

Body Corporate Insurance

Product Disclosure Statement (PDS)



RACQ
It pays to belong

We're here to help

We are one of the largest providers of General Insurance in Queensland. You have access to our network of stores and agents throughout Queensland and we have a call centre that you can reach 24 hours a day, every day. If you have any questions about our products or services or need help to make a claim, you can:



Call us 7 days a week

Policy enquiries

13 1905

Claims enquiries

13 7202

Membership enquiries

13 1905

General enquiries

13 1905



Click-to-chat at

<http://racq.com/login>

(log in to your account to chat to us)



Visit any RACQ store

during business hours

9:00 to 5pm

Monday to Friday

(check your local branch for weekend or outside normal business hours opening)



Read more about us at

Insurance

racq.com/insurance

Membership

racq.com/membership



Send us an email

Policy enquiries

racq@racq.com.au

Claims enquiries

claims@racq.com.au

General enquiries

racq@racq.com.au

Membership

lifestyle@racq.com.au



Write to us at

General enquiries

PO Box 4, Springwood Queensland 4217

Welcome

What is this document?

This Product Disclosure Statement (PDS) is designed to assist you to understand what you need to know about the product so you can make an informed choice before you purchase a policy.

This PDS sets out the conditions that apply to your policy including what we do and don't cover, the exclusions that apply under your policy, and what we pay when you make a claim. This PDS applies to any offers of renewal we make unless we tell you otherwise.

This PDS, your Certificate of Insurance, and any Supplementary Product Disclosure Statement are very important documents and you should read them carefully. If you don't understand anything in them, you should consider getting advice or call us so we may assist you.

Who is this product for?

To understand who this product has been designed for, and if the cover is likely to be consistent with your needs, objectives and financial situation, you can review the Target Market Determination document which is available on our website at racq.com/insurance, or you can request a copy by calling us on 13 1905.

Who issues your policy?

RACQ Insurance Limited issues your insurance policy and is responsible for the obligations set out in this Product Disclosure Statement and any Supplementary Product Disclosure Statements.

Snapshot of this PDS

This is a guide to the key sections of the Body Corporate Insurance policy we offer. Please read this PDS, your Certificate of Insurance and any Supplementary Product Disclosure Statements for full details.

1. How your policy works

p.13-15

Who is involved in this contract of insurance, when the policy starts, and what happens if you change your mind.

We also explain the other important documents that make up your policy.

The documents that make up your policy are:

- Certificate of Insurance
- Product Disclosure Statement (PDS)
- Supplementary Product Disclosure Statements

2. What your cover includes

p.17-35

What we consider to be your building and your common contents and what you are covered for.

The type of cover you have will depend on your building and your common contents and the type of cover you have selected.

You may have more than one type of cover if you have more than one building insured.

Specific exclusions apply to certain parts of your cover. See the section that applies to the type of cover you have selected for more information.

The type of cover you have is shown on your Certificate of Insurance.

This PDS is made up of 2 types of cover:

- Body Corporate Building
- Common Contents

3. What your cover does not include

p.37-42

The general things we do not cover under your policy. These are known as general exclusions and they apply to all parts of your cover, and all types of cover.

You should read these carefully to understand what we will not cover as a part of your policy.

These general exclusions apply in addition to the specific exclusions found within the 'What your cover includes' section.

It is important that anyone that permanently lives in your building is aware of these exclusions as they apply to them also.

4. What you are responsible for

p.45-51

The responsibilities you have, and conditions that apply to your policy.

It is important for you to know about these responsibilities and conditions.

If you don't comply with any condition or term of your policy, it may affect whether we pay your claim

5. What you need to know about claiming

p.53-62

What happens when you need to claim on your policy, and the process that we will follow with your claim.

This includes how to make a claim under your policy, your responsibilities when making a claim, how we settle your claim, and what excesses may apply to your claim.

6. Other information

p.65-72

Other important information you should know such as how we calculate your premium, handle your personal information, manage disputes or complaints, and definitions for words that have special meanings.

How to read this PDS

We have designed this PDS so it is easy for you to see what is covered, any limits that apply to your cover, what is not covered, your responsibilities, and how making a claim works.

Coloured tabs to assist navigation

You can use the coloured tabs down the side of the page to help you navigate through the sections of this PDS. These can be helpful when flicking between sections of the PDS.

Helpful tips and other information boxes

If there is information within the PDS that we feel needs to be brought to your attention, we utilise the below highlighted boxes.

Helpful tips example



We use boxes like this one to highlight important and helpful information, or to help you navigate around this PDS.

Words with special meanings used in this PDS

There are some words used in this PDS that have special meanings. To help you understand how we define these words, see 'Words with special meanings' in the 'Other information' section on pages 70-72.

You and your



Refers to the policyholders shown on the Certificate of Insurance.

We, our or us



Refers to RACQ Insurance Limited, ABN 50 009 704 152, AFS Licence number 233082.

Symbols with special meanings used in this PDS

There are symbols used in this PDS that have special meanings. To help you understand how we use symbols within the 'What your cover includes' and 'What your cover does not include' sections we use the following symbols:



This shows what you are covered for in the type of cover that you have chosen.



These are the limits that apply. Although we provide cover for you, there may be limitations to how much cover you have or can claim on your policy.



This is what we don't cover – known as exclusions.

You are not covered for these items, costs, circumstances or events.

You should read these exclusions carefully to ensure you understand what your policy doesn't cover you for.



This relates to additional important information about the cover you have chosen.

Amounts shown

All policy limits and amounts shown in this PDS include any government statutory charges, levies, duties, GST and other taxes that may apply.

Benefits that apply to your type of cover

Some benefits only apply to certain types of cover. We show this within each benefit. Below is an example benefit and how we display if the benefit applies to certain types of cover.

Example included benefit

Included for:



In the example above, the benefit is included for both Building and Common Contents cover.

In the example below, the benefit is optional for Common Contents cover only and not available for Building cover.

Example optional benefit

Included for:



The type of cover you have will be shown on your Certificate of Insurance.

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1.

How your policy works

This section explains who is involved in this contract of insurance, when the policy starts, and what happens if you change your mind. We also explain the other important documents that make up your policy.

Contract between you and us

Your policy is a legal contract between you and us. We agree to give you the insurance set out in your policy for the premium you pay us.

More than one policyholder

If more than one person is named as the policyholder on your Certificate of Insurance, then each person is responsible for:

- the completeness and accuracy of information in any application forms, statements, claims or documents that are provided by any one of them to us,
- complying with the conditions of your policy, and
- the acts and omissions of all policyholders.

If more than one person is named as the policyholder on your Certificate of Insurance, then any one policyholder will be taken to be authorised by all policyholders to transact on the policy (including to change or cancel your policy, or make a claim under the policy).

When your policy starts

When you pay the annual premium or first monthly instalment, then your policy starts on the time and date shown on your Certificate of Insurance.

If you renew your current policy, then your policy starts at midnight on your renewal date.

Cooling off period

When you take out a new policy or renew a current policy with us, we give you a cooling off period of 21 days. The cooling off period starts from:

- the date and time we issue a new policy to you, or
- midnight on your renewal date.

If you want to cancel your policy during the cooling off period, you must tell us you want to do that. If you cancel your policy during the cooling off period, we refund your premium in full (provided you haven't made a claim).

Documents that make up your policy

Your policy includes this Product Disclosure Statement (PDS), your Certificate of Insurance and any Supplementary Product Disclosure Statement. These documents show the conditions that apply to your policy. Please read the documents carefully and keep them in a safe place.

1. Product Disclosure Statement (PDS)

This PDS sets out the conditions that apply to your policy including what we do and don't cover, the exclusions that apply under your policy, and what we pay when you make a claim.

We give you a PDS with your Certificate of Insurance when you take out a new policy with us. You can download a current copy of our PDS from racq.com/insurance

2. Certificate of Insurance

Your Certificate of Insurance shows the type of cover that applies to your policy and also shows any specific details that apply to your policy.

For example, your policy number, building address, construction type, the premium for your policy, and any excesses that apply to your policy.

We give you a Certificate of Insurance when you take out a new policy, renew a current policy, or make a change to your policy.

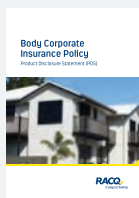
When you receive your Certificate of Insurance, you should check the details to make sure they are correct.

3. Supplementary Product Disclosure Statement

If we need to make a change to the PDS conditions, we may issue a Supplementary Product Disclosure Statement which sets out the change.

If we issue a Supplementary Product Disclosure Statement, we will give you a copy.

Sample documents



1. Product Disclosure Statement (PDS)



2. Certificate of Insurance



3. Supplementary Product Disclosure Statement

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2.

What your cover includes











This section explains what we consider to be your building and your common contents, and what you are covered for.

The type of cover you have will depend on your building and your common contents, and the type of cover you have selected.

Specific exclusions apply to certain parts of your cover. See the section that applies to the type of cover you have selected for more information. The type of cover you have is shown on your Certificate of Insurance.

Summary of cover under your policy

The table below summarises the cover we give you under the type of cover you have selected. For full details about your cover, read the sections that apply to your policy within this document.

Summary of cover under your policy	 Building	 Common Contents
Your building and your common contents cover		
Loss or damage caused by certain events at the insured address during the period of insurance.		
Included benefits		
Benefits we include as part of your cover.	 7 benefits	 5 benefits
Legal liability		
Your legal liability to pay compensation to someone for loss or damage to their property or for death or bodily injury which results from certain incidents during the period of insurance which you may be liable for.		
Optional benefits		
Benefits you can add to increase your cover (you need to pay more for these benefits).	 Up to 2 benefits	 Up to 2 benefits

Your building

We cover your building at the insured address shown on your Certificate of Insurance. This section outlines what we include as your building under your policy.

What we cover as your building

We cover the community title residential building at the insured address shown on your Certificate of Insurance. Your building includes everything in the following list:

- ✔ The building or buildings forming part of the relevant community title scheme.
- ✔ Any structural improvements which form part of the building.
- ✔ Any fixtures, owned by you or a lot owner, which form part of the building (including electrical and mechanical motors or appliances which can't be removed without interfering with the building wiring).
- ✔ Any outbuildings.
- ✔ Common areas.
- ✔ Fences and gates.
- ✔ Fixed swimming pools and spas.
- ✔ Playing surfaces, including fixed equipment located in the common area which relates to the use of the building.
- ✔ Above ground and underground services that you are legally liable to repair or replace.
- ✔ Lawns, trees, shrubs, plants, and gardens in the common area.

What we don't cover as your building

We don't cover these things under your Body Corporate Insurance policy:

- ✘ Any of these fixtures owned by you or a lot owner:
 - Carpets.
 - Light fittings.
 - Internal window coverings.
 - Temporary wall, floor, and ceiling coverings.
 - Wallpaper and paint.

Your common contents

We cover the common contents at the insured address shown on your Certificate of Insurance. This section outlines what we include as your common contents under your policy.

What we cover as your common contents

Your common contents are items of personal property owned by you, other than property that is incorporated into and becomes part of the common area, including any of the following items which belong to you and are located in the common area:

- ✓ Carpets.
- ✓ Furniture and furnishings.
- ✓ Internal window coverings.
- ✓ Light fittings.
- ✓ Portable domestic appliances.
- ✓ Temporary wall, floor, and ceiling coverings.
- ✓ Wallpaper and paint.
- ✓ Items used primarily for the administration of the body corporate:
 - Business or office furniture.
 - Electrical equipment.
 - Plant.
 - Telephones (excluding mobile phones).

Legislative insurance requirements



There are specific requirements that deal with insurance by a body corporate of a community title scheme. You should check to make sure that your insurance meets those requirements.

General limits on building and common contents items

There are general limits that apply to some building items and common contents items, as shown in the table below.

Building and common contents	Limit
Items	
Loss or damage to lawns, trees, shrubs, plants, and gardens in the common area.	Up to \$500
Costs to repair or replace water tanks, pipes, gutters, or drains which cause loss or damage to your building or your common contents.	Up to \$200

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2.1

Body Corporate Insurance

This section explains the cover you are provided with under the following:

- Body Corporate Insurance

Under this type of insurance you get cover for:

- Loss or damage to your building
- Loss or damage to your common contents
- Legal liability
- Up to 8 included benefits
- Up to 2 optional benefits

The type of cover that you have chosen will be shown on your Certificate of Insurance.

Your building and your common contents

Under your Body Corporate Insurance policy, we cover your building and your common contents for loss or damage caused by an incident that:

- happens at the insured address, and
- happens during the period of insurance.

The general exclusions shown on pages 38-42 apply to all areas of this section.

Your sum insured

You have a separate sum insured for your building and for your common contents. These amounts are shown on your Certificate of Insurance. They are the amounts you choose to cover your building for and your common contents for.

It's important for you to choose a sum insured for both of your building and your common contents that is enough to cover the cost to rebuild your building or replace your common contents if they are totally destroyed by an incident. It's your responsibility to regularly review your sums insured to make sure they provide the right amount of cover for both your building and your common contents.

Monitoring your sum insured



You can ask us to change your sum insured at any time. It's your responsibility to regularly review your sum insured to make sure it provides the right amount of cover for your building and your common contents.

Loss or damage to your building or your common contents

Included for:



You are covered for:



Loss or damage to your building or your common contents that is caused by an incident that happens at the insured address.

Limit:



Up to the sums insured shown on your Certificate of Insurance for your building and your common contents, or



The general limits shown on page 20.

You are not covered for:



Damage caused by animals and birds including biting, chewing, or scratching.



Loss or damage caused by a storm to:

- driveways, garden borders, paths, paving, and playing surfaces,
- free standing or retaining walls,
- shade and sail cloth,
- swimming pool covers and liners, or
- glasshouses or greenhouses (whether they are made mainly of glass or not).



Loss or damage caused by smoke or heat (e.g. melting or scorching) when your building or your common contents did not catch fire (but, we do cover loss or damage if the smoke or heat was caused by a bush fire, or a fire that happens within 100 metres of the insured address).



Costs incurred which we have not authorised to locate the source of a leak which causes loss or damage where the leak arises from an overflowing tank, pipe, gutter or drain used to carry liquid.

Included benefits

We provide up to 8 included benefits as part of your cover for your building and your common contents. You don't need to pay more for those extra benefits – we include them as part of your standard cover.

The included benefits we provide depend on the type of cover you have chosen.

Making a claim for an included benefit

Unless we state otherwise in the benefit, you can only claim for included benefits if we accept your claim for an incident that causes loss or damage to your building or your common contents.



















For example, you make a claim under your building cover for fire, we also pay for temporary accommodation if your building or a lot is unliveable under the included benefit 'Temporary accommodation'.

We pay included benefits as a part of your building sum insured or your common contents sum insured.

The general exclusions shown on pages 38-42 apply to all areas of this section.

Summary of cover

The table below provides a brief summary of the cover we give you. For full details about your cover and the exclusions and limits that apply, see the relevant pages shown in the last column.

Included benefits	Limit			Page
Common contents in the open air	Up to your sum insured			27
Demolition and design	Up to 10% of your sum insured			27
Emergency repairs	Up to \$1,500			27
Fidelity guarantee	Up to \$30,000			28
Lost rent	Up to 12 months			28
Motor burnout	Up to your sum insured			29
Removal of fallen trees	Up to \$500			29
Temporary accommodation	Up to 12 months			30

Common contents in the open air

Included for:



Common Contents

You are covered for:



Loss or damage to your common contents in the open air as a result of an incident at the insured address.

Limit:



Up to your common contents sum insured shown on your Certificate of Insurance.

Demolition and design

Included for:



Building

You are covered for:



The costs to demolish and design your building after an incident. We will pay for the following work that needs to be done to rebuild or repair your building:

- demolition,
- design work,
- exploratory work to locate cause of the damage,
- related legal work,
- removal of debris, and
- survey work.

Limit:



Up to 10% of your building sum insured shown on your Certificate of Insurance.

Emergency repairs

Included for:



Building



Common Contents

You are covered for:



Emergency repairs to your building or your common contents that you arrange without consulting us after an incident happens.

Limit:



Up to \$1,500 for each claim.

Fidelity guarantee

Included for:



You are covered for:



Loss resulting from the fraudulent misappropriation of funds belonging to you committed during the period of insurance by:

- an office bearer,
- the body corporate manager, or
- any service contractor.

Limit:



Up to \$1,000 multiplied by the number of lots in the community title scheme for your building, but not exceeding \$30,000 during the period of insurance.



We reduce the amount we pay you for your claim by any amount you are entitled to receive as compensation from a fidelity fund.



You can make a claim for this benefit on its own without making a claim for an incident that causes loss or damage to your building or your common contents.

You are not covered for:



Fraudulent misappropriation of funds committed after you discover the first loss.



Fraudulent misappropriation of funds held by anyone other than:

- an office bearer,
- the body corporate manager, or
- any service contractor.

Lost rent

Included for:



You are covered for:



The net rental income lost by you or a lot owner while your building or any lot is being rebuilt or repaired for up to 12 months from when an incident happens until your building or the lot owner's lot is fit to live in as long as:

- we accept your claim for an incident that causes loss or damage to your building or your common contents,
- your building or the lot owner's lot was being rented out when the incident happened, and
- you told us that your building or the lot owner's lot was being rented out before the incident happened.

Limit:





Up to the net rental income of the lot owner's lot when the incident happened, and



Up to 12 months from when the incident happens.

Motor burnout

Included for:

 Building	 Common Contents
--	---

You are covered for:



Loss or damage to the electric motors in your building or your common contents caused by burnout in the wiring during the period of insurance.

Limit:



Up to your building sum insured or your common contents sum insured shown on your Certificate of Insurance.



For motors which are 5 or more years old, depreciation is applied at a rate of 10% of the claim amount for each year over 5 years, up to a maximum deduction of 80%. Any excess is then deducted from this amount.



You can make a claim for this included benefit on its own without making a claim for an incident that involves loss or damage to your building or your common contents.

You are not covered for:



Loss or damage to an electric motor that is covered by a guarantee or warranty.





Loss or damage to lighting, heating or electrical elements, devices or fuses when sparking or arcing occurs in ordinary use.



The cost to replace parts which do not form part of an electric motor but are fitted during the repair or replacement of an electric motor. This includes bearings, gaskets and filters.

Removal of fallen trees

Included for:

 Building	 Common Contents
---	--

You are covered for:



The costs to remove and dispose of fallen trees that cause loss or damage to your building or your common contents.

Limit:



Up to \$500 for each claim.

You are not covered for:



The cost to remove tree stumps.

Temporary accommodation

Included for:



You are covered for:



The costs for temporary accommodation for lot owners when your building or any lot has suffered loss or damage due to an incident making the property unfit to live in.

Limit:



Ongoing accommodation costs up to the market rent for the lot when the incident happened, and



For up to 12 months from when the incident happened until your building, or the lot is fit to live in.

You are not covered for:



The lot owner is not living in the lot at the time of the incident.

Legal liability

We provide legal liability cover as part of your policy. It covers:

- you if someone makes a claim against you or sues you for something which you may be liable for – this is known as your legal liability, and
- your legal costs to deal with the claim (as long as you get our written approval before you incur them). We will approve all reasonable costs in a timely way.

For us to cover you, your liability must arise from something that happens during the period of insurance.

Legal liability

You are covered for:



We cover your legal liability as owner, occupier, or building manager of your building to pay compensation for loss or damage resulting from an incident at the insured address which causes:

- death or injury, or
- loss or damage to property.

Limit:



Up to \$20,000,000 for each incident to include:

- compensation amounts,
- costs for legal representation or advice from lawyers appointed by us, and
- other legal costs you incur (as long as you get our approval before you incur them). We will approve all reasonable costs in a timely way.

The limit applies for each incident regardless of the number of claims which may result from that incident.



If we pay the maximum legal liability amount for the claims against you arising out of a single incident, then your cover for legal liability ends on the date we make our last payment.

Your legal liability cover also ends if your policy ends because we pay the maximum amount for loss or damage to your building or common contents.

You are not covered for:



Loss or damage to your building, your common contents or any property owned or controlled by you.



Loss or damage to property or death or bodily injury arising:

- out of or in connection with the use, ownership or control of a lift, escalator or inclinator (but we do cover you if you have told us about the lift, escalator or inclinator and it is shown on your Certificate of Insurance),
- out of or in connection with the use of a swimming pool or spa (but we do cover you if you have told us about the swimming pool or spa and it is shown on your Certificate of Insurance),
- out of your failure to provide a swimming pool or spa fence, as required by law,
- out of an incident related to alterations, additions, repairs, or decorations to your building that cost more than \$40,000.



Loss or damage to property or death or bodily injury arising from the use, ownership, or control of:

- a vehicle (except for a bicycle, non-motorised wheelchair, ride on mower or other motorised garden equipment not required to be registered),
- an aircraft or aircraft landing area, or
- a watercraft.



The presence of asbestos or asbestos products.



The improper use of a gas bottle or using a gas bottle which does not comply with the law.



Disease or death caused by:

- contraction or transmission of any sickness,
- asbestos, or
- mould.



Organised sporting activities including anything requiring a club membership or registration.



Death or injury of any person:

- who is treated as your employee for workers' compensation purposes or which gives rise to workers' compensation exposure on your behalf or on behalf of your workers' compensation insurer, or
- when anyone covered by your policy is entitled to indemnity for liability under any fund, scheme, policy or insurance or self-insurance arrangement in connection with any law about workers' compensation or employment practices (or would have been entitled to indemnity if they had complied with their obligations under the law).



Liability which you take on by agreement, which would not have existed otherwise.



Reckless or malicious acts or omissions by you, any lot owner or office bearer, or anyone acting with your or their express or implied consent.



Any act or omission occurring during the course of a criminal or illegal act.

Optional benefits

You can choose to add optional benefits to your policy. You will have to pay an additional premium for any optional benefit you select. We show any optional benefits we've agreed to cover on your Certificate of Insurance.

The general exclusions shown on pages 38-42 apply to all areas of this section.

Making a claim

You can make a claim for these optional benefits even when there is no loss or damage to your building or common contents.

Summary of cover

The table below provides a brief summary of the cover we give you. For full details about your cover and the exclusions and limits that apply, see the relevant pages shown in the last column.

Optional benefits	Limit	Page
Office bearers' liability	Up to \$1,000,000	32
Voluntary workers' insurance	Up to \$1,000,000 for any claim arising out of one incident. \$250,000 for all claims in any one period of insurance	34

Office bearers' liability

We cover your liability to pay compensation for wrongful acts committed during the period of insurance by office bearers while acting in the capacity as office bearers of the body corporate.

This optional benefit does not apply to claims arising from a wrongful act that occurs before the period of insurance.

If you add this optional benefit you only need to make one application to obtain cover for you and the office bearers. We accept your application as if each office bearer had given us their own application.

We will not refuse a claim by an office bearer where, in relation to another office bearer, the application:

- contains a false statement, or
- does not disclose relevant information,

except where you were or should have been reasonably aware of the false statement or non-disclosure.

You are covered for:



- Office bearers against their liability,
- you against your liability to compensate office bearers for their liability, and
- the estates of deceased or insolvent office bearers,

to pay someone damages resulting from a wrongful act committed during the period of insurance by an office bearer while acting in the capacity as an office bearer.



Your liability to pay the cost and expenses (including legal costs) to defend a claim arising from a wrongful act committed or allegedly committed during the period of insurance by an office bearer while acting in the capacity as an office bearer (as long as you get our written approval before you incur them). We will approve all reasonable costs and expenses in a timely way.



Your liability and that of any office bearer, even if the office bearer is not entitled to indemnity from you.

Limit:



Up to \$1,000,000 to include:

- compensation amounts,
- our legal costs,
- costs for legal representation or advice from lawyers appointed by us, and
- other legal costs you incur (as long as you get our written approval before you incur them). We will approve all reasonable costs in a timely way.

This is the maximum that will be paid regardless of the number of claims that result from any one wrongful act.

You are not covered for:



Claims arising from any wrongful act that occurs before the period of insurance.



Claims resulting from loss or damage to:

- bearer bonds,
- cheques,
- coupons,
- bank notes, or
- negotiable instruments.



A claim:

- by you against any office bearer, or
- by an office bearer against another office bearer.



Defamation related to broadcasting, publishing, or telecasting by an office bearer on your or their behalf.



A claim against you or an office bearer for defamation if you or they knew it was likely to be defamatory.



Incidents which an office bearer was, or should reasonably have been aware of, before the period of insurance.



Any guarantee or warranty made by an office bearer, except a warranty of authority.



An office bearer improperly acquires a benefit or acts illegally.

- ❌ A claim arising out of circumstances which an office bearer was aware of before the start of the period of insurance and which that office bearer could reasonably have considered at that time could give rise to a claim.
- ❌ Claims arising from any reckless act or omission by you, an office bearer or anyone acting with your or their consent (but no office bearer is liable for the acts or omissions of any other office bearer).

Voluntary workers' insurance

You are covered for:

- ✅ Compensation for death or bodily injury to voluntary workers which happens during the period of insurance and:
 - is caused solely and directly by violent or accidental means,
 - was unintended or unexpected,
 - happened in the common area at the insured address, and
 - resulted from voluntary work being carried out.

Limit:

- 💰 Up to the benefit limits for Voluntary workers' insurance shown on page 35, and
- 💰 The most we will pay under this optional benefit is:
 - up to \$30,000 for each incident, regardless of the number of claims,
 - up to \$250,000 for all claims in any period of insurance.

You are not covered for:

- ❌ Injury, death, or any other loss which is caused by, or contributed to by:
 - suicide or attempted suicide,
 - intentional self harm,
 - mental illness,
 - drugs or alcohol,
 - hernia, or
 - pregnancy or childbirth.
- ❌ Any injury, death or loss that is covered by any workers' compensation legislation or other insurance policy you are required by law to enter into.
- ❌ Death or disability which happens more than 12 months after the incident.
- ❌ You did not notify us of the death or injury within 12 months of it happening.
- ❌ The injured voluntary worker did not obtain, and act on the advice of, a medical professional.

Voluntary workers' insurance benefit limits

Result of incident	Limit
Items	
Death	\$30,000
Total or irrecoverable loss of sight in:	
• one eye	\$15,000
• both eyes	\$30,000
Total loss of effective use of:	
• one hand	\$15,000
• one foot	\$15,000
• one hand and one foot	\$30,000
• both hands	\$30,000
• both feet	\$30,000
• total or irrecoverable loss of sight in one eye and total loss or effective use of one hand or one foot.	\$30,000
If the voluntary worker cannot perform their occupation, for which they were receiving a wage or salary at the time of the incident, due to:	
• temporary partial disability – unable to carry out some, but not all of the usual duties of their occupation.	25% of their average weekly earnings, up to \$100 per week for up to 52 weeks.
• temporary total disability – unable to carry out any of the usual duties of their occupation.	100% of their average weekly earnings up to \$400 per week for up to 52 weeks.
• permanent total disability – unable to carry out any of the usual duties of their occupation.	\$30,000 Average weekly earnings is the gross weekly wages or salary of the voluntary worker for the 13 weeks immediately before an incident occurs, divided by 13.

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3.

What your cover does not include

This section explains the general things we do not cover under your policy. These are known as general exclusions and they apply to all parts of your cover, and all types of cover. You should read these carefully to understand what we will not cover as a part of your policy.

These general exclusions apply in addition to the specific exclusions found within the 'What your cover includes' section.

General exclusions

There are some things we do not cover as a part of your Body Corporate Insurance policy, these are known as general exclusions. The following section outlines what we will not cover under your policy. It is important that you and anyone to be covered under this policy are aware of these general exclusions.

We will not cover you for any loss or damage to your building or your common contents or for legal liability which is caused by or arises out of connection with any of the following:

Actions of the sea

You are not covered for:

- ⊗ Actions of the sea which include erosion and king tides (but we do cover flood or water runoff, tsunami, and storm surge).

Breaking the law

You are not covered for:

- ⊗ If you don't comply with relevant laws and regulations.
- ⊗ A criminal or illegal act by you or anyone with your consent.
- ⊗ If you are aware your building is being used for a criminal or illegal purpose.
- ⊗ Fines or penalties a court orders against you.
- ⊗ If you don't comply with laws about supplying or consuming alcohol or drugs.
- ⊗ Any claim made against you in a court of law outside of Australia, or any action in an Australian court to enforce a foreign judgement.

Building use

You are not covered for:

- ⊗ Loss or damage if your building is not used exclusively as a residential building.

Business

You are not covered for:

- ⊗ Any business that you operate from your building, other than:
 - the management of your building,
 - operating as your building's landlord.

Civil commotion

You are not covered for:

- ⊗ Revolution, riot or other civil commotion or disturbance.

Computers and data

You are not covered for:

- ⊗ Loss or damage if a computer program or electronic system fails to process any form of data including date functions properly and accurately.
- ⊗ Loss or damage if you lose data or information that you keep or store in any way.
- ⊗ A computer virus.
- ⊗ Computer hacking.

Confiscation

You are not covered for:

- ⊗ If a government or local authority confiscates, nationalises or requisitions your building or your common contents.

Defective or faulty workmanship

You are not covered for:

- ⊗ Any inherent or built-in defect or defective or faulty workmanship, design or manufacture. But we do cover you if you can show you did not know, or couldn't reasonably have been expected to know, about the defect or defective or faulty workmanship, design or manufacture.

Deliberate acts

You are not covered for:

- ⊗ Any deliberate or intentional acts or omissions by you, any lot owner or office bearer, or anyone acting with your or their express or implied consent except a deliberate or intentional act of an office bearer that results in a claim under the included benefit 'Fidelity guarantee'.


Disease

You are not covered for:

- ⊗ Any disease, or fear or threat of any disease, that can be transmitted between living things:
 - by any substance or agent, including any virus, bacteria, parasite or other organism; and
 - by any method, including by air or bodily fluid, or from or to any thing, whether solid object, liquid or gas.


Electrical, electronic and mechanical equipment

You are not covered for:

-  Loss or damage to electrical, electronic or mechanical equipment caused by mechanical, electrical or electronic failure or breakdown except to the extent that it is covered by the included benefit 'Motor burnout'.


Erosion and landslide

You are not covered for:

-  Any erosion, landslide, subsidence, vibration, earth shrinkage or expansion or any other movement no matter how it is caused (but we do cover earthquake and we cover landslide or subsidence that happens within 72 hours of the first loss or damage to your building or common contents caused solely by flood or water runoff).


Glass

You are not covered for:

-  Loss or damage to glass:
 - which is part of a glasshouse or conservatory,
 - if the break does not extend through the entire thickness of the glass,
 - which is part of a picture tube or screen of a television or a visual display unit,
 - items normally carried by hand,
 - in a mirror, other than a fixed wall mirror,
 - in picture frames not normally hung on walls, or
 - in radios, clocks, vases ornaments or lamp.


Indirect loss

You are not covered for:

-  Any indirect loss. Any loss or expense which indirectly results from the cover we provide under your policy except to the extent that it is covered by the extra benefits of Lost rent or Temporary accommodation. See page 70 for the definition of indirect loss.


Maintaining your building and your common contents

You are not covered for:

-  Loss or damage caused by you not maintaining your building and your common contents in good condition.

Period of insurance

You are not covered for:

-  Any incident that starts or happens outside the period of insurance shown on your Certificate of Insurance.

Pests and parasites

You are not covered for:

- ⊗ Loss or damage caused by rats, mice, cockroaches, termites, fleas, lice, and bedbugs.

Radioactivity

You are not covered for:

- ⊗ The use, existence or escape of nuclear weapons material.
- ⊗ Radiation or radioactive contamination from nuclear fuel, nuclear waste, or the action of nuclear fission.

Roots and trees

You are not covered for:

- ⊗ Loss or damage caused by the activity of roots from trees, shrubs, or plants.
- ⊗ Tree lopping or felling by you, a lot owner, or any person who has your or their consent.

Rust and mould

You are not covered for:

- ⊗ Rust, corrosion, rot, mould or gradual deterioration. (But we will cover mould, damage to your building or your common contents that happens within 21 days of the first loss or damage caused by storm, storm surge, flood/water runoff, tsunami, or leaks).

Seepage and pollution

You are not covered for:

- ⊗ Seepage, pollution or contamination by any substance no matter how it is caused.




Swimming pools and spas

You are not covered for:

- ⊗ Movement of swimming pools or spas.
- ⊗ Breaking, chipping or lifting of tiles in your swimming pool, spa or surrounding areas.


Terrorism or war

You are not covered for:

-  An act of terrorism which involves biological, chemical or nuclear weapons or devices.
-  Germ, disease, pollution or contamination caused by or in connection with an act of terrorism.
-  War or other acts of foreign enemy.


Unoccupied

You are not covered for:

-  If your building is unoccupied at the time of the incident. Your building is unoccupied if more than 50% of the lots have been unoccupied for more than 60 consecutive days unless you have told us and we have agreed in writing to cover you.


Use of your building or common contents

You are not covered for:

-  Loss or damage caused by the following if you do not take all reasonable precautions to:
 - keep your building and your common contents in good condition,
 - keep your building and your common contents safe and secure,
 - prevent further damage to your building and your common contents after an incident happens, and
 - prevent legal liability occurring.

Wear and tear

You are not covered for:

-  Wear and tear through normal use.

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4.

What you are responsible for

This section explains the responsibilities you have, and conditions that apply to your policy.

It is important for you to know about these responsibilities and conditions.

If you don't comply with any condition or term of your policy, it may affect whether we pay your claim.

General conditions

What you should tell us and why

When you become a member with RACQ and take out, renew, extend or vary your insurance policy, it is important that you understand you are answering our questions for yourself and anyone else whom you want to be covered by the policy.

You should always give us complete and honest answers to all the questions we ask you, by answering questions about yourself and other named policy holders to the best of your knowledge.

If you breach your duty to us, we may be entitled to refuse to pay your claim, reduce the amount payable for a claim or cancel your policy. If your breach is fraudulent, we can also cancel the policy from the beginning.

Changes to your circumstances

You must tell us as soon as possible if:

Any details on your certificate of insurance are no longer accurate and complete including where:

- There is a change to the construction of your building.
- Your building is no longer used exclusively for residential purposes.
- Your building becomes unoccupied.
- You have had any insurance policy refused, cancelled, or voided.
- Changes at the insured address, including renovations, alterations, or construction to your building, may increase the chance of loss or damage to your building or common contents.
- You plan to change your community management module.

If any of these changes occur, this may affect the premium and excesses applied to your policy.

If you would like to know more about how this might affect you, please contact us by:



Calling us on
13 19 05



Visiting us online
<https://www.racq.com.au/support/faqs>

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Your premium

Your premium is the amount you pay for the cover we give you under your policy. It includes any government statutory charges, levies, duties, GST or other taxes that may apply.

For more information about how your premium is calculated and discounts which may apply, review the 'Premium & discount guide' section of the PDS on page 67.

Paying your premium

If you want to pay your annual premium by monthly instalments, you can ask us to deduct monthly payments from your account or credit card with a bank, credit union or building society. There is a higher premium if you choose to pay in monthly instalments, rather than annually. The additional premium may be referred to as a fee in other policy documents.

Your Certificate of Insurance shows your premium amount and whether you are paying annually in advance or by monthly instalments if you choose the Pay by the Month option.

If you are paying:

- annually, then you must pay by the due date, or
- by monthly instalments, then you must make sure that you have enough money in your account to cover each instalment on your payment date.

Automatic Renewal of premium payment

If you have an automatic renewal arrangement, we will automatically renew your cover and that means your monthly payments will also continue.

If you don't pay your premium

If you are paying your premium annually in advance and you don't pay the full amount by the due date shown on your Certificate of Insurance, then your policy won't be valid and you won't be covered. In that case, you need to reapply for cover.

If you are paying your premium by monthly instalments and any instalment payment is overdue for at least 14 days, we may refuse to pay a claim.

If, after the first instalment is paid, any following instalment is overdue for one month, we may immediately cancel your policy. If we cancel your policy, we will send a letter to your last known address which tells you the reason why and when we cancelled your policy.

Changing your premium in our renewal offer

If you make a claim after we send you an offer to renew your policy but before the renewal date, then we may need to increase the premium in our renewal offer

When we deduct your payments for Pay by the Month

Once you give us your account or credit card details, we deduct your:

- first payment approximately 14 days after your policy starts, and
- second and following payments on your monthly payment date.

Depending on your payment date, we may deduct 2 payments in a month. For example, if your payment date is the 31st of each month, then we'll deduct your November instalment on 1st December (as November only has 30 days) and deduct your December instalment on 31st December.

If your payment date falls on a non-business day in Sydney or Melbourne (e.g. a weekend or public holiday), then your financial institution won't process the payment request until the next business day. If you're not sure when the debit will be processed to your account, you should contact your financial institution.

Cancelling or deferring payments for Pay by the Month

You may ask us to cancel your direct debit authority or to defer an individual payment by:



Calling us on
13 1905; or



Writing to us at
Reply Paid 4
RACQ Insurance - Pay by the Month
Springwood QLD 4127.

For us to process your request in time, we must receive it at least 14 days before your next payment date.

Conditions for Pay by the Month

The following terms and conditions apply when you choose to pay your premium through the Pay by the Month option:

- If you make any changes to your policy which affect your premium, then we may increase or decrease your payment amount in line with your new premium. You may need to make an additional payment.
- If your premium changes when we offer to renew your policy, then we may increase or decrease your payment amount in line with your new premium.
- When you pay the first instalment, your insurance cover starts from the first day of the period of insurance shown on your Certificate of Insurance.
- If you have an automatic renewal arrangement, we will continue to deduct payments from your account or credit card until you tell us that you want to cancel or change that arrangement.
- If your financial institution rejects a payment request, we will either try to debit the payment from your account again or contact you to arrange another way to pay it. The date of our second payment request is fixed and can't be changed.
- If another payment falls due after your financial institution rejects a payment request but before you pay the missed instalment, we may deduct 2 instalments on your next payment date.
- We may cancel the direct debit arrangement if your financial institution rejects:
 - 1 payment request from a credit card account, or
 - 3 or more payment requests from any other type of account.
- If your bank account details change, you need to tell us at least 7 days before your next payment date.
- If your credit card details change, you must tell us at least 7 days before your next payment date.

How to apply for Pay by the Month



If you would like to pay your premium by monthly instalments that are deducted from your account, call us on 13 1905 or visit an RACQ store.

Managing or changing your policy

Changes that you ask for

You may ask us to make a change to your policy. If you do that, then we may charge you an additional premium. The change or addition only takes place when:

- we confirm it in writing to you or show it on a new Certificate of Insurance, and
- you pay any additional premium that applies.

If you don't pay any additional premium in full within 14 days, we will reduce your period of insurance in line with the premium you paid before you made the change to your policy.

Authority to act for the Body Corporate

You agree to act on behalf of all of your office bearers for all matters relating to this policy. You have authority to act on behalf of all office bearers and we can rely on this authority.

Each office bearer has your authority to act for all matters relating to this policy and we can act on instructions from any office bearer for all matters relating to this policy.

Waiver

A waiver is where we agree to forgo or relinquish a condition in your contract. If we agree to alter a condition of your policy the waiver will be provided to you in writing.

Renewing your policy

We may offer to renew your current policy. If we do, we will send you a renewal Certificate of Insurance before your policy expires. You are responsible for checking the details that apply for the new insurance period and advise us of any changes. Please ensure you check the amount of your sum insured on your renewal to see if your level of cover is still right for you.

If you have an automatic renewal arrangement, we will automatically renew your cover and that means your monthly payments will also continue during the next period of insurance. If the information in your renewal is correct and you wish to continue with your automatic renewal arrangement then you have nothing else to do, we will continue to deduct the renewal premium from your account or credit card.

If you do not have an automatic renewal arrangement, you will receive information from us in your renewal outlining how to accept your renewal offer should you wish to do so.

If we decide not to renew your policy, we will provide you with notice of this decision prior to your current policy expiring.

Receiving your documents and notices

If you agree, we may send you your policy documents and notices electronically. We will continue to provide these documents and notices electronically until you tell us otherwise. Each electronic communication will be deemed to be received by you at the time it leaves our information system, unless we receive a failure to deliver notification. You are responsible for making sure your email address is up to date.

Please contact us if you need to update your email address.

Cancelling your policy

Cancellation by you

You may cancel your policy at any time, including during the cooling off period. If you want to cancel your policy you need to call us or tell us in writing. The cancellation will take effect from:

- the date we receive your request, or
- another date you request, if we agree to that date.

Cancellation by us

We can only cancel your policy when we are legally allowed to. We will provide you notice in writing with our reasoning prior to the cancellation.

Premium refunds when a policy is cancelled outside the cooling off period

Annual premiums

If a policy is cancelled, we will refund the portion of your annual premium which relates to the remaining period of insurance. If the refund amount is less than \$10, we will not provide the refund.

Monthly instalment premiums

If you are paying your premium by monthly instalments, we will refund the portion of your most recent monthly instalment which relates to the period between your cancellation date, and the date on which cover related to your most recent instalment was due to expire. If your most recent instalment does not cover the entire period up to your cancellation date, we will deduct an amount from your nominated account to reflect the period up to your cancellation date. If the refund amount is less than \$10, we will not provide the refund. If any amount you owe us is less than \$10, you do not need to pay that amount.

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5.

What you need to know about claiming

This section explains what happens when you need to claim on your policy and the process that we will follow with your claim.

This includes how to make a claim under your policy, your responsibilities when making a claim, how we settle your claim, and what excesses may apply to your claim.

Making a claim

If you need to make a claim on your policy, there are certain steps you are required to take and responsibilities that you have so we can manage your claim and make a stressful time as easy as we can for you.

How to lodge your claim



Call us on
13 7202



Visit any RACQ store
during business hours

We can help you 24 hours a day, every day.

Incident	Lodge	Assess	Settle
<ul style="list-style-type: none">• Check that you and anyone in your building is safe.• Notify emergency services if needed.• Do everything you reasonably can to limit further loss or damage.	<ul style="list-style-type: none">• Contact us as soon as you can.• Put together a list of and keep proof of any out of pocket expenses.• Send us any documents we require	<ul style="list-style-type: none">• We will explain the process.• Keep damaged property so we can inspect it.• We will assess any damage and quotes for repair.• We will accept your claim if it fits within the terms and conditions of your policy.• If we decline your claim, we will provide a clear explanation of why your claim isn't covered.	<ul style="list-style-type: none">• We will let you know the outcome of our assessment.• You will need to pay any excess(es) that apply.• We will make payment or authorise any repairs.

Claim responsibilities

You must co-operate with us fully, even if we have already paid your claim.

This includes:

- giving us any information, written statements, evidence and help we may need to defend, prosecute, investigate your claim, or recover from someone else we consider responsible for the incident,
- providing proof that you owned the lost or damaged property. For example, receipts, invoices, photographs, valuations, warranties,
- immediately sending us any communications you receive about the incident. This includes telling us about any email, letter of demand, claim, pending court proceedings or offers of settlement,
- if required, allowing us reasonable access to your property to assess your claim,
- assisting and attending interviews with our representatives. For example, solicitors, investigators or loss assessors,
- attending court to give evidence,
- asserting rights against any person nominated by us,
- telling us about any impending prosecutions or inquest,
- telling us if there is another insurance policy that may cover the loss or damage,
- any other responsibility highlighted in the "when an incident occurs", "lodging and assessing your claim", or "settling your claim" sections.

Our rights

What we may do

If something happens that causes loss or damage or that you may be legally liable for, we may:

- take over the matter and defend or settle any claim in your name or the name of any person that is entitled to be covered under your policy. We can appoint a lawyer to advise or represent you, and we decide how to defend or settle the claim.
- represent you, or any person that is entitled to be covered under your policy, at an inquest, official enquiry and in court proceedings about any event covered by your policy.

What can affect your claim

- You don't cooperate with us.
- You don't comply with any condition of your policy or Certificate of Insurance.
- You don't keep your building and your common contents in good condition and don't take reasonable care to protect them from loss or damage.
- You don't provide adequate proof of ownership or value of an item.

Proof of ownership/value

When you make a claim, we may ask you to provide proof that you owned an item. For example, receipts, invoices, photographs or valuations.

- You should get and keep regular written valuations from a qualified and experienced valuer in Australia for your unique and valuable items including paintings, or works of art. A valuation should include a full detailed description of the item and its value.

Our property

- If we replace or pay for an item, then the damaged item becomes our property.

If we pay the sum insured for your claim

If we pay you the maximum amount for loss or damage to your building or common contents then:

- Your policy ends.
- You are not entitled to a premium refund.
- If you were paying by monthly direct debit instalments, then we'll deduct from your final payment the monthly instalments to cover the rest of your policy's period of insurance.

When an incident occurs



What you need to do

You must:

- if a criminal act may have caused the loss or damage, you must immediately contact the police, and tell us where you made the report, the police officer's name and the incident number.
- do everything you reasonably can to limit the loss or damage and stop more loss or damage.
- keep damaged property so we can inspect it. (But, if the damaged property is a health or safety hazard, then you should dispose of it immediately).



What we will do

We will:

- assist with arranging help to ensure your building and your common contents is safe from additional damage caused by the incident.



What you must not do

You must not:

- do any repairs or throw out damaged property (unless it is a health or safety hazard or we agree),
- admit liability to anyone,
- negotiate, pay or settle a claim with anyone.

Lodging and assessing your claim



What you need to do

You must:

- tell us about the incident and make a claim as soon as possible,
- immediately tell us if there is another insurance policy that may cover the loss or damage,
- if a police report has been completed, tell us the incident number, where you made the report and the officer's name,
- tell us about and send us a copy of any notice, letter, claim writ or summons, against you relating to the incident as soon as possible after you receive it, and
- provide any additional information we request in a timely manner.



What we will do

We will:

- tell you what you need to do to help us process your claim,
- arrange for assessment of damaged property,
- review who is at fault and make any further enquiries to determine who is at fault if required,
- assess the damage and any repair quotes, and
- accept your claim if it meets the terms and conditions of your policy, or decline your claim and provide you with a clear explanation for our decision.



What you must not do

You must not:

- give false or misleading information.

If you make a false or fraudulent claim under your policy, we can reduce the amount we pay you, refuse to pay your claim, and may also cancel your policy as allowed by law.

If any other person who is entitled to benefit under this policy makes a false or fraudulent claim under your policy, we may reduce the amount we pay them, or refuse to pay their claim.

Settling your claim

To determine the most appropriate way to settle your claim, we consider factors such as the terms and conditions of your policy, safety, timeliness, cost, and any legal obligations.

Your claim will be settled in one or more of the following ways:

- ① Repair or rebuild
- ② Replace your items with new ones
- ③ Cash settlement to repair or replace
- ④ Pay your mortgagee or credit provider

① Repair or rebuild

Repair or rebuild your building as new – that is, repair or rebuild your building using the same materials, if readily available in Australia or equivalent materials in terms of quality, purpose and specifications.

If you do not cooperate reasonably with us when we are repairing or rebuilding your building (for example, not allowing rebuilding work to commence within 6 months from the incident), we may choose to pay you the amount it will cost us to complete the repairs/rebuilding.

Repair your common contents items – that is, repair them as far as reasonably possible to their original condition using materials that are readily available in Australia.

② Replace your items with new ones

Replace your common contents items as new – that is, replace them with new items which are readily available in Australia and which are their current equivalent in terms of quality and specifications, regardless of brand or supplier.

③ Cash settlement to repair or replace

Cash settle your building or your common contents – that is, pay you the replacement value of your building or common contents items up to the sum insured.

If we decide to pay you a cash settlement, we will pay you the amount it would cost you to repair or replace your building or your common contents (as described in point 1 and 2 above), based on the reasonable market cost to do this.

If you elect a cash settlement, we will pay you the amount it would have cost us to repair or replace your building or common contents (as described in point 1 and 2 above). This may be less than the amount it will cost you.

④ Pay your mortgagee or credit provider

If we cash settle your claim, then we may be required to first pay the mortgagee or credit provider shown on your Certificate of Insurance the outstanding debt amount you owe under the mortgage up to your building sum insured.

The terms and conditions of this policy apply to a mortgagee or other credit provider the same way they apply to you.

If we pay the mortgagee or credit provider, we will then pay you any remaining balance.

Types of excesses

Your excess is the amount you pay towards the cost of each claim you make. Your Certificate of Insurance shows the type and amount of excesses that apply to your policy. More than one excess may apply to a single claim.

Paying your excess

If you make a claim, we will let you know:

- which excesses apply and how much they are,
- when and how to pay any excesses, and
- who to pay any excesses to – we may ask you to pay an excess to us or a third party on our behalf. For example, a repairer or supplier.

In some cases, we may deduct any excess from the amount we pay you.

Type of excess that may apply		Building	Common contents
Basic excess	Shown on your Certificate of Insurance	✓	✓
Earthquake excess		✓	✓
Water damage excess		✓	✓
Legal liability excess		✓	✓

Types of excesses that may apply

Basic excess

Your basic excess is the amount that you pay towards your claim. It may only apply to certain claims and situations.

If the same incident causes loss or damage to both your building and your common contents, then you only need to pay one excess. If different excesses apply to your building and your common contents, then you must pay the higher excess.

Earthquake excess

If an earthquake causes loss or damage to your building or your common contents, then the earthquake excess shown on your Certificate of Insurance applies during each consecutive 48-hour period. You pay the earthquake excess on top of your basic excess.

Water damage excess

The water damage excess shown on your Certificate of Insurance will apply if loss or damage occurs caused by liquid bursting, leaking, discharging, or overflowing from:

- tanks, pipes, gutters, or drains used to hold or transport liquid,

- dish and clothes washing machine,
- water catchment trays in refrigerators or freezers,
- fixed domestic items which include lavatory cisterns, pans, baths, basins, sinks, and
- shower recesses or cubicles, or
- roadside gutters or drains.

The water damage excess will only apply if the loss or damage occurs on the second level or above of your building.

Legal liability excess

If a legal liability claim is made against you, you must pay the legal liability excess shown on your Certificate of Insurance.

Reimbursing your excess

If you have paid your excess and we later determine someone else is responsible for the incident, and we can recover our claims costs from them, we will reimburse your excess.

Claims that are less than your excess

We won't proceed with your claim if the total amount you are claiming is less than the excesses that apply to your claim.

Claims we decline or you withdraw

If we decline your claim due to fraud, you must reimburse us for any costs we've already incurred or paid towards your claim. This includes costs such as assessment costs, investigative costs, and costs to make your property safe.

If we decline your claim for a reason other than fraud, or you decide to withdraw your claim, you must reimburse us for any amount we've already paid towards any claimable benefits under your claim. However, you do not need to reimburse our costs such as assessment costs, investigative costs, and costs to make your property safe in emergency situations.

Other claim considerations

Reductions we may apply

If the floor carpets in the common area that suffer loss or damage were over 10 years old, we will not pay to replace the carpet with new carpet. We will pay you the cost to replace the carpet, less an amount that reflects the reduction in value for the age of the carpet, and the amount of wear and tear.

Salvage value

If your building (or part of it) was going to be demolished before the loss or damage happened, then we will only pay the salvage value of the building (or part of it) as if it had already been demolished. We will also pay the cost to remove the associated debris.

Pairs, sets, and collections

We provide cover for loss or damage to pairs, sets or collections, but this cover is limited in some circumstances. If the item is:

- part of a pair, set, or collection, and
- the remaining item(s) still function as manufactured,

then we only pay to repair or replace the lost or damaged part. We will pay the proportional replacement value of that part only. For example:

- if a collection of 10 books kept in a common property foyer is worth \$1,000 and 1 book suffers loss of damage, we will pay up to \$100 to repair or replace that item, or pay you \$100 if it can't be repaired or replaced (ie 10% the total value of the collection).

We won't pay:

- to repair or replace an undamaged item in order to achieve a match with a repaired or replaced item,
- for any decrease in the overall value of any pair, set, or collection.

Additional costs we don't pay for

We don't pay any additional costs to:

- rebuild, repair or replace any part of your building or your common contents that was not damaged or destroyed,
- replace or match undamaged parts of your building or your common contents to create a uniform appearance,
- rebuild or repair your building or common contents to a better condition than it was before it was damaged or destroyed (unless we need to meet current building standards).

Increase to your sum insured

If your sum insured for your building or your common contents doesn't fully cover the loss or damage to your building or your common contents, then when we agree to pay your claim, we will increase your sum insured. We increase the sum insured by a proportion of the uplift rate that applies when you make your claim.

For example, you make a claim halfway through your period of insurance. If the uplift rate at the time is 5%, then we will increase your sum insured by 2.5% – that is, half of the uplift rate, as you made the claim halfway through the period of insurance.

The increase we make to your building or your common contents sum insured in this way may not be enough to cover all of your loss or damage. You should monitor your sums insured to make sure they provide you the right amount of cover.

If you're registered or required to be registered for GST

Each time you make a claim you must tell us the percentage of Input Tax Credits (ITC) you are entitled to claim on your premium for the period of insurance during which the incident happened. If you do not tell us the correct percentage of ITCs, you may have to pay GST, penalties and interest. We will not cover you for these amounts.

You must also tell us whether you would be entitled to claim ITC if you repaired or replaced the item you are making a claim for. We will reduce any payment we make to you by an amount equal to the ITC you would be entitled to, if any.

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6.

Other information

This section explains other important information you should know such as how we calculate your premium, handle your personal information, manage disputes or complaints, and definitions for words that have special meanings.

Dispute resolution process

RACQ Insurance provides a free and impartial dispute resolution process, established to address any complaint you may have in relation to our products, services, staff, processes or a privacy issue.

We can provide additional support to people who are experiencing vulnerability and we recommend you let us know about your circumstances so we can do our best to support you. You can find further information on how we can support you on <https://www.racq.com.au/support/supporting-vulnerability>

It is important we know about your concern as soon as possible so we can work with you to resolve the issue using the following steps:

1. Let us know about your complaint

Please refer your complaint to us by:



Visiting us online

<https://www.racq.com.au/contact-us/feedback-and-complaints>



Writing to us at

RACQ Insurance – Customer Dispute Resolution Department
PO Box 3004, Logan City QLD 4114



Emailing us at

racqdisputeresolution@racq.com.au



calling us on

1300 851 381 or 13 7202 outside business hours.

2. Reviewing your complaint

When you lodge your complaint with us, we would appreciate you providing us with your contact details and preferred contact time. This will enable us to acknowledge your complaint, provide you with updates on the progress of the review, and contact you with a decision in line with our complaints management policy. You can find further information on our complaints management policy by visiting <https://www.racq.com.au/contact-us/feedback-and-complaints>.

3. Refer to external dispute resolution

We expect that together, we can find a fair and balanced outcome. However, if you are not happy with our decision, or the handling of your complaint, you can access the External Dispute Resolution Scheme, managed by the Australian Financial Complaints Authority (AFCA). AFCA's role is to provide consumers (you) with free, fair and independent dispute resolution for complaints relating to financial service providers (RACQ Insurance).

AFCA deals with complaints that fall within their 'Complaint Resolution Scheme Rules' and will only consider your complaint after we have first had the opportunity to resolve your complaint through our internal dispute resolution process.

To find out whether your complaint qualifies for the AFCA, you can:



write to

Australian Financial Complaints Authority Limited,
GPO Box 3, Melbourne, VIC 3001



call 1800 931 678



visit <http://www.afca.org.au>



email info@afca.org.au

Premium & discount guide

How we calculate your premium





To calculate your premium, we assess the likelihood of you making a claim according to various items of information about your policy which we call premium rating factors. The importance of the premium rating factors we use, and the way in which we combine them to determine your premium varies by type of cover and from person to person and may change over time. The table below shows significant premium rating factors that might affect your premium.

Your premium also includes any discounts to which you may be entitled, as well as any applicable government statutory charges, levies, duties, GST and other taxes.

When you change or renew your policy, we review your premium and increase or decrease it in line with any relevant changes to your circumstances. Even if you do not make any changes to your policy, your renewal premium may change. We may choose to limit the amount of any premium increase or decrease you experience on renewal. Your renewal premium may change because the premium is affected by other factors including:

- the cost of claims we have paid and expect to pay in the future,
- new data we have collected on premium rating factors,
- changes to the cost of running our business, or
- changes in government statutory charges.

The table below shows significant premium rating factors that might affect your premium. This is not an exhaustive list of our premium rating factors.

Premium factors	
You	
Claims history Premiums may be lower if you have not made insurance claims in the past.	
Your building at the insured address	
Address and location Premiums may be higher if your building is in an area with higher rates of crimes such as theft or breaking and entering. Premiums may be higher if your building is in a low lying area with a higher likelihood of flooding.	
Sum insured Premiums may be higher for higher sum insured values chosen by you since there are likely to be greater costs required to rebuild, repair or replace higher valued buildings or common contents after an accident.	
Physical characteristics of the building The characteristics of your building including the year of construction, primary construction materials and the inclusion of a pool or lift can affect the likelihood and cost of repairs or replacement or your exposure to legal liability. Premiums may be higher where any of these characteristics make your building more susceptible to crime, or vulnerable to significant weather events, or more likely to cause death or injury.	

Premium factors

Your policy choices

Optional benefits

Choosing an optional benefit will increase your premium.



Premium payment frequency

There is an additional premium if you choose to pay in monthly instalments, rather than paying them upfront. The additional premium may be referred to as a fee in other policy documents.



What discounts can be applied to your premium

We don't apply any discounts to your premium.

Personal information

The personal information you give us is used to set up and administer your policy. It is used to determine the extent of insurance risk that you have proposed and plays a role in determining fair and competitive premiums.

If you make a claim, your personal information enables us to determine your entitlement. If you do not provide the information we request then this can either delay or prevent us from providing the insurance you want or allowing your claim.

Our Privacy Statement

RACQ collects, holds, uses and discloses your personal information in a number of ways. RACQ is bound by the Privacy Act 1988 (Cth) (Act) and the Australian Privacy Principles contained within the Act.

To obtain a copy of the RACQ Group Privacy Statement visit our website at racq.com/insurance or racq.com/privacy. You can also call us on 13 1905 or email us on privacy@racq.com.au to request a copy.

General Insurance Code of Practice

The General Insurance Code of Practice sets standards for insurers. RACQ Insurance is a signatory to the General Insurance Code of Practice.

You can get a copy of the General Insurance Code of Practice from the Insurance Council of Australia by:



calling
1300 728 228



visiting
www.insurancecouncil.com.au

Financial Claims Scheme

The Financial Claims Scheme protects general insurance policyholders from potential loss if an institution fails. You may be entitled to a payment under the Financial Claims Scheme if you meet their eligibility criteria. If you want more information about the scheme, you can:



call
1300 558 849



visit the Financial Claims Scheme website at
www.fcs.gov.au

RACQ membership

By entering into this policy you agree to become a member of the Royal Automobile Club of Queensland Limited ACN 009 660 575 (RACQ).

As an RACQ member, you may vote at RACQ general meetings and agree to the constitution of RACQ and any rules made under the constitution, which may vary from time to time. The RACQ constitution and rules are available at racq.com.

RACQ members enjoy wide-ranging benefits. You can find out more about the specific rewards, discounts and privileges RACQ membership offers by:



visiting us at
racq.com/membership



calling us 7 days a week on
13 1905



visiting one of our RACQ stores



writing to us at
PO Box 4, Springwood Queensland 4217

The conditions set out below apply:

If you cease to hold and do not renew your policy and do not have any other RACQ eligible products, you will no longer be entitled to be a RACQ member.

Words with special meanings

Word or term	Special meaning
Body corporate manager	The body corporate manager engaged by you to provide administrative services.
Collection	A number of items that are brought together or collected as part of an interest or hobby.
Common area	Any area of the community title scheme for your building which does not form part of any lot or tenancy. Your common area includes: garages, storage areas, parking areas, walkways and stairwells that are not secure and over which any lot owner does not have exclusive access to under the by-laws of a body corporate.
Excess	<p>The amount you pay towards the cost of each claim you make.</p> <p>Your Certificate of Insurance shows the type and amount of excess that applies to your policy. More than one excess may apply.</p>
Flood	<p>The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <ul style="list-style-type: none"> • a lake, river, creek or other natural watercourse (whether or not it has been altered or modified). • a reservoir, canal or dam.
Good condition	<p>Good condition means your insured building and your common contents are well maintained, free from material damage, decay, and defects that could reasonably be expected to increase the risk of loss or damage that contributes to or is caused by an incident. This includes but is not limited to your building having:</p> <ul style="list-style-type: none"> • a sound and solid structure with no leaks, holes, or rot. • roof and gutters that are securely attached to the building with no damage, rust, signs of deterioration or excess debris. • exterior walls, windows, paths, paving and outdoor structures that have no peeling or damaged paintwork, settlement cracks, shifting or subsidence, deteriorating timber or cladding, missing / broken glass, or missing grout or cement in brickwork. • stairs, railings and fences that are intact with no missing panels, deteriorating timber or visible damage. • no damage from or infestation of termites, ants, birds, or vermin. • no squatters or unauthorised persons living in the building.
Incident	Any event a person would not reasonably expect or intend that happens during the period of insurance
Includes	This has a non-exhaustive meaning in this Product Disclosure Statement. As well as the things actually named, other things can come within the same category or list.

Indirect loss	<p>Any loss or extra expense which indirectly results from an incident we cover under your policy. For example:</p> <ul style="list-style-type: none"> any extra expense to replace undamaged property to create a uniform appearance, not being able to match bricks if a wall of your building is damaged and we accept your claim for the incident, a drop in a common contents item value after it has been repaired or replaced, you purchased an extended warranty for a common contents item which was destroyed by an incident and we agree to accept your claim – we'll replace the item but we won't give you a new extended warranty.
Insured address	The address shown on your Certificate of Insurance.
Lot	An area marked as a lot on the plan for the community title scheme for your building. It does not include the common area.
Lot owner	The registered owner of a lot.
Office bearer	Includes your chairperson, secretary, treasurer and other committee members, but does not include a body corporate manager, letting agent or service or other contractor.
Open air	Anywhere at the insured address that is not fully enclosed and lockable.
Policy	<p>Your policy includes:</p> <ul style="list-style-type: none"> the Certificate of Insurance this Product Disclosure Statement any issued Supplementary Product Disclosure Statements.
Premium	The amount you pay for the cover we provide you under your policy. It includes any government statutory charges, levies, duties, GST and other taxes that may apply.
Retaining wall	A wall that is not part of your building that is designed to hold back and retain earth or water.
Service contractor	A service contractor engaged by you to supply services (other than administrative services) for the benefit of your building.
Storm	A storm has very strong winds and may also involve heavy rain, hail or snow. For example, a cyclone. A storm is not just continuous bad weather on its own.
Storm surge	An increase in the sea level that is caused by a tropical cyclone or other intense storm.
Terrorism	An act by any person or group, including the use of or threat to use force or violence for political, religious, ideological, ethnic or similar purposes (including the purpose of influencing the government) or that is intended to put the public, or any section of the public, in fear.
Unoccupied	More than 50% of the lots have been unoccupied for more than 60 consecutive days unless you have told us and we have agreed in writing to cover you.
Uplift rate	The percentage increase used by us to increase your building or your common contents sums insured when we offer to renew a policy, aimed at helping account for increasing costs.

Voluntary worker	A person working at the insured address with your express approval without a payment or expectation of payment.
Water runoff	Water runoff means water which enters your building as a result of it running off or overflowing from any origin or cause.
We, us, our	RACQ Insurance Limited – ABN 50 009 704 152, AFS Licence Number 233082.
Wrongful act	A breach of trust; negligent act, statement or omission, misstatement, misleading statements, or breach of warranty or authority.
You, your	The people, company or other entity shown as the Body Corporate on the Certificate of Insurance.

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Contact us

For further information or assistance contact us 24 hours every day on 13 1905, visit racq.com/insurance or drop into your local RACQ store.

Insurance products issued by RACQ Insurance Limited. Conditions may apply. This is general advice only and does not take into account your personal objectives, financial situation or needs and may not be right for you. Always read the PDS and applicable Supplementary Product Disclosure Statement available from RACQ before selecting a policy.

RACQ Insurance Limited

ABN 50 009 704 152
AFS Licence Number 233082
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RACQ Insurance products are sold by RACQ Operations Pty Ltd ABN 80 009 663 414 and its Related Bodies Corporate (as that term is defined in the Corporations Act 2001 (Cth)) and through a network of RACQ Insurance authorised representatives

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