

Our Ark.

Industrial Special Risks Protection

Combined Product Disclosure Statement and Financial Services Guide

This document is dated 12 October 2020 and issued by Our Ark Mutual Limited ACN: 627 006 213

Distribution of this document has been authorised by:
Asia Mideast Insurance and Reinsurance Pty Ltd ACN: 079 924 851 AFSL 239926

For more information, contact the Manager:

General/Membership/Protection

Telephone: 1300 OUR ARK (687 275)

Email: hello@ourark.com.au

Claims

Telephone: 1300 OUR ARK (687 275)

Email: claims@ourark.com.au

Complaints

Telephone: 1300 OUR ARK (687 275)

Email: disputes@ourark.com.au

Privacy

Telephone: 1300 OUR ARK (687 275)

Email: privacy@ourark.com.au

Mutual – Our Ark Mutual Limited

Telephone: 1300 OUR ARK (687 275)

International: +61 408371195

(Mon to Fri except public holidays
from 8.30am to 5.30pm, AEST)

Email: hello@ourark.com.au

Post: PO Box 21, Buddina, QLD, 4575

Website: www.ourark.com.au

AFS Licensee - Asia Mideast Insurance and

Reinsurance Pty Ltd

Telephone: 02 9929 9877

Email: info@amir.com.au

INTRODUCTION

About this document

This Combined Financial Services Guide (**FSG**) and Product Disclosure Statement (**PDS**) is an important legal document. It is designed to help you understand what you need to know about Our Ark Mutual and the Industrial Special Risks Protection (**Protection**) so you can make an informed choice about whether or not you wish to join Our Ark Mutual Limited (**Mutual**) as a Member of the Mutual and how to apply for Protection.

Industrial Special Risks Protection is a financial risk product offered by Our Ark Management Pty Ltd (**Manager**) on behalf of Our Ark Mutual. It is provided by the Mutual on the terms contained in the PDS (subject to the operation of the Constitution).

Before you decide whether to join the Mutual or to hold Protection, please read this PDS and the Constitution carefully.

- **Part 1** of this document is the PDS. It contains information about the Protection and how to become a Member of Our Ark Mutual including details about the rights and entitlements of Members and explains the benefits and risks that are relevant to purchasing Protection.
- **Part 2** of this document is the Industrial Special Risks Protection Wording. It contains the terms and conditions on which Protection is provided by Our Ark Mutual including the benefits, exclusions, conditions and other details about accessing the Protection including how to make a claim.
- **Part 3** of this document is the FSG for the Manager (AR No: 1283496) and Asia Mideast Insurance and Reinsurance Pty Ltd (**AMIR**, AFSL No: 239926), the authorising financial services licensee. It describes the financial services they provide, how they are remunerated, how to make a

complaint about their services and their professional indemnity arrangements.

You will be offered the opportunity to apply for Protection when you join as a Member of Our Ark Mutual. At that time, you will be given details of the amount charged for that Protection (referred to as your Contribution).

A Schedule of Protection will be issued to you when you purchase Protection and this forms part of the terms and conditions of the Protection. See Part 2 of this PDS for further details.

Before making a decision about membership or Protection, please read this PDS carefully and keep it in a safe place for future reference.

Our Ark Mutual may update the FSG and PDS from time to time. When necessary, Our Ark Mutual will issue a supplementary or replacement document.

This document contains words that may have special meaning. Such words are characterised in Title Case. Their meaning for the purpose of this document is described in the [GLOSSARY](#).

For your quick reference, there are words in this document that are linked to other parts of the document. Where a link exists, the word with the link will be shown in a different colour with an underline.

About the Mutual

What is Our Ark Mutual?

Our Ark Mutual is a non-profit company limited by guarantee that has been formed to operate a discretionary mutual fund to provide financial protection for the benefit of community organisations who are Members of the Mutual. Our Ark Mutual offers discretionary risk protection, including the Industrial Special Risks Protection and associated financial services solely to its Members. Claims on Our Ark Mutual may only be made by Members.

Industrial Special Risks Protection is one of the financial risk products offered by the Mutual. It is a financial risk product regulated under the Corporations Act and it is an alternative to insurance – it is known as “discretionary risk protection” or “protection”.

As a discretionary mutual, Our Ark Mutual can use the combined purchasing power of its Members to spread the cost of risk and to provide additional benefits within the discretionary risk protection in areas where traditional insurers will not provide cover.

Our Ark Mutual and the Manager have worked closely with the community to design Industrial Special Risks Protection, a product that is tailored to the needs of the members of the community, for example religious groups, educational institutions, healthcare and aged care facilities who own Buildings and Contents.

Who is involved?

The Manager is an authorised representative (AR No: 1283496) of AMIR (AFSL No: 239926). The Manager will act as the manager for the Mutual and will offer membership and Protection. More information about the Manager is contained in Part 3.

The Manager is your first point of contact for any enquiries about membership and Protection. Our contact details are at the front of this document.

How is Our Ark Mutual managed?

The Board of Our Ark Mutual manages Our Ark Mutual with the assistance of the Manager who acts as a financial services and claims service provider, manager and membership administrator. The Manager will make offers of membership and Protection to eligible property owners who wish to participate and become a Member.

The Board must abide by the Constitution of Our Ark Mutual, which sets out the objectives of Our Ark Limited, its powers as a company limited by guarantee, the rules governing its operations, the eligibility criteria of Members, the election of directors and the conduct of Members’ and directors’ meetings.

It also contains the power to exercise discretion in response to a Member’s claim for Protection should a Member’s Building or Contents suffer loss or damage of the type described in the Protection Wording (see Part 2 of this PDS for full details of the terms of Protection).

Each Member of Our Ark Mutual is entitled to appoint a representative to vote at a general meeting of the Members of Our Ark Mutual. One or more of the directors are also representatives of the Members.

The Board also has the discretion to appoint other non-executive and independent directors, allowing them to participate in the decision-making process and represent the membership base.

Members of Our Ark Mutual have the right to have a claim for Protection considered by the Board and the Board has the absolute discretion to accept or refuse a Member’s claim for Protection. Discretionary Protection is described in more detail on page 8.

How does it work?

Member-based community

The structure of Our Ark Mutual means it is owned by its Members and you will be invited to join as a Member when you are offered Protection. Only Members of Our Ark Mutual are entitled to access the benefits of the Protection when they pay their annual Contribution.

The Mutual will use the combined resources of all Members to fund the Protection and other operating costs. The combined resources of Our Ark Mutual as collected from all Members effectively funds the payment of Protection claims by the Mutual.

The advantage of the mutual structure is that it could be a cost effective way for property owners to manage their financial risk. By managing the risk pool in this manner along with the tax advantages, Contributions can be kept to a minimum.

As a mutual, where Members are part of a community, it is incumbent on Members to engage as a community. The power of the community is that it creates scale, as a whole, allowing the variable loss experience of individual Members of the community to be pooled. Member ownership of the Mutual allows savings from that pooling to be retained by the Members.

Resilient Community

The success of the community is dependent on the Members. This includes how they manage their own risks and their behaviour relative to generally accepted norms. Failure of a Member to exhibit these desirable attributes may result in the Member no longer being welcome to continue participating as a Member of the Mutual and renewal not being offered on their Protection.

Strong Member Attributes

Typical Members of the Mutual are committed to proactive risk management and will have the following attributes:

- they provide information truthfully and accurately in respect to their Protection and claims;
- they fully cooperate with all reasonable requests in the course of processing their claim;
- they do not expect their Protection to fund relevant maintenance that they may need to carry out over the life of owning a building, including but not limited to:
 - roof and gutter deterioration;
 - seals in wet areas; and
 - components that have reached end-of-life;
- they do not expect their product to protect them in situations that they can prevent, such as deliberately damaging the building or contents;
- they address problems as soon as they become aware of them, including arranging for leaks to be repaired; and
- they take due precaution to minimise the chance of a loss event or further loss to their building(s) and contents, including where relevant:
 - ensuring the building(s), sheds and storage facilities are secured
 - securing the keys to the building(s), sheds and storage facilities

If all Members adopt a mindful and respectful attitude to risk management then the Mutual will thrive and the pooled Contributions can be used widely to protect Members when they need it most.

GLOSSARY

Words with a special meaning:

AMIR: Asia Mideast Insurance and Reinsurance Pty Ltd, ABN: 67 079 924 851 (AFSL No: 239926).

APRA: Australian Prudential Regulation Authority

ASIC: Australian Securities & Investments Commission

Assessed Loss: The amount that we have determined is the total of the Loss to your Building(s), Loss to your Contents, Money and Breakdown of Mechanical and Electronic Equipment.

Building(s): Building(s) includes all of the following items which are owned by you, used for residential, commercial, educational, religious, aged-care or childcare purposes and located within the cadastral boundaries at the Protected Address:

- residential, church and hall buildings;
- outbuildings such as sheds, toilet blocks, garages, carports, greenhouses, and pergolas;
- decks, verandahs, balconies, patios;
- paths, paving, bridges, driveways, sports courts constructed of a permanent material such as concrete or tarseal, or of permanently set stone, brick or pavers;
- retaining walls constructed of permanent material such as stone, brick or concrete;
- any private road, lane, right-of-way or access way, constructed of a permanent material (including associated guttering, drains, piping, cables, and lighting) providing access to a driveway owned by you or shared by you with other property owners, and for which you are responsible;
- fences, gates and free-standing garden walls;
- letter boxes, exterior blinds and awnings, shade sails, fixed clotheslines and built-in barbeques;
- fixed water tanks, septic tanks and their systems;
- fixed or built-in swimming pools, spa pools and saunas and their systems;

- internal or external appliances or fixtures that are permanently built-in, permanently attached, permanently plumbed into or wired into the building;
- drains, pipes, gas lines, cables and poles for which you are legally responsible;
- solar panels, aerials and satellite dishes that are attached to your building; and
- wharves, jetties, landings, pontoons and piers.

Building(s) excludes all of the following:

- land, earth or fill;
- temporary structures;
- retaining walls constructed of wood, tyres or other non-permanent materials;
- lawns, trees, plants, hedges and shrubs;
- boat ramps, water based structures, breakwaters and sea walls, flood walls, and levees;
- culverts and dams;
- wells and bore holes; and
- any neighbouring property owner's share in any private road, lane, right-of-way, access way, walls, retaining walls, fences, gates, pipes, cables or driveways where those things are jointly owned by you and other property owners.

Catastrophic Events: Significant events leading to large losses. Such events include but are not limited to:

- nuclear explosion or contamination, fire, flood, earthquake, tsunami, cyclone, severe storm and hail;
- pandemic and epidemic disease or health events;
- undeclared war, civil war, civil unrest, riot, insurrection, rebellion or revolution and hostilities;
- warlike acts by a military force or military personnel, or the destruction, seizure or use of property for military purpose;
- terrorism or threat of force or violence to a person or group or class of persons, or to property by one or more persons, claiming to be committed to a cause whether political, religious, ideological or similar purposes, including an intention to influence a government, or invoke fear.

Constitution: The current rules governing the relationship between the Mutual and its Members.

Contents: The personal possessions that belong to you, which are kept inside your Buildings at the Protected Address(es).

Personal possessions also include fitted carpets, curtains, blinds, windsurfing equipment, kayaks, canoes, surfboards, hobby aircraft, motorised wheelchairs and ride-on mowers.

Contents exclude all of the following:

- animals;
- plants, trees, shrubs and other vegetation;
- grass and lawn;
- building materials;
- credit, debit or other bank cards;
- unset gemstones, gold or silver bullion or coins, cash or other negotiable items;
- documents or manuscripts;
- any item displayed for sale;
- aircraft (except for Hobby Aircraft);
- watercraft and associated spare parts, tools and accessories exceeding \$2,500 in total;
- mobile homes; or
- any Vehicles or associated spare parts, tools and accessories, including but not limited to cars, caravans, motor homes, motorcycles, trailers, quad or three wheel motorcycles and golf carts.

Contents does not automatically protect jewellery and Contents in a Shed or Storage Facility. Jewellery can be protected by specifying the protection amount required. Contents in a Shed or Storage Facility can be protected by specifying the protection amount required.

Contribution: The amount we will charge you for the Protection for the duration of each Protection Period.

Damage: Physical harm to tangible property that impairs its value, usefulness or normal function.

FSG: The document named Financial Services Guide issued by the Mutual.

GST: Goods and services tax per the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.

Hobby Aircraft: Any machine or apparatus, with or without an engine, which is capable of flight and does not require a licence to operate.

Hurdle: The amount which your claim must exceed to be protected. The amount may vary by type of claim and will be shown on your Schedule of Protection.

Income: the money paid or payable to you arising from your operations including tithes, offerings, gifts, donations, grants, government subsidies, proceeds of sales, rent (including money paid as outgoings by the lessee under the terms of the rental or leasing agreement) and other receivables after the deduction of all discounts allowed.

Interested Party: Is a person with a financial interest in the Protected Property. You may tell us about Interested Parties when you apply for your Protection and they will be noted on your Schedule of Protection.

Limit(s) of Protection: The applicable limit(s) provided by the Protection you hold, as stated in this PDS or on your Schedule of Protection.

Loss, Losses, Lost: Sudden and unforeseen physical loss.

Mechanical and Electric Equipment: Any heating, cooling, venting device or machinery, plant, and hand-held power tools or any other motorized or powered device or machinery.

Member: A person, corporation, organisation or entity that has been admitted to membership of the Mutual in accordance with the Constitution.

Money: Cash or any negotiable instrument belonging to you or for which you are legally responsible.

Occurrence: An event, including continuous or repeated exposure to substantially the same conditions, which results in Property Damage that is neither expected nor intended.

Our Ark Management, the Manager: Our Ark Management Pty Ltd, ABN: 42 619 600 118 (AR No. 1283496).

Our Ark Mutual, the Mutual: Our Ark Mutual Limited, ABN: 18 627 006 213.

Product Disclosure Statement (PDS): The document named Product Disclosure Statement issued by the Mutual.

Property Damage: Physical loss, physical destruction or physical injury to tangible property, specifically excluding personal injury to any person.

Protected Address: The addresses and place(s) noted on your Schedule of Protection where the property subject to the Protection is located.

Protected Property: Your Building(s), Contents, Money and Mechanical and Electronic Equipment at a Protected Address.

Protection Period: The duration of your protection as stated in your Schedule of Protection.

Protection(s), Industrial Special Risk Protection: A miscellaneous financial risk product used to manage industrial special risks, issued to a Member in accordance with the Constitution.

Retaining wall: A wall which is not part of a building, designed to hold back or prevent the movement of earth or water.

Schedule of Protection: The current Schedule issued by the Mutual to you which sets out the scope and extent of the Protection granted to you including any Special Conditions applying to the Protection(s).

Shed or Storage Facility: A roofed structure which is detached from your primary building(s) at the Protected Address or a structure away from the Protected Address which is securely locked and that you have exclusive access to.

Special Condition: An additional term applied specifically to your Protection over and above the terms included in this PDS.

Specified Protection Amount: The amount(s) we agree to protect the property for. The amount(s) and the details of the Protected Property are noted on your Schedule of Protection and is the most we will pay if you claim for loss or damage to that property.

Total Loss: Loss that occurs when the Protected Property is totally destroyed or is damaged in such a way that it can be neither recovered nor repaired for further use.

Vehicle: Any mechanically propelled vehicle designed for use on land only including a motor vehicle, motorcycle, goods carrying vehicle, trailer, caravan.

we, us, our: Our Ark Mutual.

you, your(s): A member who holds a Protection as described in your Schedule of Protection.

PART 1

PRODUCT DISCLOSURE STATEMENT

DISCRETIONARY RISK PROTECTION

Why does the Board have discretion to approve claims?

To qualify as discretionary protection, it is important for the Board to have the absolute discretion to accept or reject a Member's claim. Otherwise there is a risk that the product would be considered an insurance product, and the Mutual would be required to be authorised under the Insurance Act 1973 (Cth) to conduct an insurance business.

By offering Protection that is discretionary, the Mutual is able to offer its Members a financial product for management of their industrial special risks without establishing an insurance company. Discretionary protection is a financial product which is regulated by ASIC. ASIC supervises AMIR, as the holder of the Australian Financial Services licence for the offer of financial products by the Manager and the Mutual.

APRA regulates insurance companies, but not discretionary mutuals such as Our Ark Mutual. This means the Mutual is not subject to the prudential standards which apply to insurance companies and are set by APRA or the provisions of the Insurance Act 1973 (Cth). The Protection is not subject to the Insurance Contracts Act 1984 (Cth).

Insurance is different to Protection because an insurer must indemnify a policyholder if the claim comes within the policy terms and conditions. Protection involves the Board deciding whether to exercise its discretion to pay a claim based on its

understanding of the Member's claim and its potential impact on the financial position of the Mutual.

The Board's discretion will be exercised fairly and consistently, and with all due consideration to the merits and circumstances of each claim and the terms and conditions for the Protection set out in Part 2 of this PDS. The Board of the Mutual comprises non-executive independent directors as well as representatives for the Members, the Manager, and representatives acting for holders of mutual capital instruments, in accordance with the Corporations Act 2001 (Cth).

The Board sets guidelines to ensure that they exercise discretion in the interests of the Members and they will consider whether your claim falls within the Protection Terms and Conditions when deciding whether you qualify for the payment of your claim.

Notwithstanding that the Protection offered is not insurance, the Board seeks to maintain adequate claims provision, surplus assets, and insurance cover (as an excess of loss program to protect the Mutual from financial exposures). The Mutual also abides by governance policies and protocols which are benchmarked to the standard of the generally accepted reserving practices expected of a general insurer as contained in APRA's prudential standards. There is no guarantee from the Federal Government's Financial Claims Scheme in the event of insolvency of the Mutual.

This PDS explains the scope of protection available to Members including the risk management and other behaviours expected of Members and this gives Members an indication of the circumstances when the Board is likely to exercise its discretion in favour of the payment of a Member's claim.

What are the Significant Risks?

Protection is a financial product and you should be aware of the following:

- Protection is not an insurance product.

The Mutual provides discretionary risk protection (Protection) which is a 'miscellaneous financial risk product'. This means that there is no automatic right of indemnity under the terms of the Protection. Instead, there is an automatic right to have a claim considered and the Member may ask the Board to exercise their discretion to indemnify them for the loss. The payment of all claims is at the discretion of the Board.

- Whether there is adequate funding of the Mutual

If a large number of claims are made in any one year that exceeds the amount of Contributions that the Mutual has set aside to pay claims, there could be a risk that a Protection claim would not be paid.

To avert this risk, the Manager provides the Mutual professional advice as to the adequacy of the Contributions to meet likely claims liabilities. In addition, the Mutual purchases excess-of-loss insurance cover to meet claims that exceed the Mutual's self-retention limit.

Upon the occurrence of a Catastrophic Event, the Board may make a decision not to pay any claims resulting from that event, or to make a reduced payment, in the interests of all Members. For instance, the Board may exercise its discretion to pay claims on a proportional basis depending on the total amount of Contributions collected from its Members and the number and size of claims, as a way to ensure that all Members with claims caused by a particular event are treated fairly.

- A Member could lose their Protection entitlements if their membership is cancelled

The Mutual is operated for the benefit of all Members. The Board reserves the right to expel Members in circumstances which are in the best interests of the Members as a whole, or where a Member breaches the rules of membership.

FINANCIAL INFORMATION

Cost of Protection

A Contribution is the amount you pay to Our Ark Mutual for each Protection Period while you require Industrial Special Risks Protection. Because the Mutual is a not-for-profit entity, there is no 'profit factor' built into the calculation of your Contribution.

Our Ark calculates the amount of the Contribution based on key risk factors which are relevant to your Buildings and Contents. More details about the factors they take into account when pricing your Contribution are in Part 2 of this document.

Tax implications

Your Contributions may be tax deductible. Contributions will be subject to GST. This will be included in your quotation when you purchase Industrial Special Risks Protection.

There is no stamp duty or other insurance taxes (e.g. emergency services levy) payable on the Contribution.

Our Ark Mutual does not provide any advice on the individual tax treatment for Members of having membership and Protection or the treatment of any claims that are paid to Members. Members should seek their own advice on tax issues.

Dealing with surplus

At the end of the financial year, there may be a 'surplus' of funds held by Our Ark Mutual – this is the amount that Our Ark Mutual retains and has not paid out in claims to Members at the end of the financial year.

The Mutual may in its discretion reserve these funds for additional and likely claims from Members and/or apply a surplus from a previous financial year to assist claim payments in future years as well as offer other benefits, reduce Contributions for Members, provide increased protection to Members, or for any other use approved by the Board on the grounds that it is considered beneficial to the membership base (e.g. the development of risk management programs) or which is permissible under the Constitution.

Unlike other public companies, Members are not entitled to receive surplus funds on voluntary winding up or after the closure of the financial year in order to preserve the tax treatment.

If Our Ark Mutual is wound up, the Mutual could use a surplus for the purposes of its objects including in any successor mutual or risk vehicle, to offer other products and services that benefit the Members or by transferring it to other non-profit organisations which provide benefits to the Members.

Estimating future payments

On the advice of its professional consultants and the Manager, Our Ark Mutual will calculate the total amount of Contributions reasonably required to ensure that it will have appropriate financial resources to discharge claims liabilities.

Each year, Our Ark Mutual will model its future claims liabilities to Members based on a mathematical model and independent actuarial advice. The Mutual will manage these future liabilities and payments through its risk assessment process and reserves.

PROTECTION PERIOD

At least 28 days before the end of the current Protection Period, you will be provided with an offer to renew your Protection for another year or you will be notified that the Mutual is unable to renew your Protection.

If we notify you that your Protection will not be renewed, it will cease on the date and time shown on your current Schedule of Protection.

If we offer you another period of protection, the notification document will include an updated Schedule of Protection. The terms of the Protection offered for the next period may be adjusted from those that applied in the current period.

The adjustments will be clearly communicated and will include the amount of your Contribution, Hurdle, Specified Protection Amount for your Buildings and/or Contents, and Special Conditions. We may also issue a new PDS or update this PDS if the Protection offered changes substantially.

CANCELLING PROTECTION

You may choose to discontinue your Protection at any time. This can be done in a number of ways:

- Email us at hello@ourark.com.au.
- Call us on 1300 OUR ARK (687 275).

Where you cancel within 20 days of the commencement of the Protection Period and you do not wish to lodge a claim relating to that period, you will be fully refunded any Contribution that has been collected for that period. This is known as the cooling off period.

If you choose to cancel at any other time, a refund may be provided for the period between the selected cancellation date and the end of the current Protection Period (cancelled Protection Period). The amount of the refund will depend on the proportion of the total year's hazard that applies to the cancelled Protection Period and may not be proportional to the remaining Protection Period. For example, the storm/cyclone season from October to April presents a higher hazard than the rest of the year.

In certain circumstances the Mutual may cancel a Member's Protection prior to the end of the current Protection Period and a refund may be provided for the cancelled Protection Period. These include situations where:

- You have lodged a fraudulent claim or grossly misrepresented information about you in the application for protection.
- You have not paid your Contribution within 14 days of its due date.

CHANGING PROTECTION

You need to tell us within 30 days if your circumstances change in such a way that may require changes to your level or type of Protection for your Building(s) and/or your Contents, or that increase the risks that are relevant to your Protection. In particular, you need to advise us if any of the answers provided in the application for protection are no longer correct.

You can do so by emailing us at hello@ourark.com.au or calling us on 1300 OUR ARK (687 275). All changes will take effect from the date and time you nominate in the future, which may be any time from when you advise us of the change through to the end of the current Protection Period.

Your Contribution for your current Protection Period may change depending on the nature of the update, including situations where you materially change the value of your Specified Protection Amount. We will advise you promptly if additional Contributions must be paid by you.

Where the changes are made within 14 days of the end of the current Protection Period and you have been offered renewal of Protection, a revised offer to continue Protection will be prepared and sent to you based on your new circumstances.

PART 2

PROTECTION WORDING

Limits apply to this Protection. They are summarised in the [LIMITS OF PROTECTION](#) section.

THE PROTECTION

Loss to Your Building(s)

We will protect you for loss, destruction or damage to your building(s) at the Protected Address(es).

For each Building that you have disclosed to us, you must select a basis for cover and, as relevant, a limit of Protection from the following:

- Full Replacement Basis (default);
- Fixed Limit Basis; or
- Removal and Make Safe Basis.

Details about these limits can be found on page 14 of this document.

Loss to Your Contents

We will protect you for loss, destruction or damage to your contents at:

- the Protected Address(es);
- any other location where your Contents are located for a continuous period not exceeding 45 days, or;
- any other location where you are working or living for a continuous period exceeding 45 days.

We will also protect loss, destruction or damage to the personal effects of officials, employees or volunteers which occurred at the Protected Address(es).

Money

We will protect you for loss of or damage to money which occurs while the money is:

- in your Buildings at the Protected Addresses(es);
- in transit to or from the Protected Addresses(s) and is in custody of one of your officials, employees or volunteers.
- in the private residence of one of your officials, employees or volunteers authorised to take the money to their residence until the next bank business day; or
- in a securely locked safe.

Breakdown of Mechanical and Electronic Equipment

We will protect you at the Protected Address(es) for:

- breakdown of mechanical equipment;
- explosion of boilers and pressure vessels;
- the cost of replacement of refrigerated goods, and the cost of actions taken to reduce deterioration of refrigerated goods, where those costs arise due to breakdown or damage to refrigeration requirement or interruption of its power supply;
- breakdown of electronic equipment;
- the cost of restoration of electronic data to a condition equivalent to that existing prior to the occurrence of the breakdown; and
- the cost of alternative equipment to replace the damaged equipment whilst awaiting completion of repair or replacement.

ADDITIONAL BENEFITS

When we accept a claim for a loss covered by the Protection, you can also claim for related costs in addition to that loss, as detailed in this section.

Limits apply and are summarised in the [LIMITS OF PROTECTION](#) section on page 14 of this document.

Make-Safe, Demolition and Debris Removal

The reasonable cost of:

- Emergency building repairs needed to prevent further loss or damage and make your Building(s) safe and secure;
- Demolishing and related removal of damaged Buildings or part thereof;
- Removing debris and/or damaged Contents from the location of loss;
- Cleaning up the location; and
- Firefighting costs and other costs to prevent or limit imminent damage to the Building(s) and Contents covered by the Protection.

Professional Fees

The reasonable cost of related professional fees for an engineer, architect or surveyor required as a result of the building works required following the loss, destruction or damage.

Temporary Accommodation

The actual cost you incur for reasonably priced temporary accommodation while your Buildings are being repaired or rebuilt, if you or your tenants cannot occupy the Protected Address and we agree that temporary accommodation is required.

Emergency Accommodation

The actual cost you incur for your reasonably priced emergency accommodation while you or your tenants are evacuated or otherwise prevented from accessing the Protected Address(es) by relevant authorities.

Loss of Income

The Loss of Income, including rental income, that you normally receive through the normal activities at the Protected Address(es).

Counselling Services

The reasonable costs for counselling sessions with an accredited counsellor.

You should arrange the counselling sessions and we will reimburse you for reasonable costs incurred.

LIMITS OF PROTECTION

The following limits apply to the Protection.

Loss to Your Building(s)

For each Building that you have disclosed to us, you must select a basis for cover and, as relevant, a limit of Protection. The default basis of Protection (if no other basis has been selected) is Full Replacement.

Regardless of the basis selected, where the loss arises due to gradual forces or gradual damage, the Protection is limited to \$10,000.

Full Replacement Basis

- The reasonable cost to rebuild your Building to a similar standard and quality to that which applied before the loss (full replacement).

Fixed Limit Basis

- The reasonable cost to repair or rebuild your Building to a similar or higher standard and quality to that which applied before the loss or damage, up to the Specified Protection Amount, or;
- Reimbursement of the Specified Protection Amount.

Removal and Make-Safe Basis

- The reasonable cost to remove your damaged Building and reinstate the site to a safe standard up to the Specified Protection Amount.

In addition to the amount above for Full Replacement or Fixed Limit rebuilding, you are protected for the reasonable cost of safe and secure storage of your Contents for the duration of the rebuilding works.

Loss to Your Contents

For items that are individually recorded on your Schedule of Protection:

- the Specified Protection Amount for the item as relevant.

For items that are NOT individually recorded on your Schedule of Protection:

- \$25,000 per item, with the following aggregate limits that you have selected and are recorded on your Schedule of Protection:
 - Specified Protection Amount for losses relating to jewellery and watches.
 - Specified Protection Amount for losses relating to Contents in a Shed or Storage Facility at another location.
 - Other Specified Protection Amount for losses relating to all other Contents.

If your Contents are physically lost or destroyed and cannot be restored, repaired or replaced, subject to the limits above, the higher of:

- the market value immediately prior to the loss;
- the value as evidenced by a recent valuation; or
- the value as determined by a suitable expert who is able to place a value on the Contents from photos or other descriptive information.

Money

- \$100,000 per loss event.

Breakdown of Mechanical and Electronic Equipment

- \$100,000 per loss event, per Protected Address.

Make-Safe, Demolition and Debris Removal

For your buildings:

- Full Replacement Basis: Up to 20% of your Buildings' full replacement value.
- Fixed Limited Basis: Up to 20% of the Specified Protection Amount.
- Make-Safe Basis: 100% of the Specified Protection Amount.

For your contents:

- Up to 10% of the Specified Protection Amount for your Contents

Professional Fees

Full Replacement Basis:

- Up to 10% of your Buildings' full replacement value.

Fixed Limited Basis:

- Up to 10% of the Specified Protection Amount.

Temporary Accommodation

Where you have selected Full Replacement or Fixed Limited Basis as the Protection basis, per Protected Address:

- Up to 18 months.
- Up \$10,000 per month.

Emergency Accommodation

Where you have selected Full Replacement or Fixed Limited Basis as the Protection basis:

- Up to \$10,000 per Protected Address.

Loss of Income

- Up to \$100,000 per loss event, per Protected Address.

Counselling Services

- \$1,500 per employee in total across your Protection covering Buildings and Contents.

Summary Table

	Buildings Protection			Contents Protection
	Full Replacement Basis	Fixed Limit Basis	Make-Safe Basis	
Make-Safe, Demolition & Debris Removal	20% of Full Replacement Value	20% of Specified Protection Amount	100% of Specified Protection Amount	10% of Total Contents Protection Amount
Professional Fees	10% of Full Replacement Value	10% of Specified Protection Amount		
Temporary Accommodation	<ul style="list-style-type: none"> • Up to 18 months. • Up to \$10,000 per month. 			
Emergency Accommodation	<ul style="list-style-type: none"> • Up to \$10,000 per Protected Address. 			
Loss Of Income	\$100,000 per loss event, per Protected Address			
Counselling Services	\$1,500 per employee in total across your Protection that covers Buildings and Contents.			

EXCLUSIONS

The Board will not exercise its discretion to pay claims under this Protection when any of the following circumstances apply:

- A dishonest, fraudulent, reckless, criminal or malicious act or omission by you or by any official, employee or volunteer except where it occurs without prior knowledge or reckless disregard.
- A deliberate breach of any statute or regulation by you or by any office bearer, official, employee or volunteer except where it occurs without prior knowledge or reckless disregard.
- Loss, failure or damage which is covered by a warranty under which you can claim.
- Termites, insects, birds or vermin have caused loss or damage (other than when it causes subsequent water or fire damage).
- Your Building(s) or Content(s) are damaged, destroyed or contaminated by pollutants or pollution and there is no other damage at the Protected Address.
- Hydrostatic pressure causes damage to in-ground structures such as pools, spas or tanks.
- Any part of your Building(s) or Content(s) are damaged or destroyed in the course of construction, reconstruction or maintenance (other than such situations that occur in the course of undertaking works relating to a claim for loss or damage under this Protection).
- You fail to prevent, contain or repair bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks or pipes used to hold or carry liquid within a reasonable period of time after becoming aware of damage or a leak.
- Loss, destruction or damage to your Building(s) or Content(s) occurs due to maintenance failures or failing to carry out reasonable repairs and maintenance.
- Equipment breakdown occurs after you became aware that the equipment was defective or required repair or rectification of a defect.
- Your mechanical equipment fails due to overloading, excessive stress, rust or corrosion or is at the end of its life.
- There is an unexplained disappearance of Protected Property or an unexplained inventory shortage, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to you or otherwise.

CLAIMS

Making Claims

You can report a claim online at our website www.ourark.com.au, by calling us on 1300 OUR ARK (687 275) or emailing us at claims@ourark.com.au.

We may subsequently need you to provide additional information or make your Building(s) and/or Contents available for assessment or inspection by us or our representative.

As a Member of Our Ark Mutual, you will have an automatic right to have your claim for Protection considered by the Board of Our Ark Mutual.

The Manager will support the Mutual to manage claims and may make recommendations to the Board on whether or not to accept a claim and the amount to be paid. At its discretion, Our Ark Mutual may elect to take over the management or defence of any subrogated claim or recovery action.

The Board's discretion to refuse or reduce a claim is absolute. The Board has the power to pay claims that do not fall within the terms and conditions in Part 2 of this PDS. If the Board exercises its discretion not to pay the claim, or to pay only part of the claim, we shall advise you promptly.

In the event that a claim is submitted and there is fraudulent or dishonest conduct on the part of a party who is not a Member, the Board will make an assessment of all of the circumstances that led to the loss or damage in deciding whether to pay the Member's claim or not.

Assessing Claims

Each claim can only relate to a single incident. If there is more than one incident, a separate claim will need to be submitted.

You must not repair, sell or dispose of any property prior to advising us of the loss or damage and allowing us the opportunity to assess the loss or damage, unless emergency repairs are required to prevent further loss or damage to the protected property.

We require you to give us and the Manager your full cooperation and comply with all our reasonable requests in relation to your claim, including but not limited to;

- supplying all information completely, truthfully and honestly about:
 - the incident giving rise to the claim; and
 - you or anyone else protected under your Protection;
- providing assistance needed to recover our costs from other parties;
- within a reasonable timeframe of our request, providing any information, written statements, evidence and help we may need in defending, prosecuting and investigating the claim;
- attending an interview with our assessor or investigator;
- assisting any agents appointed by us (such as solicitors); and
- attending court to give evidence.

If you receive any demand or claim arising out of any incident, copies of these are to be sent to us immediately. Furthermore, you must assist us in taking or defending legal action in your name, including providing statements to legal representatives and appearance at trial or any other court proceedings.

Claim Thresholds

All claims are subject to a Hurdle which is displayed on your Schedule of Protection.

At the time of the claim, the amount determined as the loss under the Protection (the Assessed Loss), will be compared to the Hurdle. If the Assessed Loss does not exceed the Hurdle, your claim will not be paid.

Accepting Claims

In most cases your claim will be accepted when you first make the claim using the information you have provided. This acceptance may be provisional, subject to the assessment of the loss or damage.

Where the claim is not able to be immediately accepted, it will be presented for review by the Board of the Mutual, or a committee appointed to represent the Board.

Settling Claims

We will never pay more than the limits described in the [LIMITS OF PROTECTION](#) section.

We have the choice to settle your claim in many ways, including:

- paying for the reasonable cost of repairs;
- replacing/rebuilding the lost or damaged item(s);
- paying you a cash settlement or providing you with a store voucher for an amount equal to the reasonable cost of repair or replacement of the lost or damaged item(s); or
- any combination of the above.

When your Building(s) is declared a Total Loss we will first check whether there is an amount owed to an Interested Party. If that is the case, the Interested Party will have first claim against the payment from your claim. Where the amount owed to the Interested Party exceeds the claim payment, you will be responsible for the remaining debt to that party. Any surplus funds available from the claim payment after considering Interested Parties will be reimbursed to you.

When repairing your Building(s), we will always try to match colours and materials, but where products are unavailable we will use the closest possible match that is available. Additional costs resulting from the unavailability of matching materials are not covered by the Protection. Whether we settle your claim by replacing, repairing or rebuilding, it will only be for the damaged areas of your Building(s). We will not pay for the costs to replace, repair or rebuild undamaged areas.

We will use the replacement value to determine the value of your Contents at the time of a loss. Where an identical item is no longer available, we will determine the replacement value on an item that is comparable.

After we have settled a claim, we may assert our rights of subrogation and assume ownership of the items claimed. You will be required to give to us all associated parts as relevant (such as remote controls) at this time.

We may commence or defend legal action in your name and recover our costs from a third party.

Appointing a Representative

If you want to appoint someone to represent you, then you need to tell us and we need to agree. You can appoint someone to manage your claim for you like an employee or volunteer.

However, you can't appoint someone who has a conflict of interest – for example, someone who supplies goods or services to the Mutual for your claim such as a repairer/builder.

Complaints

If you have a complaint about the handling of your claim or any other matter relating to the Protection, the process for lodging your complaint is detailed in the Financial Services Guide in Part 3.

PART 3

FINANCIAL SERVICES GUIDE

FINANCIAL SERVICES

The Manager will provide financial services to you when you are offered membership of the Mutual and when an application for Protection is accepted from you. When you are offered discretionary Protection, the Manager does so on behalf of AMIR and the Mutual, and has the authority to issue a discretionary Protection product on their behalf.

The Manager may also advise you about discretionary Protection products. The Manager can only provide this advice in general terms and cannot advise about your individual situation. When giving general advice and dealing in discretionary protection products, the Manager is acting as an authorised representative of AMIR (AR No: 1283496).

REMUNERATION AND IMPORTANT RELATIONSHIPS

The Manager will be paid a fee for the mutual management services it provides to the Mutual. This fee will be calculated depending on a number of factors, including the number, type and size of Members that are serviced by the Manager, claims handled by the Manager, and other services delivered to and on behalf of the Mutual by the Manager in each year.

The Manager has at least one director appointed to the Board of the Mutual.

AMIR earns remuneration for providing its financial services authorisation to the Manager.

PROFESSIONAL INDEMNITY INSURANCE

The Mutual and the Manager have professional indemnity insurance in place which covers the Mutual and the Manager respectively for any errors or mistakes relating to their services. This insurance meets the requirements of the Corporations Act and covers the services provided by the Mutual and the Manager. In the Manager's case, this includes after the Manager ceases to provide mutual management services to the Mutual, provided the Manager notifies the insurer of the claim when it arises and this is done within the relevant policy period.

PRIVACY

Our Ark Mutual is fully committed to handling your personal information in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles. We collect your personal information directly from you or through others included entities listed in our Privacy Policy.

The Mutual and the Manager require personal information from you to process your application for membership and Protection. If you don't provide the information, we may not be able to accept your application or offer Protection to you.

How we use your information

We and the parties listed in our Privacy Policy will use your personal information for the purposes it was collected for. That usually includes to provide you with assistance, a protection product or service you requested and to deal with claims.

To provide membership and Protection and to obtain insurance for the Mutual, we may need to disclose your personal information to other people. These people will include claims personnel, insurers and reinsurers, claims adjusters and assessors, lawyers

and other people involved in providing Protection to you and handling claims.

From time to time, the Mutual and the Manager may use your information to send you details about our products and services. We always give you the option of electing not to receive these communications.

You can request access to the personal information we hold about you at any time and if the information is incomplete, inaccurate, misleading, out of date or irrelevant we will correct that information. In some limited cases, we may need to refuse access or refuse a request for correction. For more information about this, please refer to our Privacy Policy.

If you wish to request access to your personal information or you have complaints about how your personal information has been handled, contact the Manager.

Our Privacy Policy provides more information about what we collect, from whom we collect and how we hold, use and disclose your personal information. Our Privacy Policy also provides information about how you can:

- Access personal information
- Ask us to correct personal information
- Complain about a breach of privacy principles set out in the Privacy Act 1988 (Cth) and how we deal with your complaint.

A free copy of our Privacy Policy is available at www.ourark.com.au/privacy

COMPLAINTS

Making a complaint

We are committed to ensuring our products and services meet your expectations and we value feedback on how we are performing. Our customer care team is the first point of contact and will aim to resolve your complaint. [CONTACT DETAILS](#) are set out on page 1.

We will attempt to respond to your complaint within 15 business days of the date we receive your complaint.

The Board sets guidelines to ensure they exercise discretion fairly and consistently and in the interests of all Members when considering the merits of a claim. The Board also considers the terms of this PDS when determining claims for Protection.

If you wish to dispute the decision about a claim made by Our Ark Mutual, please contact us in the first instance by making a written submission to the Mutual and asking the Board to reconsider their decision.

If you have a complaint about any of the services provided by Our Ark or any other person engaged by the Mutual, please contact AMIR on the contact details provided on page 1 of this document.

Escalating a complaint

If you are not satisfied with our decision or if your complaint remains unresolved after 15 business days, you may refer the matter to our Internal Dispute Resolution (IDR) team.

Disputes processed by the IDR team will be presented to a Review Committee. The review will be guided by the principles of good faith, equity and merit. If you are still unhappy with the outcome, you can choose to have the matter resolved externally.

External Dispute Resolution

If you are not satisfied with the outcome of your complaint or we do not resolve your complaint within 45 calendar days of the date on which we first received your complaint, you can contact the Australian Financial Complaints Authority (AFCA). This independent body provides its service free of charge and we will abide by the outcome. The decision is not binding on you.

AFCA is an external complaints resolution scheme approved by ASIC to provide free advice and assistance to consumers to help them in resolving complaints relating to members of the financial services industry. Information about AFCA, and the types of disputes that it can consider, can be found at its website.

Membership of AFCA is held by AMIR as the authorising licensee.

Australian Financial Complaints Authority (AFCA)

Phone: 1800 931 678

Website: www.afca.org.au

Email: info@afca.org.au

Post: GPO Box 3, Melbourne VIC 3001.