

Key Changes for Policy Version: LONGCSI 9.0 06-2020



The following is a summary of the changes that have been made to the Longitude Product Disclosure Statement and Policy Wording (PDS) 9.0 06-2020 and where it has changed from the older version. This PDS is effective from 12th September 2020.

Insofar as there are any derogations in cover, this document also serves as a **Derogation Notice**.

What Has Been Changed

The PDS has been amended to clarify the cover and exclusions related to the previous Disease, Murder and Suicide benefit contained under Section 1, 5. Additional Benefits B and General Exclusion 6 and 9.

The effect of the changes are:

1. The Additional Benefits clause for loss of rent or temporary accommodation due to disease occurring at the Location(s) has been changed so that it is only available in the event of a "Covered Disease" which is a new definition in the PDS. There are also new limits which apply to this Additional Benefit ("Restrictions on the use of the Insured Location"). We will only pay after the first 24 hours of the closure or evacuation of the Location(s) or after an occurrence of murder or suicide, and for a maximum period of 30 days. Further, our maximum liability for Loss of Rent and Temporary Accommodation is \$500,000 in the aggregate for all Lot, Stratum Lot or Volumetric Lot Owner/s in any one Period of Insurance.
2. We have expanded our General Exclusion for human infectious or contagious diseases, which are now referred to, and defined, as "Communicable Diseases". The fear or threat (whether actual or perceived) of a Communicable Disease is also expressly excluded. The cost of cleaning, detoxifying, removing, monitoring or testing for Communicable Diseases is not covered.

Further, our General Exclusion for electronic data has been amended, and is now referred to as "Property Data and Cyber". We have updated our definitions in this Exclusion. We no longer cover the loss of data in the event of lightning, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, Flood, freezing, weight of snow, impact by aircraft or other aerial objects dropped therefrom, impact by any road vehicle or animal, bursting overflowing discharging or leaking of water tanks apparatus or pipes, or theft of electronic data solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device

containing such electronic data. However, if there is physical loss or physical damage (which is insured by the Policy) to Data Processing Media, subject to all other terms and conditions, cover may be available to repair or replace the Data Processing Media plus the cost of copying Data from any back-up or originals of a previous generation. Please refer to General Exclusion 5.

The specified wording is extracted below.

General Definitions

New

Covered Diseases

Any of the following diseases only:

- a) Measles;
- b) Meningococcal Disease;
- c) Gastroenteritis;
- d) Legionnaires Disease;
- e) Salmonella Infection (salmonellosis); and
- f) Escherichia coli Infection.

Section 1 – Physical Loss or Damage 5. Additional Benefits B

Disease, Murder and Suicide previously 5.16(d) is deleted in full and replaced by:

5.18 Restrictions on the use of the Location

We will pay for the Loss of Rent incurred by the Lot Owner and the reasonable cost of Temporary Accommodation necessarily incurred by the Lot Owner if the Lot Owner or tenant of the Lot is not permitted to occupy the Lot or Common Area in consequence of:

- a) closure or evacuation of the whole or part of the Location(s) by order of a government, local government or other statutory authority as a direct result of an occurrence or outbreak of a Covered Disease as defined in the Policy; or
- b) any occurrence of murder or suicide,

occurring at the Location(s) in the Period of Insurance,

Provided that:

- i) We shall not be liable for the first 24 hours of any restrictions on the use of, or interference with, the Location(s) as determined by the date and time at which the order for closure or evacuation takes effect in the case of clause a), or the first 24 hours after the date and time of the occurrence in the case of clause b);

- ii) We shall only be liable for loss and expenses covered under this Additional Benefit arising from restrictions on the occupation of the Lot or Common Area at the Location(s), which are directly affected by the occurrences or outbreak in clauses a) and b);
 - iii) We shall not be liable under this Additional Benefit for any costs incurred in the cleaning, repair, replacement, recall or checking of the Location(s) or of any Insured Property;
 - iv) Our maximum liability for Loss of Rent and Temporary Accommodation is \$500,000 in the aggregate for all Lot, Stratum Lot or Volumetric Lot Owner/s in any one Period of Insurance. This maximum liability applies for all losses related to or arising out of the restrictions placed on the use of the Location(s) as covered under this Additional Benefit irrespective of whether cover is also triggered under any other Additional Benefits, coverage extensions and other coverage grant(s);
 - v) it is a condition precedent to any claim relating to closure or restrictions on the use of the Location(s) due to Legionnaires Disease that the Insured has carried out tests at the required intervals and met control requirements for Legionnaires Disease in accordance with the applicable legislation and regulations with satisfactory results and in accordance with Australian Standards;
 - vi) the amount payable to each Lot Owner will be reduced by any sum saved in respect of such charges and expenses of the relevant Location(s) as may cease or be reduced in consequence of the enforcement action and any amount awarded as compensation within the terms of applicable legislation; and
 - vii) We will pay up to a maximum indemnity period of 30 days, or up to the maximum liability limit set out at clause iv) above, whichever is the lesser.
- b) Subject to all the terms, conditions, limitations and exclusions of this Policy, this Policy covers physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
 - c) Subject to all the terms, conditions, limitations and exclusions of this Policy, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.
 - d) In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
 - e) This exclusion supersedes and, if in conflict with any other wording in the Policy having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

For the purposes of this Exclusion:

- f) Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any 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.
- g) 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.
- h) Cyber Incident means:
 - i) 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
 - ii) 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.

General Exclusions

5. Electronic Data is amended to now read:

5. Property Cyber and Data

- a) Notwithstanding any provision to the contrary within this Policy, this Policy excludes any:
 - i) Cyber Loss, unless subject to the provisions of clause b);
 - ii) loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of clause c);
 regardless of any other cause or event contributing concurrently or in any other sequence thereto.

- i) 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.
- j) Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- k) Data Processing Media means any property insured by this Policy on which Data can be stored but not the Data itself.

If Section 5 – Equipment Breakdown of this Policy is current and Data Coverage is insured We will also provide cover for losses as described in paragraph c) above to Data Processing Media arising out of vibration, power surge, low voltage, mechanical, electrical and electronic breakdown, but not Breakdown (as defined in Section 5) directly or indirectly caused by, contributed by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident.

6. Infectious Disease, Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder and Suicide is amended to now read:

6. Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder and Suicide.

Loss resulting from interruption of or interference with the Business or loss of occupancy of a Lot, Stratum Lot or Volumetric Lot directly or indirectly arising from closure or evacuation of the whole or part of Your Location(s) by the order of a competent public authority consequent upon:

- a) the discovery of vermin or pests at the Location(s); or
- b) defects in the drains or other sanitary arrangements at the Insured Property or Location(s); or
- c) poisoning directly caused by the consumption of food and drink provided at the Location(s); or
- d) murder or suicide occurring in or at the Location(s).

This Exclusion does not apply insofar as the application of Section 1, Additional Benefit 5.18.

9. Communicable Diseases Exclusion has been added and reads:

- a) Notwithstanding and superseding any other provision of the Policy to the contrary, We will not cover any loss, damage, claim, cost, expense or other sum whatsoever, directly or indirectly arising out of, or in any way attributable or related to, connected with or contributing concurrently or in any sequence with:
 - i) a Communicable Disease; or
 - ii) the fear or threat (whether actual or perceived) of a Communicable Disease.
- b) For the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
 - i) for a Communicable Disease, or
 - ii) any Location(s) that is or may be affected either directly or indirectly by a Communicable Disease.
- c) For the purposes of this Exclusion, a Communicable Disease means any:
 - i) physical distress, illness, or disease caused or transmitted directly or indirectly by any virus, bacterium, parasite, fungus or other organism or any variation thereof, whether deemed living or not, and regardless of the means of transmission or whether it was discovered at the Location(s), or whether it was, or is, occurring at the Location(s), or in respect of which there is an occurrence or an outbreak elsewhere. This sub-clause of this definition does not apply to an illness that is a Covered Disease; or
 - ii) any virus, bacterium, parasite, or other organism or any variation thereof, whether deemed living or not which causes, or is likely and/or expected to cause, physical distress, illness or disease. This sub-clause of this definition does not apply where such an organism causes a Covered Disease; or
 - iii) any disease (including a Covered Disease) which is a quarantinable disease or a listed human disease under the Biosecurity Act 2015 (Cth), as may be amended from time to time and any replacement, successor or functionally similar legislation of the Commonwealth of Australia (or of the applicable State or Territory of the Commonwealth of Australia in which the Location(s) are located), including delegated legislation irrespective of whether it was discovered at the Location(s), or was, or is, occurring at the Location(s) or in respect of which there is an occurrence or outbreak elsewhere; or
 - iv) any disease (including a Covered Disease) determined by the World Health Organisation to be a Public Health Emergency of International Concern (PHEIC); or
 - v) any physical distress, illness or disease, or Covered Disease that gives rise to an Epidemic or Pandemic (or which is likely or expected to give rise to an Epidemic or Pandemic) regardless of the means of transmission or whether it was discovered at the Location(s), or whether it was, or is, occurring at the Location(s) or in respect of which there is an occurrence or outbreak elsewhere; or
 - vi) any mutation of the illnesses, diseases or organisms described in clauses c)i), c)ii), c)iii), c)iv) and c)v).
- d) For the purpose of clause c)v):
 - i) Epidemic means the occurrence in a community, region, state or nation of cases of an illness, specific health-related behaviour, or other health-related events exceeding normal expectancy or recorded averages or seasonal variances in that community, region, state or nation.

- ii) Pandemic means the widespread outbreak of a disease including but not limited to outbreaks which cross international boundaries and that affect a large number of people.

This Exclusion applies to all coverage extensions, Additional Benefits, exceptions to any exclusion and other coverage grant(s).

The above is only a summary of key changes. For full details of coverage provided under the new Longitude Strata Insurance Policy, please read the Product Disclosure Statement which is located on our website www.longitudeinsurance.com.au or speak to one of our underwriters who can help you with your policy coverage enquiry.

The Insurers of the Longitude Commercial Strata Insurance Policy are Chubb Insurance Australia Limited ABN 23 001 642 020, AFSL 239687 (80%) and Swiss Re International SE (Australia Branch) ABN: 38 138 873 211 AFSL Licence Number: 355088 (20%).

In issuing this Policy, Longitude is acting under a binding authority given to Austagencies by Chubb Insurance Australia Limited and Swiss Re International SE (Australia Branch). This means that, when issuing this policy, Longitude will be acting for the Insurers, and not for You.

Issue Date: 12th September 2020

Version: LONGCSI 9.0 06-2020