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EFFECTIVE DATE : 1 JULY 2025

Product Disclosure Statement & Policy Wording

ARX ANCILLARY PROTECT – STRATA INSURANCE
ARX Ancillary Protect_ANC_002

ARX
PLACEMENT SOLUTIONS

TABLE OF CONTENTS

Product Disclosure Statement.....	4
Policy Wording	4
PART A - PRODUCT DISCLOSURE STATEMENT	4
About ARX.....	4
Contact details for ARX are:	4
About the Insurer(s)	5
ARX's role	5
Duty of disclosure	5
If You Do Not Tell the insurer Something	5
the insurers' Agreement with You	5
Significant Features and Benefits	6
Adequate Sums Insured.....	6
Calculating Your Premium.....	7
Deductible.....	7
Cooling-Off Period	7
How to make a claim	7
Subrogation rights.....	7
Tax Implications	7
General Insurance Code of Practice	8
Complaints and Disputes	8
Financial Claims Scheme.....	8
Privacy.....	8
Collection from and disclosure to others.....	9
Disclosure overseas.....	9
Consequences if information is not provided.....	9
Privacy Policy.....	9
PART B - POLICY WORDING	10
GENERAL PROVISIONS	10
1. General definitions relating to all sections which apply to all sections of your policy	10
2. General exclusions which apply to all sections of your policy	12
3. General conditions which apply to all sections of your policy	13
4. General claims procedures relating to all sections	16
SECTION 1 LIABILITY.....	18
5. Definitions which apply to Section 1	18
6. What You are covered for.....	18
7. Additional Benefits	18
8. Extensions of Cover	19
9. Exclusions	20

SECTION 2 — FIDELITY GUARANTEE	21
10. Definitions Which Apply to Section 2	21
11. What You are covered for	21
12. Exclusions	22
SECTION 3 — OFFICE BEARERS' LIABILITY	22
13. Definitions.....	22
14. What You are covered for.....	23
15. EXTENSIONS OF COVER.....	23
16. Additional benefits	23
17. Exclusions	24
SECTION 4 — VOLUNTARY WORKERS	25
18. Definitions.....	25
19. What You are covered for.....	25
20. Additional Benefits	26
21. Exclusions	26
22. Conditions	26
SECTION 5 — GOVERNMENT AUDIT COSTS.....	27
23. Definitions.....	27
24. What You are covered for.....	27
25. Exclusions	27
26. Conditions	28
27. Claims procedures	28
SECTION 6 — LEGAL EXPENSES	29
28. Definitions.....	29
29. What You are covered for.....	29
30. Extensions of cover	29
31. Exclusions	30
SECTION 7 — WORKPLACE, HEALTH & SAFETY BREACHES	30
32. Definitions.....	30
33. What You are covered for.....	30
34. Extensions of cover	31
35. Exclusions	31

INTRODUCTION

This booklet contains two parts:

- > Part A Product Disclosure Statement; and
- > Part B Policy Wording.

Where words or expressions used in the PDS or Policy Wording (Part B) have a special meaning, we have used the same terms in both sections of this document. These defined terms begin with a capital letter and their special meaning is explained in the section of the Policy Wording under the heading “Definitions which Apply to All Sections of Your Policy”.

PRODUCT DISCLOSURE STATEMENT

The PDS has been prepared to help You to understand the key features of the insurance so You can make an informed choice about whether to purchase this Policy. It describes the main features and benefits of ARX Ancillary Protect. You should read this document and the Policy Wording carefully before deciding to buy this insurance.

The PDS does not form part of the insurance contract between You and the Insurer(s). The insurance contract includes the Policy Wording in Part B and the Schedule we issue to You after You purchase the insurance.

POLICY WORDING

The Policy Wording contains the terms and conditions of the insurance cover offered as well as information about Your rights and obligations under the Policy. When Your insurance is issued, You will also receive a Schedule which describes what each Insurer has agreed to cover and other important information relating to Your information, including any applicable deductible, limits and sub-limits.

PART A - PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement (PDS) was prepared by ARX Placement Solutions Pty Ltd on 1 July 2025. The Insurers have authorised the content and distribution of this PDS. You should review the content of this document carefully so You

understand the coverage provided by ARX Ancillary Protect before You decide to buy it.

If You purchase this product, Your Policy comprises of the Policy Wording contained in this document and the Schedule issued to You which shows details particular to You and Your coverage. Your Policy is subject to definitions, terms, conditions and limitations set out in the Policy Wording.

The PDS contains important information about the features of the insurance, including costs, significant benefits, exclusions, conditions and other information, including your duty to take reasonable care not to make a misrepresentation, how to make a claim and Your cooling-off rights.

While the PDS provides a summary of the significant benefits and features of the insurance, You should also read the Policy Wording to understand what You are and are not covered for. Exclusions should be read carefully as they will tell You what is not covered by the Policy. You can also review the Target Market Determination (**TMD**) for this product if You want to understand whether it is suited to Your needs and whether You are part of the target market for this product. The TMD is available at www.arxib.com.au.

The information in this document is current at the date it was prepared. The information in the PDS may be updated from time to time without needing to notify You. A copy of any updated information can be obtained by calling ARX on (02) 9360 2244. A supplementary or new PDS will be issued to You, if it is necessary.

ABOUT ARX

ARX Placement Solutions Pty Ltd ABN 68 656 648 538 (Australian Financial Services Licence No. 566 306) (**ARX**) is a wholesale insurance specialist to advise and deal in strata insurance products.

ARX acts as a wholesale insurance broker when arranging the Policy. In doing so, ARX will be acting on Your behalf.

CONTACT DETAILS FOR ARX ARE:

Address	Level 16.02, 227 Elizabeth Street, Sydney NSW 2000
Tel	(02) 8823 4490
Email	admin@arxib.com.au

ABOUT THE INSURER(S)

Sections 1, 2, 3, 5, 6 and 7 of the policy are underwritten by Mitsui Sumitomo Insurance Company, Limited ABN 49 000 525 637 (Australian Financial Services Licence No. 240816) (**MSI**).

MSI is authorised to carry on insurance business in Australia under the *Insurance Act 1973* (Cth) (**Insurance Act**) and is an Australia Prudential Regulation Authority (**APRA**) regulated insurer. Their contact details are:

Address Level 26, 135 King Street
Sydney NSW 2000
Tel +61 2 9222 7600
Email msiaus@ms-ins.com.au

Section 4 of the policy is underwritten by Allied World Assurance Company, Ltd (Australia Branch) ABN 54 163 304 907 (**AWAC**) (Australian Financial Services Licence No. 548668).

AWAC is authorised to carry on insurance business in Australia under the Insurance Act and is an APRA regulated insurer. Their contact details are:

Address Level 21, 264 George Street
Australia Square, Sydney NSW 2000
Tel +61 2 8015 2500
Email auscompliance@awac.com

ARX'S ROLE

ARX promotes and markets this insurance and arranges and administers this Policy.

ARX will provide quotations for the insurance and liaise with the Insurers in relation to the acceptance of Your application for insurance. ARX issues the insurance documentation including Your Policy wording and Policy Schedule (and any endorsements required by the Insurers).

ARX will also offer renewal of the Insurance, subject to the Insurers' directions.

Any matters or enquiries You may have about the Insurance should be directed to ARX by contacting them at the contact details shown above.

DUTY OF DISCLOSURE

Before You enter into an insurance contract, You have a duty to tell the Insurers anything that You know, or could reasonably be expected to know, may affect their decision to insure You and on what terms. You have this duty until the Insurers agree to insure You.

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

You do not need to tell the Insurer anything that:

- > reduces the risk; or
- > is common knowledge; or
- > the Insurer knows or should know as an insurer; or
- > the Insurer waives Your duty to tell them about.

IF YOU DO NOT TELL THE INSURER SOMETHING

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

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

THE INSURERS' AGREEMENT WITH YOU

Subject to Your payment of or agreement to pay the premium set out in Your Schedule (including any additional premium for the inclusion of available additional benefits), the relevant Insurer agrees to provide the insurance on the terms and conditions set out in this Policy, which includes Your Schedule and any endorsement issued in relation to the insurance. You should read each of these documents carefully for full details of the terms.

MSI will cover You for covered loss or damage under Sections 1, 2, 3, 5, 6 and 7 of the Policy (where You selected those covers as shown in Your Schedule).

AWAC will cover You for covered loss or damage under Section 4 (where You selected this cover as shown in Your Schedule).

Each Insurer is liable under the Policy only for claims made under the Section(s) they have agreed to underwrite. The Insurers are not acting as co-insurers.

If You make a claim, the Insurer will not pay more than the Sums Insured shown in Your Schedule or Section unless they have stated that there is an additional benefit applying to a particular Section.

SIGNIFICANT FEATURES AND BENEFITS

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

In each Section described below, there may be additional benefits available to You, some of which are automatic while others are optional upon payment of an additional premium. Some of the Sections are subject to specific exclusions.

SECTION 1 - LIABILITY

MSI will pay for all sums which You become legally liable to pay as compensation in respect of Personal Injury or Property Damage resulting from an Occurrence happening in connection with Your Business that happens during the Period of Insurance. MSI will also pay the costs of defending a claim in connection with a claim under this Policy subject to the limits set out in Section 1 of the Policy Wording. The most MSI will pay, for any Occurrence, is the Sum Insured shown on Your Schedule for this Section.

SECTION 2 - FIDELITY

MSI will indemnify You for any loss that You incur as a result of fraudulent Misappropriation of Your Funds.

MSI will only pay if the fraudulent Misappropriation results in loss that occurs during the Period of Insurance in Australia.

SECTION 3 - OFFICE BEARERS LIABILITY

MSI will indemnify You for loss arising from a Wrongful Act which results in a Claim made against You (as that term is defined in Section 3) during the current Period of Insurance and is notified to MSI within the current Period of Insurance.

The amount payable will be up to the Sum Insured shown in Your Schedule during the Period of Insurance.

SECTION 4 - VOLUNTARY WORKERS

If a Voluntary Worker sustains Injury resulting in an event set out in the table of benefits in Section 4 of the Policy Wording, AWAC will pay to the Voluntary Worker or to their estate, the benefit shown next to that event.

AWAC will pay when the Injury is sustained during the Period of Insurance when the Voluntary Worker is engaged in voluntary work on behalf of the Insured named in the Schedule in Australia, and the Injury results in any of the events in the table of benefits occurring within 12 consecutive months from the date of Injury.

SECTION 5 - GOVERNMENT AUDIT COSTS

MSI insures You on a Claims made basis for Section 5 which means MSI will respond to Claims first made against You during the Period of Insurance and notified to MSI during that Period of Insurance.

MSI will pay You for the reasonable and necessary Audit Costs You incur up to the completion of an Audit first notified to You or a person acting on Your behalf during the Period of Insurance subject to the conditions set out in the Policy Wording.

You must receive MSI's Written Consent before MSI agrees to indemnify You.

SECTION 6 - LEGAL EXPENSES

MSI insures You on a Claims made basis for Section 6 which means MSI will respond to Claims first made against You during the Period of Insurance and notified to MSI during that Period of Insurance.

MSI will pay Legal Expenses You incur in defence of a Claim subject to the conditions set out in the Policy Wording.

You must receive MSI's Written Consent before MSI agrees to indemnify You.

SECTION 7 - WORKPLACE HEALTH AND SAFETY BREACHES

MSI insures You on a Claims made basis for Section 7 which means MSI will respond to Claims first made against You during the Period of Insurance and notified to MSI during that Period of Insurance.

MSI will pay Legal Expenses in relation to a Workplace Proceeding which occurred during the Period of Insurance subject to the conditions set out in the Policy Wording.

You must receive MSI's Written Consent before MSI agrees to indemnify You.

ADEQUATE SUMS INSURED

It is Your responsibility to ensure the Sums Insured are appropriate for You and are likely to adequately cover loss You may suffer. You should review these amounts both during the currency of the Policy and prior to renewal each year. If You do not adequately insure Yourself, You may have to bear the uninsured proportion of any loss Yourself.

Seek professional valuation advice where necessary and contact ARX if You need to revise Your level of cover.

CALCULATING YOUR PREMIUM

Insurers take a number of factors into account when calculating Your premium. The annual premium payable by You will be shown in Your Schedule. Premiums are subject to applicable statutory taxes and charges.

There are a number of significant factors which impact generally when an insurer calculates Your premium. These can include:

- > The Sums Insured under each chosen Section;
- > The location of the subject Insured Property; and
- > The Building's size (lots), age, construction type, amenities and previous claims.

DEDUCTIBLE

The Deductible is the amount You must contribute towards the cost of any claim You make. If the relevant Insurer agrees to pay Your claim, the Deductible will be deducted from the amount of the claim that is paid to You, or You may be asked to pay the Deductible to a supplier, repairer or to the Insurer.

The amount of each applicable Deductible in relation to each Policy Section is shown in the Policy or Your Schedule.

COOLING-OFF PERIOD

If this Policy does not meet Your requirements or You change Your mind about the Policy, You can cancel it within 20 days from the date the Policy commenced by contacting ARX at the contact details shown above.

If You cancel the Policy during the cooling off period, we will refund the full amount of Your premium less any taxes or duties payable on Your behalf that we are unable to have refunded to us. The Policy will be terminated from the date You notify us of Your request to cancel the Policy, unless we agree otherwise with You.

HOW TO MAKE A CLAIM

If an event has occurred which You believe has, or is likely to, give rise to a claim under the Policy, You must notify ARX as soon as possible after the Damage, loss or claim, preferably within 30 calendar days, using the contact details set out in this PDS or Your insurance broker who arrange this Policy for You. ARX will arrange for Your claim to be assessed by the relevant Insurer, depending on the Section of the Policy under which the claim is made.

Be mindful that an Insurer's liability to pay a claim under this Policy is subject to compliance with the procedures set out under the heading General Definitions, General Exclusions,

General Conditions and General Claims procedures of the Policy. You should familiarise Yourself with those sections in order to avoid unexpected complications with a claim.

While Your claim is being processed, You must not do any of the following things, without the relevant Insurer's prior written consent:

- > Authorise any repairs;
- > Settle or attempt to settle or defend a claim;
- > Admit liability for any loss or legal liability; or
- > Incur any legal expenses.

SUBROGATION RIGHTS

If You have a right to claim against a third party for a claim You made under this Policy, You give the relevant Insurer Your rights to make that claim. You also give them Your rights to conduct, defend or settle any legal action, which the relevant Insurer would do at their expense, and to act in Your name. This transfer of rights from You to the Insurer is known as subrogation.

You must not do anything which prevents the Insurer from enforcing these rights and to assist them in this regard, You must provide the Insurer all the information and cooperation that the Insurer reasonably requires.

In the event of a successful action against such a third party, the Insurer will be entitled to retain an amount from the sum recovered as would equal the original sum paid by them to You plus their costs of pursuing the claim. Should any money be recovered in excess of this, it will be paid to You.

TAX IMPLICATIONS

The Policy has provisions relating to Goods and Services Tax (**GST**) under the heading "Conditions Which Apply To All Sections of Your Policy."

In summary, if You:

- > Are registered for GST; and
- > Would be entitled to an input tax credit if You were to incur the cost to which a claim under this Policy relates,

The Insurer will reduce any amount they pay under any such claim by an amount equal to Your input tax credit entitlement. This tax information is a general statement only. See Your tax adviser for information about Your specific circumstances.

GENERAL INSURANCE CODE OF PRACTICE

MSI is a member of the Insurance Council of Australia (**ICA**) and supports the General Insurance Code of Practice (**Code**), which is self-regulatory, and aims to raise the standards of practice and service in the general insurance industry.

The Code encourages general insurance companies to meet standards in:

- > Training of employees and agents;
- > Policy documentation;
- > Claims handling; and
- > Dispute resolution.

If You would like further information about the Code, please contact MSI. Alternatively, a copy of the General Insurance Code of Practice can be viewed at the ICA's website (www.ica.com.au).

Please note that AWAC is not a Code subscriber and this means that, as the insurer of Section 4 of this insurance, it is not subject to the General Insurance Code of Practice.

COMPLAINTS AND DISPUTES

INTERNAL DISPUTE RESOLUTION PROCESS

If You have concerns or wish to make a complaint about Your Policy, an Insurer's services or a claim, please contact ARX at the details included in this document and they will refer Your complaint to the Insurer. If Your complaint relates to a claim under a particular Section of this Policy, it will be handled by the relevant Insurer. If Your complaint relates to services provided by ARX, they will attempt to resolve Your concerns in accordance with their Internal Dispute Resolution (**IDR**) procedure.

When the Insurer receives Your complaint from ARX, they will promptly acknowledge to You that they have received it and aim to resolve it in accordance with their IDR procedure. During this process, the Insurer will consider all the facts and circumstances and contact You within 5 business days. If Your complaint cannot be resolved within this timeframe, they will advise You of their final decision within 15 business days of commencing the IDR process.

If they require additional information for assessment or investigation of Your complaint, they will contact You directly and agree with You on a timeframe to resolve the matter.

EXTERNAL DISPUTE RESOLUTION

If You are not satisfied with the decision or if Your complaint remains unresolved after 20 business days (or any other timeframe agreed with You), You can refer the matter to the

Australian Financial Complaints Authority (**AFCA**). AFCA is an independent body that provides a complaints resolution service – free of charge. AFCA provides advice and assistance to consumers to help them in resolving complaints relating to members of the financial services industry. Each Insurer has membership with AFCA.

You may be able to access the services of AFCA, subject to eligibility. Information about AFCA, and the types of disputes that it can consider, can be found at its website. The services of AFCA are available to customers who fall within their terms of reference. They will advise if they can be of assistance to You.

Any decision by AFCA in relation to a complaint that they review, is not binding on You unless You accept the decision, it is binding on the Insurer. If You do not accept the decision of AFCA, You have the option of seeking other remedies.

AFCA Contact Details

Email: info@afca.org.au
Freecall number: 1800 931 678
Online complaint form: <https://ocf.afca.org.au>

FINANCIAL CLAIMS SCHEME

The Insurer of this Policy are general insurers authorised to carry on insurance business in Australia and this Policy is a 'protected policy' as defined under the Insurance Act. This means that if one of the Insurers becomes insolvent, You are entitled to payment under the Financial Claims Scheme that is available under the Insurance Act. The Insurance Act is administered by **APRA** and further information about the scheme can be obtained from the APRA website at www.apra.gov.au or on the APRA hotline on 13000 13 10 60.

PRIVACY

ARX and the Insurers respect Your privacy.

PURPOSE OF COLLECTION

ARX and the Insurers collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) for the purposes of providing insurance services to You including.

- > evaluating Your application;
- > evaluating any request for a change to any insurance provided;
- > providing, administering, and managing the insurance services following acceptance of an application; and

- > investigating and, if covered, managing claims made by You.

The personal information collected can be used or disclosed by ARX and the Insurers for a secondary purpose related to those purposes listed above, but only if You would reasonably expect them to use or disclose the information for this secondary purpose. However, for sensitive information, the secondary purpose must be directly related to the purposes listed above.

COLLECTION FROM AND DISCLOSURE TO OTHERS

In connection with the purposes listed above, ARX and the Insurers may disclose Your personal information to and/or collect Your personal information from:

- > a representative acting on Your behalf;
- > the policy holder (where You are an Insured and not the policy holder);
- > their related bodies corporate;
- > their joint venture companies;
- > others with whom ARX and the Insurers have business arrangements and third parties that assist them in providing their products and services and assessing claims, including their authorised representatives and agents, intermediaries, other insurers and reinsurers, financial institutions, insurance and claims reference agencies, credit agencies, loss assessors, claims management service providers, financial and investigative service providers, legal and other professional advisers;
- > research and development service providers, including customer research organisations;
- > information technology providers, including hardware and software vendors and consultants such as programmers;
- > government, law enforcement or statutory bodies;
- > AFCA; and
- > others where required by law.

DISCLOSURE OVERSEAS

There are also instances where ARX and the Insurers may have to send Your personal information to, or collect Your

information from, entities located overseas. These instances include:

- > when they send Your personal information to related bodies corporate; when You have asked them to do so;
- > when they are authorised or required by law to do so;
- > when they have outsourced a business activity or function to an overseas service provider with whom they have a contractual arrangement; and
- > when it is necessary in order to facilitate an electronic transaction on Your behalf.

CONSEQUENCES IF INFORMATION IS NOT PROVIDED

If You do not provide ARX and the Insurers with the information required, we will be unable to consider Your application for insurance cover, administer Your Policy or manage any claim under Your Policy.

PRIVACY POLICY

The privacy policy contains information about how You can request access to any personal information that ARX and the Insurers hold about You and seek correction of any such information. It also contains information about how You can complain about their handling of Your personal information, and their complaint handling process.

- > ARX's privacy policy is available on its website at <https://arxib.com.au/privacy-policy/> or can be obtained by contacting us by telephone at +61 2 8823 4490
- > MSI's privacy policy is available at <https://www.msi-oceania.com/privacy/>
- > A copy of AWAC's Australia Personal Data Privacy Statement is available on its website at <http://www.alliedworldinsurance.com/australia> or can be obtained by contacting AWAC by telephone at +61 2 8015 2500.

PART B - POLICY WORDING

GENERAL PROVISIONS

1. GENERAL DEFINITIONS RELATING TO ALL SECTIONS WHICH APPLY TO ALL SECTIONS OF YOUR POLICY

The general definitions set out below relate to all sections of this Policy. The meaning of other words that apply to specific sections of the Policy are set out in relevant sections of the Policy and have precedence. The singular includes the plural and vice versa.

ACT OF TERRORISM

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

AIRCRAFT

means any craft or object designed to travel through air or space, other than model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.

AUTHORISED LEGAL REPRESENTATIVE

means a solicitor, assessor, personal investigator or any other person appointed to act on Your behalf approved by Us. We will not unreasonably withhold Our approval.

BUILDINGS

means Buildings as defined in any act or regulation governing strata title, community title or similar-type property in the state or territory where the buildings are located that You own or are liable for, including:

- > anything permanently built, constructed or installed on Your property;
- > blinds or awnings on the outside of the Buildings;
- > outbuildings;
- > services including roads, pipes, cables, power poles, aerials, satellite dishes;
- > swimming pools; and

- > tennis courts, marinas, wharves, docks, jetties, pontoons; that You own or are liable for and are located at the Situation.

Buildings do not include:

- > Unit Owner's Floating Floors;
- > illegal installations;
- > mobile or fixed air conditioning units servicing an individual Unit where Your Building is located in Queensland;
- > plants, lawns, trees, gravel, pebbles, rocks, stones, soil, sand, bark or mulch
- > property including removable fixtures that a tenant or lessee is liable for under the terms of a rental agreement; or
- > temporary floor coverings, carpets, carpet underlay, curtains, blinds and window coverings inside a Unit.

Where anything in this definition of "Buildings" is contrary to any act or regulation governing strata title, community title or similar type property applying where Your Building is located the requirements of Your act or regulation will apply.

COMMON AREA

means the area at Your Situation that is not part of a Unit.

COMMON CONTENTS

means the unfixed property at Your Situation that You own or are liable for, including:

- > carpets in Common Areas;
- > Computer System and electronic equipment;
- > furniture and furnishings;
- > garden equipment;
- > office equipment; and
- > portable appliances.

Common Contents do not include:

- > Aircraft, Watercraft, and their accessories;
- > plants, lawns, trees, gravel, pebbles, rocks, stones, soil, sand, bark or mulch

- > property of Unit Owners, shareholders, members, proprietors or any other person or party;
- > Vehicles registered or required to be registered or compulsorily insured or be part of a statutory scheme of compensation under any legislation in the state or territory in which they are being used;

or

- > temporary floor coverings, carpets, carpet underlay, curtains, blinds and window coverings inside a Unit.

COMMUNICABLE DISEASE

means any disease which can be transmitted by means of any substance or agent from any organism to another organism where the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

- > the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- > the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

COMPUTER SYSTEM

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

CYBER ACT

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

CYBER INCIDENT

means:

- > any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

- > any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

DAMAGE

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

DATA

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

DEDUCTIBLE

means the amount You will be required to pay towards the cost for any claim under the Policy. We will deduct the amount of the Deductible from the amount payable in respect of Your claim. Your Deductible will apply for each separate identifiable event. The amount of Your Deductible is shown on Your Schedule or in the Policy wording.

FLOATING FLOORS

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

INSURED

means the person, persons, or entities shown on the Schedule We give You.

INSURED PROPERTY

means the buildings and/or Common Contents at the Situation.

MEMBERS

means the Unit Owners, shareholders or proprietors of Your Insured Property, while acting in the performance of their duties under any act or regulation governing community title, strata title or similar-type property applying where Your Insured Property is situated, and in that capacity only. Their interest or liability as an owner and/or occupier of a lot/Unit is not included unless otherwise specifically provided by this Policy.

OFFICE BEARER

means:

- > a person or other entity appointed by Your strata community to act as an office bearer or committee member in terms of the strata schemes management act, strata titles act, community titles act or similar legislation applying where the Insured Property and Common Area is situated;
- > a Strata Manager appointed as an agent of an Office Bearer and/or committee member;
- > a person invited by an Office Bearer and/or committee member to assist in the management of Your Strata affairs.

but does not include a Strata Manager or any other contracted person, firm or company when acting in their professional capacity.

PERIOD OF INSURANCE

means the period of time during which cover is provided by the Policy as shown on the Schedule.

POLICY

means this document, Your most current Schedule, endorsements, special terms, conditions or alterations advised by Us in writing.

POLLUTION

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

SCHEDULE

means 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 Your Policy is renewed or changed.

SITUATION

means the locations set out as the situation in the Schedule.

STRATA MANAGER

means a person or other entity (appointed in writing by the Unit Owners) with delegated functions including the authority to act as an Office Bearer in terms of any act or regulation governing strata title, community title or similar type property applying where Your Insured Property is situated.

SUM INSURED

means the amount shown on Your Schedule.

UNIT

means an area marked as a unit and/or a lot on the plan of Your Insured Property.

UNIT OWNER

means the registered owner of a Unit and/or a lot.

UNIT OWNER'S FAMILY

means family who normally lives with a Unit Owner at the Unit, including a legal or de facto spouse and any member of their family who normally lives with them at the Unit.

VEHICLE

means any type of machine on wheels, skis, or on self-laid tracks, designed to be moved other than by manual or animal power and includes any trailer or attachment intended to be drawn by such machine.

It does not include wheelchairs, garden appliances, maintenance equipment or golf buggies which are not required to be registered.

WATERCRAFT

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

WE, US, OUR

means the Insurer stated in the Schedule who is providing the insurance for that Section of the Policy.

WRITTEN CONSENT

means a written authority You must obtain from Us and hold before You act or incur any expense or enter into any contract or contractual agreement.

YOU, YOUR AND YOURS

means the Insured named on the Schedule, unless otherwise noted.

2. GENERAL EXCLUSIONS WHICH APPLY TO ALL SECTIONS OF YOUR POLICY

We will not be liable for any loss, Damage, destruction, benefit, compensation, legal liability or any other loss, costs, fees, charges or expenses of whatsoever kind arising directly or indirectly from:

- 2.1. any liability arising out of death, injury, illness, loss, Damage or destruction directly or indirectly caused by, contributed by, resulting from or arising out of or in connection with any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any

other sequence to the death, injury, illness, loss or Damage, or any action in controlling, preventing, suppressing, retaliating against or responding to any Act of Terrorism.

- 2.2. any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

2.2.1. Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident; or

2.2.2. Loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any Data, including any amount pertaining to the value of such Data;

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

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

2.2.4. This exclusion supersedes any other wording in the Policy or any endorsement thereto having a bearing on a Cyber Act, Cyber Incident or Data, and, if in conflict with such wording, replaces it.

2.2.5. If We allege that by reason of this exclusion that loss sustained by You is not covered by this Policy, the burden of reasonably establishing the contrary shall be upon You.

- 2.3. any deliberate or intentional act or omission by You or by any person acting with Your express or implied consent unless for the purposes for preventing or eliminating danger to Insured Property or persons;

- 2.4. circumstances which, prior to the Period of Insurance:

2.4.1. You disclosed to, or notified to, any insurer; or

2.4.2. You were aware of, or a reasonable person in Your position ought to have been aware of; and

2.4.3. You knew, or a reasonable person in Your position ought to have known, to be

circumstances which may give rise to a claim or an occurrence.

- 2.5. anything nuclear or radioactive including but not limited to radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion;

- 2.6. lawful confiscation, nationalisation, requisition or destruction of Your property;

- 2.7. war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;

- 2.8. any actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

3. GENERAL CONDITIONS WHICH APPLY TO ALL SECTIONS OF YOUR POLICY

Our liability to pay a claim under this Policy is subject to You complying with the following conditions. When You fail to comply with one of more of these conditions, We will consider what impact or effect Your failure caused or contributed to the claim or Our decision to issue Your policy in each circumstance to determine what course of action We take in relation to Your claim.

3.1. Cancelling your policy

You can cancel this Policy at any time by writing to Us using the details noted at the front of this booklet. The Policy will end when We receive Your request unless We agree otherwise with You.

We can cancel this Policy in the circumstances permitted by law, which include if You do any of the following:

- 3.1.1. fail to comply with the duty of utmost good faith;
- 3.1.2. fail to comply with the conditions of this Policy;
- 3.1.3. fail to pay the premium for this insurance;
- 3.1.4. fail to tell Us anything You should tell Us when You apply for this Policy, renew this Policy and when You vary or reinstate this Policy;
- 3.1.5. make a claim during the period of this Policy that is fraudulent; or
- 3.1.6. make a false or misleading statement to Us when You apply for Your insurance.

We may also cancel this Policy if You fail to notify Us as soon as reasonably practicable of a change in the risk as set out in the clause “Notification of Changes in the Risk” during the Period of Insurance if the change materially increases the risk We have agreed to cover under Your Policy.

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 using the last known address We have for You on file. We have a right of indemnity against a Unit Owner who breaches a condition of the Policy.

3.2. Refund of premium if Your Policy is cancelled

If Your Policy is cancelled (other than by exercising Your cooling-off rights) before the due date, We will refund the unearned premium on a pro rata basis.

Your cooling-off rights are described in the PDS in Part A of this booklet under the heading “Cooling-Off Period”.

3.3. Reinstatement of Sum Insured

Unless otherwise specified, We will automatically reinstate the Sum Insured and/or additional benefits for a section to the amount shown in this Policy and as shown on Your Schedule following a claim.

This does not apply:

- 3.3.1. to the following Sections:
 - 3.3.1.1. Section 3 – Office Bearers’ Liability,
 - 3.3.1.2. Section 5 – Government Audit Costs, and

- 3.3.1.3. Section 6 – Legal Expenses; or
- 3.3.2. when Your claim is for a total loss; or
- 3.3.3. We have paid the total Sum Insured as Your Policy will end then.

3.4. Cross Liability

This clause applies to all sections of the Policy, except for “Section 3 – Office Bearers’ Liability” of the Policy. Where more than one party is named in the Schedule as an Insured, We will treat each party as a separate and distinct party.

The words You, Your and Yours will apply to each party in the same manner as if a separate Policy has been issued to each party, however, Our liability for any Sum Insured or Policy limit is not increased thereby.

3.5. Severability

Any act, breach or non-compliance with the terms and conditions of this Policy committed by any party named in the Schedule as an Insured, will not prejudice the rights of the remaining party named in the Schedule, provided that the remaining party shall, within a reasonable time after becoming aware of any act, breach or non-compliance whereby the risk of Damage, loss or liability has increased, give notice in writing to Us of the act, breach or non-compliance.

3.6. Reasonable precautions

You must take all reasonable care to:

- 3.6.1. maintain Your Insured Property and other property insured under this Policy in a good state of repair to prevent anything which could result in a claim under this Policy; and
- 3.6.2. prevent Damage to other people’s property or personal injury to other people and comply (and use reasonable endeavours to ensure that Your employees, servants and agents comply) with all relevant statutory obligations and bylaws or regulations imposed for the safety of property or persons.

3.7. Notification of changes in the risk

You must advise Us through Your insurance broker in writing as soon as reasonably possible of:

- 3.7.1. all material changes in occupation or circumstances relating to Your Insured Property and other property insured under this Policy which a reasonable person would expect to materially impact Our assessment of the risk to the Insured Property;
- 3.7.2. any change in information or details You have given Us in relation to Your Insured Property and other property insured under this Policy or You; and
- 3.7.3. any change that materially increases the risk of Damage or personal injury at Your Insured Property or by other property insured under this Policy.

If You do not provide such notification before the happening of an occurrence giving rise to a claim under this Policy then, subject to the *Insurance Contracts Act 1984* (Cth), We may refuse to pay a claim, either in whole or in part.

3.8. Sprinkler Installations

It is a condition of this Policy that, in regard to any property, being property insured in which an automatic sprinkler system is installed and which is owned by You, or where You are responsible for the operation or maintenance of the automatic sprinkler system, You shall use reasonable endeavours to:

- 3.8.1. ensure that the property is protected as required by law by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station or other legally approved monitoring organisation;
- 3.8.2. exercise due diligence to ensure that any system and alarm signal are at all times maintained in good working order;
- 3.8.3. ensure that such system will be regularly maintained in accordance with Australian Standard AS1851 (Part 3); and
- 3.8.4. notify Us through Your insurance broker, in writing and as soon as reasonably practicable,

of any alterations or additions to the automatic sprinkler installation.

We may reduce the amount We pay for a claim to the extent that Your failure to comply with these conditions caused or contributed to the loss.

See also “Condition” in each section of this Policy.

3.9. Inspections

We have the right to inspect and examine, any Property insured under this Policy at any reasonable time and place. We will give You reasonable prior notice of such inspection.

Any such inspection shall not amount to a representation as to ownership, fitness for purpose, safety or compliance with any law or regulation.

3.10. Misrepresentation and non- disclosure

If the named Insured:

- 3.10.1. failed to disclose any matter which the named Insured was under a duty to disclose to Us; or;
- 3.10.2. made a representation to Us before this Policy was entered into and if We would have not entered into this Policy for the same premium and on the same terms and Conditions expressed in this Policy but for the failure to disclose or the misrepresentation; then

Our liability in respect of any claim will be reduced to an amount to put Us in the same position in which We would have been placed if such non-disclosure had not occurred or such misrepresentation had not been made. If the non-disclosure or misrepresentation was fraudulent, We may avoid this Policy.

3.11. Fraud

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

3.12. Sanction limitation and exclusion

We shall not be deemed to provide cover or to be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, Japan, Australia or any applicable trade or economic sanctions, laws or regulations of any country.

3.13. Applicable law

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.

4. GENERAL CLAIMS PROCEDURES RELATING TO ALL SECTIONS

Our liability to pay a claim under this Policy is subject to compliance with the following procedures.

4.1. When You suffer damage or loss or a claim is made against You

You must:

- 4.1.1. complete any claim forms as requested by Us;
- 4.1.2. make Your claim as soon as reasonably possible after You suffer a loss or a claim is made against You. If You do not make it within 60 days of the date of loss, We may reduce what We pay You by an amount which represents any disadvantage We reasonably suffer by the delay;
- 4.1.3. take reasonable steps to minimise and/or stop any further loss or Damage from occurring;
- 4.1.4. advise the nearest police station if Your property is lost, stolen, vandalised or maliciously Damaged. We may ask You to give Us a copy of the written report if reasonably required for the

purposes of investigating or assessing Your claim;

- 4.1.5. keep the property that has been Damaged so We can inspect it at any reasonable time and place;
- 4.1.6. cease the continued use of Damaged property, until such property is repaired;
- 4.1.7. allow Us to access Your property for inspections conducted by Us, our assessors or repairers at any reasonable time and place;
- 4.1.8. allow Us to obtain information from any, person or organization engaged by You, and/or any repairer to assist Us in managing Your claim;
- 4.1.9. at Your own expense, provide Us with all information and documents, as We may reasonably require for the purpose of investigating or verifying Your claim. We will only request information which relates to Your claim and will explain why it is required;
- 4.1.10. not make any admission of liability or payment or promise or offer of payment in connection with any claim without Our consent;
- 4.1.11. not incur any cost or expense for a claim without Our consent (which will not be unreasonably withheld) unless by failing to do so the safety of people is put at risk;
- 4.1.12. advise Us as soon as reasonably possible on receipt of any intention to make a claim against You;
- 4.1.13. advise Us as soon as reasonably possible in writing of any circumstance or event which may result in a claim being made against You;
- 4.1.14. send Us all documents, accounts, communications, writ or summons relating to Your claim within 72 hours of receiving them;
- 4.1.15. provide to the Authorised Legal Representative all assistance they require and all required materials available to You; and
- 4.1.16. advise Us as soon as reasonably practicable of any impending prosecution or inquest.

We reserve the right to:

- 4.1.17. take over and conduct in Your name the settlement of any claim or legal proceeding or appeal;
- 4.1.18. refuse to use the Authorised Legal Representative You propose without providing any reason subject to Our obligation to act with the utmost good faith;
- 4.1.19. instruct You to terminate the services of the Authorised Legal Representative if We consider it is in Your interest to do so;
- 4.1.20. appeal any decision if You are not successful in defending legal proceedings brought against You; and
- 4.1.21. instruct You to take reasonable steps to minimise further loss or Damage from occurring.

4.2. Offer to settle

You must advise Us of any offer to settle a proceeding. If You do not agree to a reasonable settlement We may stop paying Your legal costs and expenses. When the Authorised Legal Representative recommends settlement of a proceeding and You wish to continue with the proceeding, We will only pay the legal costs and expenses incurred up to that date.

4.3. Refusal of recommendations

If against Our recommendations (which We shall make acting reasonably) You elect to continue any legal proceedings, Our liability will not exceed the liability for which the claim could have been settled for up to that date.

4.4. Delays

If You, the Unit Owner or anyone acting on Your or the Unit Owner's behalf cause delays preventing Us from commencing or finalising a claim under this Policy, We will not pay for any extra costs that result from that delay. This clause will not apply to the extent that We caused or contributed to the delay.

4.5. Acts or omissions of Your body corporate manager

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

and You have not directly authorised the act, error or omission.

4.6. Recovery action

If You and/or the Unit Owner, have the right of recovery against someone else for a claim that We have accepted under this Policy, You and/or the Unit Owner give Us Your and/or the Unit Owner's rights to pursue that recovery, except in the circumstances exempt under the law. You and/or the Unit Owner also give Us Your and/or the Unit Owner's rights to conduct, defend or settle any legal action and to act in Your and/or the Unit Owner's name.

You and/or the Unit Owner must not do anything that prevents Us from doing this, prejudice our rights or settle any claim without Our Written Consent (which will not be unreasonably withheld) and You and/or the Unit Owner must give Us the information and cooperation that We reasonably require.

4.7. Other insurances

If loss, Damage or an event occurs that results in a claim being lodged under this Policy, You must notify Us of any other insurance that covers the same loss, Damage or event. We have the right to seek contribution from the other insurer.

4.8. Goods and services tax (GST)

Where We make a payment under this Policy for the acquisition of goods, services or other supply and You are registered for GST, 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* (Cth) in relation to that acquisition, whether or not that acquisition is actually made.

Where We have arranged services directly with the builder, repairer, supplier or other service provider, We will pay up to the Sum Insured shown on Your Schedule or other Policy limit including GST.

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* (Cth) had the payment been applied to acquire such goods, services or other supply.

COVERAGE SECTIONS

SECTION 1 LIABILITY

5. DEFINITIONS WHICH APPLY TO SECTION 1

The words listed below have been given a special meaning, which applies to Section 1 when the term begins with a capital letter.

BUSINESS

means the ownership of Your Insured Property or any other activity We have agreed to include in writing.

DEFAMATION

means the tort of defamation at general law in Australia.

FIRE WARDEN

means Voluntary Workers who are responsible for and implement the fire safety procedures of Your Common Area and Insured Property to ensure the safety of occupants or visitors.

OCCURRENCE

Means:

- > a series of incidents or repeated or continuous 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; or
- > a single incident that is not intended or expected.

PERSONAL INJURY

means:

- > bodily injury, death, sickness, disease, disability;
- > false arrest, false imprisonment, wrongful detention or malicious prosecution
- > Defamation;
- > shock, fright, mental anguish;
- > wrongful eviction, wrongful entry or other invasion of privacy;

that occurs during the Period of Insurance anywhere in Australia.

PROPERTY DAMAGE

means:

- > physical Damage or destruction to tangible property including any loss of its use following such physical Damage or destruction; or
- > loss of use of tangible property that has not been physically Damaged or destroyed provided that the loss of use has been caused by an Occurrence;

that occurs during the Period of Insurance anywhere in Australia.

VOLUNTARY WORKER

means a person aged 15 years or older who is actually engaged in voluntary work or duties as authorised and on behalf of You, without promise of reward or remuneration, other than an honorarium for work or duties associated with that function.

A Voluntary Worker does not include employees, contractors or any person who receives reward or remuneration for the services they have provided to You or a Unit Owner.

WORKING TOOL

means a Vehicle that has tools, implements, machinery or plant attached to or towed by the Vehicle and is being used by You within the confines of Your Common Area or Insured Property. It does not mean transit to or from or within the confines of Your Common Area or Insured Property.

6. WHAT YOU ARE COVERED FOR

We will indemnify You for all sums which You become legally liable to pay as compensation in respect of Personal Injury or Property Damage resulting from an Occurrence occurring in connection with Your Business during the Period of Insurance.

The most We will pay, for any Occurrence, is the Sum Insured shown on Your Schedule for this Section. Where the Occurrence takes place over more than one Period of Insurance, We will only pay up to the amount shown on Your Schedule once in respect of each Occurrence.sa

7. ADDITIONAL BENEFITS

We also agree to insure You for the following costs and expenses. We will pay these costs and expenses in addition to the Sum Insured for this Section shown on Your Schedule.

7.1. Legal Costs

We will pay:

- 7.1.1. all legal costs and expenses incurred by Us;
- 7.1.2. reasonable cost of legal representation You necessarily incur with Our Written Consent (which we will not unreasonably withhold) ;
- 7.1.3. other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- 7.1.4. all interest accruing after judgement has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgement.

7.2. Court Appearance

We will pay compensation of \$300 per day if We require an Office Bearer or Your Strata Manager to attend court as a witness in connection with a claim under this Section.

7.3. Claims preparation costs

We will pay the reasonable costs You necessarily incur for the preparation of a claim under this Policy. We will only pay these costs when You have obtained Our Written Consent prior to them being incurred. The most We will pay is \$30,000.

8. EXTENSIONS OF COVER

8.1. Cover For Others

Provided that they observe, fulfil and are subject to the terms, conditions and exclusions of this Policy, We will also cover as though they were 'You' the following that are not named in the Schedule:

- 8.1.1. the interest therein of Members;
- 8.1.2. employees of the Insured in connection with their duties as an employee;
- 8.1.3. any of Your directors, Voluntary Workers or Office Bearers including Fire Wardens, but only for liability incurred by them while acting within

the scope of their duties on behalf of the Insured;

- 8.1.4. volunteers in connection with their duties in arranging recreational activities for and on behalf of the body corporate for Unit Owners and occupiers of the Units;
- 8.1.5. the interest of an owner and/or leaseholder of property adjacent to Your Insured Property in respect of their liability, which arises from the Insured's acts or omissions, in relation to any part of the Insured Property that overhangs and/or infringes adjoining public or private property.

8.2. Car Parks

We will pay the amounts You are legally liable to pay for Property Damage to Vehicles that are in Your physical or legal control where the Property Damage occurs while the Vehicles are in a car park that You own or operate at Your Situation.

We will not pay if:

- 8.2.1. the Vehicle is owned by or being used by You, or on Your behalf; or
- 8.2.2. You operate the car park for reward.

8.3. Recreational Activities

We will pay the amounts You are legally liable to pay for Personal Injury or Property Damage if Your liability arises from social or recreational activities arranged for and on behalf of Unit Owners and occupants.

The most We will pay in respect of any one Occurrence is the Sum Insured for this Section shown in the Schedule.

8.4. Services

We will pay the amounts You are legally liable to pay for Personal Injury or Property Damage if Your liability arises out of the service or services You provide for the benefit, general use and enjoyment of Unit Owners and occupiers of Units at Your Situation.

8.5. Strata Managers Defence

If a claim is made jointly against You and Your Strata Manager solely by virtue of their relationship with You, We will treat Your Strata Manager as though they were You.

We will not indemnify Your Strata Manager if his/her joining in the claim is attributable to allegations he/ she committed a negligent or wrongful act, error or omission of his/her when acting in a professional capacity, including but not limited to performance of his/her obligations with respect to any management agreement or other contractual arrangement he/ she may have in place with You.

9. EXCLUSIONS

We will not pay claims directly or indirectly arising from:

- 9.1. Defamation arising from publication of defamatory matter by You or at Your direction that was:
 - 9.1.1. Published prior to the Period of Insurance; and
 - 9.1.2. You Knew or ought to have known to be false; or
 - 9.1.3. Published maliciously.
- 9.2. assault or battery committed by You or at Your direction, unless it was committed for the reasonably proportionate purpose of preventing or eliminating danger to persons or property;
- 9.3. any business, profession, trade or occupation carried on by You other than the hiring out of Your sporting or recreational facilities and the managing of the Buildings and its surrounds;
- 9.4. Personal Injury to any person employed by You and that injury arise from his/her employment with You;
- 9.5. damage to, or the loss of, property that belongs to any person employed by You and that Damage or loss arises from his/her employment with You;
- 9.6. damage to property belonging to, rented by or leased by You or in Your physical or legal control, other than as provided under this Section;
- 9.7. arising out of construction, erection, demolition, alteration or addition where the value of such work exceeds \$500,000, unless You advise Us and obtain Our

Written Consent (which we will not unreasonably withhold) to continue cover before the commencement of such works;

- 9.8. the terms of any contract or agreement You enter into unless liability would have attached to You in the absence of such agreement. This exclusion does not apply to:
 - 9.8.1. liability assumed by You under any contract or lease of real or personal property;
 - 9.8.2. liability assumed by You in the course of Your Business under the terms of any written agreement with the company, person or firm appointed to manage Your business except where liability arises out of:
 - 9.8.3. any alleged act of negligence on their part; or
 - 9.8.4. their default in performing their obligations under such agreement.
- 9.9. penalties, fines or awards of aggravated, exemplary or punitive damages (including interest and costs) imposed against You;
- 9.10. the discharge, release or escape of any pollutants or the testing, monitoring, containing, prevention, removal, neutralising or cleaning up of pollutants. This exclusion will not apply where the discharge, dispersal, release or escape of pollutants:
 - 9.10.1. is caused by a single incident, and;
 - 9.10.2. is clearly identifiable and;
 - 9.10.3. is confined to one specific location; and
 - 9.10.4. is instantaneous.
- 9.11. liability in consequence of, contributed to, or aggravated by asbestos in whatever form or quantity;
- 9.12. Your performance of or failing to render professional advice or service, but this exclusion does not apply to the rendering of or failing to render professional medical advice by a legally qualified medical practitioner, legally qualified registered nurse, dentist or first aid attendant You use to provide first aid services at Your Situation;
- 9.13. vibrations, removal or weakening of support or from the removal of or weakening of or interference with the

support of land, Common Area, Insured Property or other property.

9.14. liability for Personal Injury or Property Damage in connection with the ownership, possession, or use by You of any Vehicle:

9.14.1. which is registered or which is required under any legislation to be registered, or

9.14.2. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is affected).

Exclusions 9.14.1. and 9.14.2 above do not apply to claims for Personal Injury where:

9.14.3. that compulsory liability insurance or statutory indemnity does not provide indemnity; and

9.14.4. the reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity do not involve a breach by You of legislation relating to Vehicles; or

9.14.5. arising out of and during the loading or unloading of goods to or from any Vehicle; or

9.14.6. the use of the Vehicle, or plant or attachment to the Vehicle, as a Working Tool within the confines of Your Common Area or Insured Property;

9.15. Your use, operation, ownership, possession or maintenance of Aircraft or Aircraft landing areas;

9.16. Your use, operation, ownership, possession or maintenance of any Watercraft exceeding 8 metres in length or any hovercraft. This exclusion does not apply to liability arising out of:

9.16.1. the use of Watercraft by an independent contractor carrying out works and/or operations on behalf of the Insured in the course of the Insured's Business;

9.16.2. Watercraft or owned and operated by others and used by an Insured for the purpose of

entertainment of Unit Owners, tenants and the Unit Owner's Family and friends; or

9.16.3. floating jetties, floating pontoons or buoys;

9.17. the actual or alleged use or presence of asbestos, removal of asbestos, exposure to asbestos, or in any way involving asbestos or asbestos contained in any materials in whatever form or quantity;

9.18. actions instituted outside of Australia or actions in Australia that are governed by the laws of a foreign country; or

9.19. any liability required by law to be covered under any fund, scheme, policy of insurance or self-insurance pursuant to or required by any legislation relating to workers compensation, whether or not such fund, scheme or insurance has been effected.

This Section is to be read in conjunction with the Policy General Provisions. Please refer to the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 2 — FIDELITY GUARANTEE

10. DEFINITIONS WHICH APPLY TO SECTION 2

The words listed below have been given a special meaning, which applies to Section 2 when the term begins with a capital letter.

FUNDS

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

MISAPPROPRIATION

means the intentional, illegal use of Your Funds.

11. WHAT YOU ARE COVERED FOR

If this Section is selected and included in Your Schedule, We will pay, up to the Sum Insured shown in the Schedule, in respect of fraudulent Misappropriation of Your Funds committed during the Period of Insurance in Australia.

12. EXCLUSIONS

We will not pay for:

- 12.1. any losses arising out of fraudulent Misappropriation committed prior to the commencement of Section 2;
- 12.2. any fraudulent Misappropriation committed after the initial discovery of loss;
- 12.3. any fraudulent Misappropriation unless and until You have exhausted Your rights and entitlements to payment pursuant to any other fidelity bond or fidelity fund of whatsoever nature which might exist whether effected pursuant to statute or otherwise; or
- 12.4. any claims arising out of losses discovered more than 12 months after the expiry of Section 2, or any renewal thereof.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 3 — OFFICE BEARERS' LIABILITY

13. DEFINITIONS

The words listed below have been given a special meaning, which applies to Section 3 when the term begins with a capital letter.

BUILDING MANAGEMENT COMMITTEE

means a committee formed to represent the joint interests of more than one property owner.

CLAIM

means any writ, summons, legal proceeding, written or verbal demand that is issued against or served upon You alleging any Wrongful Act that is covered by this Section.

DEFENCE COSTS

means costs, charges and expenses (other than Your fees, salaries or salaries of Your employees) incurred by Us or by You with Our Written Consent (such consent not to be unreasonably withheld):

- > in the investigation, defence, monitoring or settlement of any Claim or proceedings and appeals there from together with the costs of appeal; or
- > in the legally compellable attendance by an Office Bearer at any official investigation into the Insured's affairs.

LOSS

means money payable by reason of:

- > any arbitration award or settlement of Claims, negotiated with Our consent (such consent not to be unreasonably withheld);
- > a judgment ordered by a court of competent jurisdiction;
- > the legal costs and expenses, incurred with Our Written Consent (such consent not to be unreasonably withheld), in defending a Claim;
- > the legal costs and expenses of any claimant, awarded against You; or
- > the legal costs and expenses of any claimant We elect to pay.

WRONGFUL ACT

means any actual or alleged:

- > error, misstatement, incorrect act or omission; or
- > neglect or breach of duty;

by an Office Bearer whilst acting in his or her capacity as such.

YOU, YOUR AND YOURS

For the purpose of this Section, You, Your and Yours means:

- > a person or other entity formally appointed by Your strata community to act as an Office Bearer or committee member in terms of the strata schemes management act, strata titles act, community titles act or similar legislation applying where the Insured Property and Common Area is situated;
- > past or present Office Bearers.
- > a Strata Manager appointed as an agent of an Office Bearer and/or committee member;
- > a person invited by an Office Bearer and/or committee member to assist in the management of Your Strata affairs;
- > an Office Bearer on a related Building Management Committee, provided that they are at the material time also an Office Bearer or committee member, nominee or

director of the Insured and they hold office on the related Building Management Committee in that capacity only, but does not include a Strata Manager or any other contracted person, firm or company when acting in their professional capacity.

14. WHAT YOU ARE COVERED FOR

14.1. If this Section is selected and included in Your Schedule, We will pay You for Loss arising from a Wrongful Act which results in a Claim made against You in Australia that is:

- 14.1.1. first made against You, during the Period of Insurance, and
- 14.1.2. notified to Us in the current Period of Insurance or as soon as reasonably practicable thereafter.

14.2. Our liability for all Claims under this Section in respect of any one Period of Insurance will not exceed:

- 14.2.1. the Sum Insured shown on Your Schedule for this Section; and
- 14.2.2. when We have reinstated Your cover under additional benefit 2 of this Section, an amount equal to that limit of indemnity.

14.3. Where any Wrongful Act results in more than one Claim covered by Us under this Section or another Section, all such Claims will jointly constitute one Loss and be deemed to have originated in the earliest Period of Insurance in which any of such Wrongful Acts is first reported to Us.

15. EXTENSIONS OF COVER

15.1. Continuous Cover

We agree to accept notification of any claim that could or should have been notified to Us in a previous policy period on the condition that:

- 15.1.1. We have continuously been the insurer under an Office Bearers' liability insurance policy since the time when the first notification should have been given, and the time the notification is in fact given; and
- 15.1.2. the terms, conditions and exclusions applicable to this extension of cover benefit, will be those applicable to Our Office Bearers' Liability

Insurance noted in this Section 3, under which the Claim should have or could have been made.

15.2. Extended Period of Insurance

We agree that should a Claim arise within a period of thirty (30) days following the expiry date of this Policy and Your renewal instructions have not been received We will, subject to Your renewal instructions being received by Us within that period, accept the notification of such Claim under this Section.

15.3. Cross Liability

For the purposes of this Section only, where more than one legal entity is insured under this Policy, We will indemnify You to another Insured as if that other Insured were not a party to the Policy subject to Our total liability not exceeding the Sum Insured for this Section.

16. ADDITIONAL BENEFITS

16.1. Advancement Of Defence Costs

Where We have not agreed to pay a Claim, We may:

- 16.1.1. decide not to manage the settlement of a Claim and then We may, at Our option, pay the Defence Costs arising from the Claim as they are incurred; or
- 16.1.2. decide to manage the settlement of a Claim and then We will pay the Defence Costs arising from the Claim as they are incurred.

We, acting reasonably, decide which one We will do.

If We deny or withdraw indemnity or a Claim is withdrawn, We will cease paying the Defence Costs arising from the Claim. If We do this, We reserve the right to recover from You any payments of Defence Costs previously made by Us to the extent that You were not rightfully entitled to the previously paid payments.

16.2. Reinstatement of Sum Insured

When We have paid a Claim under this Section and the total amount of the Claim equals or exceeds the Sum Insured for this Section, We will reinstate the Sum Insured for this Section once only to that shown on the Schedule, subject to You paying any additional

premium that We may require. This reinstatement will not apply to:

- 16.2.1. any Claim, fact or circumstance that should have been or could have been notified to Us during the preceding Period of Insurance of this Section or under an earlier Office Bearers Liability Section issued by Us;
- 16.2.2. any Claim notified to Us for which a Loss payment has not been made; or
- 16.2.3. any existing Claim on which a Loss payment has been made including any subsequent Claim that may arise from the same event.

16.3. Claims preparation costs

We will pay the reasonable costs You necessarily incur for the preparation of a claim under this Policy. We will only pay these costs when You have obtained Our Written Consent prior to them being incurred. The most We will pay is \$30,000.

17. EXCLUSIONS

We will not pay claims directly or indirectly arising from:

- 17.1. Your failure to provide Us first notification of a Claim made against You in the current Period of Insurance except as otherwise provided by this Section;
- 17.2. Pollution or contamination;
- 17.3. any conflict of duty or conflict of interest of Yours;
- 17.4. any profit or advantage gained by You where You are not entitled to or may be held accountable to the named Insured on the Schedule or any member thereof;
- 17.5. any circumstance or event where You intentionally acted outside Your authority as an Office Bearer;
- 17.6. any bodily injury, sickness, disease, illness or death of any person, or Damage or Loss to any property. This exclusion does not apply to Loss or Damage to documents which are Your property, or entrusted to You, or the costs incurred by You to replace or restore such documents;
- 17.7. loss or liability arising from circumstances which You knew of prior to the inception date of this Policy Section or a reasonable person in the circumstances

could be expected to know, to be circumstances which may give rise to a Claim against You;

- 17.8. any Claim brought against You in a court of law outside of Australia or an Australian Court applying a foreign law;
- 17.9. money or gratuity given to You which was not approved by the named Insured in the Schedule or where approval is required by law;
- 17.10. fines, penalties, punitive or exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
- 17.11. the actual or alleged use or presence of asbestos, removal of asbestos, exposure to asbestos, or in any way involving asbestos or asbestos contained in any materials in whatever form or quantity; or
- 17.12. any dishonest, fraudulent, criminal or malicious Wrongful Act by You ;

However this exclusion does not apply:

- 17.12.1. where You did not commit or condone such Wrongful Act; and
- 17.12.2. to the costs incurred by You in successfully defending any Claim made against You.
- 17.13. defamation; or
- 17.14. Your intentional decision not to effect and maintain insurances as required by the Strata Schemes Management Act, Strata Titles Act, Community Titles Act, Company Titles Act or similar legislation applying where Your Insured Property is Situated.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 4 — VOLUNTARY WORKERS

18. DEFINITIONS

The words listed below have been given a special meaning, which applies to Section 4 when the term begins with a capital letter.

DEATH

Means the extinction or cessation of life.

INJURY

means damage to a person caused solely and directly by a violent, accidental, external and visible force. The Injury must be independent of some other cause.

MEDICAL PRACTITIONER

means a doctor in general practice who is qualified and licensed to practice medicine in Australia, or a specialist medical doctor to whom the Voluntary Worker is referred by such a doctor in general practice.

OCCUPATION

means any trade, business, profession or employment for which the Voluntary Worker receives an income.

PARTIAL DISABLEMENT

means where, in the opinion of a Medical Practitioner, the Voluntary Worker is completely prevented from performing some of the normal duties of their usual Occupation, or where such person engages in more than one Occupation, any of them.

TOTAL DISABLEMENT

means where, in the opinion of a Medical Practitioner, the Voluntary Worker is completely prevented from performing all of the duties of their usual Occupation, or where such person engages in more than one Occupation, any of them.

VOLUNTARY WORKER

means a person aged 15 years or older who is actually engaged in voluntary work or duties as authorised and on behalf of You, without promise of reward or remuneration, other than an honorarium for work or duties associated with that function.

A Voluntary Worker does not include employees, contractors or any person who receives reward or remuneration (other than provided herein) for his or her services.

19. WHAT YOU ARE COVERED FOR

If this Section is selected and included in Your Schedule, if a Voluntary Worker sustains Injury resulting in an event tabled below, We will pay to the Voluntary Worker or to their estate, the benefit shown next to that event.

The following table of benefits forms part of Your Policy:

Events	Benefit
Event 1 — Death	\$200,000
Event 2 — Total and permanent loss of sight in both eyes	\$200,000
Event 3 — Total loss of use of both hands or both feet or one hand and one foot	\$200,000
Event 4 — Total and permanent loss of use of one hand or one foot	\$200,000
Event 5 — Total and permanent loss of sight in one eye	\$100,000
Event 6 — Total Disablement preventing the injured Voluntary Worker from performing all of the duties of their usual Occupation	\$2,000 Per Week
Event 7 — Partial Disablement preventing the injured Voluntary Worker from performing all of the normal duties of their usual Occupation	\$1,000 Per Week

We will only pay when:

- 19.1.1. the Injury is sustained during the Period of Insurance when the Voluntary Worker is engaged in voluntary work on behalf of the Insured named in the Schedule in Australia; and
- 19.1.2. the Injury results in any of the events tabled above occurring within 12 consecutive months from the date of Injury.
- 19.2. We will only pay one benefit for the Injury, except as described below:

19.2.1. where payment for event 1, 2, 3 or 4 for an Injury is made, it will be reduced by any payment made for event 5 for the same Injury.

19.2.2. where payment for event 1, 2, 3, 4 or 5 for an Injury is made, it will be reduced by any payment made for event 6 or 7 for the same Injury.

20. ADDITIONAL BENEFITS

If We agree to pay a claim under this Policy Section, and We have given Our Written Consent, We will also pay for:

Domestic Assistance being the reasonable expenses that the injured Voluntary Worker incurs in obtaining necessary domestic help where, in the opinion of a Medical Practitioner, the Voluntary Worker is prevented from performing all of the duties of their usual Occupation (or where such person engages in more than one Occupation, any of them). The most We will pay arising out of any one event is \$5,000.

Funeral Expenses being the reasonable costs of burial or cremation of the Voluntary Worker up to \$5,000.

Miscellaneous Expenses being any other reasonable and necessary expenses that the injured Voluntary Worker incurs as a direct result of the Injury.

The most We will pay is \$5,000 per Injury.

Travel Expenses being reasonable expenses that the injured Voluntary Worker incurs in travelling to obtain medical treatment. The most We will pay is \$5,000 per Injury.

Claims preparation costs being reasonable costs You necessarily incur for the preparation of a claim under this Policy. The most We will pay is \$30,000 when You have obtained Our Written Consent prior to them being incurred.

21. EXCLUSIONS

We will not pay any claims:

21.1. unless the Injury manifests itself within twelve (12) months of sustaining such Injury;

21.2. for any deliberately self-inflicted Injury or suicide, or any attempt;

21.3. for Event 6 or Event 7 if the injured Voluntary Worker is not in paid employment at the time of the Injury;

21.4. for Event 6 or Event 7 for more than 104 weeks for the same Injury;

21.5. for Event 6 or Event 7 for more than the Voluntary Worker's current average weekly earnings;

21.6. to an injured Voluntary Worker when that Voluntary Worker has already been paid for Events 2, 3, 4 or 5 during the Period of Insurance;

21.7. for any amounts payable by or recoverable from any registered health fund, Medicare or which we are prohibited from providing cover for under the *Health Insurance Act 1973* (Cth), the *Private Health Insurance Act 2007* (Cth) or *National Health Act 1953* (Cth);

21.8. if the injured Voluntary Worker does not obtain medical advice and/or treatment from a Medical Practitioner as soon as reasonably practicable after the Injury occurs;

21.9. arising from childbirth or pregnancy;

21.10. for any pre-existing Injury, physical or mental disability except where the Voluntary Worker was not aware of, and a reasonable person in the circumstances could not be expected to have been aware of such pre-existing Injury, physical or mental disability at the time the Policy was issued or renewed (as the case may be);

21.11. which results from the Voluntary Worker being addicted to alcohol or drugs;

21.12. which results from the Voluntary Worker being under the influence of alcohol or a drug. This does not apply to a drug taken or given in accordance with the advice of a registered Medical Practitioner;

21.13. which results from the Voluntary Worker recklessly disregarding his or her own safety; or

for Injury suffered which occurred before this cover commenced.

22. CONDITIONS

22.1. Medical Certificates

The injured Voluntary Worker is responsible for the cost, if any, of certificates, reports or other evidence that We may reasonably require for the purposes of investigating or assessing Your claim under this Section. We will only accept an initial medical certificate 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 Voluntary Worker's Injury.

22.2. Medical Treatment and Examination

In the event of a claim under this Section, We may reasonably request the injured Voluntary Worker to have a medical examination. We may request a post-mortem examination in the event of Death. We will cover the cost of these examinations.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 5 — GOVERNMENT AUDIT COSTS

23. DEFINITIONS

The words listed below have been given a special meaning, which applies to Section 5 when the term begins with a capital letter.

AUDIT

means an investigation of Your financial affairs or an investigation or enquiry of Your compliance with record-keeping requirements by a state, territory or Commonwealth department, statutory body, agency or the Australian Taxation Office in relation to Your Business activities.

AUDIT COSTS

means fees, charges and disbursements of an Auditor engaged by You, and approved by Us (such approval will not be unreasonably withheld), for work undertaken in connection with an Audit or investigation.

AUDITOR

means a person authorised under state, territory or Commonwealth legislation to perform the investigation or Audit of Your financial affairs.

BUSINESS

means the ownership of Your Insured Property or any other activity We have agreed to include in writing.

24. WHAT YOU ARE COVERED FOR

We will indemnify You for the reasonable and necessary Audit Costs You incur up to the completion of an Audit first notified to You or a person acting on Your behalf.

We will only pay:

- 24.1. if You have obtained Our Written Consent prior to the Audit Costs being incurred (such consent not to be unreasonably withheld), and
- 24.2. You notify Us of the Audit during the Period of Insurance or as soon as reasonably practicable thereafter.

The most We will pay in the aggregate for all claims notified to Us in the Period of Insurance (including such claims notified to Us in the Period of Insurance but not finalised until a subsequent Period of Insurance) is the Sum Insured noted on Your Schedule for this Section.

25. EXCLUSIONS

We will not pay claims in respect of, arising out of, or relating to:

- 25.1. Audit Costs incurred after the Audit has been completed;
- 25.2. a return of income that has not been prepared or reviewed prior to dispatch by an accountant or registered tax agent. This exclusion does not apply to a return that is in respect of income derived from a contract of employment or service between You and a third party (not being income from a company employing You where You are a director of such company or have a financial interest in that company);
- 25.3. any Audit that results from You, or any person acting on Your behalf, becoming aware of any error or deficiency in any information, and choosing not to notify the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency;
- 25.4. any improper, unwarranted or unjustified refusal or failure to comply with any request made by or on behalf of the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency, under Sections 263, 264 or any other relevant section of the *Income Tax Assessment Act 1936* (Cth) or any other notice under any other relevant legislation;

- 25.5. any outside accountant or registered tax agent or any other outside professional person or consultant engaged by or replacing the accountant or registered tax agent engaged by You, unless We have given Our Written Consent to the appointment of such person or consultant (such consent not to be unreasonably withheld);
- 25.6. Audit Costs incurred as a result of Your delay in responding to the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency;
- 25.7. any subsequent objection lodged with the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency, the Administrative Appeals Tribunal, or the Federal or High Courts in respect of the Audit;
- 25.8. Enquiries from the Australian Taxation Office;
- 25.9. Audits or investigations, notice of which or information as to their likely conduct was received by You or by any person acting on Your behalf prior to the Period of Insurance;
- 25.10. any fraudulent act or fraudulent omission committed by You, or on Your behalf, or any statement made by You, or on Your behalf that is false or misleading;
- 25.11. Commonwealth, state or territory department, statutory body or agency that are not related to an identified intention to conduct an Audit or are not directed at obtaining information or data in respect of a likely future Audit;
- 25.12. Your failure to pay all taxes by due date or within any extension of time granted by the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency; or
- 25.13. fines and penalties incurred by Your failure to lodge documents in relation to an Audit within the required timeframe, or in accordance with the Audit requirements.

26. CONDITIONS

You must comply with the conditions noted below otherwise We may refuse or reduce the amount We pay for a claim under this Section. If You fail to comply, we will consider the course of action We will take based on what impact or effect

Your failure caused or contributed to the claim or Our decision to issue Your Policy:

- 26.1. All taxation and other returns must be submitted within the time limits prescribed by all relevant statutes and legislation.
- 26.2. All taxes must be paid by the due date or within any extension granted.
- 26.3. You must make full and complete disclosure of all assessable income (including capital gains) as required by any relevant legislation.

27. CLAIMS PROCEDURES

In the event of a claim arising under this Section:

- 27.1. We or Our duly appointed agent may, at Our cost, conduct Our own investigation into any matter that is or may be the subject of a claim under this Section;
- 27.2. You, and You will procure that all accountants, registered tax agents or lawyers engaged by You, will give reasonable assistance and cooperation to assist Us with any matter that We reasonably wish to pursue directly with the Australian Taxation Office, Commonwealth, state or territory department, statutory body or agency;
- 27.3. You must keep Us fully informed of all material developments in relation to any investigation or Audit that may give rise to a claim under this Section; and
- 27.4. You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred, or likely to be incurred, in connection with any Audit.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 6 — LEGAL EXPENSES

28. DEFINITIONS

The words listed below have been given a special meaning, which applies to Section 6 when the term begins with a capital letter.

CLAIM

means:

- > written or verbal advice of the intention to commence legal proceedings, or seek compensation or damages or seek non-monetary relief; or
- > a civil proceeding initiated by the serving of a complaint, summons, statement of claim or demand or similar pleading against You; or
- > a criminal proceeding commenced by a summons or charge against You;

in Australia.

LEGAL EXPENSES

means legal fees, costs, expenses and disbursements reasonably and necessarily incurred in connection with a Claim.

29. WHAT YOU ARE COVERED FOR

We will pay Legal Expenses You incur in defence of a Claim. We will only pay:

- 29.1. for Legal Expenses arising out of a Claim which occurred during the Period of Insurance and was notified to Us during the Period of Insurance or as soon as reasonably practicable thereafter; and
- 29.2. when a Claim is made or brought against You:
 - 29.2.1. in respect of owning, operating and managing the Buildings covered under Section 1; or
 - 29.2.2. under any consumer protection legislation; or
 - 29.2.3. about a dispute in respect of:
 - 29.2.3.1. terms and conditions of employment, or

- 29.2.3.2. discrimination legislation with a current, past or prospective employee; and

- 29.3. where You obtain Our Written Consent (such consent not to be unreasonably withheld) and are able to reasonably demonstrate that:

- 29.3.1. there are good prospects of successfully defending the Claim brought against You; and
- 29.3.2. the costs and expenses are reasonable and necessary; and

- 29.4. where You notify Us as soon as reasonably practicable once You are advised of or become aware of a Claim or any circumstances that could give rise to a Claim.

The maximum amount We will pay for all Claims and appeals notified (including any such Claims and appeals notified but not finalised until a subsequent period of insurance) during the Period of Insurance is the Sum Insured shown on Your Schedule for this Section.

30. EXTENSIONS OF COVER

30.1. Continuous Cover

We agree to accept notification of any Claim that should or could have been notified to Us in a previous policy period on the condition that:

- 30.1.1. We have continuously been the insurer under a policy covering Legal Expenses since the time when the notification should have been given, and the time the notification is in fact given; and
- 30.1.2. the limit of liability, policy terms, conditions and exclusions applicable to this extension of cover benefit will be those applicable to Your Policy under which the notification of Claim should have or could have been made.

30.2. Appeal Proceedings

If You are not successful in defending legal proceedings brought against You, We will only pay for one appeal, provided we have given You Our Written Consent to proceed with the appeal.

You must advise Us in writing of Your intention to appeal as soon as reasonably practicable after making this decision and at least seven (7) days before the time for making an appeal expires. We will only agree to the appeal if We

reasonably consider that there are good prospects of the appeal being successful.

31. EXCLUSIONS

We will not pay Claims directly or indirectly arising from:

- 31.1. proceedings, or any other circumstances which may lead to a Claim, of which You were aware before You first effected this insurance;
- 31.2. proceedings or any other circumstances which may lead to a Claim that You have not advised Us of as soon as reasonably practicable.
- 31.3. any matter arising out of any insurance cover required by legislation;
- 31.4. any matter where Legal Expenses cover is separately available to You within this Policy or would have been available but for the operation of any clause limiting or excluding cover, even if You do not take that cover;
- 31.5. costs and expenses that You have not sought Our Written Consent prior to them being incurred;
- 31.6. any proceedings brought by Us;
- 31.7. penalties, fines, compensation or awards of aggravated, exemplary or punitive damages made against You, other than legal costs and expenses;
- 31.8. a conflict of Your duty or a conflict of Your interest;
- 31.9. anything which arises from a deliberate act including a deliberate act of fraud or dishonesty that You or anyone acting for You did;
- 31.10. defending legal proceedings without obtaining Our prior Written Consent or in a different way from that advised to Your Authorised Legal Representative; or
- 31.11. proceedings brought by You or on Your behalf.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

SECTION 7 — WORKPLACE, HEALTH & SAFETY BREACHES

32. DEFINITIONS

The words listed below have been given a special meaning, which applies to Section 7 when the term begins with a capital letter.

LEGAL EXPENSES

means legal fees, costs, expenses and disbursements reasonably and necessarily incurred by You in connection with a Workplace Proceeding.

WORKPLACE PROCEEDING

means:

- > an appeal against an imposition of an improvement or prohibition notice under any workplace, occupational health and safety or similar legislation applying where Your Insured Property is situated; or
- > an appeal against a determination by a court or tribunal made under any workplace, occupational health and safety or similar legislation applying where Your Insured Property is situated;

in Australia.

33. WHAT YOU ARE COVERED FOR

We will pay Legal Expenses in relation to a Workplace Proceeding which occurred during the Period of Insurance. We will only pay:

- 33.1. if the imposition of an improvement or prohibition notice or determination arises from Your failure to provide and maintain so far as is reasonable:

- 33.1.1. a safe working environment and a safe system of work;
- 33.1.2. plant and equipment in a safe condition; or
- 33.1.3. adequate facilities for the welfare of Your employees; and
- 33.2. if You have obtained Our Written Consent (such consent not to be unreasonably withheld) prior to incurring the Legal Expenses. We will only agree to You proceeding with an appeal if We reasonably consider that there are good prospects of the appeal being successful;
- 33.3. when such improvement or prohibition notice or determination was first made or first brought against You during the Period of Insurance; and
- 33.4. if You notify Us of any improvement or prohibition notice or determination by any court or tribunal during the Period of Insurance or as soon as reasonably practicable thereafter.

The most We will pay for any one claim and in the aggregate in any one Period of Insurance is the Sum Insured shown on Your Schedule for this section.

34. EXTENSIONS OF COVER

34.1. Continuous Cover

We agree to accept notification of any claim that could or should have been notified to Us in a previous Policy period on the condition that:

- 34.1.1. We have continuously been the insurer under a policy covering Legal Expenses since the time when the notification should have been given, and the time the notification is in fact given; and
- 34.1.2. the limit of liability, policy terms, conditions and exclusions applicable to this extension of cover benefit will be those applicable to Your policy under which the notification of claim should have or could have been made.

34.2. Claims preparation costs

We will pay the reasonable costs You necessarily incur for the preparation of a claim under this Policy. We will only pay these costs when You have obtained Our Written Consent prior to them being incurred. The most We will pay is \$30,000.

35. EXCLUSIONS

We will not pay claims directly or indirectly arising from:

- 35.1. penalties, fines, compensation, or awards for aggravated, exemplary or punitive damages made against You, other than Legal Expenses;
- 35.2. any matter where insurance cover is separately available to You within this Policy, or would have been available but for the operation of any clause limiting or excluding cover, even if You do not take that cover;
- 35.3. improvement or prohibition notices or proceedings or any other circumstances which may lead to a proceeding, of which You were aware before You first effected this insurance;
- 35.4. improvement or prohibition notices or proceedings that You have not advised Us of as soon as reasonably practicable; or
- 35.5. anything which arises from a deliberate act or omission including a deliberate act of fraud or dishonesty done by You or anyone acting for You.

This Section is to be read in conjunction with the General Definitions, General Exclusions, General Conditions and General Claims procedures.

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