



# RESIDENTIAL STRATA

**INSURANCE PRODUCT  
DISCLOSURE STATEMENT  
AND POLICY**





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DISCLOSURE STATEMENT  
AND POLICY**

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This is an important document. If you cannot read and understand English, please use an interpreter to explain it to you before entering into this contract of insurance.

Questo è un documento importante. Se non avete una buona conoscenza dell'Inglese, per favore fatevelo spiegare da un interprete prima di concludere un contratto di assicurazione.

Αυτό είναι πολύ σπουδαίο έγγραφο. Αν έχετε δυσκολία με τα Αγγλικά, παρακαλείστε να μεταχειρισθείτε διερμηνέα να σας το εξηγήσει προτού συνάψετε μια ασφαλιστική συμφωνία.

這是一份重要文件。如你不諳英語，在投保前，請先用傳譯員為你解釋保險合約。

ان هذه الوثيقة هامة. إذا كنت لا تجيد الإنكليزية، يرجى استعمال مترجم كي يشرحها لك قبل أن تدخل طرفاً في عقد تأمين.

Dies ist ein wichtiges Dokument. Falls Sie die englische Sprache nicht beherrschen, lassen Sie es sich von einem Dolmetscher erklären, bevor Sie einen Versicherungsvertrag eingehen.

Đây là một văn kiện quan trọng. Nếu quý vị không thông thạo tiếng Anh, xin vui lòng nhờ thông dịch viên giải thích để quý vị hiểu rõ trước khi ký tên vào hợp đồng bảo hiểm.

Este es un documento importante. Si Ud. No tiene conocimientos sólidos de inglés, pida a un intérprete que le explique el documento antes de contratar el seguro.

ទេះគឺជាឯកសារមួយដែលមានសារៈសំខាន់ ។ ប្រសិនបើអ្នកពុំសូវចេះភាសាអង់គេសច្បាស់លាស់ទេ សូមស្នើសុំអ្នកបកប្រែភាសាឱ្យពន្យល់ប្រាប់អ្នកមុនពេលអ្នកយល់ព្រមចុះកិច្ចព្រមព្រៀងធានារ៉ាប់រងណាមួយ ។

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# Welcome To The Security Of CGU Insurance

**This booklet is important**

## Important Information

Cover for Section 1 Buildings, common contents and common property, Section 2 Liability, Section 3 Fidelity Guarantee, Section 4 Office Bearers' Liability and Section 5 Personal Accident insurance is provided by Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681.

Cover for Section 6 Workers' compensation, insurance is provided by:

- Insurance Australia Limited trading as CGU Workers Compensation ABN 11 000 016 722 if your situation is in Western Australia, Tasmania, Northern Territory or Australian Capital Territory.

## Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information required under the Corporations Act 2001 (Cth).

To assist you to locate specific items in the policy wording, there is a table of contents and an index is provided at the back of this booklet.

# Introduction

## Who is the insurer

Insurance Australia Limited trading as CGU Insurance is the insurer of the insurance policy. Our ABN is 11 000 016 722. Our AFSL number is 227681. In this booklet the insurer is called 'we', 'us' or 'our'.

## How to contact us

You may contact us by any of the following ways:

- In person at any CGU Insurance office.
- By telephone on 13 15 32.
- By writing to us at CGU Insurance, GPO Box 9902 in your capital city.
- By email on our website [www.cgu.com.au](http://www.cgu.com.au)

## The purpose of this PDS

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits, risks and information about how the insurance premium is calculated. You still need to read the policy wording which commences on page 4 for a full description of the terms, conditions and limitations of the insurance policy.

## Updating the PDS

The information in this PDS was current at the date of preparation. Information in this PDS may need to be updated from time to time where required and permitted by law. You can obtain a paper copy of any updated information without charge by calling us on the contact details provided in this document. If the update is to correct a misleading or deceptive statement or an omission that is materially adverse from the point of view of a reasonable person deciding whether to acquire the policy we will provide you with a new PDS or supplementary product disclosure statement.



## **General Insurance Code of Practice**

CGU Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry. Details about the Code are shown in the policy wording under 'General Insurance Code of Practice' on page 8. Brochures on the Code are available from your nearest CGU Insurance office.

## **Your cooling-off period**

We will refund all premium paid for cover under the insurance policy if you request cancellation of the insurance policy within 21 days of its commencement. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will not receive a refund if you have made a claim under the insurance policy. Details about the cooling-off period are shown in the policy wording under 'Money Back Guarantee' on page 8.

## **What to do if you have a dispute**

If you have a concern about the insurance policy, our decision on your claim, our service or the service of our authorised representatives, loss adjusters or investigators, you may access our internal dispute resolution process. To do so, please contact your nearest CGU Insurance office.

In the event we are unable to resolve your concern through our internal dispute resolution process, you may then request the matter be reviewed by the Australian Financial Complaints Authority (AFCA). This is a free service available to you by calling 1800 931 678 (free call). Details about the dispute resolution system are shown in the policy wording under 'Our service commitment' on page 48.

## **Financial claims scheme**

You may be entitled to payment under the Financial Claims Scheme in the event that Insurance Australia Limited trading as CGU Insurance becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from <http://www.fcs.gov.au>.

## Intermediary remuneration

Insurance Australia Limited trading as CGU Insurance pays remuneration to insurance intermediaries when we issue, renew or vary a policy the intermediary has arranged or referred to us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration we may pay your intermediary you should ask your intermediary.

## How to apply for insurance

Complete our application form. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

## How to make a claim

To make a claim, please contact your nearest CGU Insurance office, or call 13 15 32 when something happens that you believe you can claim for. Details about making a claim are shown in the policy wording under 'What you must do when you make a claim' on page 44, 'What you must not do when you make a claim' on page 44 and 'You give us your rights to claim from anyone else' on page 44.

## Taxation information

CGU Insurance shows all taxes and charges as separate items on all schedules (e.g. stamp duty and the Goods and Services Tax). Details about the Goods and Services Tax are shown in the policy wording under 'How the Goods and Services Tax affects your claim' on page 43.

## Significant features and benefits

You secure the insurance cover you require by selecting from the extensive range of covers and options we offer with this policy.

You can choose cover for:

- Buildings, common contents and common property.
- Liability.
- Fidelity Guarantee.
- Office Bearers' Liability.
- Personal Accident.
- Workers' compensation in WA, Tasmania and NT.

We offer accidental damage cover for buildings including common contents, common property and new for old cover for buildings including common property. You also choose the liability cover you need – you can select \$5 million, \$10 million, \$15 million or \$20 million.

It is important that you insure to the minimum requirements of the applicable state legislation governing strata plan, company title property or any similar scheme.

Other features include a pay-by-the-month instalment option and no loss sharing penalties for underinsurance.

With the covers for buildings, common contents and common property, office bearers' liability and personal accident, a range of additional benefits is included. These benefits are shown in the policy wording under 'Additional benefits we will pay for' on pages 17-21, and on pages 36 and 38.

## Exclusions

Our insurance is designed to provide protection for you in the event of something happening which has been insured against.

Under some circumstances, this policy will not provide any insurance cover to you. For example, we do not pay for loss or damage caused by:

- Erosion.
- Flood.
- Rust, corrosion, gradual deterioration, depreciation, wear or tear.
- A defect in an item, faulty workmanship, structural defects or faulty design.

This lists some of the events that are not covered by this insurance, and for full details of all relevant policy exclusions you should read the policy wording and make yourself aware of all the exclusions that apply.

In the policy wording we show when cover is not provided. Events that we will not pay for:

- Buildings, common contents and common property are shown on pages 16, 17 and 41.
- Liability are shown on pages 29, 30 and 41.
- Fidelity Guarantee are shown on pages 31 and 41.

- Office Bearers' Liability are shown on pages 33, 34 and 41.
- Personal Accident are shown on pages 38 and 41.

It is important that you are aware of these exclusions and so you should read them.

There are things that you must do in order for your insurance cover to apply. For example, you must pay the premium. In the policy wording we show what you need to do under 'What you are required to do for us' on page 42.

## Significant risks

### Adequate sum insured

In the event of a major loss, your sum insured should be sufficient to allow for replacement of your property.

### Strata insurance requirements

There are specific requirements in each state and territory that deal with insurance for strata properties. You should check that your insurance meets those requirements.

### Policy limits

Limits do apply to some items. For example, we will pay additional costs required to comply with government or local authority bylaws as shown on page 26. These costs do not extend the sum insured and will not be paid if the sum insured is insufficient to meet the total costs involved in rebuilding or repairing your buildings. You should read the policy wording so that you are aware of limits that may be applicable to you.

### Excesses

If you make a claim under the policy, you may be required to pay one or more excesses.

The descriptions of these excesses and the circumstances in which they are applied are shown in the policy under 'Policy excess' on page 22. The amount of each excess will be shown on your schedule other than the earthquake excess which is shown on page 22 of the policy wording.

In some instances, you can select at the time of your enquiry or application for insurance the amount of policy excess you wish to pay should you have a claim. When you select a higher policy excess amount, we may reduce the amount of premium we charge you.

In some instances, we will impose the amount of policy excess you will need to pay should you have a claim. In deciding to impose a policy excess, we take into consideration a number of factors in setting the amount of the policy excess. These include factors relating to the type of property being insured, where the property is located, the type of construction of the property, any commercial occupant exposure, to what extent the property is unoccupied and your previous insurance and claims history. At the time of your enquiry or application for insurance, the amount of any policy excess will be advised to you.

## Costs

The premium payable by you will be shown on your schedule.

The key factors that influence the premium calculation are reflected in the questions asked, and information sought, at the time of your enquiry or application for strata insurance. These include factors relating to the type of property being insured, where the property is located, the type of construction of the property, any commercial occupant exposure, to what extent the property is unoccupied and your previous insurance and claims history.

Premiums are subject to Commonwealth and state taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your schedule.

If we are unable to issue your insurance when we receive your application, we are required to hold your Premium in a trust account on your behalf until your insurance can be issued. We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

# CGU Insurance Triple Guarantee

Our guarantee assures you of quality insurance and service at all times.

## **Service Guarantee**

We will provide you with the highest standards of service.

## **Fair Dealing Guarantee**

We will meet any claims covered by your policy fairly and promptly.

## **Money Back Guarantee**

You have 21 days after you receive your numbered policy schedule to be sure you have the cover you require. If it is not the cover you require, you can cancel the policy. To do this, you must advise us in writing and return the schedule and policy booklet to your nearest CGU Insurance office. You will receive a full refund of the premium paid, providing nothing has occurred for which a claim is payable under the policy.

# General Insurance Code of Practice

We proudly support the General Insurance Code of Practice (Code). The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The objectives of the Code are:

- to commit us to high standards of service;
- to promote better, more-informed relations between us and you;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and effective mechanisms for resolving complaints you make about us; and
- to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code.

## Our commitment to you:

We have adopted and support the Code and are committed to complying with it. Please contact us if you would like more information about the Code or the Code Governance Committee.

## How CGU protects your privacy

We use information provided by our customers to allow us to offer our products and services. This means we may need to collect your personal information, and sometimes sensitive information about you as well (for example, health information for travel insurance). We will collect this information directly from you where possible, but there may be occasions when we collect this information from someone else.

CGU will only use your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give us your information, but this may affect our ability to provide you with insurance cover.

We may share this information with companies within our group, government and law enforcement bodies if required by law and others who provide services to us or on our behalf, some of which may be located outside of Australia.

For more details on how we collect, store, use and disclose your information, please read our Privacy Policy located at [www.cgu.com.au/privacy](http://www.cgu.com.au/privacy). Alternatively, contact us at [privacy@cgu.com.au](mailto:privacy@cgu.com.au) or 13 15 32 and we will send you a copy. We recommend that you obtain a copy of this policy and read it carefully.

By applying for, using or renewing any of our products or services, or providing us with your information, you agree to this information being collected, held, used and disclosed as set out in this policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how we will deal with your complaint.

## Your policy

Please read this policy before you apply for insurance.

This policy sets out the terms, conditions and limits that apply for the insurance we offer to you. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

Our agreement with you is made up of your application, this insurance policy, the schedules and endorsements we send to you. Endorsements are notices we send to confirm any change to your insurance.

Keep this insurance policy in a safe place. You may want to refer to it from time to time.

We recommend that you keep receipts for major items you purchase.

If you need more information about this insurance policy, please contact your insurance adviser. We are happy to give you personal attention and service in relation to this or any other insurance enquiry.

### **When you are insured**

Your insurance begins when we accept your application. The commencement date of your insurance will be shown on the schedule we will send you.

The insurance applies for the period for which you have paid us (or agreed to pay us) the premium. You may pay your premium by cash, cheque or credit card.

### **What happens if you don't pay on time**

When you take out insurance, you need to pay your annual premium or any instalments by the due date specified on Your Certificate of Insurance.

An instalment is unpaid if it cannot be deducted from your nominated account or credit card.

If your premium is overdue, we will send you a notice outlining the overdue amount and when it needs to be paid.



If your premium remains unpaid after the time period specified in the notice we send, we will:

- cancel your policy for non-payment; and
- refuse to pay any claim for an incident occurring after the cancellation date.

If you pay by instalment, we will send you a second notice either before cancellation informing you of the effective date of cancellation, or within 14 days after cancellation confirming the effective date of cancellation.

If you need to make a claim when your policy is overdue, and before your policy has been cancelled for non-payment, we will require you to pay the overdue amount as part of the claim settlement process. Alternatively, where the settlement method allows we can reduce the settlement payment by the overdue amount.

## **Who is insured under this policy**

The name and/or number set out in the schedule is insured. In this policy the insured is called 'you' or 'your'.

## **Who is the insurer**

Insurance Australia Limited trading as CGU Insurance is the insurer under cover for Section 1 Buildings, common contents and common property, Section 2 Liability, Section 3 Fidelity Guarantee, Section 4 Office Bearers' Liability and Section 5 Personal Accident insurance. Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Licence Number is 227681.

Insurance Australia Limited trading as CGU Workers' Compensation is the insurer under Section 6 Workers' compensation if your situation is in Western Australia, Tasmania, Northern Territory or Australian Capital Territory. Our Australian Business number is 11 000 016 722.

In this policy the insurer is called 'we', 'us' or 'our'.

## Words that have a special meaning

In this policy there are words that have a special meaning. These words are listed below. If the meaning of the word is not listed below, we tell you on what page the meaning is printed.

### Your buildings

Your buildings are:

- The building including any improvements.
- Any outbuilding.
- Fixed coverings to walls, floors and ceilings. This does not include fixed carpet, curtains or internal blinds.
- Floating floors.
- Services, which include the supply of electricity, water, etc.
- Any item built in, or fixed to, or on, the building.
- Blinds or awnings on the outside of the building.
- Anything permanently built, constructed or installed on your property. This includes items built, constructed or installed permanently by an owner of a unit.

Your buildings are not:

- Any property that a tenant is liable for under the terms of a rental agreement.
- Paint, wallpaper or other wall and ceiling finishes or coverings within a unit where your building is located in New South Wales.
- Air conditioning units, mobile dishwashers, clothes dryers, or any other electrical or gas appliances not wired in, where your building is located in Queensland.

### Your common contents

Your common contents are:

Property as detailed below owned by:

- the body corporate, owners' corporation, corporation, strata corporation, strata company, company title, community scheme, neighbourhood scheme, precinct scheme; and

- for which the body corporate, owners' corporation, corporation, strata corporation, strata company, company title, community scheme, neighbourhood scheme, precinct scheme is legally responsible.

Common contents comprises:

- Carpets, curtains and fittings.
- Furniture and furnishings that are not built in.
- Office equipment.
- Computer tapes, cassettes, cartridges and discs including computer software. We will only pay the value of these items when blank unless they were pre-recorded when you purchased them.

We will pay up to \$5,000 for these.

- Portable domestic appliances.
- Maintenance equipment.
- Money and negotiable documents. We will pay up to \$5,000 in total for these.
- Special property which is listed on your schedule.

Common contents does not include the property of unit owners, shareholders, members, proprietors or any other person or party.

## **Your common property**

Your common property is:

All other property, other than your common contents, at the situation that is not contained within the boundaries of a lot, or as defined in the applicable strata legislation which is owned by the body corporate, owners' corporation, corporation, strata corporation, strata company, company title, community scheme, neighbourhood scheme, precinct scheme and for which the body corporate, owners' corporation, corporation, strata corporation, strata company, company title, community scheme, neighbourhood scheme, precinct scheme is legally responsible.

## **Your documents**

Written or printed records that belong to you. They do not include bearer bonds or coupons, bank or currency notes, book debts or any negotiable instruments.

## **Excess**

This is the amount of money you will pay if you have a claim. We will reduce the amount we pay you for your claim by the excess. Your excess will apply for each separate identifiable event. The amount of your excess is shown on your schedule and the earthquake excess is shown on page 22.

## **Schedule**

This is the document we give you which sets out the details of your insurance cover. You receive a schedule when you first take out your insurance and again when the policy is renewed or changed.

## **Situation**

This is the place where the building and/or common contents and/or common property are located. We will show this place on all schedules we give you.

# Section 1

## Buildings, Common Contents And Common Property

### What is insured

Your buildings, and your common contents and your common property, as set out in the schedule, are insured if they are destroyed, lost or damaged. They are insured only if you own them, or are liable for them.

When you insure your buildings, cover for your common contents and your common property is included.

Your buildings, your common contents and your common property are insured while at your situation.

We will cover your buildings, your common contents and your common property for any accidental damage or accidental loss including that caused by:

- Landslide or subsidence but only if it occurs as a result of and within 72 hours after one of the following events:
  - Storm, rainwater or wind.
  - Earthquake.
  - Explosion.
  - Liquid that escapes from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank or drain.

This cover also applies to gates, fences and retaining walls that are attached to, and are part of, the structure of your buildings.

- An electric motor no bigger than 4.0 kilowatts (5hp) burning out. If an electric motor burns out, we will repair, reinstate or replace it. We decide which one we will do. We will do this if the electric motor is 10 years old or less. Electric motors larger than 4.0 kilowatts (5hp) are not covered by this insurance.

Where the sum insured as shown on your schedule for the buildings, common contents and common property is \$50,000,000 or less, we will cover your buildings, your common contents and your common property for any loss or damage caused by:

- an act of terrorism.
  - Terrorism is any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

## What is not insured under Section 1

We will not cover your buildings and your common contents and your common property for accidental damage or accidental loss caused by:

- Landslide or subsidence, except as described on page 15.
- Settling, shrinkage or any movement of earth.
- Erosion.
- Storm, rainwater, or wind to gates, fences or walls, or sections of gates, fences or walls which are made from timber and that are 15 years old or more and that are not attached to, and are not part of, the structure of your buildings.
- Water entering your buildings through an opening made for any building, renovation or repair work.
- Water entering your buildings because of a structural defect, faulty design or faulty workmanship when your buildings were constructed.
- Flood.

We do not provide cover for damage by flood. Flood is when water from a river, creek, lake, swamp, watercourse, reservoir, dam or navigable canal (whether they are in their original state or have been modified), overflows onto normally dry land. Water that escapes from an irrigation canal is not flood. We also regard any rainwater on your property;

- that cannot run off into a river, creek, lake, swamp, watercourse, reservoir, dam or navigable canal (whether they are in their original state or have been modified), because it is overflowing in flood, and/or

- that mixes with the floodwater coming from the river, creek, lake, swamp, watercourse, reservoir, dam or navigable canal (whether they are in their original state or have been modified);

as water coming from a flood.

- Storm surge, the action of the sea, tidal wave, high water or erosion.
- Rust, corrosion, gradual deterioration, wear or tear, wet or dry rot.
- Mildew, atmospheric or climatic conditions.
- Mould unless arising from an insured event and/or fungi.
- Rats, mice or insects.
- Roots from trees, plants, shrubs or grass.
- Any process of cleaning involving the use of chemicals other than domestic household chemicals.
- A defect in an item, faulty workmanship, structural defects or faulty design.
- Mechanical or electrical breakdown other than an electric motor burning out. We will pay for any resultant damage following mechanical or electrical breakdown.
- Damage to a heating element. We will pay for any resultant damage that is covered by the policy following damage to a heating element.
- See also 'General exclusions' on page 41.

We will not cover your buildings, your common contents or your common property for loss or damage caused by an act of terrorism as described on page 16 where:

- the sum insured as shown on your schedule for the buildings, common contents and common property is more than \$50,000,000; or
- the loss or damage is caused by contamination by chemical and/or biological agents which results from the act of terrorism.

### **Additional benefits we will pay for**

We will pay the following costs when the sum insured on your buildings is not totally used for a claim. These will be paid when they result from accidental damage or accidental loss to your buildings, your common contents or your common property.

- We will pay the reasonable costs of demolishing and removing any building debris when damage or loss occurs.
- We will pay the reasonable costs of architects', surveyors' and legal fees when damage or loss occurs.

We will pay the following costs in addition to the sum insured. These will be paid when they result from accidental damage or accidental loss to your buildings, your common contents or your common property.

- We will pay your legal costs to discharge your mortgage if your claim is for a total loss.
- Loss of rent:
  - Where applicable we will also treat unit owners as if they were you.

We will pay an amount:

- Equal to the rent that the owner of the unit receives if the unit is rented.
- Equal to the amount of rent that the unit could have been rented for if the unit is occupied by the unit owner.
- To remove, store and return a unit owner's contents.
- To remove, store and return your common contents and/or your common property.

We will pay for this when, and in the period in which:

- Your buildings or sections of your buildings are unable to be lived in as a result of accidental damage or accidental loss.
- Other property located near your buildings is damaged and access to your buildings is prevented.

For all claims made for this additional benefit, we will only pay in the aggregate up to 15 per cent of your buildings' sum insured.

We will pay an amount:

- Equal to the rent that the owner of a unit received, if the unit is rented.
- Equal to the amount of rent that the unit could have been rented for, if the unit is occupied by the unit owner.



We will only pay this when your buildings or sections of your buildings are unable to be lived in following:

- The failure of services. This includes the supply of electricity, water, gas, or sewerage service. It does not include telephone or television service. We will only pay when accidental loss or accidental damage occurs to property belonging to the service provider. We will only pay after the service has failed continuously for 24 hours. The most we will pay for is 30 days.
- A murder or suicide, and/or infectious or contagious disease. We will only pay when a government or local authority prohibits your buildings or sections of your buildings from being occupied following these events. Our payment will start when the government or local authority declares that your buildings or sections of your buildings cannot be occupied. The most we will pay for is 30 days.

• We will pay for you to make submissions to:

- state governments, and
- builders' licensing authorities, and
- local government authorities,

when accidental damage or accidental loss occurs.

We will also pay your costs in attending any hearing called. This includes the costs of:

- Instructing solicitors, liaising with architects, engineers, surveyors or builders.
- Attending your meetings.

We will only pay these costs when:

- damage to your buildings is more than \$500,000, or more than 50 per cent of the cost of replacing your buildings, and
- damage to your buildings occurs from a government declared catastrophe or emergency.
- you obtain our prior written consent to the costs being incurred.

• We will pay up to an additional 15 per cent of the buildings sum insured if your buildings are damaged as a result of a government-declared catastrophe or emergency.

- We will pay the reasonable costs and expenses you incur for the preparation of a claim following accidental damage or accidental loss to your buildings, your common contents or your common property. We will only pay these costs and expenses when we agree to do so before they are incurred. The most we will pay in any one period of insurance is \$5,000.
- We will pay to remove and replace:
  - Trees, plants or shrubs, if they are damaged by a vehicle.
  - Lawns, trees, plants or shrubs, if they are:
    - stolen, or
    - burnt, or
    - maliciously damaged.

We will not pay for any other damage or loss to lawns, trees, plants or shrubs. The most we will pay is \$5,000 in any one period of insurance.

- We will pay for accidental damage or accidental loss to common contents and/or common property:
  - In the open air. We will only pay when your common contents and/or common property is in an area surrounded by gates, walls and fences. The most we will pay is \$7,500.
  - When the common contents and/or common property is removed from the situation for service or repair. The most we will pay is \$7,500.
- We will pay:
  - To replace or restore your documents. This includes information on your documents.
  - To replace your documents as blank stationery. The most we will pay is \$5,000 in any one period of insurance. We will only pay when the accidental damage or accidental loss occurs to your documents when they are in your buildings, or in a bank safe.
- If you have a loss, we will increase your sum insured by the amount the Consumer Price Index (all groups) has increased since you took out your policy or last renewed it.

- You are fully insured again for your buildings, your common contents and your common property for the amount shown in your schedule following a claim. This does not apply when your claim is for a total loss as your cover for your buildings, common contents and common property will end then.
- If your buildings are unable to be lived in, we will pay the cost of temporary accommodation of a unit owner's domestic pet normally kept at the situation. The most we will pay is \$5,000 in any one period of insurance.
- We will pay the market value of any personal property while it is in your physical or legal control that is accidentally damaged or accidentally lost. The most we will pay is \$5,000.
- We will pay the maintenance fees required to be paid to you by a unit owner. This only applies where you have exhausted all practical measures to collect the maintenance fees following an insured loss that renders the unit untenable. The most we will pay is \$1,500 per unit.
- We will pay a reward for information which leads to a conviction for arson in connection with loss or damage covered by this policy. The most we will pay will be \$5,000 for any one event irrespective of the number of people providing information.
- We will pay the costs and expenses necessarily and reasonably incurred for the purpose of extinguishing fire at the situation, including the replenishment of fire extinguishers.
- If a key to an external door lock of your buildings, or a key to an external window lock of your buildings (excluding individual units) is stolen, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item. We decide which one we will do. The most we will pay is \$1,000.

We will cover your buildings, your common contents and your common property for loss or damage caused by an act of terrorism as described on page 16 if the sum insured for the buildings, common contents and common property as shown on your schedule is \$50,000,000 or less. The most we will pay for any claim for loss or damage caused by an act of terrorism is the sum insured as shown on your schedule plus those costs listed under 'Additional benefits we will pay for' on pages 17 to 21.

# Paying claims

## Policy excess

For each buildings, common contents or common property claim we will reduce the amount we pay you for your claim by the excess. The amount of your excess is shown on your schedule.

Your excess will be increased by \$250 for any claim for damage arising from an earthquake. This damage must occur within 72 hours of the earthquake.

When a claim is paid for damage to or loss of your buildings, common contents or common property, the excess amount will only be applied once.

## The most we will pay for your buildings, common contents or common property

The most we will pay for any claim for your buildings, common contents or common property is the sum insured shown on your schedule. This does not apply to amounts payable under 'Additional benefits we will pay for' where we say we will pay in addition to the sum insured.

## How we pay a claim for your buildings

When damage or loss occurs to your buildings, we will pay the cost of rebuilding your buildings or repairing the damaged portions to the same condition as when they were new. If we pay the cost of rebuilding your buildings, you may rebuild on another site. You can do this provided the amount we pay is not increased.

We will also pay costs required for your buildings to comply with current government or local authority bylaws. We will not pay any of these additional costs if you were required to comply with these bylaws before the damage or loss occurred. Where the damage is less than 50 per cent of the costs of rebuilding your buildings, we will only pay for these additional costs in the damaged portions. Where the damage is more than 50 per cent of the costs of rebuilding your buildings, we will pay all these additional costs.

When rebuilding your buildings or repairing the damaged portions of your buildings the size of your buildings is reduced by any government or local authority bylaws, we will:

- pay the cost of rebuilding or repairing the damaged portions of your buildings, for the reduced size; and
- pay the difference between:
  - the actual cost of rebuilding or repairing the damaged portions for the reduced size of your buildings, and
  - the estimated cost of rebuilding or repairing the damaged portions had the size of your buildings not been reduced.

We will not pay more than the sum insured. We will reduce the amount we pay you by any amount you may receive as compensation.

We will pay for fixed coverings to walls, floors and ceilings only in the room, hall or passage in which the damage occurred.

We only repair the loss or damaged part(s) of the building. We don't pay for materials to match the undamaged parts of the building to create a uniform appearance.

In the event of repairs, we will make a fair and reasonable attempt to match the repairs to undamaged areas, using the closest match available.

If you are not satisfied with the closest match, you are able to:

- pay the extra cost of repairing undamaged areas to achieve a matching appearance; or
- we will pay you the reasonable cost to repair the damaged area, provided that cost is available and actionable by you.

If your building is repairable, in some circumstances we will choose to settle your claim by deciding to pay you. We will pay you the reasonable costs of what it would cost us provided that cost is available to or actionable by you.

Some examples of when we do this are:

- when you decide not to repair or rebuild the building
- if you don't start repairing or rebuilding the building within 6 months of the loss or damage, or within any longer period we agree to in writing
- if not all the damage to your building is covered by this policy – you can find examples of these under 'Exclusions' or 'General exclusions' in this policy
- your building may have had some damage that existed prior to the event you are claiming for

- your building cannot be repaired until other work that is required to be done by you is completed, or
- when it is the only way to settle your claim.

To calculate the reasonable cost:

- we may ask you to obtain a quote or we will obtain a quote for the repairs from our builder or repairer
- if we obtain the quote we will provide you with details of the work that has been included
  - this will be detailed in the quote or
  - for larger claims we may include a scope of works
- we will confirm that the builder who has provided the quote is prepared to undertake the work – provided you have completed any work that is required to be done by you first.

The amount we will pay you will not be more than the relevant sum insured.

## **How we pay a claim for your buildings – damage or loss caused by liquid escaping**

If the damage or loss was caused to your buildings by liquid escaping:

- We will pay the cost to:
  - Identify and locate from where the liquid escaped.
  - Replace the defective part from where the liquid escaped.
- From a bath, basin, sauna, spa, shower base or shower wall, we will pay the costs to repair your buildings. We will not pay the cost to repair or replace the bath, basin, sauna, spa, shower base or shower wall.

Provided your sum insured is not totally used for a claim, we will also pay for any loss of land value following your claim. This is as a result of government or local authority legislation that reduces the floor area of your buildings. Loss of land value is the difference between the value of the land just before the damage occurred and the value of the land just after the damage or loss occurred. We will reduce the amount we pay you for the loss of land value by any amount that you receive as compensation for this loss. The most we will pay is the unused portion of your sum insured.

If the structure of your buildings is destroyed, but the foundations are not, and government restrictions prevent rebuilding at the situation, we will treat the foundations as being destroyed. If the land value of the situation including the foundations is greater than the land value without the foundations, we will reduce the amount we pay you by an amount equal to the difference between these values.

## **How we pay a claim for your common contents**

When damage or loss occurs to any common contents property item, we will do one of the following:

- Replace the common contents property item with the nearest equivalent new property.
- Repair the common contents property item to the condition it was in when new.
- Pay you the cost of replacement or repair.

We decide which one we will do. Our choice will have regard to the circumstances of your claim and consider any preference you may have.

We will pay for carpets; wall, floor and ceiling coverings; internal blinds and curtains; only in the room, hall or passage in which the damage occurred.

When a damaged or lost item is part of a pair, set, system or collection, we will only pay for the value of the item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set, system or collection.

Where it is not possible to repair or replace the damaged part and this will impact the mechanical or electronic operation of the entire pair, set, system or collection we will:

- replace the entire pair, set, system or collection, or
- pay you the value of the damaged pair, set, system or collection.

## How we pay a claim for your common property

When damage or loss occurs to your common property, we will pay the cost of replacing your common property or repairing the damaged portions to the same condition as when they were new. If we pay the cost of rebuilding your buildings, including your common property, you may rebuild on another site. You can do this provided the amount we pay is not increased. If you do this, we will pay the cost of rebuilding the common property on the new site.

We will also pay any additional costs required for your common property to comply with current government or local authority bylaws. We will not pay any of these additional costs if you were required to comply with these bylaws before the damage or loss occurred.

## How we calculate the amount if we choose to pay you

In some circumstances we will choose to settle your claim by deciding to pay you. We will pay you the reasonable costs of what it would cost us to repair or replace the items provided the cost is available to or actionable by you.

### Calculation of the amount

If we choose to settle your Common Contents claim by paying you the reasonable cost to repair or replace the items we will calculate this amount in the following way:

- If it was based on the cost to replace the item included as part of your claim:
  - We will agree with you the appropriate replacement item to settle your claim.
  - We may ask you to obtain a quote or we will obtain a quote from our supplier to replace the item and supply it to you.
  - We will use the quoted amount as the basis of the settlement.
  - The amount we pay you will not be more than the Common Contents sum insured in total and the maximum amount per item, set, pair, collection or system as relevant.



- If it was based on the cost to repair the item included as part of your claim:
  - We will agree with you the repairs covered by your policy that are required to settle your claim.
  - We may ask you to obtain a quote or we will obtain a quote from our supplier or repairer to repair the item for you.
  - The quote will include the details of the repairs required.
  - We will use the quoted amount as the basis of the settlement.

The amount we pay you will not be more than the relevant sum insured in total and the maximum amount per item, set, pair, collection or system, as relevant.

We will reduce the amount we pay by any amount you may receive as compensation.

We will pay for fixed coverings to walls, floors and ceilings only in the room, hall or passage in which the damage occurred.

In the event of repairs, we will make a fair and reasonable attempt to match the repairs to undamaged areas, using the closest match available.

If you are not satisfied with the closest match, you are able to:

- pay the extra cost of repairing undamaged areas to achieve a matching appearance; or
- we will pay you what it would have cost us to repair the damaged area, provided that cost is available and actionable by you.

### **State legislation governing strata plan, company title property or any similar scheme**

Where any part of this policy is contrary to any act or regulation governing strata plan, company title property or any similar scheme, the requirements of that act or regulation will apply. Claims for your buildings, common contents or common property will be settled in accordance with the requirements of that act or regulation.

# Section 2

## Liability

This section of the policy only applies when the schedule shows that you have requested cover for liability.

### **A word that has a special meaning**

In this section there is an additional word that has a special meaning. This word is listed below.

#### **Occurrence**

In this section, occurrence means:

- A single incident that is not intended or expected.
- A series of incidents or continuous or repeated exposure to substantially the same general conditions, which:
  - are not intended or expected; and
  - have the same cause; or
  - are attributable to the same source.

### **When we will pay for personal injury or damage to property**

We will pay the amounts you are liable to pay for personal injury or damage to property arising from an occurrence if your liability arises from any of the circumstances as follows. The occurrence that results in a claim must occur during the period of insurance. We will also pay any legal costs you have to pay in relation to the occurrence. This includes costs awarded against you. The most we will pay, including costs, for any occurrence, is the amount shown in your schedule. Where the occurrence takes place over more than one period of insurance, we will only pay the amount shown in your schedule once in respect of each occurrence.

- If you have insured your buildings, we will pay the amount you have to pay as the owner or occupier of your buildings.
- If you have common contents, we will pay the amount you have to pay as owner of the common contents.

- If you have common property, we will pay the amount you have to pay as owner or occupier of the common property.
- If you have a car park, we will pay the amount you have to pay for damage to, or loss of, property while it is in the car park.

## When we will not pay under Section 2

We will not pay claims arising from:

- Your car park being operated by someone else as a commercial car park.
- Penalties, fines or awards of aggravated, exemplary or punitive damages made against you.
- Your use of motor vehicles, motorcycles, mini-bikes, aircraft or watercraft other than golf carts, ride-on mowers or motorised maintenance equipment.
- Your servicing, repairing or maintaining any vehicle.
- Personal injury to any person employed by you and that injury arises from their employment with you.
- Damage to, or loss of, property that belongs to any person employed by you and that damage or loss arises from their employment with you.
- Any alterations, servicing, repairing or additions to lifts, escalators or hoists that you do. This includes anything that is part of a lift, escalator or hoist. This does not apply to any alterations, servicing, repairing or additions to lifts, escalators 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, escalators or hoists.
- Vibration or interference with the support of land, your buildings or other property.
- Any business, profession, trade or occupation carried on by you. This does not include the hiring out of your sporting or recreational facilities or the managing of your buildings and its surrounds.

- Any alterations, repairs, renovations or additions to your buildings that cost more than:
  - \$100,000 if your building sum insured under Section 1 is less than \$1,000,000; or
  - \$200,000 if your building sum insured under Section 1 is more than \$2,000,000; or
  - 10 per cent of your building sum insured under Section 1 if your building sum insured under Section 1 is more than \$1,000,000 but less than \$2,000,000.
- The erection or demolition of your buildings.
- Any agreement or contract you enter into. If you would have been liable without the agreement or contract, we will pay for your liability.
- The use, removal of, or exposure to any asbestos product or products containing asbestos.
- Any act of libel or slander.
- The discharge, release or escape of any pollutants. This exclusion will not apply where the discharge, dispersal, release or escape of pollutants:
  - Is caused by a single incident.
  - Is instantaneous.
  - Is clearly identifiable.
  - Is confined to one specific location.
- The removal, neutralising or cleaning up of pollutants.
- Landslide or subsidence, except as described on page 15.
- See also 'General exclusions' on page 41.

# Section 3

## Fidelity Guarantee

This section of the policy only applies when the schedule shows that you have requested cover for Fidelity Guarantee.

### When we will pay

We will pay the amount for any loss that you incur as a result of an act of fraud, or the dishonest use of money or assets that belong to you.

We will only pay if the loss:

- occurs during the period of insurance; and
- is caused by a person who is a member of the committee of the governing body of your buildings. The member must own a unit in your buildings, or be appointed by the owner of the unit in your buildings to represent that owner. This does not include any member of the committee of the governing body of your buildings who is an authorised strata manager, director, partner, representative or employee of a strata management company with whom you, or the owner of a unit in your buildings, have entered into any management agreement.

The most we will pay is the amount shown on your schedule.

### When we will not pay under Section 3

We will not pay:

- If the loss occurs before this insurance started, or after this insurance finished.
- If a further loss occurs after the first loss has been discovered.
- Any costs incurred following a loss.
- See also 'General exclusions' on page 41.

### How a loss is reduced

To the extent allowed by law, you are required to retain any money or assets that belong to the member who was fraudulent or dishonest. We will use this money and the proceeds of the sale of assets to reduce the amount of the loss.

# Section 4

## Office Bearers' Liability

This section only applies when the schedule shows that you have requested cover for Office Bearers' Liability.

### Words that have a special meaning

In this section, there are additional words that have a special meaning. These words are listed below.

#### **First notification**

In this section, first notification means any writ, summons, legal proceeding or written or verbal demand, served on, or made to you, or a member or a former member of the committee of the governing body, or a duly appointed member of a sub-committee of your buildings, and alleging any act or omission that is covered by this section.

#### **Former member**

In this section, a former member means a person who was a member of the committee of the governing body, or a duly appointed member of the sub-committee of your buildings, during the period of insurance immediately prior to the current period of insurance.

### When we will pay

We will pay the amount that a person, who is a member or a former member of the committee of the governing body or a duly appointed member of a sub-committee of your buildings, is liable to pay, as a result of that person actually or allegedly:

- Incorrectly acting.
- Making an incorrect or misleading statement.
- Failing to comply with that person's duty.
- Failing to act as required.
- Not carrying out that person's duty properly.

The most we will pay including legal costs is the amount shown on your schedule.

We will only pay this amount if:

- The member owns a unit in your buildings, or is appointed by the owner of a unit in your buildings to represent the owner. If a member is a former member, that former member must have owned a unit in your buildings or have been appointed by the owner of a unit in your buildings to represent that owner, at the time the event giving rise to the claim occurred.

This does not include:

- Any member or duly appointed member of a sub-committee of the governing body of buildings, who is an authorised strata manager, director, partner, representative or employee of a strata management company with whom you, or the owner of a unit in your buildings, have entered into any management agreement.
- Any former member or former duly appointed member of the sub-committee of the governing body of your buildings, who was an authorised strata manager, director, partner, representative or employee of a strata management company with whom you, or the owner of a unit in your buildings, had entered into any management agreement.
- The event giving rise to the claim occurs within the current period of insurance. This only applies if first notification of a claim against you, a member or a former member of the committee or a duly appointed member of a sub-committee of the governing body of your buildings, is reported to us in the current period of insurance.
- The event giving rise to the claim occurs within the current period of insurance immediately prior to the current period of insurance, and first notification of a claim is reported to us in the current period of insurance. We will only pay when the event giving rise to the claim occurs in the immediate prior period of insurance, if:
  - that insurance had the same amount of cover as the current insurance, and
  - that insurance had the same terms and conditions as the current insurance, and
  - there was no time period between the end of the prior period of insurance and the start of the current insurance.

- The event giving rise to the claim occurs:
  - when the person is a member of the committee of the governing body or duly appointed member of a sub-committee of your buildings; and
  - as a result of the person's activities as a member of the governing body or duly appointed member of a sub-committee of your buildings.
- The claim is made against you or a member or a former member of the committee of the governing body of your buildings in an Australian Court of Law.

## When we will not pay under Section 4

We will not pay claims arising from:

- Penalties, fines or awards of aggravated, exemplary or punitive damages made against you or a member or a former member of the committee of the governing body of your buildings.
- A member or a former member gaining a personal profit or advantage to which that member or former member was not entitled.
- A member or former member gaining a personal profit or advantage to which that member or former member is accountable to you, or to any other member.
- Money or gratuity given to a member or a former member which was not approved by you, or your approval is required, or approval is required by law.
- A member or a former member acting dishonestly or fraudulently, or in a criminal, wilful or malicious way.
- Any injury, illness or death of any person, or damage or loss to any property. This does not include injury, illness or death of any person, or damage or loss to any property for which you are liable and for which you are not insured due to a member or former member of the committee of the governing body, or a duly appointed member of a sub-committee of your buildings, failing to obtain public liability insurance for you.
- Any circumstance or event when a member or a former member is entitled to be reimbursed by the governing body or duly appointed member of a sub-committee of your buildings.
- Any circumstance or event when a member or former member is entitled to claim under another policy that ended before this policy started.



- i. The rendering or failure to render professional services and/or professional advice; or
  - ii. A breach or alleged breach of any contract for the provision of professional services and/or professional advice.
- Claims bought by or on behalf of any member or former member of the committee or their estates, heirs, representatives, successors or assigns.
- Any circumstance or event when a member or former member acted outside the authority held by that member.
- A conflict of duty, or a conflict of interest, of a member or former member.
- Pollution or contamination.
- Any agreement or contract a member or former member of the committee of the governing body or a duly appointed member of a sub-committee of your buildings, enters into. If you or the member or former member would have been liable without the agreement or contract, we will pay for your liability or that of the member or former member.
- A failure to provide us first notification of a claim made against you, or a member, or a former member of the committee of the governing body or a duly appointed member of a sub-committee of your buildings, in the current period of insurance.
- See also 'General exclusions' on page 41.

## **What you must do**

You must advise us in writing of:

- Any claim made against you.
- Receipt of any notice from any person who intends to make a claim against you.
- Any circumstance or event which may result in a claim being made against you.

## **What you must not do**

You must not:

- Make any promise to pay or offer payment, or admit responsibility for a claim.
- Incur any cost or expenses for a claim, unless we agree to them, prior to them being incurred.

## **Additional benefits we will pay for**

Where we have not agreed to pay a claim, we may:

- decide not to manage the settlement of a claim, and then we may, at our option, pay the costs of defending the claim as they are incurred; or
- decide to manage the settlement of a claim, and then we will pay the costs of defending the claim as they are incurred.

We decide which one we will do.

If a claim is denied, or a claim is withdrawn, we will stop paying the costs of defending the claim. If we do this, we reserve the right to recover from the member(s) any payments previously made by us to defend the claim to the extent that the member(s) were not rightfully entitled to the previously paid payments.

# Section 5

## Personal Accident

This section of the policy only applies when the schedule shows that you have requested cover for Personal Accident.

### When we will pay

- If any person who is engaged in unpaid work for you is injured in an accident while that person is performing those duties, we will pay that person the benefits shown below. If that person dies, we will pay that person's executors or administrators of the estate.

We will only pay when the unpaid work is performed for you.

- The benefits shown below are for one unit of cover. Your schedule will show the number of units of cover you have selected. The most we will pay is the amount shown on your schedule.
- We will only pay benefits under this section when the injury or death results from an accident during the current period of insurance.

<b>Benefit 1</b>	Death.	\$10,000
<b>Benefit 2</b>	Permanent loss of all sight in both eyes.	\$10,000
<b>Benefit 3</b>	Total loss of use of: <ul style="list-style-type: none"><li>• both hands, or</li><li>• both feet, or</li><li>• one hand and one foot.</li></ul>	\$10,000
<b>Benefit 4</b>	Total loss of use of one hand or one foot, and permanent loss of all sight in one eye.	\$10,000
<b>Benefit 5</b>	Permanent loss of all sight in one eye.	\$5,000
<b>Benefit 6</b>	Total loss of use of one hand or one foot.	\$5,000
<b>Benefit 7</b>	An injury that prevents the person from carrying out all of the usual duties of their usual occupation.	\$100 per week
<b>Benefit 8</b>	An injury that prevents the person from carrying out some of the usual duties of their usual occupation.	\$25 per week

- We will only pay one benefit for any injury, except as described below:
  - Where a payment for benefit 1,2,3 or 4 for an injury is made, it will be reduced by any payment made for benefit 5 or 6 for the same injury.
  - Where a payment for benefit 1,2,3,4,5 or 6 for an injury is made, it will be reduced by any payment made for benefit 7 or 8 for the same injury.

## **When we will not pay under Section 5**

We will not pay any claims:

- If the injured person does not obtain medical advice from a medical practitioner as soon as possible after the injury occurs.
- For benefit 7 or benefit 8, if the injured person is not in paid employment at the time of the injury.
- For benefit 7 or benefit 8, for more than 104 weeks for the same injury.
- To an injured person when that person has already been paid for benefits 2,3,4,5 or 6.
- For any deliberately self-inflicted injury.
- For any pre-existing injury, physical or mental disability.
- Which result from the person being under the influence of alcohol or a drug. This does not apply to a drug taken or given with the advice of a registered medical practitioner.
- Which result from the person being addicted to alcohol or drugs.
- See also 'General exclusions' on page 41.

## **Additional benefits we will pay for**

We will pay the following after a person is injured:

- Reasonable expenses that the injured person incurs in travelling to obtain medical treatment.
- Reasonable expenses that the injured person incurs in obtaining domestic help.
- Any other reasonable expenses that the injured person incurs that are not recoverable from any other sources.

The most we will pay for all these expenses is \$2,000 per injury.

## **How to make a claim**

- You must tell us in writing as soon as reasonably possible after the occurrence of an injury that may result in a claim.
- You or the injured person must pay the cost, if any, of certificates, reports or other evidence that we may require. We will only accept an initial certificate of incapacity from a registered medical practitioner. We will accept further certificates for ongoing incapacity from a registered medical practitioner or from a registered physiotherapist, registered chiropractor or registered osteopath, if the certification is appropriate to the injured person's injury.

## **What an injured person is required to do for us**

- We may request the injured person to have a medical examination. We will pay for this examination.
- We may request a post-mortem examination in the event of death. We will pay for this examination.

# Section 6

## Workers' compensation

This section of the policy only applies when your schedule shows that you have requested cover for workers' compensation for persons employed in connection with owning, operating and managing your buildings.

Some circumstances make workers' compensation insurance compulsory if you have employees. If you are unsure, check with your local Workers' Compensation Authority.

We will pay the amount you are liable to pay if a person you employ is injured while working for you. We will only pay if the person is doing work for you in respect of owning, operating and managing the buildings insured under Section 1. We will not pay if the person is working for you in your business, profession, trade or occupation.

The amount we will pay is subject to the relevant workers' compensation legislation in your state or territory.

Please refer to page 11 under 'Who is the insurer'.

# What Sections 1 To 5 Of The Policy Do Not Cover

## General exclusions

We will not pay claims arising from:

- War or warlike activity. War does not have to be declared. We do not provide cover for theft following this.
- Hostilities, rebellion, insurrection or revolution. We do not provide cover for theft following these events.
- An act of terrorism which results in contamination by chemical and/or biological agents. Terrorism is any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.
- Lawful destruction or confiscation of your property.
- Anything nuclear or radioactive.
- Anything that you or anyone acting for you deliberately causes.
- Any event that does not occur within the period of insurance.
- Failure or inability of any item, equipment or computer software to recognise correctly, to interpret correctly or to process correctly any date, or to function correctly beyond any time when that item, equipment or computer software has not recognised, interpreted or processed correctly any date. We will pay for any resultant loss or damage that is covered by this policy, other than resultant loss or damage to any computer equipment or computer software.
- The failure or inability to receive, send, access or use electronic data and/or software, and/or the internet. We will pay for any resultant loss or damage that is covered by this policy, other than resultant loss or damage to any electronic data and/or software.

## Important information

This applies to all sections of the policy.

### **You cannot give your rights away**

You cannot give anyone else an interest in this policy without our written consent.

### **What you are required to do for us**

- You must pay us the premium for this insurance.
- You must tell us as soon as reasonably possible of anything that changes the facts or circumstances relating to your insurance.
- You must take reasonable precautions to prevent anything which could result in a claim under this policy.
- You must take reasonable steps to ensure that you or anyone acting on your behalf obeys all relevant laws.
- You must comply with the conditions of this policy.

### **Cancelling your policy before the due date**

You can cancel this policy at any time. To do this you must ask us in writing. The policy will end when we receive your request.

We can cancel this policy if you do any of the following:

- Make a misleading statement to us when you apply for your insurance.
- Fail to tell us anything you should tell us when you apply for this policy, renew this policy and when you change or reinstate this policy.
- Fail to comply with the conditions of this policy.
- Fail to pay the premium by the due date specified on your schedule for this insurance.
- Are not fair and open in your dealings with us.
- Make a claim during the period of this policy that is fraudulent. The claim does not have to be under this policy and can be with us or another insurance company.

We may also cancel this policy if you fail to notify us of a change in the circumstances of the risk during the period of insurance.



If we cancel this policy, we will advise you in writing. To do this, a notice will be delivered to you or posted to you.

## **Return of premium if your policy is cancelled before the due date**

If your policy is cancelled before the due date:

- We will keep the premium that applies to the period that the policy was in force.
- We will return to you the premium that applies to the period from the date the policy ended to the due date of the policy, less any non-refundable duties.

## **How the Goods and Services Tax affects your claim**

Where we make a payment under this policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is actually made.

Where we make a payment under this policy as compensation instead of payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

## **The law that applies to this policy**

Any disputes arising from this policy will be determined by the courts, and in accordance with the laws, of the state or territory of Australia where this policy is issued.

## **State legislation governing strata plan, company title property or any similar scheme**

Where any part of this policy is contrary to any act or regulation governing strata plan, company title property or any similar scheme, the requirements of that act or regulation will apply.

# How to make a claim

This applies to all sections of the policy.

## Who to contact in the event of a claim

Please contact your nearest CGU Insurance office when something happens that you believe you can claim for.

## What you must do when you make a claim

You must make your claim as soon as reasonably possible after you suffer a loss. If you do not make it as soon as reasonably possible, we may reduce what we pay you by an amount to take account of any disadvantage we suffer by the delay.

You must also:

- Take all reasonable steps to stop any further loss from occurring.
- Advise the nearest police station if your property is lost or stolen, vandalised or maliciously damaged. We may ask you to give us a written report from the police.
- Keep the property that has been damaged so we can inspect it at a reasonable time and place we choose.
- Tell us about any prosecution or inquest that may be held.
- As soon as reasonably possible, send us any document relating to your claim.

## What you must not do when you make a claim

You must not do any of the following:

- Repair or replace any damaged property without our consent.
- Pay, promise to pay or offer payment, or admit responsibility for a claim.

## You give us your rights to claim from anyone else

If you have the right to claim against someone else for a claim you made under this policy, you give us your rights to make that claim. You also give us your rights to conduct, defend or settle any legal action and to act in your name.

You must not do anything that prevents us from doing this and you must give us all the information and cooperation that we require.

We will only request information or cooperation that is relevant to our entitlement to make a claim against anyone else, or conduct, defend or settle any legal action, and we will tell you why it is needed.

# Claims examples

These claim payment examples show you how a claim settlement is calculated. These examples do not form part of the policy. Any actual claim settlement amount will depend upon the facts of each case and the policy cover including any excess. For the purposes of the scenarios the claim is within the cover of the policy and there has been compliance with all claims procedures.

## Claims example 1

### Section 1 – Buildings, common contents and common property

- Damage occurs to your buildings resulting from storm.
- The sum insured on your schedule for buildings is \$10,000,000.
- We accept your claim of \$10,000 for damage to your buildings and \$1,000 for loss of rent.
- The excess is \$250 and you are GST registered (with a 100% input tax credit).

We settle your claim as follows:

Amount paid by Us to You	\$10,000
Less GST ITC	\$909.09
Less policy excess	\$250.00
Buildings Settlement amount	\$8,840.91
Plus loss of rent	\$1,000.00
<b>Total settlement amount</b>	<b>\$9,840.91</b>

We will automatically reinstate the sum insured and additional benefit for section 1.

# Claims example 2

## Section 1 – Buildings, common contents and common property

- There is a total loss of your buildings and your common contents from damage resulting from fire.
- The sum insured on your schedule for buildings and common contents is \$10,000,000.
- We accept your claim for \$10,000,000 for damage to your buildings and your common contents and \$1,500,000 for loss of rent.
- Repairs are arranged by us directly with the builder and we will be paying the builder direct.
- The excess is \$500 and you are GST registered (with a 100% input tax credit).

We settle your claim as follows:

<b>Total loss of your buildings and your common contents</b>	<b>\$10,000,000</b>
Amount paid by us to builder (including GST)	\$10,000,000
Loss of rent claim	\$1,500,000
Less policy excess	\$500
Amount paid to you for loss of rent	\$1,499,500
<b>Total settlement amount</b>	<b>\$11,499,500</b>

The sum insured for your buildings and your common contents is not reinstated as there is a total loss. Cover for your buildings, your common contents and your common property ends as it is a total loss.

## Claims example 3

### Section 5 – Personal Accident

- A person who is engaged in unpaid work for you is injured in an accident resulting in permanent loss of all sight in both eyes during the period of insurance.
- We accept your claim for \$10,000 being the benefit under the policy.
- There is no excess payable.
- You are not GST registered.

We settle your claim as follows:

<b>Claimable benefit</b>	<b>\$10,000</b>
Less GST	\$0
Less policy excess	\$0
<b>Total settlement amount</b>	<b>\$10,000</b>

## Claims example 4

### Section 5 – Personal Accident

- A person who is engaged in unpaid work for you is injured preventing them from carrying out all of the usual duties of their occupation for 52 weeks.
- That person's current weekly average earnings are \$2,000.
- We accept your claim for \$100 per week being the benefit under policy payable for 52 weeks.
- We pay \$100 per week as the benefit under the policy as it is not more than that person's average weekly earnings.
- There is no excess and you are not GST registered.
- In addition, that person claims for travel expenses which he incurred in obtaining medical treatment in the actual amount incurred of \$100.00. We accept your claim as it is within the limit for this additional benefit of \$2,000.

We settle your claim as follows:

<b>Claimable benefit - 52 weeks @\$100 per week</b>		<b>\$5,200</b>
Less GST		\$0
Less policy excess		\$0
Plus travel expenses		\$100
<b>Total settlement amount</b>		<b>\$5,300</b>

If you have any questions, or would like another copy of the PDS, please contact your insurance advisor or call us on the contact telephone number on your schedule.

## Our service commitment

CGU Insurance is proud of its service standards and supports the General Insurance Code of Practice. In an unlikely event that you are not satisfied with the way in which we have dealt with you, as part of our commitment to customer service, we have an internal dispute resolution process in place to deal with any complaint you may have.

If you are not satisfied with any of the following, please contact your nearest CGU Insurance office.

- One of our products.
- Our service.
- The service of our authorised representatives, loss adjusters or investigators.
- Our decision on your claim.

Our staff will help you in any way they can. If they are unable to satisfy you, they will refer the matter to the appropriate manager who will immediately deal with the matter. If the manager cannot resolve the matter, the manager will escalate the matter to our internal dispute resolution staff.

Our internal dispute resolution staff will review the matter and will try to reach a satisfactory outcome. Once their review has been completed, they will advise you of our final decision within 15 working days. If they need longer, they will contact you and explain the reasons why. Our internal dispute resolution process is a free service to you.

If you do not agree with our final decision, the matter may be reviewed through the Australian Financial Complaints Authority (AFCA). The scheme is administered by the Australian Financial Complaints Authority (AFCA).

The scheme is an external body that is independent of this Company. It will investigate the matter and make its decision at no cost to you.

Brochures outlining our internal dispute resolution process are available from your nearest CGU Insurance office.

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# Notes

# Notes

# Notes



# CONTACT DETAILS

**ENQUIRIES** 13 24 81  
**CLAIMS** 13 24 80

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Preparation date 26/03/2021



Insurer  
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trading as CGU Insurance



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