



IBNA LANDLORD INSURANCE

PRODUCT DISCLOSURE STATEMENT

ibna.

Allianz 

About IBNA

The insurance policy is distributed by insurance brokers who are licensed members of IBNA Limited ABN 43 086 563 055.

The IBNA Network origins go back to 1984 to give individual general insurance brokers the opportunity to enjoy the benefits of a larger group, yet still maintain that all important feel of independence. With a total turnover of over \$1.3 billion dollars in general insurance premiums, the IBNA Network ranks within the top general insurance broking groups in Australia.

IBNA Limited (IBNA) has entered into an arrangement with Allianz to develop financial products and services that are distributed by IBNA members.

More information regarding IBNA can be sourced from our website www.ibna.com.au

Table of contents

page

Product Disclosure Statement

Understanding your policy and its important terms and conditions	5
Applying for cover	6
How we calculate your premium	7
Underinsurance	8
Further information and confirmation of transactions	9
Cooling off period and cancellation rights	9
Updating the PDS	9

Introduction

Our agreement with you	10
Words with special meanings	12

If you have buildings cover

What are buildings	18
What are not buildings	19
Types of loss or damage your buildings are covered for	20
How we will settle your buildings claim	22

If you have contents cover

What are contents	24
What are not contents	25
Types of loss or damage your contents are covered for	26
How we will settle your contents claim	28

Insured events we will pay

Accidental breakage of glass	30
Accidental loss or damage	31
Deliberate damage by a tenant	31
Earthquake	31
Explosion	31
Fire or smoke	32
Impact damage	32
Lightning or thunderbolt	32
Malicious acts	32
Riot or civil commotion	34
Storm, rainwater or run-off	34
Theft, burglary or housebreaking	35
Tsunami	36
Water or other liquid damage	36

Additional benefits we will provide

Automatic indexation of sums insured	38
Contents in the open air at the risk address	38
Continuation of cover when you are selling your buildings	39
Damage by pets	39
Environmental benefits	39
Landlord's contents	41
Legal liability – cover for injury to other people or their property	42
Mortgage discharge costs	45

	page
Motor Burnout	45
Reinstatement of sum insured after a loss	46
Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	46
Rental costs after an insured event	48
Replacement of locks or cylinders	49
Taxation Audit	50
Optional Covers	
Accidental loss or damage by tenants	52
Flood	53
Rent Default and Theft by Tenant	54
Landlord Workers' Compensation	61
When we will not pay a claim under your policy	62
Conditions of cover	
Changes to your insurance details – what you must tell us	66
Buildings not lived in for more than 60 days	67
Taking precautions	67
Cooling off and cancellation rights under the policy	68
Non payment of premium by instalments – Right to refuse a claim	69
Keeping evidence of the value and ownership of the insured property	70
Premium payment by direct debit	70
GST Notice	70
Governing Law	71

Making a claim

What you must do

Do not admit liability	72
Prevent further damage	72
Contact the police	72
Keep evidence of the loss or damage	72
Contact us as soon as possible	73

What happens after you make a claim

Assist us with your claim	73
End of cover following a total loss claim	74
Payment of unpaid premium following a total loss claim	74
Our rights of recovery	74
GST	74

Excesses

Types of applicable excesses	75
How we will apply your excess	76

Other information

Renewal procedure	77
Your Duty of Disclosure	77
Privacy Notice	79
General Insurance Code of Practice	81
Complaints – Internal and external complaints procedure	81
If this insurance has been issued through an insurance intermediary	82
Financial Claims Scheme	82
Phoning for assistance	82

Product Disclosure Statement

This policy document is also a Product Disclosure Statement (PDS). A PDS is a document required by the Corporations Act and contains information designed to help you decide whether to buy the policy.

It will help you to:

- decide whether the insurance will meet your needs; and
- compare it with other products you may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account the Insured's objectives, financial situation or needs. You need to decide if the insurance is right for you and you should read this PDS and all of the documents that make up the policy carefully to ensure you have the cover you need. You should store these documents in a safe place for easy reference.

The policy provides a number of covers which may or may not be provided to you as a retail client under the Corporations Act 2001 (Cth) depending on your circumstances. Only the parts of the policy document relevant to cover provided to you as a retail client and any other documents which we tell you are included, make up the PDS for the purposes of the Act.

Understanding your policy and its important terms and conditions

To understand the policy's significant features, benefits and risks you need to carefully read:

- about each of the available types of cover and benefits in the relevant sections, (the standard cover provided under each section can be affected by the following):

- the “Introduction” section – this sets out the basis on which we insure you and other important information
- the “Words with special meanings” section – this sets out what we mean by certain words used in the policy;
- the “When we will not pay a claim under your policy” section (this sets out the general exclusions and limits that apply to all covers and benefits);
- the “Conditions of cover” and “Making a claim” sections (these set out certain obligations that you and we have. If you do not meet them we may be able to refuse or reduce our liability in respect of a claim); and
- the “Other information” section (this contains important information on your Duty of Disclosure, our Privacy policy and our Dispute Resolution process); and
- all of the documents that make up the policy, including the schedule and any endorsements or other written changes to the cover we issue you with – these contain specific details relevant to you and can affect the cover.

Applying for cover

When you apply for the policy by completing our application you need to provide the information we require to determine whether to issue a policy and if so, on what terms, including (to the extent they are optional) things such as:

- the period of insurance;
- the premium;
- the property you want to cover;
- the limits you want for certain covers (if optional);
- excesses that will apply to you or others; and
- whether any standard terms need to be varied (this may be by way of an endorsement).

These details are recorded in the schedule we issue to you.

Headings are provided for reference only and do not form part of the policy for interpretation purposes.

Where we agree to issue a policy, cover is provided on the basis:

- that you have paid or agreed to pay us the premium for the cover provided;
- of the verbal and/or written information provided by you which must have been given in accordance with “Your Duty of Disclosure”.

If you fail to comply with your Duty of Disclosure or have made a misrepresentation to us, we may be entitled to refuse or reduce our liability under the policy in respect of a claim and/or we may cancel the policy. If you have told us something which is fraudulent, we also have the option of avoiding the policy (i.e. treating it as if it never existed).

Your Duty of Disclosure and the consequences of nondisclosure, are provided under the heading ‘Your Duty of Disclosure’.

How we calculate your premium

The base premium we charge varies according to your risk profile. This includes, but is not limited to, the location of the property, the type of property being insured, the amount of cover required, optional covers selected and relevant claims history etc.

Minimum premiums may apply. In some cases discounts may apply if you meet certain criteria we set. Any discounts or entitlements may be subject to rounding and only apply to the extent any minimum premium is not reached. If you are eligible for more than one discount or entitlement, we also apply each of them in a predetermined order to the premium (excluding taxes and government charges) as reduced by any prior applied discounts or entitlements. Discounts may not be applied to the premium for Optional Covers (where applicable).

You will also have to pay any compulsory government charges (e.g. Stamp Duty and GST and Fire Service Levy (where applicable)) plus any additional charges we tell you of. In some cases a service fee will apply where you pay your premium by instalments. We tell you the total amount payable when you apply and if cover is effected, the amounts payable will be confirmed in your schedule.

Where we agree to issue a policy, cover is provided on the basis you pay or agree to pay the premium we require, in which case we will insure you as set out in the policy and the schedule.

You must pay your premium by the due date. If we do not receive your premium by this date or your payment is dishonoured, we may be entitled to reduce or refuse to pay a claim and cancel the policy.

If you pay premium by instalments refer to the “Conditions of cover” section for important details on your and our rights and obligations. If you pay your premium by way of instalments and:

- the premium instalment remains unpaid for at least 14 days after the due date of the instalment, we may refuse to pay any claim under the policy arising from an event occurring after the due date of the instalment;
- the premium instalment remains unpaid after the due date of the instalment, we may cancel your policy by providing you with written notice of cancellation.

Underinsurance

The policy sets out the cover we are able to provide you with. You need to decide if the limits, type and level of cover are appropriate for you and will cover your potential loss. If they are not you may be underinsured and have to bear part of any loss you are not covered for yourself. To avoid this, people seek to set the sum insured for the relevant property being insured at its estimated replacement value.

You should read the GST notice to understand how GST is applied to a claim.

Further information and confirmation of transactions

If you have any queries, want further information about the policy or want to confirm the transaction, please use the contact details on the back cover.

Cooling off period and cancellation rights

Even after you have decided to purchase the policy, you have a *cooling off period and cancellations rights* (see "Cooling off and cancellation rights under the policy" on page 68 for details).

Updating the PDS

Information in the PDS may need to be updated from time to time. We will issue you with a new PDS or a Supplementary PDS (SPDS) or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes.

You can obtain a paper copy free of charge by calling us. Contact details are provided on the back cover of this document.

Other documents may form part of the PDS and the policy. If they do we will tell you in the relevant document.

Introduction

The insurer of this product is Allianz Australia Insurance Limited ABN 15 000 122 850 (Allianz) AFS Licence No. 234708, an authorised Australian insurer, regulated by the Australian Prudential Regulation Authority (APRA).

Allianz is one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a range of products and services to our customers. As a member of the worldwide Allianz Group, we are committed to continuous improvement of our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services.

Our agreement with you

Where we agree to enter into a policy with you, the policy consists of:

- this PDS and policy document which sets out details of the standard terms of cover and its limitations;
- the current schedule, issued by us, which sets out important details of cover relevant to you such as who is insured, the cover(s) provided, the period of insurance, the limits of liability, excesses and other important information. It may include additional terms, conditions and exclusions relevant to you that amend the standard terms of this document. ;
- any other document we tell you forms part of the policy (such as an endorsement or Supplementary PDS). These written changes may vary or modify the above documents.

You should carefully read and retain the PDS, schedule and other policy documents in a safe place for future reference.

These documents should be read together as they jointly form the contract of insurance between you and us. Any new or replacement schedule we may send you, detailing changes to your insurance or the period of insurance, will become the current schedule, which you should carefully read and retain.

We reserve the right to change the terms of the policy where permitted to do so by law.

Where we agree to enter into a policy with you, we will insure you for:

- loss or damage caused by one or more of the insured events;
- the additional benefits; and
- any optional cover(s) you have selected,

which occur during the period of insurance and as set out in the policy .

Only those sections shown as covered in your schedule are insured.

We only cover those parties shown in the schedule unless otherwise stated in the relevant policy section as being a person entitled to cover.

Words with special meanings

Some of the words in the policy have special meaning wherever they appear. These words and their meaning are defined below.

“accidental loss or damage” means damage to, loss or destruction of your buildings or contents caused by an unintentional act, or a sudden or unexpected incident.

“aircraft landing area” means any area in which aircraft land, take off, are housed, maintained or operated.

“allowable reletting expenses” means reletting expenses as specified in the current lease or rental agreement for the building.

“body corporate” means the body corporate, owners corporation, corporation, strata company or strata corporation of the strata title development applicable to the strata or unit titles legislation which applies in the State or Territory where the lot is located.

“bond monies” means the amount paid by your tenant and that you must have collected at the start of the current lease or rental agreement that is held as security against damage or loss of rent under the terms of the lease or rental agreement. For a lease or rental agreement that is for a period greater than 90 days, this amount must be equivalent to at least 4 week’s rent.

“building” or **“buildings”** mean the fully enclosed building or buildings at the risk address, primarily used as a place of residence.

“burglary” or **“housebreaking”** means theft following forcible entry.

“collection” means a group of individual items, pairs or sets which are of a similar type and which when assembled and displayed together as a group, take on a value greater than the sum of the individual items’, pairs’ or sets’ values.

“common area” means the area at the risk address owned by the body corporate and not forming part of any individual lot.

“common property” means property owned by the body corporate forming part of the strata title development.

“contents in the open air” means contents at the risk address which are located:

- in the open air;
- under an open sided structure or carport; or
- on a patio or verandah.

“default of payment of rent” means that the tenant:

- is still occupying the building but is not paying rent, and
- has been issued with the appropriate notices (including all notices required to be given under any relevant State or Territory legislation) in relation to non-payment of rent, such as “Notice to Remedy Breach” and “Notice to Leave.”

“deliberate act” means an action by:

- your tenant;
- children of your tenant;
- guests of your tenant;
- invitees of your tenant; or
- a paying guest,

carried out intentionally, but without malice or an intention to deprive you use of the building and/or contents and without your consent.

It does not include:

- malicious acts;
- actions which are reckless or careless in their nature; or
- action(s) which are directly contrary to the provisions contained in the current lease or rental agreement; or
- actions that are unhygienic in nature or reflect poor housekeeping.

“excess” means the amount you, or the person making the claim, must pay towards the claim. The amount of the excess is set out in your current schedule or in this document. Except as otherwise provided in the policy you are only required to pay the applicable excesses once in respect of any single claim:

- arising out of the same insured event; or
- which involves loss or damage to both buildings and contents arising out of the same insured event.

An additional excess applies for loss or damage caused by:

- an earthquake or a series of earthquakes during any period of 48 consecutive hours;
- a tsunami or series of tsunami during any period of 48 consecutive hours;
- malicious acts;
- deliberate damage by a tenant;
- damage by pets;
- replacement of locks or cylinders; and
- under the optional cover for “Rent Default and Theft by Tenant”.

“flood” means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- a lake (whether or not it has been altered or modified);
- a river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal; or
- a dam.

Note: the policy does not cover loss, liability, injury or damage caused by or arising from flood to buildings and/or contents unless if your current schedule shows you have this Optional Cover and you have buildings and/or contents cover.

“legal expenses” are those you incur, with our prior consent, when you have to apply to a court for remedial action against a tenant.

“lot” means the lot unit in a strata title development. It includes fixtures and fittings which are not insurable by the body corporate. It does not include common property, fixtures and fittings which are insurable by the body corporate or contents (as described in pages 24 to 26).

“malicious acts” means the wilful or reckless acts of a person or persons, other than you or your agents or other representatives and employees, carried out with the vindictive intention of damaging your buildings and/or contents.

“pet” means a domestic animal which is:

- not a reptile; and
- not kept for a business or commercial purpose.

“occurrence” means any event or events resulting in personal injury and/or property damage and which is/are neither expected nor intended by you. Any series of events consequent upon or attributable to one source or originating cause, including continuous or repeated exposure to substantially the same general conditions, which result in personal injury and/or property damage, are deemed to be one occurrence.

“periodic lease” is an agreement which comes into existence following expiry of the last written lease or rental agreement, where the tenant remains in occupancy following expiration of the last written lease or rental agreement for a recurring period which may run for an indefinite length of time, on the same terms and conditions as the last written lease or rental agreement.

For the purposes of the policy, where a claim is made and a periodic lease is in force, the expiry date for default of payment of rent purposes will be calculated as a period not greater than the notice period of the last lease or rental agreement. If the last written lease or rental agreement did not specify a notice period, the notice period is taken to be 14 days.

“period of insurance” means the period of time commencing on the effective date stated in the current schedule and ending on the expiry date stated in the current schedule or the date the policy otherwise ends in accordance with its terms, whichever is earlier.

“pollutants” means smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants or other contaminants.

“rainwater” means rain falling naturally from the sky onto the buildings and/or ground.

“rent” means the amount of money paid or payable by the tenant to lease or rent the building as set out in the current lease or rental agreement with you or your agent.

“risk address” means the land including yard and garden areas on which the building is located at the address stated in the current schedule.

“run-off” means rainwater that has collected on or has flowed across normally dry ground or has overflowed from swimming pools or spas.

“schedule” means the relevant schedule issued by us which sets out important details of cover such as who is insured, the cover(s) provided, the period of insurance, the relevant limits, some excesses and other important information.

“set” means a group of similar or related items that belong together.

“short term tenancy” is a lease or rental agreement that does not exceed a rental period of more than 90 days.

“storm” means violent wind (including cyclones and tornadoes), which may be accompanied by thunderstorms, hail rainwater or snow.

“strata title development” means any form of land title which allows for multiple individual titles to exist in or on a block of land where the common property is held under a single separate title.

“tenant” or **“tenants”** means the person or persons named in a lease or rental agreement and who are responsible for paying you rent for the term of the tenancy.

“terrorism” means any act of terrorism including, but is not limited to, any act or preparation in respect of action or threat of action, designed to:

- influence a government or any political division within it for any purposes, and/or
- influence or intimidate the public or any section of the public with the intention of advancing a political religious, ideological or similar purpose.

“theft” means theft without forcible entry.

“tsunami” means a wave or waves caused by sudden movement of the ocean due to earthquakes, volcanic eruption or other meteorological disturbances. It does not include:

- a. a rise in the level of the ocean or sea caused by a high tide, a king tide or any other movement of the sea; or
- b. a rise above the normal water level along a shore resulting from strong onshore winds and/or reduced atmospheric pressure.

“we”, “our” or **“us”** means Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850 of 2 Market Street, Sydney NSW 2000

“you” or **“your”** means the person(s) named in the current schedule as the insured.

If you have buildings cover

Your current schedule shows if you have buildings cover.

What are buildings

If you have selected buildings cover, the term buildings also includes:

1. pipes, cables, ducts, wires, meters and switches used in connection with the supply of water, drainage, sewerage, communication, electricity, cooling and heating which are on your property or for which you are legally responsible and which are connected to the buildings;
2. fixed appliances which are permanently connected to the electrical, gas or plumbing systems. These include, but not limited to, air-conditioners, dishwashers, fans, hot water services, light fittings, room heaters and stoves; and
3. fixtures and fittings, except those for which your tenant is legally responsible under the terms of the lease or rental agreement. These fixtures and fittings include your fixed ceiling, wall or floor coverings (except for carpets, loose floor coverings, curtains and internal blinds), exterior blinds and awnings;
4. When the buildings are not part of a strata title development, the term buildings also includes all structural domestic improvements which belong to you including:
 - a. carports, patios, gazebos and other structures which are not fully enclosed;
 - b. built-in furniture;
 - c. paved paths, paved driveways, terraces, walls, gates, fences, masts, aerials, satellite dishes, tennis courts, clothes lines and built-in barbeques;

- d. permanently fixed swimming pools, saunas and spas (including their fixed accessories); and
- e. jetties which are permanently fixed to the land at the risk address, and which are your property, and which have no commercial activities undertaken from them.

What are not buildings

The following items are not buildings:

- portable electrical equipment which normally attaches to a power point only;
- carpets, loose floor coverings, curtains and internal blinds;

If your current schedule shows that you have contents insurance, the items above will be covered as contents.

- anything else which is listed under “What are contents” on page 24;
- landscaping, trees, shrubs and plants;
- unpaved paths or unpaved driveways constructed of earth or gravel; and
- residential flats, home units or town houses, which are part of a strata title development, except for structural domestic improvement that belong to you and which the body corporate is not legally responsible to insure. These include, but are not limited to:
 - carports, patios, gazebos and other structures which are not fully enclosed;
 - built-in furniture;
 - paved paths, paved driveways, terraces, walls, gates, fences, masts, aerials, satellite dishes, tennis courts, clothes lines and built-in barbeques;
 - permanent fixed swimming pools, saunas and spas (including their fixed accessories); and

- jetties which are permanently fixed to the land at the risk address, and which under your exclusive control, and which have no commercial activities undertaken from them.

Types of loss or damage your buildings are covered for

Subject to policy terms, conditions, limits and exclusions we will cover your buildings up to the sum insured for loss or damage caused by one or more of the insured events which occurs during the period of insurance. We will also cover the Additional benefits listed on page 21. Details of the terms, conditions, limits and exclusions which specifically relate to each insured event and the Additional benefits are detailed on pages 30 to 51.

Insured events	page number
• Accidental breakage of glass	30
• Accidental loss or damage	31
• Deliberate damage by a tenant	31
• Earthquake	31
• Explosion	31
• Fire or smoke	32
• Impact damage	32
• Lightning or thunderbolt	32
• Malicious acts	32
• Riot or civil commotion	34
• Storm, rainwater or run-off	34
• Theft, burglary or housebreaking	35
• Tsunami	36
• Water or other liquid damage	36
Additional benefits	
• Automatic indexation of sums insured	38
• Continuation of cover when you are selling your buildings	39
• Damage by pets	39
• Environmental benefits	39
• Landlord's contents	41
• Legal liability – cover for injury to other people or their property	42
• Mortgage discharge costs	45
• Motor Burnout	45
• Reinstatement of sum insured after a loss	46
• Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	46
• Rental costs after an insured event	48
• Replacement of locks or cylinders	49
• Taxation Audit	50

How we will settle your buildings claim

- At our option, we will:
 - o repair or rebuild the damaged part of your building to the same condition as when it was new;
 - o pay you the reasonable cost of repairing or rebuilding any damaged part of your building to the same condition as when it was new; or
 - o pay you up to the amount of the sum insured shown in the current schedule for your relevant buildings.

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on page 70.

If we pay you the reasonable costs of repairing or rebuilding, this means the cost of repairing or rebuilding less any discounts available to us were we to repair or rebuild.

- When it is not possible to use original materials during the repair or rebuilding process, the nearest available equivalent to the original materials will be used. We will not pay to repair or rebuild property which has not been physically damaged.
- Unless we have agreed in writing, repair or rebuilding of your buildings must commence within six months of the loss or damage. If repair or rebuilding of your buildings is not commenced within six months of the loss or damage or any extended period to which we have previously agreed in writing, we will not be liable for any costs beyond the repair or rebuilding cost as at the date the loss or damage occurred.
- If we have chosen to repair or rebuild your damaged building and you do not wish to repair or rebuild then, we will at our option:

- o pay you the reasonable cost to repair or rebuild your damaged buildings less an amount for depreciation based on the age and condition of the buildings; or
- o pay you the value of the land and buildings at the risk address immediately prior to the occurrence of the loss or damage less the value of the land and buildings immediately after the loss or damage occurred.
- Rebuilding may be carried out on another site in the same vicinity provided that we agree in writing.
- If the claim relates to loss or damage to fixed wall, floor or ceiling coverings, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
- If the claim relates to loss or damage to a dividing fence we will only pay half the cost of repairing the fence.
- Further, if the claim is for gates, fences or freestanding walls damaged or destroyed as a result of a storm, rainwater or run-off, we will deduct an amount from any claim settlement for depreciation based on their age and condition.
- In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently under “Insured events we will pay” on pages 30 to 37, “Additional benefits we will provide” on pages 38 to 51 or “Optional Covers” on pages 52 to 61.
- If you are entitled to use bond monies to settle or deduct any loss or damage you must do so. To calculate the amount payable we will deduct the amount of any bond monies remaining after you have paid allowable reletting expenses and we will then settle your claim subject to policy terms and conditions.

If you have contents cover

Your current schedule shows if you have contents cover.

What are contents

In the policy the term “contents” means property which belongs to you as the landlord (or for which you are legally responsible) which you provide for use by the tenant, consisting of:

- carpets, curtains, furnishings, furniture, household goods, internal blinds and loose floor coverings;
- lighting fittings which are not permanently fixed to the buildings;
- portable electrical equipment which normally attaches to a power point only;
- removable domestic appliances and utensils, which are installed specifically for the tenants’ use; and
- swimming pools, saunas and spas (including their fixed accessories) which are designed to be dismantled and moved; and/or

when the buildings in which the contents are located are part of a strata title development the term contents also includes:

- fixtures and fittings and other structural improvements which are not insurable by the body corporate.

What are not contents

The following items are not contents:

- anything which is covered under “What are buildings” on pages 18 to 19;
- contents when they are in the internal or external common areas of a residential flat, home unit, town house or other type of multiple occupancy residence where any of the other owners, tenants, their guests or the public have access (including whilst contained in or on a vehicle in those areas);
- animals, birds, fish, insects, reptiles or spiders;
- trees, shrubs and plants growing outdoors in the ground;
- motorised vehicles (including, but not limited to, motor cycles, motorised mini-bikes and motorised go-karts) whether they are capable of being registered or not;
- farm vehicles, farm trailers and mobile, motorised farming implements or any apparatus that is used in connection with, or used for the operation of, farming activities;
- caravans or trailers;
- boats or any other watercraft;
- aircraft (including any drones or model aircraft);
- accessories and/or spare parts of motor vehicles, farm vehicles, caravans, trailers, watercraft or aircraft;
- items of clothing, personal effects, mobile phones, computers, jewellery, furs, curios, works of art, gold or silver, antiques, money, cheques, or other negotiable instruments, documents of any kind, stamp collections, coin collections or any other collections;
- articles belonging to you or any other person, which are not for the sole use of your tenant and are being stored at the risk address or elsewhere; and
- any other contents item when not provided for use by the tenant.

Types of loss or damage your contents are covered for

Subject to policy terms, conditions, limits and exclusions we will cover your contents, when contained in the buildings, up to the sum insured for loss or damage caused by one or more of the insured events which occurs during the period of insurance. We will also cover you for the Additional benefits listed on page 27. Details of the terms, conditions, limits and exclusions which specifically relate to each insured event and the Additional benefits are detailed on pages 30 to 51.

Insured events	page number
• Accidental breakage of glass	30
• Accidental loss or damage	31
• Deliberate damage by a tenant	31
• Earthquake	31
• Explosion	31
• Fire or smoke	32
• Impact damage	32
• Lightning or thunderbolt	32
• Malicious acts	32
• Riot or civil commotion	34
• Storm, rainwater or run-off	34
• Theft, burglary or housebreaking	35
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Additional benefits	
• Automatic indexation of sums insured	38
• Contents in the open air at the risk address	38
• Damage by pets	39
• Legal liability – cover for injury to other people or their property	42
• Motor Burnout	45
• Reinstatement of sum insured after a loss	46
• Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	46
• Rental costs after an insured event	48
• Replacement of locks or cylinders	49
• Taxation Audit	50

How we will settle your contents claim

- At our option we will:
 - o repair or replace your contents;
 - o pay you the reasonable costs of repair or replacement;
 - o pay you up to the amount of the sum insured shown in the current schedule for your relevant contents;

If we pay you the reasonable costs of repair or replacement, this means the retail price of the item as if it were new less any discount available to us were we to repair or replace it.

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST notice” on page 70.

- When it is not possible to repair or replace a damaged item with original materials or an original item, the nearest available equivalent to the original materials or item will be used. We will not pay to repair or replace property which has not been physically damaged.
- If the claim relates to loss or damage to carpets, loose floor coverings, curtains or internal blinds, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
- If any part of a pair, set or collection is lost or damaged we will not pay any more than the value of the part which is lost or damaged. No allowance would be made for any reduction in the value of the remaining part of parts of the pair, set or collection.
- In no cases would we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently in “Insured events we will pay” on pages 30 to 37, “Additional benefits we will provide” on pages 38 to 51 and “Optional Covers” on pages 52 to 61.

- If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct the amount of any bond monies remaining after you paid allowable reletting expenses and we will then settle your claim subject to the policy conditions.
- For Oriental or Persian carpets or rugs which exceed \$500 in value per item, loss settlement will be limited to \$500 in total.
- If the claim relates to replacement of lost or damaged refrigerators, freezers, washing machines, clothes dryers and dishwashers, with less than a 3 Star Energy Rating, we will replace these items with items that have a minimum 3 Star Energy Rating.

Insured events we will pay

The policy covers loss or damage to your buildings and/or contents (as applicable) caused by one or more of the following insured events that occurs during the period of insurance. Your schedule will show if you have cover for buildings, contents or both.

- **Accidental breakage of glass**
 - a. If you have buildings cover we will pay for accidental breakage of fixed glass, glass or ceramic cooking surfaces of any kind, ceramic shower bases, wash basins, sinks, baths, lavatory pans or cisterns when they are permanently fixed to the buildings; and/or
 - b. if you have contents cover we will pay for accidental breakage of glass forming part of your furniture (including fixed or unfixed table tops and hanging wall mirrors).

We will not pay for breakage:

- if the breakage is not through the entire thickness of the damaged item;
- of glass, fittings or equipment as detailed above, which were in a damaged or imperfect condition before the breakage happened;
- of glass forming part of any glass-house, conservatory, greenhouse or hothouse;
- of glass in any part of the buildings used for trade or business purposes other than an office;
- of items such as crockery, porcelain, china, hand mirrors, glassware, crystal or glass in clocks, vases, ornaments, pictures, radios, visual display units or televisions; or
- of any item that is insured under any residential strata insurance.

- **Accidental loss or damage**

We will pay for accidental loss or damage to your insured buildings and/or contents, unless it is caused by:

- a. an event otherwise excluded under sections “Insured events we will pay” on pages 30 to 37 or “When we will not pay a claim under your policy” on pages 62 to 65;
- b. tenants, their invitees or children of the tenants or invitees (unless your schedule shows you have taken the Optional Cover, “Accidental loss or damage by tenant”. Note: Optional Cover for “Accidental loss or damage by tenants” is not available if you lease the building under any short term tenancy arrangement at any time during the period of insurance); or
- c. deliberate acts or malicious acts.

- **Deliberate damage by a tenant**

We will pay up to a maximum of \$1,000 per event and in total per period of insurance for deliberate acts causing loss or damage to your insured buildings and/or contents.

An excess of any bond monies not already expended applies in addition to the basic excess shown in the current schedule to any claim for deliberate damage by a tenant.

- **Earthquake**

We will pay for loss or damage to your insured buildings and/or contents caused by earthquake.

An excess of \$250 in addition to the basic excess shown in the current schedule applies to loss or damage caused by an earthquake or a series of earthquakes during any period of 48 consecutive hours.

- **Explosion**

We will pay for loss or damage to your insured buildings and/or contents caused by explosion.

- **Fire or smoke**

We will pay for loss or damage to your insured buildings and/or contents caused by fire or smoke.

We will not pay for loss or damage:

- a. which arises gradually out of repeated exposure to fire or smoke; or
- b. to any property as a result of scorching and/or melting.

You may be covered for accidental scorching and/or melting if it was caused by your tenants and your current schedule shows you have taken the Optional Cover "Accidental loss or damage by tenants".

- **Impact damage**

We will pay for loss or damage to your insured buildings and/or contents caused by the impact of any of the following objects:

- a. a road vehicle;
- b. a watercraft;
- c. an external aerial which collapses or breaks;
- d. an animal other than a pet;
- e. falling trees or parts of falling trees. We will not pay if the loss or damage is caused by the lopping or felling of trees at the risk address and you have given express or implied consent for the lopping or felling; or
- f. an aircraft or anything dropped or falling from an aircraft, space debris or debris from a rocket or satellite.

- **Lightning or thunderbolt**

We will pay for loss or damage to your insured buildings and/or contents caused by lightning or thunderbolt.

- **Malicious acts**

We will pay for loss or damage to your insured buildings and/or contents caused by malicious acts.

An excess of \$500 in addition to the basic excess amount shown in the current schedule applies to loss or damage caused by malicious acts.

We will not pay for loss or damage caused by, arising from or in any way connected with:

- damage caused by you or anyone acting under your express or implied consent;
- your domestic helpers;
- failure to control children or pets by your tenant, or a member of their immediate family, or your tenant's invitees;
- your tenant's carelessness, neglect or unhygienic living habits;
- poor housekeeping of any kind by your tenant or a member of their immediate family or your tenant's invitees;
- scratching, scorching, denting or chipping (however you may have cover if you have taken out the Optional Cover for "Accidental loss or damage by tenants"); or
- damage as a result of repairs or attempted repairs carried out by your tenant with your express or implied consent.

We will not pay for the cost of cleaning, re-decorating, painting or wall-papering unless:

- physical structural damage has occurred to the buildings; or
- the buildings are maliciously damaged by graffiti, which we agree necessitates such cleaning, re-decorating, painting or wallpapering.

We will not pay if the malicious acts relate to contents which are in the internal or external common areas of residential flats, home units, town houses or any type of multiple occupancy residences.

- **Riot or civil commotion**

We will pay for loss or damage to your insured buildings and/or contents caused by riot or civil commotion.

- **Storm, rainwater or run-off**

We will pay for loss or damage to your insured buildings and/or contents caused by storm, rainwater or run-off.

We will not pay for loss or damage:

- caused by:
 - o flood; or
 - o flood water combined with run-off and/or rainwater,

(however you may have cover if you have taken out the Optional Cover for "Flood" on pages 53 to 54);

- caused by action of the sea, high water, tidal wave or storm surge;
- caused by:
 - o soil movement including erosion, landslide, mudslide or subsidence;
 - o shrinkage or expansion of earth or land; or
 - o hydrostatic pressure;
- to retaining walls;
- to swimming pool covers, their liners or their solar domes;
- to the external paintwork or other exterior coatings of the buildings caused by rainwater;
- caused by water seeping, percolating or otherwise penetrating into the buildings as a result of:
 - o structural defects;
 - o faulty design of the buildings;
 - o faulty workmanship; or
 - o failure to adequately maintain the buildings;

- caused by wind, rainwater, hail or snow entering the buildings through an open window or door or any opening not made by the storm unless the loss or damage is caused by run-off; or
- caused by water entering your buildings through an opening made for the purposes of alterations, extensions, renovations or repairs.

- **Theft, burglary or housebreaking**

We will pay for loss or damage to your insured buildings and/or contents caused by theft, burglary or housebreaking.

We will not pay if the actual or attempted theft, burglary or housebreaking:

- is committed by:
 - you;
 - your domestic helpers;
 - the invitees of you or your domestic helpers;
 - any person who is acting with your express or implied consent; or
 - your tenant, or other invitees of your tenants, (however you may have cover if you have taken out the Optional Cover for “Rent Default and Theft by Tenant” on pages 54 to 60);
- takes place in the internal or external common areas of residential flats, home units, town houses or any types of multiple occupancy residences;
- relates to contents in the open air, (however you may have cover in the circumstances set out under “Contents in the open air at the risk address” on page 38); or
- relates to contents items which are not listed as being present at the risk address on the current property inspection report.

- **Tsunami**

We will pay for loss or damage to your insured buildings and/or contents caused by a tsunami.

An excess of \$250 in addition to the basic excess shown in the current schedule applies to loss or damage caused by tsunami or a series of tsunami during any period of 48 consecutive hours.

- **Water or other liquid damage**

We will pay for loss or damage to your insured buildings and/or contents which results directly from the bursting, leaking, discharging or overflowing of:

- fixed apparatus;
- dishwasher;
- washing machines;
- fixed tanks; or
- fixed pipes,

which are designed to hold or carry liquid of any kind.

If you have building cover we will also pay the reasonable costs of locating the source of the damage.

We will not pay:

- for loss or damage caused as a result of the gradual escape of liquid over a period of time:
 - due to lack of maintenance, wear and tear or neglect; or
 - caused by water escaping from a shower base, shower recess, shower alcove or the walls surrounding the shower, if a tray or water proof membrane has not been fitted;
- for the cost of repair or replacement of the defective part or parts of the fixed apparatus, dishwashers, washing machines, fixed tanks, fixed pipes or installations which caused the loss or damage;

- for the cost of repair or replacement of any broken main or pipe;
- for loss or damage caused by rust, corrosion, algae, mould or mildew; or
- caused by water entering your buildings through an opening made for the purpose of alterations extensions, renovations or repairs; or
- for loss or damage caused by the porous condition of any tiles, grout, sealant or adhesive.

Additional benefits we will provide

Subject to policy terms, conditions, limits and exclusions, in addition to the insured events above, we provide the following additional benefits under the policy. Unless stated otherwise these additional benefits are included in, and not payable in addition to, the sum insured shown in the schedule for your buildings and/or contents.

- **Automatic indexation of sums insured**

(Applicable when you have buildings and/or contents cover)

If you make a claim during the period of insurance, the sums insured for your buildings and/or contents will be adjusted with reference to the Consumer Price Index from the effective date of the current period of insurance.

There will be no additional premium or rebate for adjustments which occur during the period of insurance.

However, at the end of each period of insurance the renewal premium for the next period of insurance will be calculated on the amount of the amended sum(s) insured at that time. We recommend that you check the new amounts to make sure they continue to cover your full replacement values. If you don't want us to increase the sum(s) insured, just let us know.

- **Contents in the open air at the risk address**

(Applicable only when you have contents cover)

We will cover your contents in the open air which have been lost or damaged due to an insured event covered by your policy, up to a maximum amount of \$1,000. We will not cover contents located:

- at a location other than the risk address;
- in or on a motor vehicle, caravan, trailer or watercraft; or
- in a tent.

No excess applies to this benefit.

- **Continuation of cover when you are selling your buildings**

(Applicable only when you have buildings cover)

If at the time of loss or damage to your buildings caused by an insured event covered by your policy, a contract for the sale of your buildings has been entered into and the policy is current, we will cover your loss or damage to your buildings' sum insured, until such time as:

- a sale is completed; or
- the purchaser takes possession of your building,

whichever occurs first.

- **Damage by pets**

(Applicable when you have buildings and/or contents cover)

We will pay to a maximum of \$1,000 during any one period of insurance for damage to your buildings and/or contents caused by a pet owned by your tenant which occurs during the period of insurance.

We will not pay for damage to your buildings and/or contents by a pet whose presence is not permitted in the current lease or rental agreement.

How we will settle your claim for damage by pets

- An excess of any bond monies not already expended applies in addition to the basic excess shown in the current schedule for any claim for damage by pets.

- **Environmental benefits**

(Applicable only when you have buildings cover)

If your building has been totally destroyed by an insured event and we have agreed to rebuild your building, we will pay up to maximum amount of \$7,500 of the costs incurred by you, after deduction of any rebate you are eligible for under any government or council rebate scheme, to install any combination of the following:

- a rainwater tank facility;
- solar power systems, including solar hot water systems or photo-voltaic (PV) power systems;
- hot water heat exchange system; and
- grey water recycling system.

Any payment we make under this benefit will be in addition to any amount we pay on the buildings.

A rainwater tank facility includes:

- a rainwater tank;
- water pump and wiring;
- foundation or tank stand;
- pipes connecting the roof to the tank; and
- installation costs.

A solar power system includes:

- solar or PV panels;
- water tank, pump;
- electrical wiring;
- foundation or tank stand;
- pipes connecting the roof solar panels to the tank; and
- installation costs.

A hot water heat exchange system includes:

- heat exchange system;
- electrical wiring;
- foundation or tank stand;
- water pipes; and
- installation costs.

A grey water recycling system includes:

- a recycling system;
- distribution pipes and connectors;
- outlet housings; and
- installation costs.

- **Landlord's contents**

(Applicable when you have buildings cover only)

We will pay to repair or replace:

- furniture and furnishings other than electrical items;
- fixtures and fittings; or
- carpets, loose floor coverings, curtains and internal blinds,

damaged as a result of an insured event which occurs during the period of insurance.

Our maximum payment for this benefit will be up to the lesser of \$12,500 or the remainder of the sum insured of your buildings after payment of your buildings claim.

We will only pay this additional benefit if you have selected buildings cover only. This benefit does not apply if you have selected either:

- contents cover; or
- combined building and contents covers.

- **Legal liability – cover for injury to other people or their property**

(Applicable when you have buildings and/or contents cover)

If you have buildings cover, we will cover your legal liability as owner of the insured building and/or contents (and as owner of the lot in a strata title development) for payment of compensation in respect of:

- death, bodily injury or illness; and/or
- physical loss of or damage to property,

which is caused by an accident or series of accidents attributable to one source or originating cause which occurred during the period of insurance at the insured risk address.

If you do not have buildings cover and have selected contents cover only, we will cover your legal liability as owner of the contents (and as owner of the lot in a strata title development) for payment of compensation in respect of:

- death, bodily injury or illness; and/or
- physical loss of or damage to property,

which is caused by an accident or series of accidents attributable to one source or originating cause which occurred during the period of insurance at the insured address.

The maximum amount we will pay under the policy is \$20,000,000 arising out of any one occurrence or series of accidents attributable to one source or originating cause. This limit will be reduced by any amount paid under any other building and/or contents policies or similar policies you have with us providing this type of cover for the same liability, loss, occurrence or incident.

In addition we will also pay all reasonable legal costs and expenses you incur with our consent for which you are legally liable plus the cost of any lawyers we appoint.

What you are not covered for:

1. We will not cover your legal liability for:
 - a. damage to your property;
 - b. injury to any person who normally lives with you, or damage to their property;
 - c. injury to your employees, or damage to their property;
 - d. loss of or damage to property in your care, custody, or control;
 - e. claims arising out of or connected with your business, trade or profession;
 - f. which you are liable because of the terms of an agreement, other than a lease or rental agreement, you have entered into (unless you would have been liable if the agreement did not exist);
 - g. damage to any land or fixed property resulting from vibration, the removal or weakening of or interference with support to land, buildings or any other property;
 - h. claims arising out of your ownership, possession or use of any:
 - aircraft or aerial device (including drones) or aircraft landing area, except a model aircraft or toy kite;
 - mechanically propelled vehicle, except garden equipment, a golf buggy or wheelchair which does not need to be registered or does not require statutory bodily injury cover to be taken out;
 - watercraft except for surfboards, sailboards, canoes, surf skis or non-motorised watercraft of less than 3 metres in length;
 - i. claims involving buildings in the course of construction or any alterations, additions, demolition, repairs to, or decorations of the buildings costing more than \$30,000;

- j. claims arising directly or indirectly out of, or in any way connected with, the existence, at any time, of asbestos;
 - k. claims arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere or any watercourse or body of water. This exclusion will not apply if such a discharge, dispersal, release or escape is caused by a sudden, accidental, unexpected and unintended happening. We will not pay expenses for the prevention of such contamination or pollution;
 - l. claims for:
 - pregnancy; or
 - the transmission of disease;
 - m. claims which arise from your failure to take all reasonable precautions to comply with all statutory obligations and regulations imposed by any authority;
 - n. claims which arise out of your ownership or possession of any building except for your buildings located at the risk address shown in the current schedule; or
 - o. claims arising directly or indirectly from or in any way connected with, the existence, use, operation or maintenance, at any time, of electronic mail, a computer virus, an internet site or other internet based service, intranet or any website.
2. We will not:
- a. cover your legal liability arising out of breach of copyright or an act of libel, slander or assault caused by you;
 - b. cover you for any legal liability arising from any:
 - statutory, compulsory scheme or fund;
 - accident compensation scheme or workers compensation policy of insurance; or
 - industrial award, even if the amount recoverable is nil,

- c. cover you for any legal liability which is over that recoverable under any:
 - statutory compulsory scheme or fund;
 - accident compensation scheme or workers compensation policy of insurance; or
 - industrial award; or
- d. pay for any aggravated, exemplary or punitive damages, fines or penalties.

Special condition applying to legal liability

No excess applies to this benefit.

- **Mortgage discharge costs**

(Applicable only when you have buildings cover)

If we have paid a claim involving the total destruction of your buildings, we will reimburse your reasonable legal costs for the discharge and replacement of your mortgage(s) including fees and statutory government charges, up to an amount of \$2,500.

- **Motor Burnout**

(Applicable when you have buildings and/or contents cover)

If an electrical current damages a household electrical motor (including sealed or semi-sealed refrigeration units) during the period of insurance we will, at our option, either pay the reasonable cost to rewind the motor or replace the motor.

We will not pay for:

- any associated repair or replacement costs for items such as fuses, switches, electronic components, printed circuit boards, bearings, lighting or heating elements, protection devices, or electrical contacts at which sparking or arcing occurs in ordinary working;
- the cost of removing or reinstalling:
 - o underground or submersible pump motors above 1.86 Kw (2.5 hp); or
 - o multi-stage and bore hole pumps;

- the cost of repair or replacement of rectifiers and transformers;
- motor burnout damage to motors under any warranty or manufacturer's guarantee; or
- motors more than 15 years old.

- **Reinstatement of sum insured after a loss**

(Applicable when you have buildings and/or contents cover)

If your sum insured or limit of liability is reduced because of any claim for loss, damage or liability which we have settled, we will automatically reinstate your sum insured or limit of liability from the date of loss, damage or liability unless:

- there is a written request from you or written notice by us to the contrary;
- you do not pay the requested premium where required for reinstatement; or
- you have been paid the full sum insured or limit of liability.

- **Removal of debris, professional rebuilding fees and extra costs of complying with building regulations**

(Applicable when you have buildings and/or contents cover)

- When the buildings have been destroyed or damaged by any of the insured events covered by your policy and we have agreed to pay your claim, we will also pay the reasonable and necessary costs of:
 - demolition and removal of your buildings debris from the risk address;
 - architects', engineers', surveyors' and solicitors' fees; and
 - complying with the requirements of any statutory authority.

We will only pay these costs if they relate directly to the removal of debris from, or repair or replacement to, that part or parts of the building which have been destroyed or damaged and we have agreed to do so before they are incurred.

The maximum combined total amount we will pay under this benefit is 10% of the sum insured on your buildings. However, for a claim under this benefit we will first pay up to the balance of any buildings sum insured remaining after payment of your claim for loss or damage to your buildings, and any such payment will not be taken into account in calculating the above maximum combined total amount.

- When your contents have been destroyed or damaged by any of the insured events covered by your policy and we have agreed to pay your claim, we will also pay the reasonable and necessary costs of removing your contents debris from the risk address.

The maximum combined total amount we will pay under this benefit is 10% of the sum insured on your contents. However, for a claim under this benefit we will first pay up to the balance of any contents sum insured remaining after payment of your claim for loss or damage to your contents, and any such payment will not be taken into account in calculating the above maximum combined total amount.

- We will not pay for:
 - the removal of a tree stump from the ground, or the removal of any part of a tree that has not fallen; or
 - the costs of complying with the requirements of any statutory authority if you received notice of the requirements or were aware of them before the loss or damage occurred.

- **Rental costs after an insured event**

(Applicable when you have buildings and/or contents cover)

If the buildings are damaged by an insured event covered by your policy, to such an extent that your tenant cannot live in them, or we agree access to or use of the buildings was not possible if any of the insured events covered by the policy occur during the period of insurance and causes:

- damage to other property in the vicinity of the buildings; or
- damage within the strata title development itself, where the building is a lot,

and this damage prevents access to or use of the building for a minimum period of 7 days, we will pay for your loss of rent on the buildings:

- for the length of time which we agree is necessary to reinstate your buildings or for which access is denied, or
- up to a maximum period of 12 months,

whichever period of time is lesser.

If your contents in your buildings are damaged by an insured event covered by your policy to such an extent that:

- your tenant cannot live safely or legally in the building; or
- you cannot secure a lease or rental agreement or short term tenancy on the same property for the same weekly rental value at which they were leased at the time of the damage occurring,

we will pay for your loss of rent:

- for the length of time which we agree is necessary to replace or repair the contents in your buildings; or
- up to maximum period of 6 weeks; or
- up to maximum of \$10,000,

whichever is the lesser.

The amount we will pay will be based on the loss of rent you otherwise would have received from written bookings for a short term tenancy, or a lease or rental agreement, which is unpaid because you cannot fulfil the short term tenancy or lease or rental agreement due to the loss or damage.

We will not pay for your loss of rent if:

- a. the buildings have not been tenanted for more than 60 consecutive days immediately before the date of the loss or damage; or
- b. you did not have a short term tenancy or lease or rental agreement in place for your buildings to be tenanted within the 30 days immediately following the date of loss or damage.

If an insured event results in a claim being made under this additional benefit and any one of more of the following sections of Optional Cover “Rent Default and Theft by Tenant” (Note this Optional Cover is not available if you lease your building on a short term tenancy basis):

- “Default of payment of rent by the tenant”;
- “Departure of the tenant from the building without notice”;
- “Death of a sole tenant”; or
- “Tenant hardship”,

then the highest single limit under the relevant section applies and the benefits payable shall not be cumulative.

- **Replacement of locks or cylinders**

(Applicable when you have buildings and/or contents cover)

If the key for the lock of any external door or window at the risk address is stolen during the period of insurance, or there are reasonable grounds to believe that the key(s) have been duplicated, we will pay for the replacement of the lock(s) or cylinder(s) operated by the key(s) up to a maximum amount of \$1,000.

We will not pay for the replacement of locks or cylinders which can be insured by the body corporate when the property is part of a strata title development.

An excess of any bond monies not already expended applies in addition to the basic excess shown in the current schedule for any claim for replacement of locks or cylinders.

- **Taxation Audit**

(Applicable when you have buildings and/or contents cover)

If the building insured by the policy is your only investment property, or the contents insured are located within your only investment property, we will pay or reimburse you for accountant's fees which you reasonably incur, and we have provided you our prior consent, as a result of your personal taxation affairs being audited by the Australian Taxation Office during the period of insurance.

The maximum we will pay is \$1,250 per audit or \$2,500 per period of insurance.

We will not pay or reimburse you for:

- any fines, penalties or shortfall in the amount of tax payable;
- any audit conducted in relation to criminal activity;
- any audit not commenced during the period of insurance;
- any fees incurred outside any statutory time limit;
- any fees incurred as a result of any fraudulent act or fraudulent omission or any statement made by you or on your behalf to a taxation officer which:
 - is false or misleading in a material particular; and
 - can be attributed to deliberate evasion or recklessness;

- any audit conducted in relation to any facts or circumstances of which you were aware, or ought to have been aware, prior to the commencement of the policy which were likely to lead to you making a claim under the policy; or
- any fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit.

Optional Covers

You can increase policy coverage under the policy by adding the following Optional Covers.

Not all Optional Covers will be relevant, or available to you.

If we agree to add any of the Optional Covers listed below to your policy, they will be listed on your current schedule.

Any cover we provide under these Optional Covers are subject to policy terms, conditions, limits and exclusions contained within the Optional Covers below and the "When we will not pay a claim under your policy" section.

- **Accidental loss or damage by tenants**

(This cover only applies if your current schedule shows you have this cover and you have buildings and/or contents cover.)

This cover is not available if you lease the building under any short-term tenancy arrangement at any time during the period of insurance.

If you have this cover, we will pay for accidental loss or damage to your insured building and/or contents occurring during the period of insurance and caused by:

- the tenant; and
- the tenant's invitees

during the period of their tenancy.

The maximum we will pay under this Optional Cover is \$10,000 in total for each period of insurance.

We will not pay for accidental loss or damage to your insured building and/or contents under this Optional Cover if you lease the building under any short-term tenancy arrangement at any time during the period of insurance.

Special conditions applying to the Optional Cover “Accidental loss or damage by tenants”.

- We will not pay any claim under this cover unless you have a written lease or rental agreement in place from the time your tenant takes up residence, noting that a periodic lease is a continuation of the last written lease or rental agreement, on the same terms and conditions.
- At the time your tenant entered into the lease or rental agreement you must have collected the total amount of bond monies due under the terms of the lease or rental agreement. This amount must be equivalent to at least 4 week’s rent.
- If you vary the manner in which you lease or rent your building from that disclosed to us at the time of your application for this Optional Cover at any time during the period of insurance to allow for short term tenancy arrangements you should contact us immediately and request a cancellation of this additional benefit and any applicable pro rata refund of premium that may be available to you for the unexpired portion of the period of insurance (refer “Cooling off and cancellation rights under the policy”). Nothing in this special condition operates to extend the cover provided under this Optional Benefit to you if the building is leased on a short term tenancy basis.

• Flood

(This cover only applies if your current schedule shows you have this cover and you have buildings and/or contents cover.)

We will pay for loss or damage to your insured building and/or contents caused by flood or flood water combined with run-off and/or rainwater occurring during the period of insurance.

We will not pay for:

- loss or damage caused by storm, rainwater or run-off (except where the run-off and/or rainwater is combined with flood water);
- loss or damage caused by tsunami, action of the sea, high water, tidal wave or storm surge;
- loss or damaged caused by:
 - soil movement including erosion, landslide, mudslide or subsidence, unless it is directly caused by and occurs within 72 hours of the flood;
 - shrinkage or expansion of earth or land; or
 - hydrostatic pressure;
- loss or damage to gates or fences if they are not well maintained and are not in good order and repair;
- loss or damage to retaining walls;
- loss or damage to swimming pool and spa covers, their liners or their solar domes;
- loss or damage to pontoons, jetties or bridges; or
- the cost of cleaning mud or debris out of tanks, swimming pools or spas.

• **Rent Default and Theft by Tenant**

(This cover applies if your current schedule shows you have this cover and you have buildings and/or contents cover.)

This cover is not available if you lease the building under any short-term tenancy arrangement at any time during the period of insurance.

We will not pay any benefit under this Optional Cover if you lease the building under any short-term tenancy arrangement at any time during the period of insurance.

Rent default

If you have this cover we will pay you for your loss or rent due to the occurrence of one or more of the following insured events during the period of insurance, for the periods stated. The maximum amount we will pay for any one occurrence for rent default under all the events is \$15,000 in total.

Default of payment of rent by the tenant

If your tenant defaults on rent payments during the period of insurance and fails to make good the default after you have issued the appropriate notices which may be required:

- a. under the current lease or rental agreement; or
- b. to comply with the requirements of any statutory authority,

we will pay your loss of rent:

- a. for a period not exceeding 15 weeks;
- b. until another tenant takes up residence in the buildings;
or
- c. until payment of rent re-commences;

whichever amount payable is the lesser.

Departure of the tenant from the building without notice

If your tenant permanently departs from the building during the period of insurance without providing written or verbal notice of their departure, we will pay your loss of rent:

- a. for a period of up to 15 weeks;
- b. until another tenant takes up residence in the building; or
- c. until payment of rent re-commences,

whichever amount payable is the lesser.

Death of a sole tenant

If the building is rented to a sole tenant and that person dies before the end of their tenancy, we will pay your loss of rent from the date of their death:

- for a period of up to 6 weeks; or
 - until another tenant takes up residence in the building,
- whichever amount payable is the lesser.

We will not pay if the sole tenant had given you or your agent notice in accordance with the lease or rental agreement or periodic tenancy agreement prior to their death.

Tenant hardship

If your lease or rental agreement or periodic tenancy agreement is legally terminated by a Residential Tenancies Tribunal or another relevant authority on the grounds of hardship on the part of the tenant, we will pay your loss of rent from when the termination order issued by the Residential Tenancies Tribunal or other relevant authority takes effect:

- for a period of up to 6 weeks;
- until another tenant takes up residence in the building; or
- until payment of rent re-commences,

whichever amount payable is the lesser.

Any payment under this cover will stop with immediate effect if your rental property is re-tenanted.

Theft by tenant

If you have this cover, we will pay for loss or damage to your insured buildings or contents caused by theft, burglary or housebreaking committed by your tenant or invitees of your tenant.

Legal expenses

If we have accepted a claim under any of the following insured events:

- Default of payment of rent by the tenant;
- Departure of tenant from the building without notice;
- Death of a sole tenant;
- Tenant hardship; or
- Theft by tenant,

we will also pay your legal expenses, up to a maximum amount of \$3,000, for each claim for rent default or theft by tenant provided these expenses have been incurred with our written approval for the purpose of minimising a claim.

Cleaning costs

If we have accepted a claim under any of the following insured events:

- Departure of tenant from the building without notice; or
- Death of a sole tenant

we will also pay up to a total of \$500 for the costs of cleaning your building if the tenant fails to clean the property prior to their departure or death and the property is dirty to such an extent that it cannot be re-let in its current state.

We will not pay for the costs of cleaning:

- any common areas; or
- any areas that have not been occupied by your tenant.

We will not pay for the costs of any:

- redecorating;
- painting or re-painting; or
- stripping.

Removal of and/or storage of your tenant's property

If we have accepted a claim under any of the following insured events:

- Departure of tenant from the building without notice; or
- Death of a sole tenant,

we will also pay up to a total of \$750 per event for the cost incurred by you of removal and/or storage of your tenant's contents from your risk address to the nearest available professional storage facility that you incur over and above the bond monies amount.

We will not pay for the costs of removal and/or storage of any of:

- your contents; or
- contents that you and your tenant jointly own or are equally responsible for.

We will not pay for any loss or damage that has occurred to your tenant's contents whilst they are being removed and transported from your risk address to the nearest available storage facility.

We will not pay you for removal of your tenant's contents that are located:

- at a location other than your risk address; or
- on or in a motor vehicle, caravan, trailer or watercraft; or
- in a tent

Special conditions applying to the Optional Cover 'Rent Default and Theft by Tenant'.

- We will not pay any claim under this cover unless you have a written lease or rental agreement in place from the time your tenant takes up residence, noting that a periodic lease is a continuation of the last written lease or rental agreement, on the same terms and conditions.
- At the time your tenant entered into the lease or rental agreement you must have collected the total amount of bond monies due under the terms of the lease or rental agreement. This amount must be equivalent to at least 4 week's rent.
- In order to receive cover under Rent Default:
 - o Default of payment of rent by the tenant;
 - o Departure of tenant from the building without notice;
 - o Death of sole tenant; or
 - o Tenant hardship,

you must be actively seeking to obtain a tenant at any time when your buildings are unoccupied.

- If you vary the manner in which you lease or rent your building from that disclosed to us at the time of your application for this Optional Cover at any time during the period of insurance to allow for short term tenancy arrangements you should contact us immediately and request a cancellation of this additional benefit and any applicable refund of premium that may be available to you for the unexpired portion of the period of insurance. Nothing in this special condition operates to extend the cover provided under this Optional Benefit to you if the building is leased on a short term tenancy basis.

How we settle your tenant default, theft by tenant and legal expenses claim

If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct:

- the amount of any bond monies remaining after you have paid allowable reletting expenses; and
- any basic excess specified in your schedule.

We will then settle your claim subject to the policy conditions.

Where a claim for rent default or theft by tenant is made at the same time as a claim for related legal expenses the applicable excess(es) are payable once only.

• Landlord Workers' Compensation

(Not available in all States or Territories of Australia)

This cover only applies if your current schedule shows you have Landlord Workers' Compensation cover and you have buildings or contents cover.

Where you employ a person to do work around your rental property, we will pay the amount you are liable to pay if they are injured while working for you.

We will not pay for workers:

- who are working for you in your own business, trade, or profession;
- who are part time or full time permanent workers; or
- when the annual wages expected to be paid for casual workers exceeds \$7,500.

In these circumstances, a separate general workers compensation policy is required.

How we will settle your Landlord Workers' Compensation claim

The relevant workers' compensation legislation for your State will determine what amount we will pay.

There is no excess payable under this Optional Cover except in Tasmania, where we will not pay the first 5 days of wages and the first \$200 of medical and other costs in respect of each injury.

When this cover is operative it is provided by:

- Allianz Australia Insurance Limited
ABN 15 000 122 850 in the Australian Capital Territory;
- Allianz Australia Insurance Limited
ABN 15 000 122 850 in Western Australia; or
- Allianz Australia Insurance Limited
ABN 15 000 122 850 in Tasmania.

When we will not pay a claim under your policy

- The policy does not cover loss, liability, injury or damage directly or indirectly caused by, arising from or in any way contributed to by:
 - **Deliberate, intentional, malicious or criminal act**
a deliberate, intentional, malicious or criminal act by:
 - you or anyone who lives with you permanently;
 - any person who is acting with your express or implied consent;
 - **Lawful seizure**
lawful confiscation, destruction, detention, nationalisation, requisition or seizure;
 - **Heat**
or to any property as a result of its undergoing any process involving the application of heat;
 - **Nuclear**
ionising radiation or contamination by radioactivity from:
 - any nuclear fuel or nuclear waste;
 - the combustion of nuclear fuel (including any self-sustained process of nuclear fission); or
 - nuclear weapons material;
 - **War**
any war, hostiles, or warlike operations (whether war be declared or not), rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy or popular military uprising;
 - **Wear and tear**
depreciation, gradual deterioration, wear and tear;

- **Inherent defects**
or through inherent defects, faulty design, structural defects or poor workmanship;
- **Illegal contents**
or to contents which are acquired illegally or are illegally held; or
- **Terrorism**
 - any act of terrorism arising directly or indirectly out of or in any way connected with biological, chemical radioactive nuclear pollution or contamination, or explosion; or
 - any action controlling, preventing, suppressing, retaliating against, or responding to any act referred to above.
- Unless we state differently in your policy, we will not pay for:
 - flood, unless if your current schedule shows you have Optional Cover - Flood and you have buildings and/or contents cover;
 - any loss or damage which is not caused directly by one of the insured events;
 - loss or damage caused by the action of light, atmospheric or other climatic condition unless caused by:
 - lightning or thunderbolt; or
 - storm, rainwater or run-off;
 - loss or damage which is caused directly or indirectly by:
 - insects or birds;
 - vermin (other than for loss or damage caused by fire or smoke);
 - rust, corrosion, algae, mould or mildew; or
 - any process of cleaning, repairing or restoring which involves the use of chemicals;

- loss or damage caused by mechanical or electrical breakdown, failure or derangement except for motor burnout of electrical motors as set out under “Motor Burnout” on pages 45 to 46;
- anything which your tenant is legally liable for under the terms of the lease, rental or similar agreement;
- loss or damage to electronic or mechanical derangement or malfunction, or by a processing error or computer virus;
- the cost for data recovery for any reason;
- consequential loss;
- loss or damage caused by scratching, denting, chipping, rubbing or scuffing of any surface;
- loss or damage caused by any application of heat or scorching (if your current schedule shows you have the Optional Cover - Accidental damage by tenant and you have buildings and/or contents cover, then you are covered for scorching); or
- loss or damage caused by roots from trees, shrubs or grass;
- The policy does not cover any loss or damage to any appliance, machinery equipment or other property which is a computer or which contains or comprises any computer technology (including computer chip or control logic) and which:
 - fails to perform or function in the precise manner which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic); or
 - arises directly or indirectly from the importation for any software virus whether the importation was malicious, negligent or accidental.

- The policy does not cover any loss or damage to any buildings or contents that are insured under any residential strata insurance.
- For any lease or rental agreement for a term of 90 days or more, the policy does not cover any loss or damage to any buildings or contents where no documented property inspection report has been recorded:
 - at the start of each tenancy; and
 - at the end of each tenancy; or
 - every anniversary of each tenancy

In the event of a claim, we will require you, or your authorised agent, to provide copies of any property inspection report or a statutory declaration that inspections were carried out and the results of those inspections.

- Where you have informed us that your property will be rented out on a short term tenancy basis, the policy will only cover loss or damage to any building or contents, where there is evidence of an inspection by you or your authorised agents at the start and end of each short term tenancy either through:
 - record in a tenancy logbook; or
 - record on the invoice to the short term tenant; or
 - notification by the cleaning service You or your authorised agent have hired during the period where the property is used for short term tenancies.

If a fee was charged for loss or damage and is recorded on the invoice, this will be deducted from the claims payable.

Any bond monies collected for the short term tenancy will be deducted from the claims payable whether or not such bond monies have been retained by you or returned to the tenant.

Conditions of cover

These “Conditions of cover” apply to all cover provided under the policy unless otherwise stated. If you do not comply with any term or condition, we may (to the extent permitted by law) decline or reduce any claim payment and/or cancel your policy.

- **Changes to your insurance details – what you must tell us**

You must tell us immediately if during the period of insurance, you:

- a. commence using any part of your home for business, trade or professional purposes;
- b. remove any security devices that were specifically required by us;
- c. carry out alterations, additions, demolition, repairs or decorations to the buildings costing more than \$50,000;
- d. appoint or terminate a licensed managing agent for the property;
- e. you intend to change the leasing arrangements, for example, terminating a fixed term lease or rental agreement and intend to commence a short term tenancy arrangement within the period of insurance; or
- f. you have commenced any short term tenancy arrangement on your property and you did not advise us that you intended to do this prior to entry into the policy.

When we receive this information, we may:

- alter the terms and conditions of your policy;
- charge you additional premium; and/or
- decide not to offer to renew your policy; or

- cancel any cover you have under Optional Covers “Accidental loss or damage by tenants” and/or “Rent Default and Theft by Tenant” if you have or intend to commence any short term tenancy arrangements and provide any applicable refund of premium. No cover is provided under either of these Optional Covers if you lease the building under any short-term tenancy arrangement at any time during the period of insurance; or
- cancel your policy.

If you do not provide the information immediately we may (to the extent permitted by law) decline or reduce any claim payment and/or cancel your policy.

- **Buildings not lived in for more than 60 days**

If the buildings have not or will not be lived in for any period in excess of 60 consecutive days, we will not pay for loss or damage caused by any one of the following insured events unless you have our prior agreement in writing to extend the cover and you pay or agree to pay any additional premium we may require:

Insured events	page number
• Accidental breakage of glass	30
• Accidental loss or damage	31
• Explosion	31
• Fire or smoke	32
• Malicious Acts	32
• Theft, burglary or housebreaking	35
• Water or other liquid damage	36

- **Taking precautions**

We may not pay for loss, liability, injury or damage if you do not:

- a. take all reasonable precautions to prevent the loss, liability, injury or damage;
- b. maintain your buildings in good repair;
- c. effectively secure tarpaulins on buildings which are undergoing renovation where the area undergoing renovation would otherwise be exposed to the effects of the weather; and
- d. secure your buildings against unauthorised entry whenever the risk address is left unattended by you or any other person.

• **Cooling off and cancellation rights under the policy**

• **Cooling off period**

You can call us to cancel your policy within 14 days from either:

- the date we issued you a new policy, or
- the start date of a policy that you have renewed,

and in either of these situations, provided you have not made a claim or an event has not occurred that could give rise to a claim on your policy, we will refund your premium.

We may deduct from your refund amount any reasonable administrative and transaction costs incurred by us that are reasonably related to you buying and cancelling your policy and any government taxes or duties we cannot recover.

• **Other cancellation rights**

- In addition to your cooling off period you can cancel the policy at any time by contacting us.
- We have the right to cancel the policy where permitted by law, For example, we can cancel:
 - if you have failed to comply with your Duty of Disclosure;
 - where you have made a misrepresentation to us during negotiations prior to the issue of the policy;

- where you have failed to comply with a provision of your policy, including the term relating to payment of premium;
- where you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time that our policy covers you; or
- where we are otherwise permitted to do so by law.
- Subject to your cooling off rights, if you or we cancel the policy we may deduct a pro-rata proportion of the premium for the time on risk, reasonable administrative costs related to the acquisition and termination of the policy and any government taxes or duties we cannot recover.
- In the event that you have made a claim under the policy and we have agreed to pay the full sum insured for your property no return of premium will be made for any unused portion of the premium.

• **Non payment of premium by instalments –
Right to refuse a claim**

If you pay your premium by way of instalments and:

- the premium instalment remains unpaid for at least 14 days after the due date of the instalment, we may refuse to pay any claim under the policy arising from an event occurring after the due date of the instalment;
- the premium instalment remains unpaid after the due date of the instalment, we may cancel your policy by providing you with written notice of cancellation.

We will notify you if an instalment has not been paid.

- **Keeping evidence of the value and ownership of the insured property**

You should keep evidence of the value and ownership of all property covered under the policy. Receipts and/or valuations prove the value of your insured property. Photographs and instruction books will help provide evidence of your ownership in the event of a claim.

- **Premium payment by direct debit**

You may have chosen to pay the premium for this insurance by direct debit from a financial institution holding your account. If you choose this option, the financial institution may dishonour the direct debit payment due to lack of funds in your account. If this occurs, we will charge you for any direct and indirect costs which we incur arising from the payment being dishonoured.

- **GST Notice**

The policy has a GST provision in relation to premium and our payment to you for claims. It may have an impact on how you determine the amount for insurance you need. Please read it carefully. Seek professional advice if you have any queries about GST and your insurance.

Sums insured

All monetary limits in the policy may be increased for GST in some circumstances (see below).

Claims settlements – where we agree to pay

When we calculate the amount we will pay you, we will have regard to the items below:

- Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy) we will pay for the GST amount.

We will pay the GST amount in addition to the sum insured/limit of indemnity or other limits shown in the policy or in the schedule.

If your sum insured/limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled.

- Where we make a payment under the policy as compensation instead of payment for a relevant acquisition, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.
- Where the policy insures business interruption, we will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by your business that is relevant to your claim.

Disclosure – Input Tax Credit Entitlement

If you register, or are registered, for GST you are required to tell us your entitlement to an input tax credit on your premium. If you fail to disclose or understate your entitlement you may be liable for GST on a claim we may pay. The policy does not cover you for this GST liability, or for any fine, penalty or charge for which you may be liable.

- **Governing Law**

All disputes arising out of or under the policy shall be subject to determination by any court of competent jurisdiction within, and in accordance with the laws of the State or Territory where the policy is issued.

Making a claim

What you must do

- **Do not admit liability**

You must not:

- admit guilt or liability, or make a promise or offer of payment in connection with any claim; or
- offer or agree to settle any claim,

without our written or express consent.

We are entitled to take over and conduct the defence of any claim made against you for damages by a third party. We have full discretion in conducting any negotiations, proceedings and the settlement of claims.

If the claim is for legal liability, you may make a written request to us to agree that you are covered in respect of a claim.

- **Prevent further damage**

You must take all reasonable precautions to prevent any further loss, damage or liability.

- **Contact the police**

Inform the police immediately of any malicious acts, theft, attempted theft, burglary or housebreaking, or loss of insured property.

- **Keep evidence of the loss or damage**

You must keep evidence of any loss or damage to your insured property. You must not authorise any repairs or replacement unless they are urgently necessary for the sole purpose of you preventing further loss, damage or liability from occurring and you are unable to contact us.

- **Contact us as soon as possible**

If there is any loss, liability, injury or damage which is likely to result in a claim, you must give us immediate notice of the full details of any loss, anticipated or alleged liability, injury or damage. You or your representative must give us full details in the manner we request which will be either:

- in writing by completing our claim form which will be supplied to you when you contact us; or
- verbally.

You must also:

- provide us with any original receipts, proof of ownership or quotes we require to settle your claim;
- provide us with any information we may reasonably require (including a copy of the current lease or rental agreement, proof of bond monies held, notices provided to the tenant and confirmation from your agent that you are actively seeking to re-lease your buildings).
- inform us if your property is insured under any other policy; and
- give us immediate notice of the commencement of any legal proceedings against you.

What happens after you make a claim

- **Assist us with your claim**

You must assist us with your claim. This means give us all the information and assistance with your claim which we may reasonably require. If you do not, we may not pay your claim in whole or in part or provide cover. If we have the right to recover any amount payable under the policy from any other person, you must co-operate with us in any action we may take.

- **End of cover following a total loss claim**

If we accept a claim and pay an amount which:

- is equal to or greater than the total sum insured for any single part of the policy on the insured property; or
- is sufficient to pay you for the total loss or destruction of all the insured property under a single part of the policy, cover under that particular part of the policy will end.

- **Payment of unpaid premium following a total loss claim**

If we accept your claim and pay you the total sum insured for your property:

- the amount of any unpaid premium for the period of insurance will be deducted from the amount payable to you; or
- if we replace or rebuild the property, you must pay us the balance of any unpaid premium or instalments for the period of insurance.

- **Our rights of recovery**

We have the right to recover from any person the amount of any claim payable to you under the policy and we will have full discretion in the conduct, settlement or defence of any claim in your name. If we recover more than the amount we paid you on your behalf, we will pay you the balance.

- **GST**

We may adjust your claims payment in accordance with the GST provision detailed under "Conditions of cover," "GST Notice" on pages 70 to 71.

Excesses

An excess is the amount(s) shown in the schedule or otherwise specified in the policy which you must pay when you make a claim under your policy unless we state an excess does not apply. More than one excess may apply.

There are different types of excess which may apply to you at the time of the claim; these are described below.

Except as otherwise provided in the policy you are only required to pay the applicable excesses once in respect of any single claim:

- arising out of the same insured event; or
- which involves loss or damage to both buildings and contents arising out of the same insured event.

Types of applicable excesses

Basic Excess

The basic excess is the first amount you must pay on each claim that is made under policy unless stated otherwise. The amount of the basic excess will be shown on the schedule.

The basic excess is comprised of the following amounts:

- **Minimum basic excess amount**

The minimum amount that is due under the policy for each claim.

- **Voluntary excess amount**

This is an amount that you have chosen to pay, from an available list, in addition to the minimum basic excess amount.

- **Imposed excess amount**

An imposed amount may be applied to the policy due to risk based underwriting criteria. It applies in addition to the minimum basic excess amount and any voluntary excess amount.

You can contact us and request details of a breakdown of the amounts which your basic excess comprises of.

Additional Excess

An additional excess applies for loss or damage caused by:

- an earthquake or a series of earthquakes during any period of 48 consecutive hours;
- a tsunami or series of tsunami during any period of 48 consecutive hours;
- malicious acts;
- deliberate damage by a tenant;
- damage by pets;
- replacement of locks or cylinders;
- or under the optional cover for “Rent Default and Theft by Tenant”.

Landlords Workers’ Compensation excess

In Tasmania, an excess of the first 5 days of wages and the first \$200 of medical and other costs applies in respect of each injury.

How we will apply your excess

- For each claim under the policy we will apply the basic excesses and any additional excess, or the Landlords Workers’ Compensation excess in Tasmania (if applicable).
- If there is a claim under more than one section of the policy arising from the same event, we will charge you only the higher of the applicable excesses.

Other information

Renewal procedure

Before the policy expires we will normally offer renewal by sending a renewal invitation advising the amount payable to renew the policy. You should carefully check the details contained in your renewal invitation. These details are the terms and conditions that apply to your policy, including but not limited to:

- the names of people who are insured;
- the address of the property insured;
- any excesses which you must pay towards the costs of a claim; and
- the sum(s) insured.

Prior to sending your renewal invitation we will adjust your sum(s) insured.

It is important that you check the sum(s) insured before renewing each year to satisfy yourself that they continue to represent current full replacement values. If you don't want us to increase the sum(s) insured, just let us know.

This PDS also applies to any offer of renewal of the policy we make, unless we tell you otherwise.

Your Duty of Disclosure

Before you enter into this insurance with us, you have a duty of disclosure under the Insurance Contracts Act 1984.

The Act imposes a different duty the first time you enter into a contract of insurance with us to that which applies when you vary, extend or reinstate the contract.

This duty of disclosure applies until the contract is entered into (or varied, extended or reinstated as applicable).

Your Duty of Disclosure when you enter into the contract with us for the first time

When answering our specific questions that are relevant to our decision whether to accept the risk of insurance and, if so, on what terms, you must be honest and disclose to us anything that you know and that a reasonable person in the circumstances would include in answer to the questions.

It is important to understand that you are answering our questions in this way for yourself and anyone else that you want to be covered by the contract.

Your Duty of Disclosure when you vary, extend or reinstate the contract

When you vary, extend or reinstate the contract with us, your duty is to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of insurance and, if so, on what terms.

What you do not need to tell us

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us; or
- that is common knowledge; or
- that we know, in the ordinary course of our business as an insurer ought to know; or
- as to which compliance with your duty is waived by us.

Non Disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim, cancel the contract or both.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

Privacy Notice

At Allianz, we give priority to protecting the privacy of your personal information. We do this by handling personal information in a responsible manner and in accordance with the *Privacy Act 1988 (Cth)*.

How We Collect Your Personal Information

We usually collect your personal information from you or your agents. We may also collect it from our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a claim or assist us in investigating or processing claims, including third parties claiming under your policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that you are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publically available sources.

Why We Collect Your Personal Information

We collect your personal information to enable us to provide our products and services, including to process and settle claims; make offers of products and services provided by us, our related companies, brokers, intermediaries, business partners and others that we have an association with that may interest you; and conduct market or customer research to determine those products or services that may suit you. You can choose not to receive product or service offerings from us (including product or service offerings from us on behalf of our brokers, intermediaries and/or our business partners) or our related companies by calling the Allianz Direct Marketing Privacy Service Line on 1300 360 529, EST 8am to 6pm Monday to Friday, or going to our websites' Privacy section at www.allianz.com.au

Who We Disclose Your Personal Information To

We may disclose your personal information to others with whom we have business arrangements for the purposes listed in the paragraph above or to enable them to offer their

products and services to you. These parties may include insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, parties that we have an insurance scheme in place with under which you purchased your policy (such as a financier or motor vehicle manufacturer and/or dealer). Disclosure may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, industry databases or as required by law.

Disclosure Overseas

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to Your Personal Information and Complaints

You may ask for access to the personal information we hold about you and seek correction by calling 1300 360 529 EST 8am-6pm, Monday to Friday. Our Privacy Policy contains details about how you make a complaint about a breach of the privacy principles contained in the *Privacy Act 1988 (Cth)* and how we deal with complaints. Our Privacy policy is available at www.allianz.com.au

Telephone Call Recording

We may record incoming and/or outgoing telephone calls for training or verification purposes. Where we have

recorded a telephone call, we can provide you with a copy at your request, where it is reasonable to do so.

Your consent

By providing us with personal information you and any other person you provide personal information for, consent to these uses and disclosures until you tell us otherwise. If you wish to withdraw your consent, including for things such as receiving information on products and offers by us or persons we have an association with, please contact us.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry

You can obtain more information on the Code of Practice and how it assists you by contacting us using the contact details on the back cover of the policy or you can visit www.codeofpractice.com.au

Complaints – Internal and external complaints procedure

If you are dissatisfied with our service in any way contact us and we will attempt to resolve the matter in accordance with our Internal Dispute Resolution procedures. To obtain a copy of our procedures contact us on 13 2664 EST 8am-6pm. A dispute can be referred to the Financial Ombudsman Service Australia (FOS) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms and its contact details are:

The Financial Ombudsman Service Australia

Phone: 1800 367 287

Post: GPO Box 3, Melbourne, Victoria 3001

Website: www.fos.org.au

If this insurance has been issued through an insurance intermediary

If your policy has been issued through our agent, or a broker who is acting under a binder arrangement with us, then they are acting as our agent and not as your agent.

If your policy has been issued by a broker, other than a broker acting under a binder arrangement with us, then the broker is acting as your agent.

When the policy has been arranged through an intermediary a commission is payable by us to them for arranging the insurance. You can ask them or us for more information.

Financial Claims Scheme

In the unlikely event Allianz were to become insolvent and could not meet its obligations under the policy a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. More information can be obtained from <http://www.fcs.gov.au>

Phoning for assistance

If you need to clarify any of the information contained in the policy or you have any other queries regarding your insurance policy, please use the contact details on the back cover.

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Contact details

For all enquiries please call your IBNA insurance broker

allianz.com.au

Allianz Australia Insurance Limited
AFS Licence No. 234708
ABN 15 000 122 850
2 Market Street Sydney NSW 2000
Telephone: 13 2664

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