensation removed from the PDS
Policy Sections	Policy Section numbering	With the removal of Policy 4 – Workers Compensation, the numbering of some remaining policy sections has been updated as follows: <ul style="list-style-type: none"> <li>• Policy 4 – Fidelity Guarantee (previously Policy 5)</li> <li>• Policy 5 – Office Bearers' Legal Liability (previously Policy 6)</li> <li>• Policy 6 – Machinery Breakdown (previously Policy 7)</li> <li>• Policy 7 – Catastrophe Insurance (previously Policy 8)</li> <li>• Policy 8 – Government Audit Costs, Appeal Expenses and Legal Defence Expenses (previously Policy 9)</li> <li>• Policy 9 – Lot Owners' Homes (previously Policy 10)</li> </ul>	Throughout the PDS
New and updated wording	New definition, amended definitions and deleted definitions	<p>"Action of The Sea" is now defined.</p> <p>The definitions for "Earth Movement", "Storm", "Storm Surge", "Tsunami" and "Wear and Tear" have been amended.</p> <p>The definitions for "Communicable Disease", "Computer System", "Cyber Incident" and "Malware or Similar Mechanism" have been deleted.</p>	General Definitions
General Conditions	Alteration of risk	"Alteration of risk" has been replaced with "Tell Us when these things change".	General Conditions





Change type	What's changed	Explanation	Details can be found in
Updated wording	Updated General Exclusions	"Communicable diseases" and "Cyber incident" exclusions have been amended.	General Exclusions

## Summary of key changes for QM563-0122

We've updated our Community Association Insurance Plan Product Disclosure Statement and Policy Wording (from QM563-0821 to QM563-0122). To see how your cover has changed, we've provided a summary of the key changes below:

Change type	What's changed	Explanation	Details can be found in
Updated Wording	Throughout the PDS	Updated various sections of the PDS including "About QBE", "About CHU", "Privacy", "Sending You documents" "Cooling-off", "General Insurance Code of Practice", "Complaints" and "Financial Claims Scheme".	The changes are throughout the PDS under the specified headings
Deletion of clause	Removal of Duty of Disclosure	The Duty of Disclosure is a pre-contractual duty imparted to you before you are bound to the insurance contract. Reference to the Duty has been removed from the PDS to reflect this.	N/A
Updated General Definition	Definition of You, Your, Yours in respect of Policy 2 – Liability to Others	The definition of iii. Voluntary Worker whilst engaged solely in work or duties on behalf of the Body Corporate, Corporation, Owners Corporation, Plan or Company named in the Schedule has been amended to include the additional text "but excludes Office Bearers whilst acting in that capacity."  This clarifies the intent of Policy 2 that Office Bearers are not covered for a publication or utterance of defamatory or disparaging material, which is already specifically excluded under Policy 6 – Office Bearers' Legal Liability.	General Definitions, You, Your, Yours b. iii.
Updated General Condition	Updated wording under Joint insureds	Condition updated and now includes "We may treat what any one insured says or does in relation to your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel your Policy or tell Us where a claim payment should be paid."	General Conditions 5. Joint insureds
Updated General Conditions	Excess	Adjusted the earthquake Excess from \$250 to \$500.	PDS



➔ Change type	What's changed	Explanation	Details can be found in
New General Exclusion	Laws impacting cover	New General Exclusion applies "We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is illegal for Us to do so."	General Exclusion 10
Updated Claims Condition	"Other Insurance" amended to "Contribution and other insurance"	Change aims to better articulate Your responsibilities in the event other insurance is in place that may cover any loss under Your Policy.	Claims Condition 10
New Claims Conditions	Claims Conditions	11. Preventing Our right of recovery and 12. References to legislation added to better articulate Our subrogation rights in the event of a claim.	Claims Conditions 11 and 12

The information contained in this summary of changes document does not form part of your policy. Please read the current Product Disclosure Statement (PDS) and Policy Wording, and Policy Schedule for full details of the terms, conditions and exclusions that make up the insurance policy.

### Any questions?

If you have any questions about these changes, please contact us at:

**Phone** 1300 361 263

**Email** [info@chu.com.au](mailto:info@chu.com.au)