

Landlords Insurance

Product Disclosure Statement
Landlords Accidental Damage



Landlord Accidental Damage

Product Disclosure Statement

Introduction

Thank you for choosing Us to insure You.

Please take the time to read this booklet carefully to ensure You understand what Your Policy covers, what Excesses apply and how to make a Claim. If You have any questions or need more information, please contact Your Steadfast Broker.

About this booklet

This booklet is a Product Disclosure Statement (**PDS**) which has two (2) parts:

1. Important information which is to help You understand the insurance; and,
2. The Policy wording which sets out terms and conditions of the cover provided.

It is up to You to choose the cover You need.

Other documents may reference the PDS and We will tell You if this is the case in the relevant document.

Any advice in this booklet is general in nature only and has not considered Your objectives, financial situation or needs. You should carefully consider the information provided having regard to Your personal circumstances to decide if it is right for You.

Updating this PDS

The information in this PDS is current at the preparation date. From time to time, We may include more up-to-date information in the PDS that is not materially adverse without notifying You. You can get more up-to-date information by contacting Your Steadfast Broker at no cost to you. If We need to, We will issue a supplementary or replacement PDS.

PDS Effective date: 5 October 2021

Version: LLAD007

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Important Information

About Us

Insurance Australia Limited is the issuer. Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Licence Number is 227681. Our address is Level 13 Darling Park Tower 2, 201 Sussex St Sydney NSW 2000.

About Steadfast

Steadfast Group Limited (**Steadfast**) is a public company that operates a large network of insurance brokerages in Australia known as Steadfast Brokers. This Policy is available exclusively to You through a Steadfast Broker.

Steadfast does not issue, guarantee or underwrite this Policy.

About this Policy

If We issue You a Policy, You will be given a Policy Schedule. The Policy Schedule sets out the covers You have chosen and should be read together with the Policy Wording. You should check the Policy Schedule carefully to ensure it accurately states what You have insured.

The Policy Wording and Policy Schedule form Your legal contract with Us so please keep them in a safe place for future reference.

If You require further assistance or information about this Policy, please contact Your Steadfast Broker.

Privacy of Your Personal Information

We, along with all entities in Insurance Australia Group value the privacy of the personal information We collect about You.

We are committed to handling Your personal information in line with the privacy laws and the terms of this PDS.

Collecting and using Your information

We use information provided by Our customers to allow Us to offer Our products and services. This means we may need to collect Your personal information, and sometimes sensitive information about You as well (for example, health information for travel insurance). We will collect this information directly from You where possible, but there may be occasions when We collect this information from someone else.

IAL will only use Your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give Us Your information, but this may affect Our ability to provide You with insurance cover.

We may share this information with companies within Our group, government and law enforcement bodies if required by law and others who provide services to Us or on Our behalf, some of which may be located outside of Australia.

Privacy Policy

Our Privacy Policy provides more information about how We collect, from whom We collect and how We hold, use and disclose Your personal information. Our Privacy Policy also provides information about how You can:

- access Your personal information
- ask Us to correct Your personal information, and
- complain about a breach of the privacy principles set out in the Privacy Act 1988 (Cth) and how We will deal with Your complaint.

To view Our Privacy Policy go to <https://www.ial.com.au>

How to apply for this Policy

To apply for this Policy, please complete Our online application form with Your Steadfast Broker. If We accept Your application, You will receive a Policy Schedule that sets out details of the cover You have chosen.

The cost of this Policy

In order to calculate Your premium, We take various factors into consideration, including the level of cover requested and the property to be insured.

Factors that increase the risk to Us generally increase the premium (for example, high Claims experience or higher sums insured) and factors that reduce the risk to Us generally reduce the premium (for example, low Claims experience or lower sums insured).

Your premium, including any discounts You may be eligible for, are subject to minimum premiums. We consider the minimum amount We are prepared to sell the Policy for and may adjust Your premium to ensure it does not fall below the minimum amount. Any discounts will be applied to Your Policy, only to the extent any minimum premium is not reached. This means that any discount You may be eligible for may be reduced. When We determine Your premium on renewal, We may also limit any increases or decreases in Your premium by considering factors such as Your previous year's premium amount.

Your premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example stamp duty, GST and fire services levy). Where We are required to pay an estimated amount (for example, for fire services levies) based on criteria set by the State Governments, We allocate to the Policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year but We will not adjust Your premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the premium payable, when it needs to be paid and how it can be paid. This amount will be clearly set out in Your Schedule, which will be sent to You within 5 days of the issue of this Policy. If You fail to pay, We may reduce any Claim payment by the amount of premium owing and/or cancel the Policy.

You may also be required to pay an Excess in the event of a Claim under this Policy. The amount of any Excess will be shown on Your Schedule.

How to make a Claim

Please contact Your Steadfast Broker to assist You in making a Claim.

In an emergency outside normal business hours You may ring Our emergency service on 1300 559 019 for assistance.

Further details of what You must do for Us to consider Your Claim are provided in the 'General terms and conditions' section at the end of this booklet.

General Insurance Code of Practice

We proudly support the General Insurance Code of Practice (Code). The purpose of the Code is to raise the standards of practice and service in the general insurance industry. The objectives of the Code are:

- to commit Us to high standards of service;
- to promote better, more-informed relations between Us and You;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and effective mechanisms for resolving complaints You make about Us; and
- to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code.

Our commitment to You

We have adopted and support the Code and are committed to complying with it.

Please contact Us if You would like more information about the Code or the Code Governance Committee

Your cooling off rights

If You want to cancel this Policy after Your decision to buy it, You may do so and receive a full refund of Your premium. To do this You must notify Your Steadfast Broker electronically or in writing within twenty-one (21) days from the date the Policy commenced.

This cooling off right does not apply if You have made or are entitled to make a Claim.

Even after the cooling off period ends, You still have cancellation rights however We and Your Steadfast Broker may deduct certain amounts from any refund that may be due for administration costs or any non-refundable taxes.

What to do if You have a complaint

We will always do Our best to provide You the highest level of service but if You are not happy or have a complaint or dispute, here is what You can do:

If You experience a problem or are not satisfied with Our products, Our services or a decision We have made, let Us know so We can help.

Policy	If Your complaint relates to, or if You have any concerns about, the sale of Your Policy, please contact Your Steadfast Broker. You can also contact Us by email to compliance.manager@ial.com.au . We will assist by directing Your concern to Your Steadfast Broker.
Claims	If Your complaint relates to a Claim, please contact Us by: Phone: 1300 559 019 Email: claims@ial.com.au

We will try to resolve complaints at first contact or shortly thereafter.

If We are not able to resolve Your complaint when You contact Us or You would prefer not to contact the people who provided your initial service, You can contact Our Internal Dispute Resolution (**IDR**) department by:

Email: compliance.manager@ial.com.au

Phone: (02) 9099 4997

Our IDR department will contact You if they require additional information or have reached a decision. Our IDR department will advise You of the progress of Your complaint and the timeframe for a decision in relation to Your complaint.

We expect Our procedures will deal fairly and promptly with Your complaint. If You are unhappy with the decision made by Our IDR department You may wish to seek an external review, such as referring the issue to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to customers. AFCA has authority to hear certain complaints. AFCA will confirm if they can assist You:

AFCA can be contacted by:

Phone: 1800 931 678

Fax: (03) 9613 6399

Email: info@afca.org.au

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

Internet: www.afca.org.au

Further information about Our complaint and dispute resolution process is available by contacting Us.

Financial Claims Scheme

This Policy is a protected Policy under the Financial Claims Scheme (**FCS**) which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of Us becoming insolvent You may be entitled to access the FCS, provided You meet the eligibility criteria.

More information about the FCS may be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 55 88 49.

Claims Payment Examples

The following Claims payment examples are designed to illustrate how a Claim payment might typically be calculated. These examples do not cover all scenarios or all benefits and do not form part of the Policy terms and conditions. They are a guide only. The amount payable under the Policy will depend on the facts applicable to the Claim as well as the coverage, exclusions and Excesses set out in the Policy and the Policy Schedule.

Section 1 Example 1 - Buildings & Contents

The sum insured on Your Buildings is \$500,000. There is an Excess of \$500 applicable to any Claim. Your Building's roof is damaged during a storm, resulting in a Building repair cost of \$5,500.

How much We will pay	Explanation
\$5,000	We will pay \$5,500 being the cost to repair the roof inclusive of GST less the Policy Excess of \$500. We would pay the builder \$5,000 and ask You to pay the Excess of \$500 to the builder.

Section 1 Example 2 - Buildings and Contents Insurance and Loss of Rent

You have insured Your Building and Contents under this Policy and You have selected the additional cover for Loss of Rent. The Building and Contents are partially damaged by a fire. As a result of the fire We agree that Your Tenants are unable to live in Your Buildings and You suffer a Loss of Rent. The cost to repair the Building is \$14,250 and to replace the Contents is \$5,500. You receive \$525 per week as Rent from Your Tenants. The Building repairs take eight weeks to complete. There is an Excess of \$750 applicable to any Claim.

How much We will pay	Explanation
\$14,250	We will pay \$14,250 being the cost to repair the Building inclusive of GST.
\$5,500	We will pay \$5,500 comprising the replacement cost of Your Contents.
\$4,200	We will pay eight (8) weeks Rent for the period of time taken to repair the Building: 8 weeks x \$525 = \$4,200 We will pay \$4,200 for the amount of Rent You have lost.
Total Claim Payment \$23,200	We will pay the total amount of \$23,950 less the Policy Excess of \$750.

Section 1 Example 3 - Rent Default and Theft by Tenant

You have insured Your Building and Contents under this Policy and You have selected the additional cover for Rent Default and Theft by a Tenant. Your Tenant has left the property during the fixed term Rental Agreement without giving You notice and has stolen a number of items (valued at \$3,350) from the property. The Tenant rent is 2 weeks in arrears and the property has no damage so is Tenantable immediately. You received \$900 per week as Rent from Your Tenant. You retain \$900 as Bond Money and Your Rental Agreement provides for Allowable Re-letting Expenses of \$200. There is a standard Excess of \$350 plus an additional Rent Default Excess of \$400.

How much We will pay	Explanation
\$1,100	We will pay two (2) weeks Rent for the Rent in arrears - (2 weeks x \$900 = \$1,800) less the Bond Money after deducting Allowance Re-letting Expenses (\$900 - \$200 = \$700) Totalling \$1,100.
\$3,350	The value of the items stolen are assessed at \$3,350.
Total Claim Payment \$3,700	We will pay the amount of the Rent Default plus the value of the stolen items (\$4,450) less the Excess of \$750 (Standard Excess \$350 plus Additional Rent Default Excess \$400).

Section 2 - Liability

You have insured Your Building and Contents under this Policy and an injury has occurred to a third party on Your property for which We agree You are liable. The third party Claims \$18,000 as medical expenses from You together with \$7,000 in legal expenses which We agree to pay. There is no applicable Excess.

How much We will pay	Explanation
\$7,000	We pay the legal costs incurred.
\$18,000	We will pay the value of the medical expenses incurred by the third party as a result of the injury as the amount You are legally liable to pay the third party.
Total Claim Payment \$25,000	We will pay the total amount of the legal and medical expenses (\$7,000 plus \$18,000) to the third party.

Policy Wording

Our agreement with You

This Policy is a legal contract between You and Us. If We accept Your application for insurance, You pay Us the premium and We provide You with the cover You have chosen as set out in this Policy and Your Policy Schedule for the period of insurance shown on Your Policy Schedule.

The limits of cover applying to the cover selected by You, and the amount of any Excess that applies to Your Policy, is shown on Your Policy Schedule.

Paying Your premium

There are two ways You can pay Your premium:

- in one (1) annual payment to Your Steadfast Broker; or
- if provided, in monthly instalments by automatic deductions from Your credit card or from Your bank account which can be arranged by Your Steadfast Broker. (You must tell Us if Your nominated bank account or credit card details change. You must do this no later than seven (7) days before Your next instalment is due)

What happens if You don't pay on time

When You take out insurance, You need to pay Your annual premium to Your Steadfast Broker by the due date stipulated on Your Tax Invoice or any instalments by the due date specified on Your Policy Schedule.

An instalment is unpaid if it cannot be deducted from Your nominated account or credit card.

If Your premium or any instalment is overdue, We will send You or Your Steadfast Broker a notice outlining the overdue amount and when it needs to be paid.

If You pay by instalments, We will send You or Your Steadfast Broker a second notice before cancellation informing You of the effective date of cancellation.

If Your premium remains unpaid after the time period specified in the notice We send, We will:

- cancel Your Policy for non-payment; and
- refuse to pay any Claim for an incident occurring after the cancellation date.

If You need to make a Claim when Your Policy is overdue, and before Your Policy has been cancelled for non-payment, We will require You to pay the overdue amount as part of the claim settlement process. Alternatively, where the settlement method allows, We can reduce the settlement payment by the overdue amount.

Preventing Our right of recovery

If You have agreed not to seek compensation from another person who is liable to compensate You for any destruction, loss, damage or liability which is covered by this Policy, We will not cover You under this Policy for that destruction, loss, damage or liability.

Other party's interests

You must tell Us of the interest of all parties (e.g. financiers, lessors or owners) who will be covered by this insurance. We will protect their interests only if You have told Us about them and We have noted them on Your Policy Schedule.

Providing proof

So that Your Claim can be assessed quickly You should keep the following:

- receipts or other confirmation of purchase and ownership;
- valuations; and
- photographs of items in the Rental Property.

We may ask You for these if You make a Claim. You must be able to prove to Us that You have suffered a loss that is covered by this Policy before We will pay Your Claim for it.

When We make a request, We will only ask You for information or documents that are relevant to Your claim and We will tell You why they are needed.

If You are unable to obtain information or documents We request, please contact Us to resolve what alternative evidence may be required.

Your Claim may be refused

We may refuse to pay or reduce the amount We pay for Your Claim if You do not comply with the Policy conditions, if You have not provided correct information, or if You make a fraudulent Claim. The course of action We take when You do not comply with any of these things will be considered in each circumstance based on what impact or effect Your failure to do these things caused or contributed to the Claim or Our decision to issue Your Policy.

Changing Your Policy

If You want to make a change to this Policy or notify Us of changes to the information You have given Us, the change becomes effective when:

- We agree to it; and
- We give You a new Policy Schedule detailing the change.

Cancelling Your Policy

How You may cancel this Policy

You may cancel this Policy at any time by telling Us in writing that You want to cancel it. Where 'You' involves more than one (1) person, We will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured on the Policy Schedule.

How We will cancel Your Policy

We will cancel this Policy in any of the circumstances permitted by law (e.g. failure to pay the premium by the due date) by informing You in writing.

Where You have paid Your premium in advance of the date of cancellation, We will refund to You the proportion of the premium for the remaining period of insurance (less any fees or expenses that may be charged by Us for administration costs and any non-refundable taxes). Unless directed otherwise by all insureds, the refund will be made payable to the first named insured on Your Policy Schedule.

Notices

Any notice We give You will be in writing, and it will be effective:

- If it is delivered to You personally; or
- It is delivered to You at Your address (including an electronic address) which is last known to Us; or
- it is delivered to Your Steadfast Broker.

It is important for You to tell Us of any change of address as soon as reasonably possible.

Optional cover You can select

You can choose cover for:

Buildings.

- Contents.
- Loss of Rent.
- Rent Default.
- Theft by a Tenant.

Any optional cover We agree to provide You will be shown on Your Policy Schedule.

Excess that may apply

If You make a Claim under the Policy, You may be required to contribute one or more Excesses. The descriptions of these Excesses and the circumstances in which they are applied are shown in the Policy.

If You select cover for Buildings and Contents, in the event of destruction, loss or damage to both Your insured Buildings and Contents for the same event, You will only be required to pay one Excess. If the nominated Excess for Buildings and Contents are different, the Excess payable will be the higher of these Excesses.

In most instances, You can select at the time of Your enquiry or application for insurance the amount of Policy Excess You wish to pay should You have a Claim. When You select a higher Policy Excess amount, We will normally reduce the amount of premium We charge You.

In some instances, We will impose the amount of Policy Excess You will need to pay should You have a Claim.

In deciding to impose a Policy Excess, We take into consideration a number of factors in setting the amount of the Policy Excess. These include factors relating to the type of property being insured, where the property is located, the type of construction of the property and Your previous insurance and Claims history. At the time of Your enquiry or application for insurance, the amount of Policy Excess will be advised to You.

We can collect the Excess from You by:

- deducting it from what We pay You; or
- asking the repairer or supplier to collect it from You.

If We request You pay the Excess, We will tell You who to pay and may require the payment as part of the finalisation of the Claim.

Words with special meaning

In this Policy there are words that have a special meaning. These words are listed below.

Words	Meanings
Agent (Property Agent)	Your licenced real estate agent or property manager.
Allowable Reletting Expenses	Reletting expenses as specified in the current Rental Agreement for Your property.
Bond Money	Money paid by the Tenant and held as security against damage to the property or outstanding Rent or other costs. Your Policy will operate on the basis that Bond Money equal to at least four weeks Rent has been paid.

Words	Meanings
Buildings	<p>Buildings are:</p> <ul style="list-style-type: none"> • Residential buildings with a domestic certificate of occupancy including any professional offices in those buildings. • Domestic out-Buildings. • Fixed coverings to walls, floors and ceilings. This does not include fixed carpet, curtains or internal blinds. • Services, which include the supply of electricity, water, etc. • Items built in or fixed to or on the Buildings. • Jetties, wharfs, pontoons and moorings used for domestic purposes where there is no public access from the land. • Blinds or awnings on the outside of the Buildings. • Anything permanently built, permanently constructed or installed permanently on Your property for domestic purposes. <p>Buildings are not:</p> <ul style="list-style-type: none"> • Property that a Tenant is liable for under the terms of a Rental Agreement. This does not apply to items listed under 'What are Buildings'. • Lawns. • Loose or compacted soil, gravel, pebbles, rocks or sand. • Dams. • Plants, shrubs, trees or grass. • Common property. • Shipping containers located away from the Site. • Dwellings located in a caravan park or holiday park. • Any vacant land or title that does not have a residential buildings with a domestic certificate of occupancy.
Claim	A separate identifiable event for which the Policy provides cover. Where multiple events are submitted at the same time or on the same Claim form, they will be treated as separate Claims for the application of any Policy Excess or limitation.
Common Property	Means land or areas at the Situation that both You and other people are entitled to use (e.g. shared driveways in a multi-dwelling development).

Words	Meanings
Contents	<p>Contents are:</p> <ul style="list-style-type: none"> • Household goods You own or are legally responsible for that are not fixed or fitted to Your Building at Your Rental property. • Carpets, curtains and internal blinds. • Furniture and furnishings that are not built in. • Portable domestic appliances that are not built in and are installed specifically for Tenants use. • Swimming pools, saunas and spas that are not built in, and accessories for any swimming pools, saunas or spas. • Items thinly covered with gold or silver that are not jewellery or watches. • Fixtures and fittings that have been installed if You are the owner of a strata title unit. We will not cover any fixtures and fittings if the body corporate has them insured. • Clothing, pedal cycles, surfboards, sailboards, surf skis. We will pay up to \$2,000 in total for these items. • Special contents which are listed on Your Policy Schedule. <p>Contents are not:</p> <ul style="list-style-type: none"> • Jewellery and watches. • Items that contain gold or silver. This does not include items thinly covered with gold or silver • Unset precious and semi- precious stones • Furs. • Personal effects. • Money. • Negotiable documents. • Computers, computer tapes, or discs. • Cameras and photographic equipment. • Mobile phones • Sporting equipment. • Photographic equipment. • Collections of stamps, medals or coins. • Plants and trees growing outdoors. This does not include plants and trees growing in pots or tubs. • Animals, including birds and fish. • Motorcycles, mini- bikes, caravans, trailers, aircraft, watercraft or motor vehicles other than ride-on mowers. • Building materials.

Words	Meanings
Controlled Drug	Any drug or therapeutic agent commonly understood to include narcotics, with a potential for abuse or addiction.
Deliberate or Intentional Damage	<p>An act done without the owner’s permission and with the full knowledge that the action will alter the current state of the property, and without any malice, vindictiveness or spite. This does not include:</p> <ul style="list-style-type: none"> • Tenant neglect, carelessness, poor housekeeping or unhygienic living habits including contamination from the use of Controlled Drugs or smoking. • Damage occurring during maintenance operations carried out by the Tenants or anyone acting on their behalf. • Damage as a result of repairs, or attempted repairs, carried out by the Tenants or anyone acting on their behalf. • Damage caused by failure of Tenants or their visitors to control their children • Damage caused by pets belonging to Tenants, their visitors or children of the Tenants or their visitors. • Theft, or damage caused by theft. • Accidental damage or accidental loss. • Malicious Damage or Vandalism. • Scratching, dinting, chipping, rubbing or chafing.
Excess	<p>This is the amount of money You will contribute towards the cost of Your Claim on Your Policy. The amount and types of Excesses that apply to Your Policy are shown in Your Policy Schedule.</p> <p>Your Excess will be increased for Claims for:</p> <ul style="list-style-type: none"> • Accidental loss or damage by a Tenant by \$400. • Malicious Damage or Vandalism, Deliberate or Intentional Damage by \$400. • Rent Default and Theft by a Tenant by \$400.
Flood	<p>The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <ul style="list-style-type: none"> • a lake (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; • a dam.
Hotel, Resort or Serviced Apartment	Any property let from a pool of rooms that is used or in connection with a Hotel, Resort or Serviced Apartment
Legally Evicted	You or Your Agent legally evicts a Tenant in accordance with the relevant tenancy legislation.

Words	Meanings
Malicious Damage or Vandalism	<p>A wrongful act motivated by malice, vindictiveness or spite with the intention of damaging the property. This does not include:</p> <ul style="list-style-type: none"> • Tenant neglect, carelessness, poor housekeeping or unhygienic living habits including contamination from the use of Controlled Drugs or smoking. • Damage occurring during maintenance operations carried out by the Tenants or anyone acting on their behalf. • Damage as a result of repairs, or attempted repairs, carried out by the Tenants or anyone acting on their behalf. • Damage caused by failure of Tenants or their visitors to control their children. • Damage caused by pets belonging to Tenants, their visitors or children of the Tenants or their visitors. • Theft, or damage caused by theft. • Deliberate or Intentional Damage. • Accidental damage or accidental loss. • Scratching, dinting, chipping, rubbing or chafing.
Notice to Leave	<p>A notice given by You or Your Agent to a Tenant to vacate Your property by certain date in one of the following situations:</p> <ul style="list-style-type: none"> • to end a Periodic Tenancy Agreement, • at the end of a term under a Rental Agreement, • when You or Your Agent and the Tenant have agreed in writing to end a Rental Agreement early, or • when You otherwise have grounds legally to end a Rental Agreement early.
Occupied	<p>Your Building is occupied if it is furnished so that it is comfortably habitable and You or someone with Your consent has resided in the Building overnight at least 1 night within a 90 day period.</p>
Periodic Tenancy Agreement	<p>When a Tenant continues to occupy the Situation, after a fixed term Rental Agreement has expired, and the Rental Agreement does not provide for its continuation, and:</p> <ul style="list-style-type: none"> • a notice to leave, or • a notice of intention to leave, or • an abandonment termination notice, <p>has not been given by the Tenant to You or Your agent, or by You or Your agent to the Tenant. The Tenant is then deemed to be under a Periodic Tenancy Agreement on the same terms which applied immediately before the Rental Agreement ended. This does not include any term about the agreement's term.</p>
Policy	<p>The contract between You and Us and includes this document, any applicable supplementary PDS(s) and the Policy Schedule.</p>

Words	Meanings
Policy Schedule	The most current document We give You which sets out the details of Your insurance cover. You receive a Policy Schedule when You first take out Your insurance and again when the Policy is renewed or changed. Your Policy Schedule may be called a Policy Schedule, a Renewal Schedule or an Endorsement Schedule.
Rent	The amount of money paid, or payable, by the Tenant to Rent Your property.
Rent Default	Where the Tenant fails to pay Rent in accordance with a Rental Agreement and/or Periodic Tenancy Agreement.
Rental Agreement	The agreement between You or Your agent and the Tenant. This agreement must be in writing and state: <ul style="list-style-type: none"> • the term of the Rental period, and • the amount of Rent payable to You, and • the amount of the Bond Money that the Tenant is required to pay.
Rental Property	The place where the Building and/or Contents are located and is shown on Your current Policy Schedule.
Short Term Rental	Refers to rental periods of less than three months in length. This is limited to renting out private property to short-term tenants through a professional peer-to-peer exchange service or property management agency that engages in ID verification processes such as Airbnb or Stayz. This does not include properties that are used as part of a Hotel, Resort or Serviced Apartment.
Situation	The place where the Building and/or Contents are located and is shown on Your current Policy Schedule.
Sub Letting	The leasing of part or all of the property by a tenant.
Tenantable	Your property has no damage that makes it unliveable and it can be re-listed to rent or it has been re rented, following Your Tenant being Legal Evicted.
Tenant	The person(s) named in the Rental Agreement or Periodic Tenancy Agreement and including that person's partner, children, pets, and any other person(s) permanently living at the Situation. Any person(s) including that person's partner, children, pets and any other person(s) living at Your Situation under a Rental arrangement that is not a Rental Agreement or Periodic Tenancy Agreement.
Unliveable	When Your building is in a condition which cannot be reasonably leased or rented by tenants, for example because of: <ul style="list-style-type: none"> • significant interruption to water, gas, electricity, sewerage, heating or cooling connections, • significant damage requiring extensive repair, or • an inability to use sleeping or cooking or bathroom facilities.
We, Us, Ours (the insurer)	Insurance Australia Limited ABN 11 000 016 722, AFS Licence Number 227681.
You, Your (the insured)	The person(s) whose name or entity is set out on the Policy Schedule as the insured.

Section 1 – Buildings and Contents

What is covered

Accidental Damage Cover

Your Buildings and/or Contents as set out in Your Policy Schedule are insured if they are destroyed, lost or damaged. They are insured only if You own them, or are liable for them.

If You only insure Buildings, the cover provided for destruction, loss or damage does not apply to Contents. This does not include the Contents cover We provide shown under 'Additional things We will pay for when You have insured Your Buildings'. If You only insure Contents, the cover provided for destruction, loss or damage does not apply to Buildings.

Your Buildings and Contents are only insured while at Your Situation.

We will cover Your Buildings and Contents for any accidental damage or accidental loss including that caused by:

- Storm, Flood, rainwater or wind. This includes storm, Flood, rainwater or wind damage to:
 - gates, fences or walls that are attached to, and are part of, the structure of the Buildings,
 - gates, fences or walls that are not attached to, and are not part of, the structure of the Buildings but only for any section of a gate, fence or wall made of brick, stone, metal or frame-supported corrugated fibrous material. The frame supporting the corrugated fibrous material must be made of brick, stone or metal
 - gates, fences or walls made of timber and that are not attached to, and are not part of, the structure of the Buildings.
 - free-standing fences made from corrugated fibrous material that do not have a supporting frame, except if:
 - they have not been installed and constructed according to the manufacturer's specifications, or
 - such installation or construction caused or contributed to the loss or damage.

We will not pay for storm, Flood, rainwater or wind damage to swimming pool covers including solar covers, plastic liners for swimming pools. Or to jetties, wharves, bridges or pontoons for damage by Flood.

- An electric motor burning out. If an electric motor burns out, We will repair, reinstate or replace it. We decide which one We will do. We will only do this if the electric motor is 15 years old or less. Our choice will have regard to any preference You may have.
- Pet Damage
 - Loss or damage caused by a domestic pet living at Your property and owned by a Tenant.
 - Cover will only apply after recovery of any bond has been collected from the tenant and applied to the pet damage costs prior to making a Claim.
 - The most We will pay is \$2,500 during any one period of insurance.
- Contamination

If you have insured your buildings or contents and they suffer contamination as a result of the manufacturing, storage or distribution at the property, of any Controlled Drug. We will pay up to \$25,000 during your period of insurance for clean up costs to remove or mitigate the contamination or pollution.

We will only pay this when:

- the manufacturing, storage, or distribution of any Controlled Drug is discovered by, or referred to the police for investigation and proper assessment confirms contamination and
- the property is rented to a Tenant and a valid Rental Agreement is in place and

- You, or the person managing Your property has conducted regular inspections at the property in line with the Rental Agreement terms and conditions.

We will not pay if:

- there is not a valid Rental Agreement in place or
- the manufacturing, storage or distribution of any Controlled Drug has not been reported to the police or relevant authority or
- You, or the person managing Your property become aware of the situation and failed to act immediately.

We will not cover Your Buildings and Contents for any accidental damage or accidental loss caused by:

- Erosion, structural fault or design fault, landslide, subsidence, settling, shrinkage or expansion of earth, vibration or earth movement, other than loss or damage to Buildings occurring within 72 hours of and caused by landslide or subsidence, and as a direct result of one of the following:
 - storm including rainwater, hail, snow or wind;
 - Flood;
 - earthquake or tsunami;
 - explosion;
 - escape of liquid from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank apparatus or drain;
- Water entering the Buildings through an opening made for any Building, renovation or repair work.
- Water entering the Buildings because of a structural defect, faulty design or faulty workmanship when the Buildings were constructed and that You knew about (or should reasonably have known about) and did not fix before the loss or damage occurred (e.g. if there are signs that previous damage was caused by a defect, We will not pay a later Claim for further damage from that defect).
- Rust, corrosion, gradual deterioration, depreciation, wear or tear.
- Rats, mice or insects gnawing, biting, chewing, clawing, scratching or in any way polluting or contaminating Your Buildings or Contents. However, this exclusion only applies to damage caused directly by the gnawing, biting, chewing, clawing, scratching, polluting or contaminating. For example, if a mouse chews through an electrical wire, which leads to a fire, this exclusion will not operate to exclude the destruction or damage caused directly by the fire. We will not however pay for the damage to the electrical wire caused by the mouse chewing the wire.
- Roots from trees, plants, shrubs or grass. For example, if the tree roots damage and block a pipe, We will pay for the resultant destruction of or damage to the Buildings caused by water overflowing in the Building. We will not however pay for damage to the pipe.
- Any process of cleaning involving the use of chemicals other than domestic household chemicals.
- A defect in an item, faulty workmanship, structural defects or faulty design that You knew about (or should reasonably have known about) and did not fix before the loss or damage occurred. We will however cover resultant damage. But We will not pay for the defective item or for the costs to rectify the faulty workmanship or design.
- Breakage of mirrors, glassware, crystal, crockery or china while they are being used, cleaned or carried by hand.
- Tenants, their visitors, their visitors' children, or their visitors' pets, scratching, denting, chipping, rubbing, or scuffing, any surface
- Electrical or Mechanical breakdown other than an electric motor burning out. We will for any resultant damage following mechanical or electrical breakdown.

Additional things We will pay for when You have insured Your Buildings

The following will be paid in addition to the sum insured. These will only be paid when they relate to damage or loss that is covered by Section 1 – 'Buildings and Contents' of this Policy.

- We will pay Your legal costs to discharge Your mortgage if Your Claim is for a total loss.
- We will pay the reasonable costs of demolishing and removing any Building debris when damage or loss occurs. We will pay up to 15 per cent of Your Buildings sum insured.
- We will pay the reasonable costs of architects, surveyors and legal fees when damage or loss occurs. We will pay up to 15 per cent of Your Buildings sum insured.
- We will pay up to \$10,000 for Contents. This will be paid in addition to any value of Contents shown on Your Policy Schedule.
- You are insured for Your Buildings and Contents for the corresponding sum insured shown in Your Policy Schedule following a Claim unless Your Claim is for a total loss.
- We will pay up to an additional 15 per cent of the Buildings sum insured if Your Buildings are damaged as a result of an event that the government declares a catastrophe or emergency.
- If a key to an external door lock of Your Buildings, or a key to an external window lock of Your Buildings, is stolen as a result of burglary or housebreaking, We will pay the reasonable costs of replacing the external lock, key or cylinder with a similar item. We decide which one We will do. Our choice will have regard to the circumstances of Your Claim and consider any preference You may have. The most We will pay is \$1,000. The burglary or housebreaking must be reported to the Police.
- We will pay any professional fees You incur, with Our consent, in preparation for Your Claim. If any fees are incurred without Our consent, We will only cover any such fees if We would have approved them had contact been made to seek consent and consent provided. The most We will pay under this benefit is 20% of Your total Claim up to \$5,000 for any one (1) period of insurance.

Additional things We will pay for when You have insured Your Contents

The following will be paid in addition to the sum insured. This will be paid only when they relate to a Claim for Malicious Damage or Vandalism. This does not include Deliberate or Intentional Damage.

- We will pay up to \$25,000 if a Tenant or their visitors, or the children of a Tenant or their visitors, or the pets of Tenants or their visitors damage Your Body Corporate Building and You are legally liable for the damage.

The following will be paid in addition to the sum insured. These will only be paid when they relate to damage or loss that is covered by Section 1 – 'Buildings and Contents' of this Policy.

- We will pay the reasonable costs of removing any Contents debris when damage or loss occurs. We will pay up to 15 per cent of Your Contents sum insured.
- You are insured for Your Buildings and Contents for the corresponding sum insured shown in Your Policy Schedule following a Claim unless Your Claim is for a total loss.
- If a key to an external door lock of Your Buildings, or a key to an external window lock of Your Buildings, is stolen as a result of burglary or housebreaking, We will pay the reasonable costs of replacing the external lock, key or cylinder with a similar item. We decide which one We will do. The most We will pay is \$1,000. The burglary or housebreaking must be reported to the Police. Our choice will have regard to the circumstances of Your Claim and consider any preference You may have.

Additional things We will pay for when You have insured Your Buildings and/or Contents

If You have insured Your Buildings or Contents under this Policy, or both, the following will be paid in addition to the corresponding sum insured. If You have insured Your Buildings and Your Contents under this Policy, We will only pay once under these additional covers for any one (1) period of insurance.

- We will pay the professional costs for the removal of tree stumps, fallen trees and branches and associated removal costs necessary to repair or replace Your Buildings and Contents damaged by a storm or storm surge covered by this Policy.

Limit for the value of Contents

The most We will pay for any one item, pair, set, collection or system is \$20,000. This does not apply to carpets, curtains and internal blinds. You can insure items that are worth more than \$20,000 each as a 'special contents' item. To do this You must advise Us and the items will be listed on Your Policy Schedule.

Reinstatement and automatic increase to Your sum insured

We will increase Your sum insured for Your Buildings and Contents by half of 1% of the corresponding sum insured shown on Your current Policy Schedule per month since You took out Your Policy or last renewed it until the next renewal date.

You are insured for Your Buildings and Contents for the corresponding sum insured shown in Your Policy Schedule following a Claim unless Your Claim is for a total loss.

If Your Claim is for a total loss of Your Buildings and/or Contents and We pay You the sum insured, then the cover for Your Buildings and/or Contents will end.

Paying Claims

Policy Excess

For each Buildings or Contents Claim We will reduce the amount We pay You for Your Claim by the Excess.

If You select cover for Buildings and Contents, in the event of destruction, loss or damage to both Your insured Buildings and Contents for the same event, You will only be required to pay one Excess. If the nominated Excess for Buildings and Contents are different, the Excess payable will be the higher of these Excesses.

Your Excesses will be shown on Your Policy Schedule.

Your Excess will be increased by \$400 for any Claim for damage or loss arising from accidental loss or damage, Malicious Damage or Vandalism, Deliberate or Intentional Damage, theft from any part of Your Buildings or Contents by Tenants, their visitors, or their visitor's children. When loss or damage is discovered and a Claim is submitted for separate identifiable events, the maximum Excess that will apply is \$1,000 in total.

The additional \$400 Excess for Claims arising from accidental loss or damage by Tenants, their visitors, or their visitors children, does not apply to Claims arising from:

- Fire.
- Explosion.
- Liquid that escapes from:
 - a fixed pipe or something attaching to a pipe, fixed gutter, fixed tank or a drain
 - a bath, basin, shower, sink, toilet or tiled floor that has drainage holes
 - a washing machine or dishwasher
 - an aquarium
 - a waterbed.
- Impact by a vehicle.
- Accidental breakage of:
 - fixed glass in the Buildings
 - fixed shower bases, basins, sinks, baths or toilets.

When no Excess applies

When a Claim is paid for destruction, loss or damage to Your insured Buildings and/or Contents, the Excess amount will only be applied once. You will not be required to pay any Excess in the event that Your Buildings or Contents are a total loss.

When a Claim is paid under 'Additional things We will pay for when You have insured Your Buildings' only, or 'Additional things We will pay for when You have insured Your Contents' only, no Excess will apply.

The most We will pay for Your Buildings or Contents

The most We will pay for any Claim for Buildings or Contents is the sum insured shown on Your Policy Schedule, less any applicable Excess. This does not apply to amounts payable under 'Additional things We will pay for when You have insured Your Buildings' or 'Additional things We will pay for when You have insured Your Contents'.

When damage or loss occurs to Your Buildings We will pay the cost of rebuilding Your Buildings or repairing the damaged portions to the same condition as when they were new.

We will also pay any additional costs required for Your Buildings to comply with government or local authority bylaws. We will not however pay these additional costs if You were required to comply with these bylaws, and had not done so, before the destruction, loss or damage occurred.

The most that We will pay for costs required for Your Buildings to comply with requirements of any authority in any one (1) period of insurance is \$50,000.

Unless We otherwise agree in writing, rebuilding or repairing Your Buildings must commence within six months of the damage or loss occurring. If it does not commence within six months, We will not pay any additional costs caused by any delay caused by You or any builder or supplier You engage or appoint for the repair or rebuilding work.

If it does not commence within six months, We will do one of the following:

- reinstate or repair the Buildings to the condition they Were in just before the damage or loss occurred, or
- pay You the cost of reinstating or repairing the Buildings to the condition they Were in just before the damage or loss occurred, or
- pay You the value of the Buildings just before the damage or loss occurred. We will reduce this payment by the value of Your Buildings after the damage or loss occurred.

We will decide which one We will do. Our choice will have regard to the circumstances of Your Claim and consider any preference You may have.

We will make a fair and reasonable attempt to match any material used to repair Your Buildings with the original materials. If We cannot, We will use the nearest equivalent available to the original materials. However, if You are not satisfied with the closest match, You are able to:

- pay the extra cost of repairing undamaged areas to achieve a matching appearance; or
- We will pay You the reasonable costs to repair the damaged area.

If the damage or loss was caused to the Buildings by liquid escaping from a bath, basin, sauna, spa, shower base or shower wall, We will pay the costs to repair the Buildings and identify and locate where the liquid escaped from. We will not pay:

- The cost to repair or replace the bath, basin, sauna, spa, shower base or shower wall.
- Fixing or finding leaks that have not caused loss or damage to Your Buildings or Contents.

If the rebuilding or repair is limited by government or local authority bylaws that reduce the floor area of the Buildings We will:

- pay the actual cost of rebuilding or repairing the reduced floor area of the Buildings, and
- pay the difference between the actual costs of rebuilding or repairing the reduced floor area of the Buildings and the estimated costs of rebuilding or repairing had the limit not applied.

Where You are entitled to use Bond Money to pay for or reduce the costs of any loss or damage, You must do so and the amount of that entitlement will be deducted from Your Claim.

Where a Claim relates to the Contents cover provided under 'Additional things We will pay for when You have insured Your Buildings' it will be settled under the section 'How We pay a Claim for Your Contents'.

How We pay a Claim for Your Buildings

When destruction, loss or damage occurs to Your Buildings, if reasonably practicable, We will do one of the following:

- We will rebuild Your Building to the same condition as when they were new; or
- We will repair the damaged portions of Your Buildings to the same condition as when they were new.

If Your building is repairable, in some circumstances We will choose to settle Your Claim by deciding to pay You. We will pay You the reasonable costs of what it would cost Us provided that cost is available to or actionable by You. Our choice will have regard to the circumstances of Your Claim and consider any preference You may have.

What are some examples of when We do this?

- when You decide not to repair or rebuild Your Rental Property,
- if You don't start repairing or rebuilding Your Rental Property, within 6 months of the loss or damage, or within any longer period We agree to in writing,
- if not all the damage to Your building is covered by this Policy – You can find examples of these under "Exclusions to Your cover" in this Policy,
- Your building may have had some damage that existed prior to the event You are Claiming for,
- Your building cannot be repaired until other work that is required to be done by You is completed, or
- when it is the only way to settle Your Claim.

Calculation of the amount

- We may ask You to obtain a quote or We will obtain a quote for the repairs from Our builder or repairer.
- If We obtain the quote We will provide You with details of the work that has been included:
 - this will be detailed in the quote, or
 - for larger Claims We may include a scope of works.
- We will confirm that the builder who has provided the quote is prepared to undertake the work – provided You have completed any work that is required to be done by You first.
- The amount We will pay You will not be more than the buildings sum insured.

How We pay a Claim for Your Contents

When destruction, loss or damage occurs to any item of Your Contents, if reasonably practicable We will do one of the following:

- replace the item with the nearest equivalent new property; or
- repair the item to the condition it was in at the time immediately before it was destroyed, lost or damaged.

If it is not reasonably practicable, We will pay the amount it would reasonably cost to repair the item or replace it with its nearest equivalent. Our choice will have regard to the circumstances of Your Claim and consider any preference You may have.

We will pay for carpets, wall, floor and ceiling coverings, internal blinds and curtains, only in the room, hall or passage where the damage or loss occurred.

When a damaged or lost item is part of a pair, set, system or collection, We will only pay for the value of the item itself, however the most We will pay is:

- the value that the item has as a proportion of the combined pair, set, collection or system, or
- the cost of the entire pair, set, collection or system if it is completely inoperable because of the loss or damage to a single item which cannot be replaced or a single replacement item does not complete the pair, set, collection or system to make it operational.

Where You are entitled to use Bond Money to pay for or reduce the costs of any loss or damage, You must do so and the amount of that entitlement will be deducted from Your Claim.

Optional Benefit – Loss of Rent

This section of the Policy only applies when Your Policy Schedule shows that You have requested cover for Loss of Rent.

It applies when damage or loss occurs on the same basis as set out in Section 1 “Building and Contents” and as a result Your Building is Unliveable. The cover also applies when there is damage or loss to other property located near the insured Buildings and access to the Buildings or Contents is prevented.

Where the property is used for Short Term Rental We will deduct an amount equal to five days Rent from Our payment to You.

We will pay the amount that is equal to the Rent up to the period of time Your Buildings have been repaired or replaced. We will pay this for up to 24 months and the amount We pay will not be greater than double the amount of the sum insured shown on Your Policy Schedule.

Where the Buildings are not used for Short Term Rental, We will extend cover for up to 2 Weeks after the Buildings have been repaired or replaced.

Where You are entitled to use Bond Money to pay for or reduce the costs of any loss or damage, You must do so and the amount of that entitlement will be deducted from Your Claim.

Optional Benefit – Rent Default

This section of the Policy only applies when Your Policy Schedule shows that You have requested cover for Rent Default.

This cover will stop immediately if Your Rental property is Tenantable.

When We will pay for Rent Default

We will pay if Your Tenant:

- leaves Your Buildings before the end of the tenancy period stated in the Rental Agreement and does not give You or Your Agent notice, or
- stops paying Rent owed to You or Your agent, or
- is Legally Evicted from Your Buildings, or
- has been issued a Notice to Leave by You or Your Agent.

We will pay the Weekly amount Your Buildings are Rented for. In the case of the issue of a Notice to Leave, the maximum Rent We will pay will be two Weekly amounts from the date the Tenant vacates the Building. The most We will pay is \$12,000.

We will also provide cover for up to six weeks Rent after:

- A death of a sole Tenant that occurs before the end of the tenancy period of Your Rental Agreement or during a Periodic Tenancy Agreement. Cover will start from the date of the death of the sole Tenant. We will not pay if the sole Tenant had given You or Your agent notice in accordance with the Rental Agreement or Periodic Tenancy Agreement prior to their death.
- Your 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. Cover will start from when the termination order issued by the Residential Tenancies Tribunal or other relevant authority takes effect.

Paying Claims for Rent Default

We will only pay a Rent Default Claim when You and Your Tenant have a Rental Agreement, and if the Tenant breaches the Rental Agreement.

The cover for Rent Default will not apply if the Rent is in arrears at the commencement date of this Policy.

If Rent is in arrears at the commencement date of this Policy this cover will not commence until:

- the Rent arrears have been paid, and
- the Tenant must pay the agreed Rent in accordance with the Rental Agreement for a period of not less than four consecutive weeks.

When We pay a Claim for Rent and/or legal expenses, the Claim will be reduced by the balance, if any, of any Bond Money remaining after deduction of allowable reletting expenses and any other costs or expenses You are legally entitled to deduct from the Bond Money.

We will only pay a Claim when You have taken all reasonable steps legally available to You under the Residential Tenancies Act or other relevant legislation, to remedy non- payment and evict the Tenant. Your Claim for Rent Default ceases when the Rental Agreement could reasonably have been legally terminated by You.

We will not pay if Your Tenant leaves the Buildings with or without notice, and You have failed to rectify a Notice of Remedy breach issued by the Tenant to You.

Optional Benefit – Theft by a Tenant

This section of the Policy only applies when Your Policy Schedule shows that You have requested cover for Theft by a Tenant.

When We will pay Theft by a Tenant

We will pay if there is theft of any part of Your Buildings or Contents by Your Tenant or their visitors, or their visitors' children.

We will only pay for theft to:

- Your Buildings if You have insured Your Buildings under Section 1 of this Policy. The most We will pay is the sum insured You have selected for Your Buildings, less any applicable Excess. This includes \$10,000 for Contents as set out under 'Additional things We will pay for under the Building'.
- Your Contents if You have insured Your Contents under Section 1 of this Policy. The most We will pay is the sum insured You have selected for Your Contents, less any applicable Excess.

Rent Default and Theft by a Tenant Excess

We will reduce the amount We pay You for Your Claim by the Excess that applies to Your Buildings and/or Contents. The amount of Your Excess is shown on Your Policy Schedule.

If You select cover for Buildings and Contents, in the event of destruction, loss or damage to both Your insured Buildings and Contents for the same event, You will only be required to pay one Excess. If the nominated Excess for Buildings and Contents are different, the Excess payable will be the higher of these Excesses.

Your Excess will be increased by \$400 for any Claim arising from Rent Default or the theft of any part of Your Buildings or Contents, Malicious Damage or Vandalism, Deliberate or Intentional Damage by Your Tenants or their visitors or the children of Your Tenants or their visitors. When loss or damage is discovered and a Claim is submitted for separate identifiable events, the maximum Excess that will apply is \$1,000 in total.

Additional things We will pay for when You make a Claim for Rent Default and Theft by a Tenant

We will also pay legal costs You incur:

- to legally evict Tenants, or
- to recover amounts owed to You by Your Tenants, or
- to recover amounts for items stolen by Your Tenants or their visitors, or their visitors' children.

We will not pay legal costs to recover any amount owed to You solely for the payment of any Excess applicable to any Claim under this Policy.

The most We will pay for Your legal costs is \$5,000. We will only pay Your legal costs when We agree to pay them before they are incurred.

Re letting expenses in Excess of bond money

If We have accepted a Claim under this Policy caused by a Tenant leaving the location, We will also pay up to \$500 during any one period of insurance for re-letting expenses that exceed the Tenant's Bond Money.

This additional benefit will only apply if:

- Bond Money equivalent to a minimum of 4 weeks rent (in accordance with the applicable legislation) has been collected from the tenant; and
- The Bond Money has been fully exhausted.

This benefit will not apply:

- For any cost that exceeds the limit for the insured event; or
- If the amount of bond money available has been reduced for any reason; or
- For any cost not covered as a result of a reduction applied by Us in any section of the Policy; or
- If re-letting expenses do not exceed the Tenant's Bond Money.

Section 2 - Liability

What You are covered for

- If You have insured Your Buildings under this Policy, We will cover You against any Claim for compensation or expenses which You become legally liable to pay for:
 - the death of, or Personal Injury to, any person; or
 - the Damage to Property
- resulting from an Occurrence during the period of insurance arising out of the ownership or occupancy of Your Buildings or the Situation.
- If You have insured Your Contents under this Policy and You own part of a Building that has been subdivided, We will cover You against any Claim for compensation or expenses which You become legally liable to pay for:
 - the death of, or Personal Injury to, any person; or
 - the Damage to Property

resulting from an Occurrence during the period of insurance arising out of the ownership of Your Contents or occupancy of Your part of the Building or Situation. This does not include any amount You have to pay because You are the owner of part of the Building.

Definitions for Your Liability Cover

In this section:

'Bodily Injury' means physical bodily harm including resultant sickness or disease that requires care or loss of services and/or resultant death.

'Damage to Property' means physical injury to or destruction of tangible property, including the loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits and similar instruments, but does not include the value represented by such instruments.

'Occurrence' includes continuous or repeated exposure to substantially the same general conditions. We regard all death, Personal Injury or Damage to Property arising from one (1) original source or cause as one (1) occurrence.

'Personal Injury' means Bodily Injury, shock, mental anguish or mental injury, libel, slander or defamation of character, including death. Personal injury does not include the publication or utterance of a libel or slander:

- made prior to the commencement of the period of insurance; or
- made by or at the direction of You with knowledge of its falsity; or
- relating to advertising, broadcasting or telecasting activities by or on behalf of You.

Section 40 of the Insurance Contracts Act 1984 (Cth)

This Section 2 of the Policy is written on a 'Claims made and notified basis'.

This Section 2 of the Policy does not provide any cover for Claims made before the period of insurance or after the expiry of this Policy.

However, under section 40(3) of the *Insurance Contracts Act 1984* (Cth) We are not relieved of liability by reason only that the Claim was made after the expiration of the insurance if:

- a) You give Us notice in writing before the Policy expires of facts which might give rise to a Claim against You; and
- b) that notice is given to Us as soon as reasonably practical after You became aware of those facts.

The above explanation of the operation of Section 40(3) does not form part of this Policy wording.

Limit of Your Liability Cover

The most We will cover for any liability Claim is \$20,000,000 for any one (1) Occurrence, including any legal costs You have to pay in relation to the Claim and costs awarded against You.

However We will only pay for those legal costs that We have provided Our prior consent to You incurring.

Liability cover after total loss

If Your Claim is for a total loss of Your Buildings and We pay You the sum insured, then liability cover will remain in force until the expiry date of the Policy.

However, liability cover in relation to Your Buildings formerly Occupied by You will continue until the earliest of the expiry of Your Policy and:

- any construction commencing at the Situation;
- the sale of the Situation or any part of it;
- another Policy that includes liability cover being taken out in relation to the Situation;
- the commencement of construction of a building to replace the insured Building at another site; or
- six months from the date of the destruction, loss or damage that caused the total loss.

When We will not pay

We will not pay Claims arising from:

- Penalties, fines or awards of aggravated, exemplary or punitive damages made against You.
- Using motor vehicles, motor-cycles, mini-bikes, aircraft or watercraft, other than ride-on mowers.
- Servicing, repairing or maintaining any vehicle.
- Personal Injury to You, or any member of Your family who normally lives with You, or any other person who normally lives with You.
- Personal Injury to any person You employ and that injury arises from their employment with You.
- Damage to Property that belongs to You, or any member of Your family who normally lives with You, or any other person who normally lives with You.
- Damage to Property that belongs to any person You employ and that damage arises from their employment with You.
- Damage to Property that is in Your control, or the control of any member of Your family who normally lives with You, or any other person who normally lives with You.
- Any alterations, servicing, repairing or any additions to lifts, escalators or hoists. This includes anything that is part of a lift, escalator or hoist.
- Vibration or interference with the support of land, Buildings or other property.
- Any disease that is transmitted by You, or any member of Your family who normally lives with You.
- Any business, profession, trade or occupation carried on by You other than managing the Buildings and their surrounds.
- The erection or demolition of Buildings.
- Any agreement or contract You enter into other than where You would have been liable without the agreement or contract.
- The use, removal of or exposure to any asbestos product or products containing asbestos.
- The discharge, release or escape of any pollutants.
- The removal, neutralising or cleaning up of pollutants.
- Any act of libel or slander.

Excess

No Excess will be applied to Claims paid under Section 2.

What Section 1 and Section 2 of the Policy Do Not Cover

We will not pay Claims arising from:

- War or warlike activity. War does not have to be declared. We also do not provide cover for theft following this.
- Hostilities, rebellion, insurrection or revolution. We also do not provide cover for theft following these events.
- Contamination by chemical and/or biological agents, which results from an act of terrorism. Terrorism is any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.
- Lawful destruction or confiscation of Your property.
- Anything nuclear or radioactive.
- Damage to a heating element. We will pay for any resultant damage following damage to a heating element.
- Mildew, atmospheric or climatic conditions.
- Mould or fungi.
- Anything that You or anyone acting for You deliberately caused.
- Action of the sea, tidal wave, high water.
- Erosion, structural fault or design fault, landslide, subsidence, settling, shrinkage or expansion of earth, vibration or earth movement, other than loss or damage to Buildings occurring within 72 hours of and caused by landslide or subsidence, and as a direct result of one of the following:
 - storm including rainwater, hail, snow or wind;
 - Flood;
 - earthquake or tsunami;
 - explosion;
 - escape of liquid from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank apparatus or drain.
- Any event that does not occur within the period of insurance.
- Failure or inability of any item, equipment or computer software to recognise correctly, to interpret correctly or to process correctly any date, or to function correctly beyond any time when that item, equipment or computer software has not recognised, interpreted or processed correctly any date. We will pay for any resultant loss or damage that is covered by this Policy, other than loss or damage to any frozen food, or loss or damage to any computer equipment or computer software.
- Tenant neglect, carelessness, poor housekeeping or unhygienic living habits including contamination from the use of Controlled Drugs or smoking.
- This Policy also excludes Claims for consequential loss of any kind, except if specifically covered by this Policy. This means We will not pay for direct or indirect financial or economic loss. For example, loss of use, loss of profits or depreciation) or extra costs following an insured event.

We will not cover Your Buildings and Your Contents for a period of 72 hours from the time of the commencement of Your insurance for destruction, loss or damage caused by:

- Bushfire;
- a named cyclone; or
- Flood or tsunami.

We will provide cover, however, if:

- this insurance commences directly after another insurance Policy with equivalent cover for the same property expired without a break in cover; or
- You have entered into a contract of sale to purchase the property which has not completed and under which the risk has passed to You as purchaser.

We will not provide cover, unless agreed to in writing by IAL Underwriting, where:

- there is more than 1 Short Term Rental on the title; or
- there is a Sub Letting arrangement in place; or
- there are any alterations, repairs, renovations or additions to Your Buildings that cost more than \$100,000; or
- there is a business being run from the Rental Property where there are any employees who do not normally reside at the Rental Property; or
- there are more than 3 unrelated people or 3 unrelated couples residing at the Building.

General Terms and Conditions

This applies to Section 1 and Section 2 of the Policy.

When Your insurance cover does not apply

Cover for Your Buildings and Contents will not apply if, for a continuous period of ninety (90) days or more, no one has Occupied Your Buildings. This does not apply to Short Term Rentals or if the destruction, loss or damage results from lightning, thunderbolt, riot and civil commotion, damage directly caused by impact by a vehicle, aircraft, waterborne craft, space debris, rocket, satellite, or a branch, tsunami or earthquake. However, We do not insure You against any subsequent resultant damage such as rainwater entering any opening made by impact or looting subsequent to a riot. This does not apply to Short Term Rentals.

You can ask Us to provide cover if Your Buildings are not going to be occupied for more than ninety (90) days. If We agree to provide cover, We will advise You in writing.

Sanction limitation and exclusion clause

You are not insured under any section of this Policy where a Claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

Other interests

You must not transfer any interests in this Policy without Our written consent.

Any person whose interests You have told Us about and We have noted on Your Policy Schedule is bound by the terms of this Policy.

What You are required to do for Us

- You must pay Us the premium for this Policy.
- You must tell Us as soon as reasonably possible of anything that changes the facts or circumstances relating to Your insurance.
- You must take reasonable precautions to prevent anything which could result in a Claim under this Policy.
- You must take reasonable steps to ensure that anyone doing anything on Your behalf obeys all relevant laws.
- You must comply with the terms and conditions of this Policy.

It is important for You to know that We may make changes to this Policy as a result of a change in Your information. When there is a change, We will inform You.

The law that applies to this Policy

Any disputes arising from this Policy will be determined by the courts, and in accordance with the laws, of the state or territory of Australia where this Policy is issued.

How to make a Claim

Please contact Your Steadfast Broker to assist You in making a Claim.

In an emergency outside normal business hours You may ring Our emergency service on 1300 559 019 for assistance.

What You must do when You make a Claim

You must make Your Claim as soon as reasonably possible after You suffer a loss. If You do not make Your Claim within a reasonable time, We may reduce what We pay You by an amount to take account of any disadvantage We suffer by the delay.

You must also:

- Take all reasonable steps to stop any further loss from occurring.
- Advise the nearest Police station if Your property is lost or stolen, vandalised or Maliciously Damaged. We may ask You to give Us a written report from the Police.
- Keep the property that has been damaged so We can inspect it at a reasonable time and place We choose.
- Tell Us about any prosecution or inquest that may be held.
- Send Us any document relating to Your Claim as soon as reasonably possible after You receive the document.

What You must not do when You make a Claim

You must not do any of the following:

- Repair or replace any damaged property without Our consent.
- Pay, promise to pay, or offer payment, or admit responsibility for a Claim.

You give Us Your rights to Claim from anyone else

If You have a right to Claim against someone else for a Claim that You have made and We have paid under this Policy, You give Us Your rights to make that Claim. You also give Us Your rights to conduct, defend or settle any legal action and to act in Your name.

You must not do anything which prevents Us from doing this and You must give Us all the information and cooperation that We require. When We make a request, We will only ask You for information or cooperation that is relevant to Our entitlement to make a Claim against anyone else, or conduct, defend or settle any legal action, and We will tell You why it is needed.

Goods and Services Tax (GST)

Unless expressly stated otherwise, all dollar amounts described in this Policy are inclusive of GST.

If You are (or required to be) registered for GST You must tell Us Your Australian Business Number and entitlement to an input tax credit which We will deduct from any Claim payment We make to You.



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