



# STRATA INSURANCE

PRODUCT DISCLOSURE STATEMENT



# WELCOME AND THANK YOU FOR CHOOSING GIO

This Product Disclosure Statement (PDS) is an important document that tells you information you need to know about your policy. It is really important to read it carefully before you decide whether or not our cover is right for you.

## By choosing GIO you can:



Manage your policy by calling us on 13 10 10



Make a claim 24/7 by calling 13 14 46



Call 13 10 10 for extra support



The information in this PDS is current at the date it was prepared. From time to time, we may update some of the information in this PDS that is not materially adverse to you without notifying you. Please contact us for a free copy of any of these updates. Other changes will be made by a Supplementary Product Disclosure Statement (SPDS) which we will give to you.

# KEY INFORMATION ABOUT GIO STRATA INSURANCE



## Type of insurance

This policy provides cover for loss or damage to the building.

You can choose to add cover for common contents. The cover you have chosen will be shown on your certificate of insurance.



## What we cover

### Accidental loss or damage cover

We cover accidental loss or damage to the building and common contents, including for incidents like flood, fire (including bushfire), escape of liquid and impact.

### Legal liability

We cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property at the insured address.



## What we pay

The most we will pay for the building for any incident is the building sum insured shown on your certificate of insurance unless we say otherwise in your policy.

The most we will pay for the common contents for any one incident is the common contents sum insured shown on your certificate of insurance, unless we say otherwise in your policy.

The most we will pay for all claims arising from any one incident for legal liability covered by this policy is **\$20 million** including all associated legal costs.

We will pay up to the limits outlined under the relevant Additional covers.



This is a summary only. Like all policies, there are conditions, limits and exclusions that apply so you need to read your policy for full details.



## Additional cover that comes with your policy

There are some additional covers that come with your policy for no extra cost.

See section 5 'Additional cover that comes with your policy' on page 47 for more information.



### Exclusion for short-term rental, holiday letting or house sharing

If there are units used for any short-term rental, holiday letting or house sharing arrangement (including an arrangement booked through any online booking platform), **we do not insure you for** loss of rent for those units (see 'Loss of rent following an insured incident' on page 51).



## Exclusion for new policies

We do not insure you for bushfire, storm, storm surge, flood or tsunami in the first **72** hours of your policy. Very limited exceptions apply. For full details see section 3 'Things we don't cover' on page 26.

## Summary of cover

Limits, conditions and exclusions apply. Read your policy for full details.

This policy covers accidental loss or damage and incidents including:

What we cover	Page
Flood (see important note on page 37)	37
Storm	38
Storm surge	39
Lightning	40
Fire (including bushfire) & Extra costs cover in the event of bushfire	40
Earthquake and tsunami	41
Theft or burglary by tenants or their guests	41
Theft or burglary by people who are not tenants or their guests	41
Escape of liquid	42
Impact	43
Damage by an animal	44
Explosion	44
Riot, civil commotion or public disturbance	44

What we cover	Page
 Malicious acts or vandalism by tenants or their guests	✓ 45
 Malicious acts or vandalism by people who are not tenants or their guests	✓ 45

## Legal liability

What we cover	Page
 Legal liability	✓ 46

## Additional cover (these are covers that come with your policy)

What we cover	Page
 Removal of debris	✓ 48
 Other repair/rebuilding costs	✓ 49
 Temporary accommodation for unit owners	✓ 50
 Loss of rent following an insured incident	✓ 51
 Costs to re-establish important documents	✓ 51
 Emergency repairs	✓ 52
 Exploratory costs to find leaks from pipes and water containers	✓ 52
 Lawns, garden areas, plants, trees and shrubs or hedges	✓ 53
 Accidental breakage of glass	✓ 53
 Motor burnout	✓ 54
 Lock replacement (after theft of keys)	✓ 55

What we cover		Page
 Embezzlement of funds		56
 Office bearer's liability		56
 Voluntary workers cover		58
 Matching undamaged parts		60

## WHAT TO DO

# WE UNDERSTAND EXPERIENCING LOSS OR DAMAGE OR HAVING A CLAIM MADE AGAINST YOU CAN BE STRESSFUL

**Here's what to do:**



### Step 1

Make sure everyone is safe.  
For emergencies, call 000.



### Step 2

Try to prevent further loss damage or liability (e.g. if there is a broken window, arrange for it to be covered to prevent further water damage from the rain).



### Step 3

Report any theft and malicious damage to the police as soon as possible.

Give them a list of all stolen or damaged items. Keep details of the date reported, name of the police officer, police station reported to and the report number.



### Step 4

Contact us as soon as possible by calling 13 14 46. If you delay reporting your claim, we will not pay for any additional loss, damage or liability caused by your delay. When you contact us, describe details of what has happened (e.g. a window broken in a storm). For electrical items, please have details about the make and model. If the damage to your property was caused by another person and if possible, please provide us their name and address and, if applicable, their registration number. See 'When your excess will be waived' on page 15.

# CONTENTS

1. Important things to know upfront	9
2. What we cover – the basics	17
3. Things we don't cover	23
4. What we cover – the details	35
5. Additional cover that comes with your policy	47
6. Making a claim	61
7. How we settle claims – some examples	73
8. Important things to know – our contract with you	77
9. What to do if you have a complaint and other important information	81
10. Words with special meanings	85

 In this PDS you will be referred to the Strata Insurance Additional Information Guide. This guide is available at [gio.com.au](http://gio.com.au) and contains further information about premiums, excesses and discounts. Please contact us for a free copy.

 Some words in this policy have special meanings. Most of the words with special meanings are defined in section 10 'Words with special meanings' on page 85.

# 1

## **IMPORTANT THINGS TO KNOW UPFRONT**

Before we get into the specifics of your policy there are important things to know upfront. This includes information about:

- your contract with us;
- communicating with you electronically;
- information about your cooling off period;
- your responsibilities and when you need to contact us about changes;
- your sums insured; and
- the excesses that apply to your claim.

## Our agreement with you

If you buy this product from us, your contract of insurance is made up of your certificate of insurance, this PDS and any SPDS that we have given you.

## Communicating with you electronically

We may send your policy documents and policy related communications electronically. This will be by email and/or other types of electronic communication (e.g. SMS). We will obtain your express or inferred consent to do so. Each electronic communication will be deemed to be received by you at the time it leaves our information system.

## Cooling off period

You can contact us to return the policy within **21** days from the start date of your policy (including on renewal).

This is called the cooling off period. As long as you have not made a claim during this period, we will refund in full the money you paid for your policy (including GST if applicable), but you will not have any cover under the policy.

Alternatively, you can cancel your policy at any time while you are insured. When you do this, unless we tell you otherwise, you will have cover up until the date and time of cancellation. For more information see 'What happens with cancellations' on page 79.

## There are limits to what we will pay and some things we don't cover

Like every insurance policy, there are exclusions, conditions and limits that apply to your policy. There are some things we don't cover whatever the circumstances, these are found in section 3 'Things we don't cover' on page 23. There are also specific things we don't cover explained in sections 4 and 5 which are particular to the cover provided under your policy.



In this PDS we use and icons to help describe what's covered and what's not covered.

## Claims made and notified basis of coverage: Office bearer's liability

The cover under the Office bearer's liability additional cover (see page 56) is issued on a 'claims made and notified' basis. This means that your office bearers are covered for claims first made against them during the period of insurance and notified to us during the period of insurance, provided that you were not aware at any time prior to the start of your policy of circumstances which would have put a reasonable person in your position on notice that a claim may be made against you.

Any office bearer may decide to notify us of facts that might give rise to a claim against them. This notification must be given as soon as reasonably practicable after the office bearer becomes aware of the facts and prior to the period of insurance expiring. If the office bearer, gives us such written notification of facts, the policy will respond even though a claim arising from those facts is made against the office bearer after the policy has expired. When the period of insurance expires, no new notification of facts can be made.

## Extra Support

Sometimes your circumstances might mean you need additional support or assistance in dealing with us. This could be due to your physical or mental health, family or financial situation or cultural background. If you are comfortable, you can tell us about your situation and we will work with you to arrange support.

## Your responsibilities

- take steps to prevent theft, loss, damage or legal liability (e.g. ensuring there are working smoke detectors in the building);
- maintain door locks and window locks in good working condition and keep alarms working and connected;
- follow all the terms and responsibilities set out in your policy;
- keep the building structurally sound, watertight, secure and well maintained (e.g. remove mould, fix any holes in floors, walls and ceilings, fix loose, missing or rusted steps, gutters and flooring);
- you must fix any inherent defect, faulty design, structural defect, structural fault and/or faulty/poor workmanship at the building as soon as possible after you identify it or a told about it;
- ensure that the building complies with local council requirements and building laws and regulations when construction, alterations or repairs are undertaken. For example, obtain all required permits and permissions prior to work commencing and ensure that all requirements including height limits are met;
- ensure that the building is kept in good condition (e.g. there are no blocked gutters, the roof is not rusted, the building is not infested with vermin and there is no termite damage) and that damage, including insured damage we have paid for, is promptly repaired;
- provide honest and complete information for any claim, statement or document supplied to us;
- do not behave in a way that is abusive, dangerous, hostile, improper or threatening when engaging with us and our service providers.

## Not meeting your responsibilities

Your policy may not provide cover if you have not met your responsibilities and it may lead us to reduce or refuse to pay your claim and/or cancel your policy.

## When you need to contact us

During the period of insurance your need to tell us as soon as possible if:

- you have had another insurer cancel or decline an insurance policy, impose specific conditions on a policy or refuse a claim;
- you or your managing agent become aware that a business activity is planned to start at the insured address;
- you start farming, manufacturing or repair work at or from the insured address;

Continued on next page.

- you or your managing agent become aware that a business activity is occurring at the insured address such as but not limited to, people start to come to the insured address, business signage is installed or storage of chemicals for the business activity occurs. But we do not need to know if this business activity is only:
  - the residential tenancy of a unit by a tenant which is part of the building;
  - using no more than **1** unit in the building as an administration office.

Note: We do not cover any part of your building used for any business activity. Some limited exceptions apply. See 'What we do not cover as the building' on pages 18 and 19.

- you need to change the sums insured for the building or common contents;
- any detail on your certificate of insurance is no longer accurate, such as but not limited to the description of the building;
- the insured address ceases to be at least **50%** occupied;
- trespassers or squatters occupy the insured address;
- the building has fallen into a state of disrepair;
- you intend to demolish the building, have lodged an application to do this, or a government authority has issued a demolition order;
- building, renovations, constructions, alterations and/or repairs commence at the insured address.

If you have not told us about any of the above matters having occurred in any other period of insurance you held this policy with us, you must also tell us as soon as possible.

### **What we will do when you contact us**

When you tell us about any of the above matters, an additional excess, additional premium or special condition may be applied to your policy. In some cases, it may lead us to reduce or refuse to pay a claim or it will mean we can no longer insure you and we will cancel your policy.

### **If you do not contact us**

If you do not contact us when you need to you may not be covered under your policy and it may lead us to reduce or refuse to pay a claim and/or cancel your policy.

### **How to contact us**

Call us on 13 10 10.

### **If your contact details change**

You must keep your contact details, including your Australian mobile number, postal address and email address up to date. If we do not have up to date contact details you might not receive your important policy documents which could impact whether you have cover in place.

## About your sum insured

### **Make sure your sums insured are adequate**

Underinsurance can expose you to serious financial loss if a claim occurs. It is your responsibility to select a sum insured for the building and sum insured for the common contents that meets your needs in the event the building and common contents are damaged or destroyed.

You can also choose to seek the services of an architect, builder, quantity surveyor, valuer or other suitably qualified professional for an expert opinion to assist in working out your sum insured.

### **Review your sums insured regularly**

To ensure your sums insured are adequate it is important to review them regularly, being mindful of items purchased recently and ask us to change the sums insured when required.

If you upgrade the size and standard of the building, it may increase the cost to rebuild the building. The building sum insured will need to reflect these types of changes.

### **If you over-insure**

We will not pay more than the amount of the assessed quote to rebuild, repair or replace the building or common contents. Again, it is important to review your sums insured regularly. We will not refund any premium paid for over-insuring.

### **Adjustments on renewal**

GIO will consider a range of factors that can influence the cost to rebuild the building or the cost to repair or replace your common contents. We may choose to adjust your sums insured shown on your certificate of insurance at the end of each period of insurance to account for various factors including inflationary trends. However, you still need to consider if the building and common contents sums insured are sufficient for your situation.

### **GST**

Limits and the most we pay amounts stated in this PDS and on your certificate of insurance include GST.

# EXCESSES THAT APPLY TO YOUR CLAIM

## What is an excess?

An excess is the amount you pay towards the cost of your claim for each incident covered by your policy. Sometimes you might have to pay more than one type of excess. The amount and types of excess are shown on your certificate of insurance or in this PDS.

Excess type	
	This excess applies to all claims (including legal liability claims) unless stated otherwise. You can choose your standard excess from the range we offer.
<b>Standard excess</b>	The amount of the standard excess applied to building claims (which includes claims for legal liability in connection with the building, common areas or scheme land) can be different to the standard excess applied to common contents claims (which includes claims for legal liability in connection with the common contents).
<b>Additional excess</b>	An additional excess may apply to your policy based on our assessment of the risk. If an additional excess applies to your policy, this excess is payable in addition to any other excess, unless stated otherwise in your policy.
<b>Water damage excess</b>	This excess applies in addition to any other excess if you make a claim for loss or damage caused by leaks in or from pipes and water containers, unless stated otherwise in your policy.
<b>Earthquake and tsunami excess</b>	This excess applies in addition to any other excess if you make a claim for loss or damage as a result of an earthquake or tsunami, unless stated otherwise in your policy.
<b>Theft or burglary by tenants or their guests excess</b>	For any claim under 'Theft or burglary by tenants or their guests' (see page 41), an excess of <b>\$500</b> will apply in addition to any other excesses that apply.
<b>Malicious acts or vandalism by tenants or their guests excess</b>	For any claim under 'Malicious acts or vandalism by tenants or their guests' (see page 45), an excess of <b>\$500</b> will apply in addition to any other excesses that apply.
<b>Unoccupied excess</b>	The excess applies in addition to any other excess, if at the time of the incident covered by your policy, the building has been unoccupied for a period of more than <b>60</b> continuous days.



### When is the building unoccupied?

A period of unoccupancy starts when the building becomes unoccupied and comes to an end when you, someone nominated by you, a unit owner or someone nominated by a unit owner has occupied the building for at least **2** consecutive nights. You will be required to prove the occupancy of the building in the event of a claim, unless this is not reasonably possible. Examples of how you can prove the occupancy include providing us with copies of bills or other documents demonstrating the usage of utilities that are connected to the building. See section 10 'Words with special meanings' on page 90.



Refer to the Strata Insurance Additional Information Guide for more information about excesses.

## **Claiming for both building and common contents**

When both the building and common contents at the one insured address are insured with us under your policy and your claim is for loss or damage to both arising from the same incident, you must pay whichever is the higher of your standard excesses (plus any other applicable excess).

## **How to pay your excess**

You can choose from the following options to pay your excess:

- you can pay the excess(es) directly to us before we finalise your claim;
- the excess(es) can be deducted from the amount we pay you for your claim (if any).

We will not cover any legal or other costs that arise because of any delay in paying the excess.

## **When your excess will be waived**

We will waive your excess and no excess will apply when:

- you are not responsible for the loss or damage and the incident was caused by another person but not a person within the definition of 'you', a unit owner or their guest, a tenant (or their guest) or any other person living or staying at the insured address (or their guest). You may be able to show this by providing a police report, expert reports, statement from a witness and/or photographs; and
- you can give us the name and address of the person responsible, and if applicable, the registration number of the vehicle.



If you cannot identify the person responsible and/or give us their name and address (and if applicable, their registration number) it means we will not be able to waive your excess. It does not otherwise impact the cover under your policy or your ability to make a claim.

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# 2

## **WHAT WE COVER – THE BASICS**

This section describes the basics of:

- what we cover and do not cover as the building and common contents;
- who we cover;
- where we cover.

## What we cover as the building

### We cover:

The building means the strata, body corporate or community titled residential building or buildings including the following at the insured address:

- garages, carports, outbuildings and any structural improvements on the land;
- decks, pergolas, pagodas, verandas and balconies, fixed water tanks, fixed swimming pools and spas (including their pumps and accessories), sheds and tennis courts;
- garden borders, sealed pathways and paved or concreted floor areas;
- sealed driveways or sealed roads;
- outdoor walls, gates, fences and retaining walls which are located within the boundaries of the insured address;
- services, both above and below ground, that are your building and you are responsible for, including fixed fire prevention and security equipment;
- any permanently housed, connected or wired electrical appliances including ducted air conditioning and intercoms;
- any permanently fixed outdoor items, including solar panels, satellite dishes, play equipment, clothes lines, fixed barbeques, fixed aerials and outdoor lights, awnings and blinds;
- gas appliances permanently plumbed to a gas supply;
- sewer storage tanks or treatment tanks permanently plumbed to the building;
- boat jetties, pontoons, mooring poles and their attachments and accessories which are located within the boundaries of the insured address or where part of their structure begins or terminates on the insured address;
- any uninstalled building fixtures, fittings and materials but only when kept in a locked and secured building at the insured address and only up to **\$1,500** in total for any one incident;
- lifts, elevators, escalators, travelators, inclinators and hoists;
- these wall, floor or ceiling coverings (except when they are inside a unit and the applicable strata laws in your state or territory say they are not part of the building for body corporate insurance purposes):
  - paint, tiles, wallpaper and permanent wall, floor and ceiling coverings;
  - fixed floor coverings including lino, whether glued down or not;
  - timber floor coverings that were fitted when the building was originally built, whether secured to the floor or not.



There are some things that we do not cover as the building. These are set out on page 19.

## What we do not cover as the building

The building does not include:

- anything that is not legally part of the building for body corporate insurance purposes according to the applicable strata laws in your state or territory (e.g. in ground pools installed by unit owners for the sole use of the occupants of that unit unless the body corporate assumed unless the body corporate has assumed legal responsibility for the pool before the incident being claimed for occurred);
- fixtures that can be removed without causing damage to the unit;
- anything that is common contents;
- any new building under construction;
- any part of the building used for farming of any description (including buildings used for hobby farms) such as, but not limited to, a barn, dairy, shearing shed, silo or stable. This limitation does not include any building which could be used for farming, but is not used for that purpose;
- any temporary or mobile structures, including caravans, houseboats, watercraft or motorised vehicles or craft of any type;
- inflatable or portable swimming pools and spas and their accessories;
- any fixed or temporary dead weight moorings, mushroom moorings or screw in moorings;
- any carpets, rugs, blinds, drapes or curtains;
- air conditioning units servicing a particular unit (split or ducted);
- loose or compacted soil, sand, artificial grass, gravel (including on roads, driveways and tracks), pebbles, rocks or granular rubber;
- used or applied chemicals, fertilisers or pesticides;
- lawns/grass, garden areas, plants, trees and shrubs or hedges in the ground (except to the extent covered under additional cover 'Lawns, garden areas, plants, trees and shrubs or hedges' see page 53);
- these wall, floor or ceiling coverings when they are within a unit and the applicable strata laws in your state or territory say they are not part of the building for body corporate insurance purposes:
  - paint, tiles, wallpaper and permanent wall, floor and ceiling coverings;
  - fixed floor coverings including lino, whether glued down or not;
  - timber floor coverings that were fitted when the building was originally built, whether secured to the floor or not.
- any part of the building used or occupied:
  - as a hotel or motel;
  - for any business activity unless this business activity is only:
    - the residential tenancy of a unit which is part of the building;
    - using no more than 1 unit in the building as an administration office.

- ⓘ** We don't cover things that happen because the building and common contents are not in good condition or because any building extensions, alterations or renovations are not complete. We do not cover any part of the building or common contents or that has wear, tear or deterioration. See section 3 'Things we don't cover' on page 23 and 'Your responsibilities' and 'When you need to contact us', pages 11 to 12.
  
- !** Sometimes we might cover something under 'What we cover as the building' or 'What we cover as your common contents' but that item or part of the building or common contents may not be covered for all types of loss or damage covered by your policy (e.g. we cover retaining walls which are located within the insured address as part of the building but we do not cover loss or damage to retaining walls under certain insured incidents). See section 4 'What we cover - the details' on page 35. It is important to read your policy carefully.

## The most we will pay for the building

If your claim is covered, the most we will pay for loss or damage to the building for any one incident is the building sum insured shown on your certificate of insurance, unless a different limit elsewhere in your policy applies.

Some items also have fixed limits that cannot be increased and these limits (shown in the table below) are the most we will pay for those items.

Building items with fixed limits	Limits for any one incident
Uninstalled building fixtures, fittings and materials but only when kept in a locked and secured building at the insured address	Up to <b>\$1,500</b> in total

## Who we cover

You/Your refers to the:

- body corporate;
- owners corporation;
- strata company;
- association of the strata, body corporate or community title scheme,

named as the insured on your certificate of insurance, and its ownership or insurable interest according to the relevant strata, group, body corporate or community title laws applying to your building and common property.

## Where we cover

We cover the building and common contents at the insured address. The insured address is the address/location shown on your certificate of insurance within the boundaries of the scheme land.

## What we cover as your common contents

### We cover:

Your common contents means your unfixed property at the insured address that is contained within the common areas of the building and includes:

- unfixed wall, floor (e.g. carpets) and ceiling coverings;
- internal window coverings;
- portable domestic appliances (e.g. washing machine and clothes dryer);
- tools and cleaning equipment;
- domestic tools and gardening equipment (including ride-on mowers);
- office equipment, electronic equipment and fixed line telephones you use in your administration office, examples include:
  - computers, including laptops, electronic diaries, tablets, printers and scanners (but not software, games or stored media information);
  - filing cabinets;
  - fax machines and photocopiers;
  - chairs, tables, desks and other office furniture;
  - office stationery.

### What we don't cover as your common contents

Common contents does not include:

- any fixture or item owned by a unit owner or tenant which they would remove if they sold or vacated their unit;
- personal effects and valuables designed to be worn or carried by a person such as:
  - clothing, footwear, baggage, handbags or wallets;
  - jewellery or watches;
- valuable items such as:
  - cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps;
  - medals, collections or memorabilia;
  - precious stones;
  - items made of, or plated with, gold or silver;
- mobile phones;
- any item covered as the building;
- carpets or any contents item owned by a tenant or unit owner;
- animals, including fish, reptiles, pets and livestock;
- stock in trade;

Continued on next page.

- uninstalled building fittings, fixtures and materials;
- floating floors fitted by the unit owner;
- any of these vehicles or craft or any of their accessories or spare parts:
  - motor vehicles or trailers, motorcycles, mini-motorcycles, personal transportation vehicles, motorised bicycles, watercraft and aircraft;
  - caravans, mobile homes or any of their contents;
  - tractors, back hoes, bob-cats, earth dozers or front-end loaders or their accessories or spare parts;
- loose or compacted soil, sand, artificial grass, gravel, pebbles, rocks or granular rubber;
- used or applied chemicals, fertilisers or pesticides;
- lawns/grass, garden areas, plants, trees and shrubs or hedges in the ground (except to the extent covered under additional cover 'Lawns, garden areas, plants, trees and shrubs or hedges' see page 53).

## The most we will pay for your common contents claims

The most we will pay for loss or damage to all common contents arising from any one incident is the common contents sum insured shown on your certificate of insurance, unless a different limit elsewhere in your policy applies.

# 3

## THINGS WE DON'T COVER

There are some things we don't cover under your policy and we want to be upfront about this.

Remember, there are also specific things we don't cover in sections 4 and 5 on pages 36 to 60.

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

☒ **Actions or movements of the sea**

any actions or movements of the sea.

☒ **Aircraft shock waves**

the gradual effects of vibrations, or shock waves caused by aircraft travelling at high speeds but we will cover you if you can clearly show us that the damage was caused by a single destructive incident covered by your policy.

☒ **Anything you don't own**

any part of the building or common contents that you do not own but we will cover your legal liability for loss or damage to building to the extent it is covered under 'Legal liability' see page 46.

☒ **Biological, chemical, other pollutant or contaminant**

- any actual or threatened use, existence or release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant;
- any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant;
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

But we will cover:

- fire damage (including water contamination) that is covered by the insured incident 'Fire (including bushfire)' see page 40;
- your legal liability under 'Legal liability' cover, to the extent your legal liability arises from your use of pesticides or herbicides at the insured address.

☒ **Breaking the law**

- you, or someone with your knowledge or permission, committing or trying to commit an unlawful or criminal offence, such as assault or a malicious act;
- your possession, manufacture, supply or consumption of any illegal substances or illegal drugs;
- you not obeying any commonwealth, state, territory or local government law or lawful direction, including laws or lawful directions relating to:
  - smoke alarms;
  - pool fencing;
  - installing a balcony railing or balustrade when required;
  - dangerous goods and liquids;
  - control and safekeeping of dangerous or restricted breeds of dogs, including not obeying any legal requirement to restrain a dog in public or keep it fenced in.

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

**☒ Broken tiles around pools and spas**

chipped, broken or lifted tiles around swimming pools and spas.

**☒ Building extensions, alterations or renovations**

other than the cover available under 'Legal liability', extensions, alterations or renovations to the building or parts of the building, including:

- damage caused by cracking, collapse, subsidence caused fully or partially by the construction work;
- damage caused by water entering the building through openings in the walls or roof or other unfinished parts of the building whether or not they were temporarily covered at the time of the damage;
- damage caused by storm or flood to any part that is not fully built or is undergoing extensions, alterations or renovations;
- theft or damage by someone who enters or leaves through an unlockable part of the building that is under construction;
- malicious damage or vandalism to unfinished parts of the building.

**☒ Building or common contents not in good condition**

any part of the building or common contents not being in good condition, such as, but not limited to:

- there are blocked gutters;
- the roof leaks when it rains;
- there are areas of the roof that are rusted through;
- there is wood rot, termite or ant damage to the building;
- there are holes in floors, walls, ceilings, gates, fences or wall fences or any other parts of the building (e.g. external wall cladding, internal plaster, floorboards);
- there are boarded up or broken windows;
- there are steps, gutters, flooring, walls, ceilings, gates, fences or wall fences or any other areas of the building that are loose, falling down, missing or rusted through or otherwise in disrepair;
- previous damage including damage caused by flood has not been repaired;
- the building is infested with vermin;
- any pool gates or fences are in disrepair;
- the building (including all sheds, outbuildings and any other structural improvement at the insured address) is not structurally sound or is unsafe or unfit to live in;
- plant matter growing on the building (e.g. walls, windows, gutters).

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

**✗ Bushfires, storms, storm surges, floods, tsunamis in the first 72 hours of cover**

a bushfire, storm, storm surge, flood or tsunami in the first 72 hours of cover. But we will cover these incidents if this policy began on the same day:

- you registered as the body corporate or owner's corporation of the building;
- that another policy covering the building and common contents expired or was cancelled, but not when you cancelled the policy prior to its expiry date, and only up to the sums insured covered under the expired or cancelled policy (any increase in sums insured will not be covered for these incidents for the first 72 hours specified).

**✗ Chemical damage when cleaning**

chemicals, such as detergents and solvents, when you or someone authorised by you is using them for cleaning.

**✗ Computer virus or computer hacking**

a computer virus or computer hacking.

**✗ Deliberate damage to a reservoir or dam**

any deliberate or malicious act causing damage to, or destruction of, a reservoir or dam, or any looting or rioting following such an incident.

**✗ Deliberate or reckless actions**

an act or omission by you, your family, anyone living at the building, any owner or part owner of the building, or anyone acting with your given or implied consent that:

- is deliberate;
- is a deliberate lack of action;
- demonstrates a reckless disregard for the consequences of that action or omission.

**✗ Ground movement**

erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover landslide or subsidence that is specifically insured under the following insured incidents:

- 'Storm' page 38;
- 'Storm surge' page 39;
- 'Escape of liquid' page 42;
- 'Flood' page 37;
- 'Earthquake and Tsunami' page 41;
- 'Explosion' page 44.

**✗ Hazardous materials**

any hazardous materials if not stored or used in accordance with the relevant law, controls and manufacturer's instructions.

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

**✗ Illegal drugs or other chemical or poisonous substance**

any intentional or unintentional use, existence or contamination by, or due to:

- illegal drugs including but not limited to the manufacture, storage, use, possession, consumption or distribution of any illegal drugs (or illegal drug precursors);
- any other chemical or poisonous substance.

**✗ Mechanical or electrical breakdown or failure**

mechanical or electrical failure or breakdown or anything that fails to operate properly, but we will cover damage caused by:

- fire spreading from an electrical fault to other parts of the building to the extent it is covered under the insured incident 'Fire (including bushfire)' (see page 40);
- lightning to the extent it is covered under the insured incident 'Lightning' (see page 40);
- motor burnout to the extent it is covered under the 'Motor burnout' additional cover (see page 54).

**✗ Mould or mildew**

mould or mildew at the insured address unless it was directly caused by an incident covered by your policy and there is no evidence of pre-existing mould or mildew in the building.

**✗ Not complying with building laws or regulations**

any component of the building that was not built, constructed, renovated, altered or repaired in compliance with the applying local council requirements or relevant building laws or regulations (**non-complying building component**) except those laws or regulations introduced after the building was originally built or when construction, repairs, renovations or alterations were undertaken. Non-complying building components include, but are not limited to:

- you build an additional bathroom without obtaining appropriate permits or with plumbing that does not meet building laws or regulations;
- non-habitable parts of the building converted to habitable rooms (as defined by the Building Code of Australia), where legal height requirements have not been met;
- basement area conversions without building approval and with evidence of inadequate ventilation, drainage or waterproofing (as required under relevant building laws and regulations);
- incorrect slab height in relation to the outside ground level (ie. there must be a step down to outside as required by relevant building laws and regulations);
- poorly designed and non-approved external structures, like decks, gazebos or carports, without obtaining appropriate permits and that do not meet building laws or regulations.

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

**☒ Power surge or shut down by your power provider**

power surge or shut down by your power provider, but we will cover:

- fire damage resulting from power surge;
- damage to electric motors covered under the 'Motor burnout' additional cover on page 54;
- damage from a power surge caused by lightning but only when:
  - the Australian Government Bureau of Meteorology has a record of lightning in your area at the time of the damage; and
  - you show us written confirmation from a qualified repairer (e.g. electronics repairer) that lightning was the cause.

**☒ Radioactivity/nuclear materials**

- radioactivity or the use, existence or escape of nuclear fuel, nuclear material or waste;
- action of nuclear fission including detonation of any nuclear device or nuclear weapon;
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any radioactive or nuclear materials;
- any looting or rioting following these incidents.

**☒ Revolution, war**

- revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not) or military coup;
- any looting or rioting following these incidents.

**☒ Roots of trees, shrubs and plants**

the roots of trees, shrubs or plants, but we will cover damage to the building and common contents caused by:

- liquid leaking or overflowing from pipes or drains that are blocked or damaged by these roots to the extent it is covered under insured incident 'Escape of liquid' (see page);
- roots from a fallen tree to the extent it is covered under insured incident 'Impact' (see page 43).

**☒ Seepage of water**

water seeping or running:

- through the earth (hydrostatic water seepage);
- down the sides of earth or earth fill that is up against the building;
- down the sides, against the sides or underneath swimming pools, spas or tanks;
- against or through retaining walls;
- from agricultural or overflow pipes.

## Things we don't cover

**Loss or damage to, or caused by, connected with or arising from, or liability caused by, connected with or arising from:**

**✗ Tree lopping**

trees being lopped, felled or transplanted by you or someone authorised by you.

**✗ Wear, tear and gradual deterioration**

any part of the building or common contents that has wear, tear, rust, fading, rising damp, corrosion, rot, action of light, atmospheric or climatic conditions or gradual deterioration such as, but not limited to:

- tiles and their adhesive or grouting breaking down;
- weathering of roof tiles or roof ridge capping;
- gradual weathering and breakdown of bricks, mortar or concrete.

**✗ When security or alarms are not working**

loss or theft if the door locks, window locks or alarms you told us were installed, were in fact not installed, not in working condition or disconnected.

## We do not cover:

### ☒ Asbestos

the cost to remove asbestos or its derivatives from the insured address, unless the cost is incurred in order to undertake repairs or rebuilding in connection with a claim for loss or damage to the building but only to the extent removal is necessary in order to repair insured damage.

### ☒ Communicable Disease

any loss, damage, claim, cost, expense, legal liability or other sum, directly or indirectly arising out of, or attributable to, a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

### ☒ Confiscation or damage by a legal authority

confiscation, nationalisation, requisition or damage by the police, a government authority or someone with the legal authority to do this but we will cover loss or damage caused by the police or other emergency services in attempting to obtain entry at the insured address in connection with an insured incident covered by your policy.

### ☒ Defects, faults, workmanship

- loss or damage caused by, connected with or arising from, or liability caused by, connected with or arising from inherent defects, faulty design, structural defects, structural fault or faulty/poor workmanship (e.g. structural posts, beams or load bearing walls have been removed without taking into account structural engineering requirements), if you knew or should have reasonably known about it (e.g. because the defect or fault was able to be observed by you or because it was identified in a pre-purchase building inspection report);
- any loss or damage to the part of the building or common contents with an inherent defect, faulty design, structural defect or faulty/poor workmanship, whether or not you knew or should reasonably have known about it.

For details about 'How we deal with defects, faults and poor workmanship' as part of the repair or rebuilding process see page 69.

### ☒ Extra costs or other losses following an incident covered by your policy

extra costs or other losses (financial and non-financial loss) following an incident covered by your policy, including but not limited to:

- loss of rent except as expressly covered by your policy;
- loss of income or wages except as expressly covered by your policy;
- medical expenses;
- costs, including the cost of your time, to prove your loss or to help us with your claim (e.g. phone calls, postage) unless stated otherwise in your policy;
- cost of hiring appliances after yours suffer loss or damage;
- professional, expert, legal, consulting or valuation costs unless you obtained our prior authority to incur these costs;
- cost of replacing or reapplying pest control chemicals and baits in or around the insured address;
- travel costs;
- cleaning costs unless stated otherwise your policy;
- any increase in electricity costs not directly arising from an incident covered by your policy.

## We do not cover:

### ⓧ **Medical equipment and aids**

any medical equipment, item or aid.

### ⓧ **Photographs, electronic data and images**

repairing, replacing or fixing:

- electronic data or files that are corrupted, damaged or lost, including software, photographs, films, music or other visual images or audio files stored electronically or on any other medium, unless:
  - the device they were stored on was lost or damaged in an incident covered by your policy; and
  - the electronic data or files were legally purchased and you cannot restore them free of charge.
- hard copies of photographs, films or other visual images that are damaged or lost, but we will cover the cost of reproducing hard copy photographs you have purchased from, or had produced by, a professional photographic business or retail outlet.

### ⓧ **Replacement of water**

the loss, storage and replacement of water in any tank, container, pool, spa and any other water storage vessel unless it is specifically covered under the insured incident 'Fire (including bushfire)' see page 40.

### ⓧ **Sale of your common contents**

- loss (including theft) of the building or common contents (or the proceeds of sale) by a person authorised to offer your common contents for sale;
- loss of the building or common contents (or the proceeds of sale) as a result of the bankruptcy or insolvency of a person authorised to offer your common contents for sale.

### ⓧ **Sanctions**

any payments (including refunding a premium) or the provision of any services or benefit to you or to any other party to the extent that such cover, payment, service or benefit would contravene or otherwise expose us to any penalty, sanction, prohibition or restriction under any applicable United Nations resolutions or trade or economic sanctions, law or regulation of Australia, New Zealand, the European Union, United Kingdom or United States of America.

### ⓧ **Squatters or trespassers**

loss or damage caused by, connected with or arising from, or liability caused by, connected with or arising from squatters or trespassers occupying one or more units at the insured address.

We do not cover legal liability for or caused by, connected with or arising from:

**☒ Agreements you enter into**

any agreement or contract you enter into, but we will cover your legal liability if it would have existed had you not entered into the agreement or contract.

**☒ Aircraft**

using or owning any aircraft or the facilities to land or store aircraft.

**☒ Animals**

any animal.

**☒ Asbestos**

exposure to or potential exposure to asbestos in any form.

**☒ Building, altering or renovating**

building work being carried out at the insured address where the total cost of building, altering, extending or renovating is more than **\$50,000**.

**☒ Buildings, property or land not at the insured address**

you owning, occupying or renting any building, property or land not at the insured address.

**☒ Business activity**

any business activity, unless the income is:

- collection of fees from unit owners;
- the residential tenancy of a unit under a rental agreement, which is part of the building or using no more than **1** unit in the building as an administration office.

**☒ Caravans and trailers**

using or towing a caravan, mobile home or trailer.

**☒ Defamation or copyright**

defamation or breach of copyright.

**☒ Drones**

aerial devices, drones and other autonomously piloted aircraft.

**☒ Erection or demolition**

erection or demolition of the building or structures.

**☒ Fines, penalties and other damages**

civil or criminal penalties or fines or aggravated, exemplary, punitive or multiple damages.

**☒ Legal actions in other countries**

legal actions or legal claims brought against you, decided in, heard or applying the law of, any countries outside Australia or New Zealand.

We do not cover legal liability for or caused by, connected with or arising from:

☒ **Lifts, elevators, escalators, travelators, inclinators or hoists**

any alterations, servicing, repairing or additions to lifts, elevators, escalators, travelators, inclinators or hoists that you do. This includes anything that is part of a lift, elevator, escalator, travelator, inclinator or hoist. This does not apply to any alterations, servicing, repairing or additions to lifts, elevators, escalators, travelators, inclinators or hoists carried out by a person or company that you employ or contract and that person or company is qualified to make any alterations, servicing, repairing or additions to lifts, elevators, escalators, travelators, inclinators or hoists.

☒ **Motor vehicles or motorcycles**

the use or ownership of a motor vehicle or motorcycle or instructing someone on how to use it unless at the time of the incident, the vehicle:

- was being used for domestic gardening (e.g. ride on mowers); and
- did not require insurance under compulsory third-party insurance laws or motor accident injuries insurance laws.

☒ **Property owned by you or property in your physical or legal custody**

loss or damage to property which:

- is owned by you;
- is owned by any person who works for you where that loss or damage arises from their employment with you;
- belongs to someone else and is in your physical or legal custody or control.

☒ **Swimming pools or spa baths**

the use of swimming pools or spa baths but we will cover your legal liability for these if you have told us about them and 'including pools and spas cover' is noted on your certificate of insurance.

☒ **Watercraft**

using or owning any watercraft.

☒ **Wrongful acts or omissions of your office bearers**

wrongful acts or omissions by any of your office bearers but we will cover legal liability for death or bodily injury to other people or loss or damage to their property resulting from an incident in connection with the building, common contents, common areas or insured address.

☒ **Vibrations or interference**

vibration or interference with the support of the scheme land, the building or other property.

☒ **Your employees**

death or injury of your employees or damage to their property, including while they are working for you at the insured address.

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# 4

## **WHAT WE COVER – THE DETAILS**

In this section we tell you about our cover for loss and damage to the building and common contents and our Legal liability cover.

# WHAT YOU ARE COVERED FOR – ACCIDENTAL LOSS OR DAMAGE



## Accidental loss or damage to the building and common contents

We  
cover

### Building cover

We cover the building at the insured address for:

- accidental loss or damage caused by an incident;
- loss or damage caused by the incidents described on pages 37 to 45, in the period of insurance provided that the loss or damage is not excluded, and subject to the conditions of your policy.

### Common contents cover

When you add common contents cover to the building policy, we will cover your common contents at the insured address for:

- accidental loss or damage caused by an incident;
- loss or damage caused by the incidents described on pages 37 to 45, in the period of insurance provided that the loss or damage is not excluded, and subject to the conditions of your policy.

We  
don't  
cover

Anything in section 3 'Things we don't cover' on page 23 to 34.

Limit

The most we will pay for loss or damage to the building or common contents for any one incident are the sums insured shown on your certificate of insurance, unless we say otherwise in your policy.



Accidental loss or damage is loss or damage that was not intentional and includes loss or damage from the incidents shown on pages 37 to 45.



We do not insure wear, tear or gradual deterioration. For full details see section 3 'Things we don't cover' on page 29.



When making a claim you must be able to prove that an incident covered by your policy took place. An incident is a single event, accident or occurrence (e.g. it means a single storm event, it does not mean rain over time).



## Flood

We  
cover

Loss or damage caused by flood.

We  
don't  
cover

- loss or damage caused by actions or movements of the sea or storm surge;
- loss or damage to retaining walls, sea walls, revetments, garden borders and free-standing outdoor walls;
- resultant cracking to sealed paths, sealed roads, sealed driveways and any outdoor surface but we will cover them if they are washed away by the flood;
- loss or damage to a sporting surface or court including a tennis court, squash court or multi-court surface;
- loss or damage to boat jetties, pontoons, mooring poles and their attachments and accessories, including if they are washed away by the flood;
- damage to external paintwork of the building, if that is the only building damage caused by the flood;
- loss or damage to gates, fences or wall fences that would be considered by a reasonable person to be in an obvious state of disrepair before the loss or damage occurred;
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, flood and not because of erosion, structural fault or design fault;
- the costs of cleaning your undamaged common contents.



'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.



## Storm

We  
cover

Loss or damage caused by a storm.

We  
don't  
cover

- loss or damage caused by flood;
- loss or damage caused by actions or movements of the sea or storm surge;
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, a storm and not because of erosion, structural fault or design fault;
- loss or damage to retaining walls, sea walls, revetments, garden borders and free-standing outdoor walls;
- resultant cracking to sealed paths, sealed driveways, sealed roads and any outdoor surfaces, but we will cover them if they are washed away by the storm;
- loss or damage to a sporting surface or court including a tennis court, squash court or multi-court surface;
- loss or damage to boat jetties, pontoons, mooring poles and their attachments and accessories, including if they are washed away by the storm;
- damage to external paintwork of the building, if that is the only building damage caused by the storm;
- loss or damage to gates, fences or wall fences that would be considered by a reasonable person to be in an obvious state of disrepair before the loss or damage occurred;
- the cost of cleaning your undamaged common contents.



A storm includes a cyclone. See section 10 'Words with special meanings' on page 89.



## Storm surge

**We cover** Loss or damage caused by storm surge that happens at the same time as the other insured damage caused by storm.

**We don't cover**

Loss or damage caused by flood; loss or damage caused by actions or movements of the sea; loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, a storm surge that happens at the same time as other insured damage caused by storm and not because of erosion, structural fault or design fault;

loss or damage to retaining walls, sea walls, revetments, garden borders and free-standing outdoor walls;

resultant cracking to sealed paths, sealed roads, sealed driveways and any outdoor surfaces but we will cover them if they are washed away by the storm surge;

loss or damage to a sporting surface or court including a tennis court, squash court or multi-court surface;

loss or damage to boat jetties, pontoons, mooring poles and their attachments and accessories, including if they are washed away by the storm surge;

damage to external paintwork of the building, if that is the only building damage caused by the storm surge;

loss or damage to gates, fences or wall fences that would be considered by a reasonable person to be in an obvious state of disrepair before the loss or damage occurred;

the cost of cleaning your undamaged common contents.



Actions or movements of the sea has a special meaning. It does not mean tsunami or storm surge. See section 10 'Words with special meanings' on page 86.



## Lightning

<b>We cover</b> 	Loss or damage caused by lightning, including power surge caused by lightning.
<b>We don't cover</b> 	<ul style="list-style-type: none"><li>any claim where the Australian Government Bureau of Meteorology has no record of lightning in your area at the time of the loss or damage;</li><li>loss or damage without written confirmation from a qualified repairer (e.g. electronics repairer) saying lightning was the actual cause of the loss or damage;</li><li>loss or damage caused by power failures or surges by your power provider.</li></ul>



## Fire (including bushfire)

<b>We cover</b> 	Loss or damage caused by: <ul style="list-style-type: none"><li>fire (including bushfire); and</li><li>heat, ash, soot and smoke that is the direct result of a fire within <b>100</b> metres of the insured address.</li></ul>
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### Extra costs cover in the event of bushfire

If, during the period of insurance there is a bushfire in your area, we also cover the following costs even if there is no actual physical loss or damage to the building or common contents:

- the cost of replacing water in any tank, container, pool, spa and any other storage vessel where the water has:
  - been used to limit the spread of bushfire at the insured address;
  - become contaminated due to the use of fire retardant;
- the cost of cleaning fire retardant off your the building.

If you claim for these extra costs only, no excess applies. The most we will pay under Extra costs cover in the event of bushfire is **\$1,000** for any one incident.

<b>We don't cover</b> 	Loss or damage arising from: <ul style="list-style-type: none"><li>arching, scorching, melting or cigarette burns unless a fire spreads from the initial burn spot (e.g. cigarette burns to carpet where no fire has spread);</li><li>pollution or vapour from a home heater or a cooking appliance unless a fire spreads from the initial source;</li><li>gradual exposure to fire, heat, ash, soot and smoke due to recurring incidents of fire or bushfire over a period of time.</li></ul>
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## Earthquake and Tsunami

We  
cover

Loss or damage caused by an earthquake or tsunami.

We  
don't  
cover

- loss or damage caused by actions or movements of the sea or storm surge;
- loss or damage that occurs more than **72** hours after an earthquake or tsunami;
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, an earthquake or tsunami and not because of erosion, structural fault or design fault.

'Tsunami' is not an action or movement of the sea, see section 10 'Words with special meanings' on page 86.



## Theft or burglary by tenants or their guests

We  
cover

Loss or damage caused by thieves or burglars who are tenants or their guests or anyone else who is paying to stay at the unit or their guests.

Note: A Theft or Burglary by tenants or their guests excess applies. See page 14 for more details.

We  
don't  
cover

Loss or damage when a previous claim has been covered for theft or burglary by tenants or their guests in the same period of insurance in relation to the same tenant.

Note: 'Same tenant' means that at least one common person was usually residing at the insured address when the incident giving rise to the claims occurred. This is the case even if the common person was not responsible for any theft or burglary.



## Theft or burglary by people who are not tenants or their guests

We  
cover

Loss or damage caused by thieves or burglars who are not tenants or their guests.

We  
don't  
cover

Loss or damage caused by you:

- you, a unit owner, any tenant or anyone staying or living at the insured address;
- any guest of you, a unit owner, any tenant or of anyone staying or living at the insured address.



## Escape of liquid

### We cover

Loss or damage caused by liquid leaking, overflowing or bursting from any of the following:

- refrigerators, freezers, dishwashers and washing machines;
- any drain, fixed pipes, drainage and sewage systems (not forming part of a shower cubicle wall, floor or base);
- fixed tanks;
- swimming pools or spas;
- waterbeds;
- baths, sinks, toilets and basins (but not showers);
- fixed heating or cooling systems;
- water mains, fire hydrants or water supply pipes;
- tap spindles;
- an aquarium.

### Exploratory costs

If a claim is covered under this incident, we provide some additional cover for exploratory costs associated with finding the source of the leak (see additional cover 'Exploratory costs to find leaks from pipes and water containers' page 52).

### We don't cover

- the cost of repairing or replacing the item from which the liquid escaped (e.g. a cracked pipe or leaking tap), but some limited cover may be available under the additional cover 'Exploratory costs to find leaks from pipes and water containers';
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, escape of liquid and not because of erosion, structural fault or design fault;
- wear, tear and gradual deterioration, or loss or damage occurring as a result of a gradual process of liquid leaking, splashing, dripping or overflowing;
- loss or damage caused by leaks from agricultural or overflow pipes;
- loss or damage caused by liquid from a portable container, such as pot plant, vase, terrarium, fishbowl (but not an aquarium), beverage container, saucepan, bucket or watering can;
- loss or damage caused by liquid from a watering system or garden hose;



## Escape of liquid (continued)

We  
don't  
cover

- loss or damage to retaining walls;
- loss or damage to, or caused by, a leaking shower floor, leaking shower base, leaking shower cubicle walls, leaking shower glass screening or doors, leaking open shower floor areas or other wet areas;
- loss or damage to any portion of a fence or wall that is not owned by you;
- costs if you repair or renovate a damaged area of the building before we can inspect it and find the cause;
- broken, worn or aged tiles or grouting in walls in bathrooms, kitchens or laundries unless the damage is caused by liquid leaking from pipes in walls or floors (not forming part of a shower cubicle wall, floor or base);
- loss or damage caused by wear, tear and gradual deterioration, rust, fading, rising damp, mould, mildew, corrosion, rot.



## Impact

We  
cover

Loss or damage caused by impact (or by power surge caused by impact) at the insured address (e.g. a car hits the building).

We  
don't  
cover

- loss or damage caused by flood or storm surge;
- loss or damage to driveways, paths, paving or underground services caused by a road vehicle, crane or earthmoving equipment;
- loss or damage to any portion of a fence or wall that is not owned by you;
- the cost of removing or lopping trees or branches that have not damaged the building or common contents;
- loss or damage caused by trees being lopped, felled or transplanted by you or someone authorised by you;
- the removal of tree stumps or roots still in the ground;
- loss or damage to the building (or part of the building) when the building impacts another item.



## Damage by an animal

**We cover** Loss or damage caused by an animal that becomes accidentally trapped inside the building.

**We don't cover** Loss or damage caused by:

- any animal owned by or in the custody of you, a unit owner, a tenant, anyone staying at the insured address or someone who is at the insured address with your consent or the consent of a unit owner, tenant or anyone staying at the insured address;
- any animal allowed onto the insured address by you, a unit owner or anyone living or staying at the insured address;
- insects, vermin or rodents but we will cover damage they cause if it is covered under 'Fire (including bushfire)' on page 40 or 'Escape of liquid' on page 42.



## Explosion

**We cover** Loss or damage caused by an explosion.

**We don't cover**

- the cost of repairing or replacing the item or container that exploded;
- loss or damage caused by nuclear or biological devices;
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, an explosion and not because of erosion, structural fault or design fault.



## Riot, civil commotion or public disturbance

**We cover** Loss or damage caused by riot, civil commotion or public disturbance e.g. damage caused by a violent crowd moving down your street.

**We don't cover**

- loss or damage caused by you, a unit owner, anyone staying at the insured address, tenants or their guests;
- loss or damage caused by someone who entered the insured address with:
  - your consent or the consent of someone who lives at or is staying at the insured address;
  - the consent of someone who had your authority to allow them access to the insured address;
- loss or damage caused by nuclear or biological devices.



## Malicious acts or vandalism by tenants or their guests

### We cover

Loss or damage caused by malicious acts or vandalism by tenants or their guests or by anyone else who is paying to stay at the unit or their guests.



Note: A Malicious acts or vandalism by tenants or their guests excess applies. See page 45 for more details.

### We don't cover



- the cost of cleaning, repairing or restoring the building or common contents caused by neglect, or untidy, unclean or unhygienic habits of a tenant or their guests, such as the cost of cleaning, repairing or removing:

- liquid (including urine) or food stains;
  - odours;
  - abandoned items or rubbish;
  - drawing or painting on walls;
  - water damage and stains from over-watering plants;
  - water damaged carpets, flooring, cupboards or vanity units caused by water splashing from showers, sinks or baths;
- loss or damage by tenants or their guests in the same period of insurance in respect of the same tenant.



Note: 'Same tenant' means that at least one common person was usually residing at the insured address when the incidents giving rise to the claims occurred. This is the case even if the common person was not responsible for the malicious act or vandalism.



## Malicious acts or vandalism by people who are not tenants or their guests

### We cover



Loss or damage caused by malicious acts or vandalism by people who are not tenants or their guests.

### We don't cover



Loss or damage caused by you:

- you, a unit owner, any tenant or anyone staying or living at the insured address;
- any guest of you, a unit owner, any tenant or of anyone staying or living at the insured address.



## Legal Liability

### We cover

We cover your legal liability to pay compensation for death or bodily injury to other people or loss or damage to their property resulting from an incident which happens during the period of insurance:

- in connection with the building, common contents, common areas or the scheme land or your land at the insured address; and
- at the insured address.

We also cover you for associated legal costs to defend a claim against you that is covered. We need to first agree to pay the legal costs before they are covered.

### We don't cover

Anything in section 3 'Things we don't cover' on pages 23 to 34.

### Limit

The most we will pay for all claims from any one incident for legal liability covered by your policy is **\$20 million** including all associated legal costs.



For examples of how we settle claims, see section 7 'How we settle claims- some examples' on page 73.

# 5

## **ADDITIONAL COVERS THAT COME WITH YOUR POLICY**

When a claim for loss or damage to the building or common contents is covered, you may be entitled to the additional covers in this section. The limits shown are paid in addition to the building or common contents sum insured, unless stated otherwise. Some covers can also be claimed on independently to a claim for loss or damage to the building or common contents. All of the conditions of your policy and the section 3 'Things we don't cover' apply to the additional covers.



In some circumstances, an additional cover may be available to you before your claim for loss or damage to the building or common contents is confirmed as covered under your policy. This does not mean that your claim has or will be covered or that your claim will be paid.



## Removal of debris



### When you have building cover

When you are covered for loss or damage to the building, we will cover the reasonable and necessary costs of:

- demolishing and removing the damaged parts of the building from the insured address;
- removing, debris, including fallen trees or fallen branches, where:
  - the debris has damaged the building;
  - removal of the debris is required in order to repair the building.

### When you have common contents cover

When you are covered for loss or damage to the common contents, we will cover the reasonable and necessary costs to dispose of the damaged common contents.



Anything in section 3 'Things we don't cover' on pages 23 to 34.

### When you have building cover

The cost of:

- removing tree stumps and roots still in the ground;
- removing any debris, including trees or branches that have not damaged the building.

### When you have common contents cover

Disposal, storage or removal of anything that is part of the building or is not common contents.



The most we will pay for any one incident is **10%** of the building sum insured if the claim is for the building, and **10%** of the common contents sum insured if the claim is for the common contents.



## Other repair/rebuilding costs

<b>We cover</b>	When you are covered for the costs of rebuilding or repairing damaged parts of the building, we will pay the reasonable and necessary costs: <ul style="list-style-type: none"><li>of any temporary work required to make the damaged or destroyed building and insured address safe;</li><li>for the services of professionals, such as architects or surveyors, to repair or rebuild at the insured address;</li><li>to make the damaged building components comply with current home building regulations and laws. We only pay these costs if the building components complied with home building regulations and laws when they were built or when construction, repairs, renovations or alterations were undertaken.</li></ul>
<b>We don't cover</b>	The costs of: <ul style="list-style-type: none"><li>removing tree stumps and roots still in the ground;</li><li>removing or lopping trees or branches that have not damaged the building;</li><li>upgrading undamaged parts, sections or components, of the building to comply with the current building regulations and laws;</li><li>making the building comply with building regulations and laws that existed but were not complied with when the building was originally built or when construction, repairs, renovations or alterations were undertaken (e.g. we will not pay to raise the building if renovations under the building did not comply with height limits or requirements);</li><li>making sheds or outbuildings comply with current building laws and regulations if they did not comply with council requirements and/or if the required permits were not in place at the time they were originally built or when construction, repairs, renovations or alterations were undertaken;</li><li>making the building comply with current multi-residential building or fire safety regulations:<ul style="list-style-type: none"><li>that did not exist when the building was originally built or when construction, repairs, renovations or alterations were undertaken;</li><li>if the building was not correctly classified with your local council as a multi-residential building prior to the loss occurring;</li></ul></li><li>any professional fees (e.g. architect's fees) related to a change in the design of the building or to upgrade any part of it that you choose to make.</li></ul>
<b>Limit</b>	Anything in section 3 'Things we don't cover' on pages 23 to 34. The most we will pay under this cover for any one incident, is the building sum insured, less any amount paid for accidental loss or damage under any other part of your policy for the same incident.
<b>!</b>	Under 'Other repair/rebuilding costs' we will only make damaged components of the building which we are repairing or rebuilding under your policy comply with current building regulations and laws. This means e.g. if the roof was damaged due to impact by a falling tree and required repairs, we would repair or rebuild the roof as the damaged component of the building. If other building components within the roof space were not damaged in the incident, they would not be repaired or rebuilt as part of the claim. For what we mean by 'components' see page



## Temporary accommodation for unit owners

### We cover

When an incident covered by your policy damages a unit in the building to the extent that the unit cannot be lived in by the unit owner, we will pay the unit owner's reasonable and necessary temporary accommodation costs for the time it will take to repair or rebuild the unit so that it can be lived in again. We will also pay for the reasonable and temporary accommodation for the unit owner's domestic pets in a commercial boarding establishment for the same period that we pay for the unit owner's temporary accommodation.

The most we will pay is the reasonable and necessary costs for:

- short term accommodation agreed to by us (e.g. standard rates for a hotel, motel or serviced apartment) (for up to **4 weeks only**);
- residential accommodation of a similar standard to the unit that has been damaged in the incident.

We will also pay the reasonable and necessary costs for:

- redirection of the unit owner's mail from the insured address;
- utility connection costs such as water, electricity or gas at the temporary accommodation residence;
- assistance with bond payment for the temporary accommodation if required, however any amount we pay in bond is recoverable from you by us. We may deduct this amount from any amount payable to the unit owner;
- if applicable, the break fees associated with early termination of the lease or other rental agreement for the unit owner's temporary accommodation, if they are able to return to their unit in the building in accordance with this additional cover, before the term of the lease or rental agreement ends.

### We don't cover

We do not cover temporary accommodation costs:

- if damage to the cover contents is the reason the unit cannot be lived in;
- if you or the unit owner does not intend to repair or rebuild the building or unit;
- if before the loss or damage occurred, the unit owner had planned to demolish the unit;
- if the unit owner does not need to pay for temporary accommodation;
- if the unit was not the unit owner's principal place of residence at the time of the loss or damage;
- if the unit owner had not intended to be living in the unit during the repair or rebuild period (had the unit not been damaged);
- once the unit can be lived in again;
- to the extent permitted by law, if you or the unit owner are able to recover under another insurance policy;

Any other costs related to any business activity operated at the unit;

Anything in section 3 'Things we don't cover' on pages 23 to 34.

### Limit

The most we will pay for all claims under this cover in relation to the same incident is **10%** of the building sum insured.



## Loss of rent following an insured incident

<b>We cover</b> 	If following an incident covered by this policy a tenanted unit in the building cannot be lived in or cannot be re-leased, we will pay the unit owner the weekly rental amount for the time it should take to repair or rebuild the building or unit so that it can be lived in or re-leased.  We will engage a builder to determine how long the repairs or rebuild should take. For example, if you have a claim for fire damage and our builder determines that the repairs should take <b>4 weeks</b> to complete, the unit owner may be entitled to <b>4 weeks</b> of loss of rent under this additional cover.
<b>We don't cover</b> 	<p>Loss of rent:</p> <ul style="list-style-type: none"><li>if you or the unit owner does not intend to repair or rebuild the building or the unit;</li><li>if the tenant still has an obligation to pay the rent to the unit owner;</li><li>once the building or the unit can be lived in again or re-leased because the repair or rebuilding process for the damaged covered under this policy is complete;</li><li>if the unit was not occupied by a paying tenant (see the definition of tenant on page 90) at the time the loss or damage occurred, but we will provide cover if it would have been rented to a tenant, during the time taken to repair, replace or rebuild the unit. You may be able to show this by a signed rental agreement from a tenant that was due to move in;</li><li>if the tenant has not paid rent or vacated the unit with rent owing;</li><li>to the extent permitted at law, if the unit owner is able to recover loss of rent under another insurance policy;</li><li>for any unit which was used prior to the incident for any short-term rental, holiday letting or house sharing arrangement (including an arrangement booked through any online booking platform).</li></ul>
<b>Limit</b> 	Anything in section 3 'Things we don't cover' on pages 23 to 34.



## Costs to re-establish important documents

<b>We cover</b> 	If a claim under your policy is covered, we will pay the reasonable costs to restore or replace important written or printed records that belong to you if they are lost or damaged in the same incident while at the insured address.
<b>We don't cover</b> 	<ul style="list-style-type: none"><li>documents that are the personal property of unit owners, shareholders, members, proprietors or any other person or party;</li><li>electronic files;</li><li>bearer bonds or coupons, bank or currency notes, book debts or any negotiable instruments;</li><li>replacement of your documents as blank stationery.</li></ul>
<b>Limit</b> 	The most we will pay for all claims made in any one period of insurance is up to <b>\$5,000</b> .



## Emergency repairs

<b>We cover</b> 	The reasonable cost of emergency repairs to your building and common contents following loss or damage caused by an insured incident.
<b>We don't cover</b> 	Unnecessary repairs (e.g. renovations that are not immediately necessary to ensure the building is safe, secure and/or watertight).
<b>Limit</b> 	The most we will pay is <b>\$1,000</b> for any one incident.



## Exploratory costs to find leaks from pipes and water containers

<b>We cover</b> 	<p>The reasonable cost of:</p> <ul style="list-style-type: none"><li>searching for the source of leaks in pipes and water containers at the insured address; and</li><li>restoring the damage to the building or common contents caused by the exploratory work under this additional cover,</li></ul> <p>but only if the escape of liquid is covered under the 'Escape of liquid' insured incident see page 42.</p>
<b>We don't cover</b> 	<ul style="list-style-type: none"><li>any costs if the leaking did not first happen in the period of insurance;</li><li>if the source of the leak can be located without invasive work (e.g. using a thermal camera), we won't pay any further exploratory work costs (or loss or damage related to the exploratory work) after this point;</li><li>searching for leaks in shower bases, walls or floors or fixing them so they do not leak unless the damage is caused by liquid leaking from pipes in shower walls or from water containers;</li><li>fixing broken, worn or aged tiles or grouting in walls in showers, bathrooms, kitchens or laundries unless the damage is caused by liquid leaking from pipes in walls, floors or from water containers.</li></ul>
<b>Limit</b> 	The most we will pay are your reasonable and necessary costs.



If we pay for damage or exploratory works under this additional cover, the most we will pay is **\$500** in any one period of insurance to repair or replace leaking pipes and water containers.



## Lawns, garden areas, plants, trees and shrubs or hedges

<b>We cover</b> 	The cost of restoring or replacing lawns, garden areas, plants, trees, and shrubs or hedges located in the ground on common areas at the insured address if they are lost or damaged in the period of insurance in an incident covered by your policy.  The building standard excess applies unless it has already been paid for the incident.
<b>We don't cover</b> 	The cost to remove the damaged lawns, garden areas, plants, trees, shrubs or hedges.
<b>Limit</b> 	The most we will pay for all claims made in any one period of insurance is <b>\$5,000</b> in total.

**!** We will pay the cost of replacing trees, shrubs, plants, hedges or garden beds with similar ones but they may not be the same maturity as the trees, shrubs, hedges or garden beds that were damaged. For example, if you have a fully grown orange tree that has been damaged, we will pay the cost of replacing the orange tree but it may not be a fully grown orange tree.



## Accidental breakage of glass

<b>We cover</b> 	Accidental breakage of glass that happens during the period of insurance (e.g. when you have building cover, broken glass in a window or a pool fence panel or when you have common contents cover, broken glass in a glass coffee table in an internal common area).
<b>We don't cover</b> 	<b>When you have building cover</b> <ul style="list-style-type: none"><li>shower bases (tiled or otherwise);</li><li>the cost to modify any part of the building to fit any replacement cooking or heating appliance if the dimensions differ;</li><li>any loss or damage caused by the broken item including the cost of cleaning up the broken glass;</li><li>any loss or damage if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches);</li><li>glass in a glasshouse, greenhouse or conservatory;</li><li>ceramic tiles;</li><li>anything in section 3 'Things we don't cover' on pages 23 to 34.</li></ul> <b>When you also have common contents cover</b> <ul style="list-style-type: none"><li>any accidental breakage which has occurred while the items are in the open air;</li><li>drinking glasses and any glass or crystal items normally carried by hand;</li><li>any handheld mirrors;</li><li>glass that is part of a vase, decanter, jug, fishbowl, ornament or light globe;</li><li>any loss or damage if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches);</li><li>anything in section 3 'Things we don't cover' on pages 23 to 34.</li></ul>

Continued on next page.



## Accidental breakage of glass (continued)

### Limit

The most we will pay are your reasonable and necessary costs of repairing or replacing the broken glass. This limit is paid within the building or common contents sum insured.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



## Motor burnout

### We cover

The burning out or fusing of an electric motor, which is part of the building or common contents when they are insured under your policy (e.g. garbage disposal units, swimming pool motors in common areas) and where the motor is less than **10** years old, that happens in the period of insurance.

Cover includes the cost to repair or replace:

- the electric motor or compressor containing the motor;
- an entire sealed unit, filter, dryer and re-gassing if the electric motor is inside a sealed refrigeration or air conditioning unit;
- a swimming pool water pump, combined with its electric motor, if the replacement pump motor cannot be bought on its own.

We will engage a member of our supplier network to review your quote and/or inspect the motor to determine if it can be repaired or replaced.

### Repairing your motor

We will engage a repairer within our repairer network who is able to complete the repairs to your motor to provide a quote. If the quoted cost to repair the electric motor or motor in an appliance is less than the cost of replacement, we will authorise the repairs. If you do not accept the offer to repair, we will pay you the quoted cost.

### Replacing your motor

If the quoted cost to repair the electric motor or motor in an appliance is more than the cost of replacement or the motor cannot be repaired, you have the option for a replacement of an equivalent motor or motor in a sealed unit of the same specification and standard available at the time of the loss and damage.

If you do not accept the offer, you will be paid the value of our replacement motor. This may be less than what it would cost you to arrange the replacement in the market as we are able to secure supplier discounts from within our supplier network.

### Replacing the whole appliance

We will pay to replace the whole equipment or appliance when a member of our supplier network determines that the cost to repair or replace the motor is more than the cost to replace the whole equipment or appliance. For how we settle claims see 'How we settle building claims' on page 64 and 'How we settle common contents claims' on page 65.



## Motor burnout (continued)

We  
don't  
cover

- the cost of extracting or reinstalling a submersible pump;
- any amount you can recover under a manufacturer's guarantee or warranty;
- loss or damage to motors forming part of equipment appliances used in conjunction with any trade;
- loss or damage to a refrigerator or freezer caused by spoiled food;
- anything in section 3 'Things we don't cover' on pages 23 to 34.

Limit

Reasonable costs to repair or replace the electric motor or compressor containing the motor.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



## Lock replacement

We  
cover

The reasonable and necessary costs of replacing the building's locks or changing the key codes if:

- key or key codes to the common areas of the building are stolen at the insured address during the period of insurance; and
- the keys or key codes have the address of the building on them; and
- the theft is reported to the police.

Note: If you make a claim under this additional cover no excess applies.

We  
don't  
cover

- replacement of locks or key codes if you do not report the theft to the police;
- replacement of motor vehicle or motorcycle keys or their locks;
- replacement of keys or key codes to units;
- replacement of keys or key codes that were in the possession of a tenant in a unit.
- anything in section 3 'Things we don't cover' on pages 23 to 34.

Limit

The most we will pay in total is for any one incident is **\$1,000**.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



## Embezzlement of funds

We  
cover

Fraudulent embezzlement or theft, misappropriation or conversion of your funds by office bearers or your employees committed in the period of insurance.



## Embezzlement of funds (continued)

We  
don't  
cover

Any loss of funds:

- arising out of theft, embezzlement, misappropriation or conversion committed prior to the start of your policy;
- unless you have exhausted any rights or entitlements to payments from any fidelity bond or fund or under other statutory legislation;
- arising from conduct of the same person after you discover how this happened or identify the person responsible;
- held by managing agents of the building;
- discovered more than **12** months after the end of the period of insurance during which the incident occurred;
- not reported to us within **6** months of you discovering it;
- when your accounting records cannot prove how much you have lost. Accounting records may include bank statements, financial records or a report from a forensic accountant.

Limit

The most we will pay under this additional cover for all claims, in total, in the period of insurance is **\$50,000**.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



## Office bearer's liability

We  
cover

We will cover any office bearer for loss arising from any claim first made against the office bearer for a wrongful act in the period of insurance and notified to us in the period of insurance.

### In addition, we cover:

#### Defence costs

For any claim that is covered by this cover, we will pay the reasonable legal costs to defend that claim. We may do this even if indemnity has not been confirmed by us until the claim is withdrawn or indemnity under the claim is denied.

If a claim is withdrawn or indemnity is denied, you must refund any defence costs advanced by us.

#### Continuous cover

If a claim, fact or circumstance arises and that claim, fact or circumstance should have been or could have been notified to us prior to the end of the relevant period of insurance, we will accept the notification of such claim, fact or circumstance under this cover, subject to the terms of this cover, but we will only do this if we have continuously been your insurer for the purposes of Office bearer's liability cover between the date when such notification should have been given and the date when such notification was in fact given.

Cover for any such claim, fact or circumstance notified to us will be subject to the terms and conditions, including the limit of liability and excess, applicable to the Office bearer's liability cover under which the notification should have or could have been given. See page 10.



## Office bearer's liability (continued)

We  
don't  
cover

Any claims for, arising from or connected with:

- injury, sickness or death of anyone;
- damage to or loss of use of property, other than your entrusted documents;
- facts or circumstances covered under any other part of your policy;
- any fact or circumstances of which you were aware prior to the inception of your policy that the office bearer (or a reasonable person in the office bearer's position) would reasonably expect might lead to a claim being made against you;
- your decisions not to effect and maintain insurance as required by any strata, body corporate, community title or similar law;
- publication or defamation or other disparaging material;
- deliberate, reckless or malicious wrongful acts or omissions;
- a conflict of interest of an office bearer;
- any dishonest, fraudulent, criminal or malicious act or omission of any office bearer;
- receipt of an illegal benefit by an office bearer;
- any financial guarantee or warranty;
- any intentional exercise of power by any office bearer where the exercise of power is for a purpose other than that for which the power was conferred;

Any claims for, arising from or connected with:

- relating to the destruction or damage of documents such as bearer bonds, coupons, bank notes, currency notes and negotiable instruments;
- wrongful acts or omissions by an office bearer when not performing in their role as your office bearer;
- any legal action or legal claims brought against you outside of Australia;
- any fines or awards for aggravated, exemplary or punitive damages;
- any claim by an office bearer claiming compensation from another office bearer or you or officer bearers claiming against each other.

## Special conditions

### Non-imputation

Where this additional cover insures more than one party, any conduct on the part of any one party or parties where the party or parties:

- failed to comply with the duty of disclosure in terms of the Insurance Contracts Act 1984 (Cth);
- made a misrepresentation to us before this contract was entered into; or
- failed to comply with any terms or conditions of this cover,

will not prejudice the right of the other party or parties to indemnity as may be provided by this cover, subject to the following:

- the party or parties so indemnified be entirely innocent of and have no prior knowledge of any of the conduct; and
- as soon as reasonably practicable on becoming aware of any of the conduct set out above, you must advise us in writing of all known facts in relation to the conduct.



## Office bearer's liability (continued)

### Special definitions

The following special definitions apply to this additional cover:

#### Loss

means the amount payable to compensate another unit owner in respect of a claim for a wrongful act, including damages, judgments, settlements, orders for costs and defence costs.

#### You

has the meaning set out on page and includes any office bearer.

#### Limit



The most we will pay under this cover in total for all claims, made in the period of insurance (including legal fees) is **\$1,000,000**.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



### Voluntary workers cover

#### We cover



If a voluntary worker is injured or dies in an accident, we will pay the voluntary worker benefits shown in the table on pages 59 if the accident happens:

- at the insured address; and
- in the period of insurance; and
- while the voluntary worker is doing work you agreed to.

#### We don't cover



- the weekly benefit for voluntary workers shown on page 59, if the voluntary worker's average weekly income is not reduced or lost because of the disability;
- injury to any employee or contractor of yours;
- worsening of any injury because the voluntary worker did not seek medical treatment as soon as possible after the accident;
- death of a voluntary worker if death occurs more than **12** months after the accident that caused it;
- treatment for any condition or injury that existed before you insured the building under your policy or before the voluntary worker began undertaking the voluntary work (a pre-existing condition);
- intentional self-injury or suicide;
- mental illness;
- hernia;
- illness (a cold or virus);
- coronary failure or coronary thrombosis (e.g. heart attack);
- stroke or cerebral haemorrhage;
- injury, death or disability caused by:
  - use of alcohol or illegal drugs;
  - childbirth or pregnancy;
  - something eaten or any other digestive ailment.



## Voluntary workers cover (continued)

Injury or death	The benefits
Death	<b>\$40,000</b>
Total or permanent loss of sight in:	
• both eyes;	<b>\$40,000</b>
• one eye.	<b>\$20,000</b>
Total loss or complete inability to use:	
• both hands or both feet;	<b>\$40,000</b>
• one hand and one foot;	<b>\$40,000</b>
• one hand or one foot.	<b>\$20,000</b>
Total and permanent loss of sight in one eye and total loss of effective use of one hand or one foot.	<b>\$40,000</b>
Loss of average weekly earnings caused by the voluntary worker not being able to carry out their occupation.	<b>Total disability</b> – we pay the smallest of: • <b>100%</b> of average weekly earnings <sup>1</sup> ; <b>or</b> • <b>\$400</b> a week.
Total disability means being unable to carry out any of the usual duties of their occupation.	<b>Partial disability</b> – we pay the smallest of: • <b>25%</b> of average weekly earnings <sup>1</sup> ; <b>or</b> • <b>\$100</b> a week; <b>or</b> • the amount of earnings lost.
Partial disability means being unable to carry out some, but not all, of the usual duties of their occupation.	We will only pay weekly benefits for up to a total of <b>104</b> weeks for all disabilities caused by each accident.
For weekly earning claims, we will require:	
• medical evidence confirming disablement; and	
• evidence that weekly earnings have reduced e.g. certificate from an employer or accountant.	
We might also require:	
• written authority from the injured person to get their medical or other records;	
• an examination of the person by a doctor we choose to give us a report	
The most we pay for all payments made under this additional cover is:	
• for each incident causing a claim;	<b>\$40,000</b>
• all incidents causing a claim in any one period of insurance.	<b>\$250,000</b>

<sup>1</sup> Average weekly earnings is the voluntary worker's gross weekly wage or salary for the **13** weeks before the accident, divided by 13.



Note: a claim under this cover can be made independently of a claim for loss or damage to the building or common contents.



## Matching undamaged parts

### We cover

When a claim for loss or damage to your building or common contents is covered and new materials cannot be matched to undamaged parts, we will pay the extra costs to repair, replace or rebuild certain undamaged parts of the building or common contents in order to achieve a uniform appearance where the loss or damage occurred, as set out below.

#### **When you have a building claim, we will pay extra:**

- to replace undamaged wall tiles in the same room, stairs, hallway or passageway where the damage occurred so they match or complement new tiles used for repairs;
- to paint, wallpaper or replace undamaged wall coverings (but not tiles) in the same room, stairs, hallway or passageway where the damage occurred;
- so that continuously joined undamaged floor coverings (that are not common contents items, such as carpet) of the same material in the same room, stairs, hallway or passageway where the damage occurred will have a uniform appearance. This does not mean that we will always replace the undamaged floor coverings. Sometimes a repair (e.g. sanding or other floor treatment) may be possible to achieve a uniform appearance;
- to replace undamaged parts of the same kitchen cabinet, cupboard, or benchtop so that they match the repaired parts.

#### **When you have common contents claim, we will pay extra:**

- to replace undamaged internal window coverings in the same room, stairs, hallway or passageway where the damage occurred;
- so that continuously joined undamaged and matching carpets and other floor coverings (that are covered as a common contents item) in the same room, stairs, hallway or passageway where the damage occurred will have a uniform appearance. This does not mean that we will always replace the undamaged carpets or other floor coverings. Sometimes a repair may be possible.

### We don't cover

Anything in section 3 'Things we don't cover' on pages 23 to 34.

### Limit

The most we pay for any one incident is **\$1,000** for a building a claim and **\$1,000** for a common contents claim.

# 6

## **MAKING A CLAIM**

We want to be there for you in your times of need. In this section we set out how we help you when you make a claim.

# MAKING A CLAIM

## What you must do

- allow us to inspect the damaged building and/or common contents;
- allow us to arrange for experts to assess the damaged building and/or common contents and to quote on repair or replacement;
- arrange for all common contents to be moved and/or stored in order to facilitate repairs to the building;
- provide us with a quote/s for repair or replacement if we ask for this;
- provide us with any inspection report you might have obtained prior to purchasing the building;
- when requested, provide us with proof of loss, ownership and value;
- provide us with information, co-operation and assistance in relation to a claim (including attending an interview in person or over the phone or giving evidence in court if required);
- allow us, or a person nominated by us, to recover, salvage or take possession of the building or common contents when we replace or pay you the full sum insured for the building or common contents. When we ask, you must send any items to us, or cooperate in our collection or retrieval of such items.

## What you must not do

- do not dispose of any damaged parts or items of the building or common contents without our consent unless it is necessary for health or safety reasons;
- do not carry out or authorise repairs without our consent unless you cannot contact us and need to make emergency repairs to protect the building or common contents (see additional cover 'Emergency repairs' on page 52) or it is necessary for health or safety reasons;
- do not wash or clean or remove debris from any area damaged by fire without our consent unless you need to do this to prevent further loss or it is necessary for health or safety reasons;
- do not admit liability or responsibility to anyone else unless we agree;
- do not negotiate, pay or settle a claim with anyone else unless we agree;
- do not accept payment from someone who admits fault for loss or damage to the building or common contents. Refer them to us instead.

## If you do not comply

If you do not comply with 'What you must do' and 'What you must not do' we can reduce or refuse your claim and/or recover from you any costs and/or any monies we have paid and/or cancel your policy.

## Legal liability or office bearer's liability claims

In this section 'plaintiff' means the person or entity making a claim against you or your office bearers.

You must tell us as soon as possible about any incident that has caused an injury to others or damage to other people's property.

You also must tell us as soon as possible about any demands made on you to pay compensation to others and any court actions or offers of settlement and send these to us.

If you make a legal liability claim under your policy we can decide to defend you, settle any claim against you or represent you at an inquest, official enquiry or court proceedings.

If we decide to defend you, settle any claim against you or represent you, then you and your office bearer must give us all the help we need, including help after your claim is settled.

If we have legal advice that the sum insured will not be enough to fully compensate the plaintiff's claim and we think a court is likely to award more than this amount, our liability will be limited to the amount of the sum insured plus proportionate defence costs.

If you or your office bearer refuses to consent to any settlement recommended by us, our liability in relation to such claim will not exceed the amount for which the claim could have been settled (including costs and expenses incurred) up to the date of the refusal, subject to our solicitor's legal opinion. The cost of obtaining such legal opinion will be advanced by us as defence costs.

### **If we decline a claim or do not pay your claim in full**

We will provide reasons for our decision to decline the claim or not pay it in full. We will send you written confirmation of our decision.

## HOW TO ESTABLISH YOUR LOSS

### Establish an incident took place

When making a claim you must be able to prove that an incident covered by your policy actually took place. If you do not do this, we will not be able to pay your claim.

We may obtain the following from the police:

- confirmation that you reported the incident;
- details of any investigations they undertook.

You must give us authority to access these records, if we ask.

### Describe your loss or damage

You must also give us accurate and full details of what was lost, stolen or damaged.

### Proving loss, ownership and value

You must give us proof of loss, value and ownership of items claimed when we request it.

Allowing us, a repairer or an expert appointed by us, to look at what is damaged is usually all that is needed to prove your loss. Sometimes though we might ask you to produce a copy of the most recent plans and drawings for the building, photographs of the building or other proof that supports the extent of the loss you have suffered.

For lost, damaged or stolen items that are no longer available for inspection (e.g. because they were stolen or destroyed in a fire) you must validate your claim by giving us details of when and where they were purchased and proof of ownership and value. The type of proof we might ask for includes proof of purchase (e.g. a sales receipt that has the item, description or code, a purchase price, date purchased and where the item was purchased), a valuation from a qualified

Continued on next page.

professional valuer in Australia before the loss or damage occurred, original operating manual, manufacturer's box, certificate of authenticity, close up photograph and a full description of the item (e.g. brand, model etc).

We do not consider that a statutory declaration of itself is acceptable evidence of proof of ownership and value.

If you are unable to substantiate your claim, we might reduce or refuse your claim.

## How we settle building claims

We will aim to use a member of our supplier network to repair or rebuild the damage to the building. Sometimes this is not always possible. This will determine how the building claim will be settled.

### When a member from our builder supplier network can complete the repair or rebuild

When your claim for loss or damage to the building is covered, we will engage a builder from our supplier network to prepare a scope of works and provide a quote on the cost to repair or rebuild the building on a 'new for old' basis. Once the scope of works and quote is provided to us, we will arrange for it to be assessed. This will involve reviewing the quote to make sure that the quote is appropriate and reasonable for the scope of works. This includes a consideration of the appropriateness of materials, repair method, labour and material costs and overall cost effectiveness.

<p>If the amount of the assessed quote to repair or rebuild the building is less than the building sum insured, we will offer you the choice to have the building repaired or rebuilt (based on the recommendation of our builder).</p> <p><input checked="" type="checkbox"/></p> <p>If you accept the offer</p> <p><input checked="" type="checkbox"/></p> <p>The builder we engage will complete the repair or rebuild on a 'new for old' basis.</p>	<p><input checked="" type="checkbox"/></p> <p>If you choose to not accept the offer</p> <p><input checked="" type="checkbox"/></p> <p>You will be paid the amount of the assessed quote to repair or rebuild on a 'new for old' basis (less applicable deductions). Note: this amount to repair or rebuild may be less than what it would cost you to arrange the repairs or rebuild with your own builder. We are able to secure supplier discounts from within our supplier network.</p>	<p>If the amount of the assessed quote to repair or rebuild is more than the building sum insured, we will not repair or rebuild.</p> <p><input checked="" type="checkbox"/></p> <p>You will be paid the building sum insured.</p>
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## **When a member of our supplier network is unable to complete the repair or rebuild**

When your claim for loss or damage to the building is covered and a member of our supplier network is unable to complete the repair or rebuild, we will ask you to engage a builder to provide a scope of works and provide a quote on the cost to repair or rebuild the building on a 'new for old' basis.

Once the scope of works and quote is provided to us, we will arrange for it to be assessed. This will involve reviewing the quote to determine it is appropriate and reasonable for the scope of works. This includes a consideration of the appropriateness of materials, repair method, labour and material costs and overall cost effectiveness.

If the quote is appropriate and reasonable for the scope of works, we will then pay you the assessed amount. If it is not, the quote may be adjusted. This may include, adjusting the scope of works or the quote. We will then pay you the adjusted amount of the quote.

If we pay you for the repair or rebuild, the Lifetime guarantee for building repairs does not apply see page 70.

## **HOW WE SETTLE COMMON CONTENTS CLAIMS**

When your claim for loss, theft or damage to your common contents is covered, your common contents may be replaced, repaired or we may pay you. We will aim to use a member of our supplier network to repair or replace damaged common contents.

How we settle will depend on the circumstances of the claim including the cost of repair or replacement, your sum insured and any lower policy limits.

If the cost of repair or replacement exceeds your common contents sum insured, you will be paid your common contents sum insured.

### **Repairing your common contents**

We will engage a repairer within our repairer network who is able to complete the repairs to your common contents to provide a quote. If the quoted cost to repair the item is less than the cost of replacement, we will authorise the repairs. If you do not accept the offer to repair, we will pay the quoted cost.

### **Replacing your common contents**

If the quoted cost to repair is more than the cost of replacement on a 'new for old' basis or the common contents item cannot be repaired, you have the option to accept a replacement on a 'new for old' basis sourced through our supplier network. See page 66 for what 'new for old' means.

If you do not accept the offer, you will be paid the value of our replacement. This may be less than what it would cost you to arrange the replacement in the market. We are able to secure supplier discounts from within our content supplier network. We will pay your cash or if available, you can choose to be paid this as a voucher, store credit or stored value card.

## When we settle a building or common contents claim we will not:

- pay more than the relevant sum insured or policy limit;
- pay extra because you paid more for that item when it was originally purchased;
- pay extra to replace the building or common contents item to a better standard, specification or quality than they were before the loss or damage occurred except as stated in meaning of 'new for old' see page 66;
- fix inherent defects, structural defect, structural fault and/or faulty/poor workmanship that are not covered by your policy (see section 3 'Things we don't cover' on page 30), other than a defect or fault that we guarantee under this policy;
- fix or pay to fix pre-existing damage (unless your policy provides otherwise);
- pay extra to repair or rebuild undamaged parts (some limited cover is available in 'Matching undamaged parts' see page 60);
- pay for any decrease in the value of a pair, set or collection when the damaged or lost item forms part of the pair, set or collection. We pay only for the repair or replacement of the item which was damaged or lost.

### 'New for old' means:

- rebuild, replace or repair with new items or new materials that are reasonably available at the time of replacement or repair from Australian suppliers;
- rebuild, replace or repair new for old regardless of age, with no allowance for depreciation.



For example, a leather lounge in a common area which was purchased **5 years ago** for **\$5,000** and now worth **\$2,000**, will be replaced with a brand new leather lounge equivalent to your old lounge when it was new. Cover is not limited to **\$2,000**.

### Same type, standard and specification as when new

We will repair or replace to the same type, standard and specification (but not brand) as when new. If the same is not reasonably available from an Australian supplier, we will repair or replace with items or materials of a similar type, standard and specification as when new. We can replace with a different brand.

### 'New for old' does not:

- include paying the extra cost of replacing or purchasing an extended warranty on any item;
- mean of a better standard, specification or quality than when new;
- include paying to replace or match undamaged parts or materials, (some limited cover is available in 'Matching undamaged parts' see page 60).

## When items may be replaced to a better standard

### **Refrigerators, freezers, dishwashers, air conditioners, washing machines and dryers with less than a 3 star energy rating**

For these items when being replaced, 'new for old' means replacing with a new item of equal specification (but not brand) and if you agree, it means replacing with a minimum **3** star energy rating if this is available. It can be a different brand.

### **Obsolete electrical appliances**

For obsolete electrical appliances, 'new for old' means replacing or repairing that item to an equal specification (but not brand). If this is not available, it means to the nearest better specification available. It can be a different brand. We do not repair or replace, or pay you for electrical or electronic items that were no longer able to be used for the purpose they were intended prior to the incident covered by your policy (e.g. a TV in a common area that can no longer be watched).

### **Common contents items that cannot and will not be replaced 'new for old'**

For these items (such as paintings, pictures and works of art in a common area), 'new for old' means that if the item cannot be replaced 'new for old' or repaired, we will pay you what it would have cost to buy the item immediately before the loss or damage occurred, up to the relevant limit in your policy. We may engage an expert to help determine this.

## BUILDING CLAIMS

This section relates specifically to a claim made on the building policy and is in addition to the information in 'How we settle building claims' on pages 64 to 65.

### When we authorise the repair or rebuilding of the building

We may enter into any building contract with the selected repairer and/or supplier on your behalf.

### Repairing or rebuilding damaged parts

We will only repair or rebuild the parts that are damaged when the incident is covered by your policy. Apart from the limited circumstances where we will repair or rebuild undamaged parts (see 'Matching undamaged parts' on page 60), this policy does not cover you to replace undamaged parts, such as when:

- **one garage door is damaged**  
we will only replace or repair the damaged one, not other doors.
- **roof tiles are damaged**  
we will only replace the damaged ones, not the undamaged tiles, even if the undamaged tiles are faded or have a different profile and do not match the new ones used for repairs.
- **roof sheeting is damaged**  
we will only replace the damaged roof sheeting, not the undamaged roof sheeting, even if the closest match available to us is a different shade, colour, finish, material or profile to the undamaged roof sheeting.
- **an external wall is damaged**  
we will replace the damaged parts of the wall, not undamaged areas of the wall or other sides of the building.

## **When we cannot match materials to undamaged parts**

If we cannot find materials to match undamaged parts, we will offer to repair or rebuild using new materials of a similar type, standard and specification that are reasonably and commercially available in Australia and compliant with current building regulations.

It may not be same brand, line or product.



If you are not satisfied with the materials we find, you have two further options before we commence the repair or rebuild:



You can pay the extra cost of replacing the undamaged parts of the building to achieve a uniform appearance with the materials we have found. See also 'Matching undamaged parts' on page 60.

We can pay you the amount of the assessed quote for repairing or rebuilding using materials that are the closest match available that has been quoted by one of our suppliers based on the materials we have found. The assessed quote may be less than what it will cost you to arrange the repairs or rebuild within the market. We are able to secure supplier discounts from our supplier network.

## How we deal with defects, faults and poor workmanship

There are different ways we manage defects, faults and poor workmanship during the repair or rebuilding process:

- if the building has a defect or fault or poor workmanship (see section 3 'Things we don't cover' pages 30), it is not covered and we will not pay to fix it. This is the case whether you knew about the defect or fault (or not). For example, we would not fix structural posts, beams or load bearing walls that have been removed without taking into account structural engineering requirements.
- if a defect or fault (or poor workmanship) causes or contributes to loss or damage to the building, that resultant damage is not covered but only if you knew about the defect or fault or should have reasonably known about it (see 'Things we don't cover' on page 30). For example, the roof has a fault (and you knew about the fault because you have been told about it by a tradesperson) and this allows rain to enter during a storm, we will not pay to fix the resultant water damage.
- if a member of our supplier network is unable to complete the repairs or rebuild damage covered by your policy (e.g. because a defect or fault or poor workmanship in any building component will not support the repairs) we will pay in accordance with 'How we settle building claims' on page 64 as if the building component did not have the defect or fault. This is the case whether you knew about the defect or fault (or not). For example, a defective load bearing wall will not support the repairs needed to the ceiling. We pay you the cost to repair the damage to the ceiling as if the building did not have the defective load bearing wall.

## Changes to the building

### If you want to change the design of the building

When rebuilding the building, if we agree, you can choose to change the design of the building or upgrade parts of it, provided you pay the extra costs of doing this including all costs related to the construction and all professional fees (e.g. architect's fees). If you want to downsize the building for less cost than you are entitled to claim, we will not pay more than the amount of the assessed quote for a member of our supplier network to rebuild the downsized building. For example, if the building is damaged in a storm and has to be rebuilt, and you choose to downsize to a smaller building, the most we will pay is the assessed quote from our builder to rebuild the smaller building.

### Choosing to rebuild on another site

If the building is to be rebuilt following an incident covered by your policy, you can choose to have the building rebuilt on another site provided you pay any extra costs involved.

## Lifetime guarantee on building repairs

When we repair or rebuild the building, we guarantee the quality of workmanship of that work for the lifetime of the building if we:

- authorise;
- arrange; and
- pay the builder or repairer directly for this work.

### **What we guarantee**

We guarantee the standard of the workmanship to be free of defects. If a defect arises in the lifetime of the building as a result of poor quality workmanship then we will rectify the problem.

It is a condition of the guarantee that we reserve the right to decide who will undertake the rectification work.

### **This guarantee does not apply:**

- to repairs you authorise or make yourself;
- to loss, damage or failure of any electrical or mechanical appliances or machines;
- to wear and tear consistent with normal gradual deterioration of the building;
- where we give you payment for the cost of the repairs and you arrange the repairs.

## COMMON CONTENTS CLAIMS

This section relates specifically to a claim made on your common contents policy and is in addition to the information in 'How we settle common content claims' on page 65.

### **When we repair or replace your common contents**

We will repair or replace with items or materials that are reasonably available at the time of repair or replacement from Australian suppliers.

We will do our best to replace to the same type, standard and specification (but not brand) as when new.

### **Repairing or replacing damaged common contents**

We will only repair or replace common contents that are lost or damaged in an incident covered by your policy. Apart from the limited circumstances where we will repair or replace undamaged common contents (see 'Matching undamaged parts' on page 60) you cannot claim to replace undamaged contents e.g. an outdoor chair which is part of a suite is damaged beyond repair, we will pay to replace that chair, not the whole lounge suite.

## If we cannot match materials to undamaged parts

If we cannot find new materials to match undamaged parts, we will use new materials of a similar type, standard and specification that are reasonably and commercially available in Australia. It may not be the same brand, line or product.



If you are not satisfied with our selection, you have two options before we commence the repair or replacement:



You can pay the extra cost of replacing undamaged parts of your common contents to achieve a uniform appearance. See also 'Matching undamaged parts' on page 60.

We can pay you the amount of the assessed quote for repairing or replacing using materials that are the closest match available as quoted by a member of our supplier network. The assessed quote may be less than what it will cost you to repair or replace the item. We are able to secure supplier discounts from our supplier network.

## DEDUCTIONS FROM YOUR BUILDING CLAIM

If we pay the full building sum insured to you, we will deduct the following where applicable, from the amount we pay you:

- any unpaid excesses;
- any unpaid premium including any unpaid or remaining instalments for the unexpired period of insurance (if any);
- any input tax credit entitlement, refer to page 79.

## After we pay your claim

### Potential impact on cover and premiums

#### After a building claim

If we only pay part of the sum insured to you, the building policy continues for the period of insurance.

If we pay the full sum insured to you, all cover under your policy stops on the day we pay or otherwise finalise your claim. There is no refund of premium.

Any claim you lodge may also result in additional excess(es) being applied to your policy at renewal.

#### After a common contents claim

If we pay part of, or the full common contents sum insured, the common contents sum insured is automatically reinstated, and cover continues for the period of insurance at no extra cost. You should reassess your common contents sum insured.

Any claim you lodge may also result in additional excess(es) being applied to your policy at renewal.

## **Salvaged building and common contents items**

If we replace or compensate you for an item, we then own the damaged or recovered item. We will need you to make the damaged or recovered item available to us.

## **OUR RIGHT TO RECOVER FROM THOSE RESPONSIBLE**

If you've suffered loss or damage or, incurred a legal liability as a result of an incident covered by this policy and you make a claim with us for that incident, then we have the right and you have permitted us to take action or start legal proceedings against any person or entity liable or, who would be liable to you for the recovery of your loss.

"Your loss" means your insured, underinsured or uninsured loss or damage or legal liability, costs, payments made and expenses in relation to the incident. Any action or legal proceeding we take will be commenced either in your name, or in the name of any other person or entity that suffered your loss. We will have full discretion over the conduct and any settlement of the recovery action.

If you make a claim with us for your loss and you've already started action or legal proceedings against any person or entity liable or, who would be liable to you for your loss, then we have the right and you have permitted us to take over and continue that action or legal proceeding.

Where your loss forms part of any class or representative action which hasn't been started under our instructions, we have the right and you permit us to exclude your loss from that class or representative action for the purpose of us including it in any separate legal proceedings which are or will be started under our instructions.

You must provide us with all reasonable assistance, co-operation and information in the recovery of your loss.

This assistance may include:

- providing a more detailed version of events, which may include completing a diagram or statement/affidavit;
- providing us with any documents required to prove your loss;
- providing copies of any photographs or footage of the incident available;
- lodging a police report or obtaining relevant documents, such as completing and lodging an application form to obtain records from the police, fire and rescue, councils and other entities (when we cannot lodge one);
- attending court or meetings with our legal/other experts (only if required);
- providing evidence and documentation relevant to your claim and executing such documents, including signed statements and affidavits which we reasonably request.

We will pay for the cost of filing the police report and relevant searches to locate the third party. We will cover the costs you incur when having to attend court up to **\$250** in total per claim.

You must not enter into any agreement, make any admissions or take any action or steps that have the effect of limiting or excluding your rights and our rights to recover your loss, including opting out of any class or representative action, unless we have given you our prior written agreement. If you do, we may not cover you under this policy for your loss.

# 7

## HOW WE SETTLE CLAIMS – SOME EXAMPLES

These are examples only of how a claim payment might be calculated and are not part of your policy. You should read them only as a guide. Every claim is considered on an individual basis because every claim is different. Please note:

- all amounts are shown in Australian dollars and are GST inclusive;
- all examples assume that you are not registered for GST; and
- the excess amounts stated are examples only and may be different to your excess(es). Refer to your certificate of insurance.

## Example 1 – Total loss – Building claim

The building has a sum insured of \$950,000. There is a fire that starts from a heater in one of the units. The fire destroys the building and we assess that it is a total loss. In this example, a standard excess of \$1,000 applies.

What you are claiming	Additional information
Building costs	\$900,000 A builder from our supplier network assesses the building as a total loss. We cover loss or damage due to the fire up to the sum insured. As the assessed quote for a member of our supplier network to rebuild the building on a 'new for old' basis is below your sum insured we offer you the option to have your building rebuilt. You accept this offer and we pay this amount direct to our builder.
Removal of debris	\$40,000 Before rebuilding commences it costs \$40,000 to demolish and remove the damaged structure and these costs are reasonable. The most we will pay under the additional cover 'Removal of debris' is 10% of the building sum insured. We pay this in addition to the building sum insured. We pay \$40,000 directly to the builder.
Temporary Accommodation	\$95,000 We pay the unit owners who are residing in their unit as their principal place of residence, temporary accommodation costs for the time it will take to repair or rebuild their units so that they can be lived in again. In this example, the maximum limit of \$95,000 (10% of the building sum insured) is reached. We pay this amount to the unit owners.
Architect's fees	\$18,000 It is necessary to engage an architect to design your replacement building (this is necessary even though you don't intend to change the design of the building or upgrade it). Under the additional cover 'Other repair/rebuilding costs' we will pay up to the sum insured for the building less any amount we have already agreed to pay for accidental loss or damage under any other part of your policy for the same incident. We have already agreed to pay \$900,000 to rebuild the building. There is still \$50,000 of the sum insured available to cover other costs involved with rebuilding. The architect's fees are \$18,000 and we pay this directly to the architect.
<b>Claim so far</b>	<b>\$1,053,000</b>

What you are claiming		Additional information
Less excess	-\$1,000	In this example, you pay this excess directly to us.
<b>Total claim</b>	<b>\$1,052,000</b>	

## Example 2 – Partial loss – Building claim

The building has a sum insured of \$800,000. A leaking pipe in the building causes water damage in one of the units. In this example, the standard excess is \$500 and water damage excess is \$200.

What you are claiming		Additional information
Cost of repairs to the unit caused by the leaking pipe	\$4,000	A member of our supplier network inspects the damage from the leaking pipe. The assessed quote for our supplier to complete the repair is \$4,000. You accept our offer to repair the damage. We pay these costs to the builder.
Cost to repair the pipes	\$400	A member of our supplier network determines that it will be \$400 to repair the leaking pipe. The most you can claim for repairs to leaking pipes in any one period of insurance under the additional cover 'Exploratory costs to find leaks from pipes and water containers' (see page 52 for details) is \$500.
<b>Claim so far</b>	<b>\$4,400</b>	
Less excess	-\$500	In this example, you pay this amount to us.
Less water damage excess	-\$200	In this example, you pay this amount to us.
<b>Total claim</b>	<b>\$3,700</b>	

### Example 3 – Voluntary workers cover

You have authorised one of the unit owners to complete some gardening work at the insured address. While gardening, the unit owner slips and seriously injures his back. The injury has resulted in a total disability and they are unable to return back to work to carry out their usual occupation. The unit owner's gross weekly wage is \$1,200. In this example, a standard excess of \$500 applies.

What you are claiming		Additional information
Loss of wages	\$40,000	The injury has resulted in a total disability to the injured owner and they are unable to return back to work to carry out their usual occupation. The unit owner's gross weekly wage is \$1,200. We pay the owner \$40,000 which is the most we pay under this additional cover for each incident.
Excess payable	-\$500	In this example, you pay this amount to us.
<b>Total claim</b>	<b>\$39,500</b>	

### Example 4 – Legal Liability

A visitor to a unit in the building was descending down stairs within the common area of the unit complex. The visitor tripped over loose carpeting on the stairs causing them to fall heavily. The visitor has made a claim for compensation against you and it is determined you are liable for the injury. In this example, a standard excess of \$500 applies.

What you are claiming		Additional information
Total amount of claim	\$14,800	We assess the claim of compensation from the visitor and make this payment directly to them.
Less excess	-\$500	In this example, you pay this amount to us.
<b>Total claim</b>	<b>\$14,300</b>	

# 8

## **IMPORTANT THINGS TO KNOW – OUR CONTRACT WITH YOU**

In this section, we set out more important information about your contract with us, including information about:

- your premium (including paying your premium and what happens when your premium is late);
- how your policy operates and responds where there are joint policyholders;
- how the GST affects this insurance; and
- what happens with cancellations.

# ABOUT YOUR PREMIUM

The amount you pay for this insurance is called the premium. Your premium includes any applicable GST, stamp duty, other government charges and any levies that apply.

The premium will be shown on your certificate of insurance as the total amount payable or as an instalment amount.

The amount of the premium reflects our assessment of the likelihood of you making a claim and our costs of doing business. We use many factors about you and the building and common contents to calculate the premium.

 Refer to the Strata Insurance Additional Information Guide for more information.

## Paying your premium

You must pay the premium by the due date to get this insurance cover. We will tell you how much to pay and when payment is due on your certificate of insurance.

If we agree, you can pay the premium by instalments but it costs less to pay annually. If you ask to pay the premium by automatically debiting your account or card, we will automatically continue doing so on renewal so that your policy can renew. You can contact us to stop this.

If you make changes to your policy details, it may affect the premium you need to pay for the remaining period of insurance.

### Late annual renewal payments

If you do not pay the premium due on renewal by the due date, you have no cover from the due date.

### Late monthly instalments

If you pay your premium by monthly instalments and a monthly instalment is overdue we will let you know, and we can cancel your policy:

- by giving you at least **14** days advance notice; or
- without prior notice, once an instalment is **1** month (or more) overdue.

### Joint policyholders

When you insure the building and/or common contents in the names of more than one person, and all of those people are named insured on your certificate of insurance, each of them is a joint policyholder and is able to request changes and otherwise deal with the policy. The reasons for this is that joint policyholders each have an interest or ownership in the building and/or common contents.

We will treat a statement, act, omission, claim, request or direction (including a request to change or cancel your policy) made by one policyholder (either before the purchase of this policy or during the period of insurance) as a statement, act, omission, request or direction by all policyholders. A policyholder means a named insured on your certificate.

There are, however, some exceptions to this.

During the period of insurance, we might ask all joint policyholders before we action a request or direction in relation to your policy (e.g. before we cancel your policy, reduce your cover or remove another policyholder). This way we can help protect the interests of all policyholders.

## Conduct of others

When we consider a claim under this policy, we will have regard to any prejudice suffered by you or any other person entitled to benefit under this policy in relation to that claim, caused by mental illness of, substance abuse and/or an act of violence or intimidation by, another policyholder or person entitled to benefit under this policy. In doing this, we may meet the claim when we are not legally required to do so. If we do, we will limit the claim in relation to the person claiming to an amount which is fair in the circumstances.

## How the Goods and Services Tax (GST) affects this insurance

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur. Our liability to you will be calculated taking into account any ITC to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled had you made a relevant acquisition.

In respect of your policy, where you are registered for GST purposes you should calculate the insured amount having regard to your entitlement to input tax credits. You should, therefore, consider the net amount (after all input tax credits) which is to be insured and determine an insured amount on a GST exclusive basis.

This outline of the effect of the GST on your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to your circumstances. 'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

## What happens with cancellations

### Cancellation by you

You can cancel this policy at any time. For each building or common contents cover cancelled, you will be refunded the unexpired portion of the premium attributable to that building or common contents cover (including GST if applicable), less any non-refundable government charges. We will not give a refund if the refund is less than **\$10** (GST inclusive). If you pay by instalments, on cancellation you agree to pay us any portion of the premium that is owing but not yet paid and that amount is due and payable.

### Cancellation by us

We can cancel your policy where the law allows us to do so. For each building or common contents cover cancelled, you will be refunded the unexpired portion of the premium attributable to that building or common contents cover (including GST if applicable), less any non-refundable government charges. We will not give a refund if the refund is less than **\$10** (GST inclusive). If we cancel your policy due to fraud, we will not refund any money to you.

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# 9

## **WHAT TO DO IF YOU HAVE A COMPLAINT AND OTHER IMPORTANT INFORMATION**

We will always do our best to provide you the highest level of service but if you are not happy, here is what you can do.

# HOW TO CONTACT US WITH A COMPLAINT

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## Let us know

If you experience a problem, are not satisfied with our products or services or a decision we have made, let us know so that we can help.

Contact us:

**By phone:** **13 10 10**

**By fax:** 1300 724 872

**In writing:** GIO, Reply Paid 3999, Sydney NSW 2001

**In person:** By visiting one of our agencies

**By email:** gioservice@gio.com.au

Complaints can usually be resolved on the spot or within **5 business days**.

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## Review by our Customer Relations Team

If we are not able to resolve your complaint or you would prefer not to contact the people who provided your initial service, our Customer Relations team can assist:

**By phone:** **1300 264 094**

**By email:** idr@gio.com.au

**In writing:** GIO Customer Relations Team, PO Box 14180,  
Melbourne City Mail Centre, VIC, 8001

Customer Relations will contact you if they require additional information or if they have reached a decision.

When responding to your complaint you will be informed of the progress of and the timeframe for responding to your complaint.

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## Seek review by an external service

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. Any determination AFCA makes is binding on us, provided you also accept the determination. You do not have to accept their determination and you have the option of seeking remedies elsewhere.

AFCA has authority to hear certain complaints. Contact AFCA to confirm if they can assist you.

You can contact AFCA:

**By Phone:** **1800 931 678**

**By Email:** info@afca.org.au

**In writing:** Australian Financial Complaints Authority,  
GPO Box 3, Melbourne VIC 3001

**By visiting:** www.afca.org.au

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## General Insurance Code of Practice

We support the General Insurance Code of Practice. You can get a copy of the code from the Insurance Council of Australia website ([insurancecouncil.com.au](http://insurancecouncil.com.au)) or by phoning **(02) 9253 5100**.

## **Report insurance fraud**

Insurance fraud is not a victimless crime. It imposes additional costs on honest policyholders and wastes the valuable resources of our community. This means it affects everyone.

We actively pursue fraudulent and inflated claims in order to keep your premiums as low as possible. Fraudulent claims will be investigated and may be reported to the police.

Help us fight insurance fraud by reporting:

- inflated vehicle or home repair bills;
- staged vehicle or home incidents;
- false or inflated home or vehicle claims;
- home or vehicle fires which may be intentionally started, including by someone known to you.

To report suspected insurance fraud call: 1300 881 725. Let's work together to reduce the impact of insurance fraud on the community.

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# 10

## **WORDS WITH SPECIAL MEANINGS**

Some words in this policy have a special meaning. It is important to read this section because it can impact how your policy is interpreted.



If a word does not have a special meaning then it just has its ordinary meaning

### **Accidental loss or damage**

means loss or damage that occurs without intent and includes loss or damage from the incidents shown on pages 37 to 45.

### **Actions or movements of the sea**

means:

- rises in the level of the ocean or sea;
- sea waves;
- high tides or king tides;
- any other actions or movements of the sea.

Actions or movements of the sea do not include a tsunami or storm surge.

### **Administration office**

means a unit or part of a unit in the building used for your secretarial functions or your caretaking or letting services.

### **Aquarium**

means a large glass tank filled with water in which people keep animals (usually fish) and unlike a fishbowl, is not readily portable.

### **Building**

see 'What we cover as the building' page 18 and 'What we do not cover as the building' page 19.

### **Business activity**

means:

- any activity specifically undertaken for the purposes of earning an income;
- any activity registered as a business and which you are obliged by law to register for GST purposes.

### **Cannot be lived in**

means destroyed or made completely or partially unfit to be lived in. This might include if the utilities are not available or it is not safe to live in.

### **Cannot be re-leased**

means unable to be leased again.

### **Certificate of insurance**

means the latest certificate of insurance, including the insurance account, we have given you. It is an important document as it shows the covers you have chosen and other policy details.

### **Common areas or common property**

means the land or areas at the insured address that both you and other people are entitled to use and are not part of any unit (e.g. gardens, driveways, footpaths, walkways, pool areas, tennis courts).

## **Common contents**

see 'What we cover as your common contents' on page 21 and 'What we don't cover as your common contents' on page 21 and 22.

## **Communicable Disease**

means:

- Highly Pathogenic Avian Influenza in Humans;
- any Listed Human Disease, Biosecurity Emergency or Human Biosecurity Emergency as defined in or declared under the Biosecurity Act 2015 (Cth) in respect of business written in Australia.

A reference to the Biosecurity Act 2015 (Cth) includes any amendment, replacement, re-enactment or successor legislation. A reference to Listed Human Disease, Biosecurity Emergency or Human Biosecurity Emergency shall have the meaning found in any replacement definition, in any amendment, replacement, re-enactment or successor legislation, or where there is no replacement definition the term shall have the meaning of a term which is substantially similar in meaning as defined in or declared in any amendment, replacement, re-enactment or successor legislation.

## **Compensation**

money you are legally liable to pay as a result of:

- a judgement made against you by a court of law;
- a settlement by us of legal action against you.

It does not include fines, penalties, punitive, aggravated or exemplary damages.

## **Components (or building component)**

means a building element which is manufactured as an independent unit, that can be joined or blended with other elements to form a more complex item (e.g. the roof (sheeting or tiles) is a component, the fire wall within the roof space is another component).

## **Drone**

means an unmanned aircraft that can be remote controlled or fly autonomously for recreational or photographic purposes.

## **Excess**

see page 14.

## **Fire (including bushfire)**

means burning with flames.

## **Fixed**

means permanently attached to the building or permanently anchored in the ground.

## **Flood**

see page 37.

## **Funds**

means money, negotiable instruments, securities or tangible property received by you, or collected on your behalf, which has been or was to be set aside for the financial management of your affairs. Funds do not include the personal money, securities or tangible property of your unit owners or members.

**Guest**

means any person invited onto the insured address as your guest, a unit owner's guest or tenant's guest.

**Illegal drugs**

means drugs that are prohibited from manufacture, sale or possession in Australia including but not limited to methamphetamine.

**Illegal drug precursor**

means the starting materials for illegal drug manufacture.

**Incident**

means a single event, accident or occurrence which you did not intend or expect to happen that is not excluded by your policy. A series of incidents attributable to one source of originating cause is deemed to be the one incident.

**Insured address**

see page 20.

**Loss or damage**

means physical loss or physical damage, unless specifically stated otherwise in your policy.

**Malicious acts**

means a single intentional and wilful act characterised by malice. It is not wanton disregard, negligence, carelessness, wear and tear, use of excessive force, lack of due care or action, poor housekeeping or neglect.

**Managing agent**

means a person or other entity appointed in writing and paid by you with delegated functions including the authority to act as an office bearer in terms of any strata, group, body corporate, community title or similar laws that apply to the building.

**Office bearer**

- any person appointed (including any person appointed at any time in the past or future) by you to act as an office bearer or committee member of yours in terms of any strata, group, body corporate, community title or similar laws;
- any managing agent when acting as an office bearer as described above, when acting in that capacity; and
- any person invited by any person described above, in accordance with their delegated authority to assist in the management of your affairs.

**Period of insurance**

means when your policy starts to when it ends. It is shown on your certificate of insurance.

**Personal transportation vehicle**

means a battery driven or electric device that is a scooter, skateboards, e-bicycle, unicycle, hoverboard, one-wheel or Segway used for personal transportation that is suitable to be ridden by one person and does not have to be insured under any compulsory third party insurance laws or motor accident injuries insurance laws.

## **Planned to demolish**

means you planned to demolish the building, have lodged an application to do this, or a government authority has issued a demolition order for the building.

## **Policy**

means your insurance contract. It consists of this PDS and any SPDS we have given you and your latest certificate of insurance.

## **Rental agreement**

means a current and valid written agreement for the insured address between a unit owner (or their agent) and their tenant that:

- complies with the requirements specified in the relevant residential tenancy legislation (or its equivalent);
- is for a fixed term; and
- includes the following minimum requirements – a start and finish date, a minimum duration, the weekly rental amount, the bond that the tenant is required to pay and the notice to leave requirements.

A ‘rental agreement’ includes any periodic agreement which continues after the end of the fixed term of a rental agreement, on the same terms and conditions as that rental agreement.

‘Rental agreement’ does not include any short-term rental, holiday letting or house sharing arrangement (including any arrangement booked through an online booking platform).

## **Retaining wall**

means a wall, which is not part of the building, that holds back or prevents the movement of earth.

## **Scheme land**

the scheme land is the land or parcel at the insured address, identified in your strata, group, body corporate or community titled scheme as recorded by the relevant titles registration procedure in your state or territory.

## **Scope of works**

means a list of repair works needed to meet your claim and is usually required when major damage has occurred. It helps identify what repair or rebuilding work is necessary to resolve your claim.

## **Storm**

means a storm, cyclone or severe atmospheric disturbance. It can be accompanied by strong winds, rain, lightning, hail, snow or dust.

## **Storm surge**

means a rush of water onshore associated with a low pressure system and caused by strong winds pushing on the ocean’s surface. Storm surge does not include actions or movements of the sea.

## **Strata Insurance Additional Information Guide**

see page 8.

## **Strata, body corporate or community title**

means any form of land title which allows for multiple titles to exist in or on a block of land where the common property is held under a single separate title.

**Sum insured**

see 'The most we will pay for the building' on page 20 and 'The most we will pay for your common contents claims' on page 22.

**Tenant**

means the person or persons who have been granted the right to occupy a unit in the building under the rental agreement and from whom the unit owner receives rental income. It also includes anyone else who normally lives at the unit with the person or persons who pay rent under the rental agreement.

**Unit**

means an area (e.g. unit, villa, townhouse or apartment), marked as a lot on the plan for the strata, body corporate or community titles scheme, for your land scheme. It does not include common areas.

**Unit owner**

the registered owner of a lot forming part of a strata, group, body corporate or community titled building.

**Unoccupied and occupied**

unoccupied means:

- no-one is eating, sleeping and living at the building;
- the building is not connected to utilities.

occupied means:

- someone is eating, sleeping and living at the building; and
- the building is connected to utilities.

**Vermin**

means small animals (e.g. geckos) or insects that are typically thought of as pests. Vermin does not include a possum.

**Voluntary worker**

a unit owner, nominee of a unit owner or office bearer who voluntarily does work or performs duties in and around the building and the common areas. A voluntary worker is not an employee or anyone who receives financial reward other than reimbursement for expenses.

**Water containers**

drains, gutters, baths, sinks, basins, toilets, bidets, tanks, swimming pools, spa baths, hot water systems, dishwashers, washing machines and evaporator trays in refrigeration appliances. A water container is not a shower base or the walls of a shower cubicle.

**We, our and us and GIO**

means AAI Limited ABN 48 005 297 807 trading as GIO.

**Weekly rental amount**

means the:

- weekly rent payable under the rental agreement;
- weekly rent a tenant would have paid immediately before the insured incident, assessed by a suitably qualified person agreed to by us, if the unit was not tenanted at the time the loss or damage occurred,

less agent's commission and fees.

**Wrongful act**

means any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, libel, slander, omission, breach of warranty or authority or other act wrongfully made, committed, attempted, or allegedly made, committed or attempted by any office bearer in the discharge of his or her duties in that capacity.

**You/Your**

see page 20.

## KNOW NOW



- For enquiries **13 10 10**
- For claims **13 14 46 – 24** hours a day – every day
- Report any suspected insurance fraud to our hotline on **1300 881 725**
- Visit one of our agencies
- Find us on the web at **gio.com.au**

### Who we are

This insurance issued by AAI Limited

ABN 48 005 297 807

AFSL No. 230859 trading as GIO

