CASTLE
INSURANCE

# HOME & CONTENTS

## RESIDENTIAL LANDLORDS

Product Disclosure Statement

This is an important document about insurance. It explains what is and what is not covered under the insurance policy and your and our obligations. To check the policy meets your needs, you need to understand it. If you cannot read and understand English please seek assistance from someone who can help you understand it in your preferred language.

此乃关於保险的重要文件，它解释了根据保单条款什麼是受保、什麼是不受保项目，以及你方和我方的责任条款。你必须要了解後才能决定这项保险是否能满足你的需要。如果你不能阅读和理解英文，请向能帮助你用你熟悉的语言理解内容的人求助。

هذه وثيقة هامة عن التأمين، تشرح ما تغطيه بوليصة التأمين وما لا تغطيه بالإضافة إلى التزاماتنا والتزاماتك. يجب عليك فهم محتوى البوليصة حتى تتأكد من أنها تفي باحتياجاتك. إذا لم تكن تجيد قراءة الإنجليزية وفهمها، أطلب المساعدة من شخص يستطيع أن يعينك على فهم هذه الوثيقة باللغة التي تفضلها.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

Đây là một tài liệu quan trọng về bảo hiểm. Nó giải thích những gì được và những gì không được bảo hiểm theo hợp đồng bảo hiểm cũng như những nghĩa vụ của quý vị và của chúng tôi. Để kiểm tra liệu hợp đồng bảo hiểm có đáp ứng được những nhu cầu của quý vị hay không, quý vị cần phải hiểu nó. Nếu quý vị không thể đọc và hiểu tiếng Anh, vui lòng nhờ ai đó có thể giúp giải thích hợp đồng cho quý vị bằng ngôn ngữ quý vị ưa dùng.

Questo è un documento importante sull'assicurazione. Spiega cosa è e cosa non è coperto in base alla polizza assicurativa ed i tuoi ed i nostri obblighi. Per verificare che la polizza soddisfi le tue esigenze, devi capirla. Se non puoi leggere e capire l'inglese, fatti assistere da qualcuno che possa aiutarti a capirla nella tua lingua preferita.

Αυτό είναι ένα σημαντικό έγγραφο σχετικά με την ασφάλιση. Εξηγεί τι είναι και τι δεν καλύπτεται από το ασφαλιστήριο συμβόλαιο και τις δικές σας και τις δικές μας υποχρεώσεις. Για να ελέγξετε αν αυτό ανταποκρίνεται στις ανάγκες σας, πρέπει να το κατανοήσετε. Εάν δεν διαβάζετε ή δεν κατανοείτε την αγγλική γλώσσα, παρακαλείστε να ζητήστε βοήθεια από κάποιον που μπορεί να σας βοηθήσει να το κατανοήσετε στη γλώσσα που προτιμάτε.

यह बीमा के बारे में एक महत्वपूर्ण दस्तावेज़ है। इसमें यह विवरण दिया गया है कि बीमा पॉलिसी में  क्या कवर्ड (बीमे द्वारा सुरक्षित) है और क्या कवर्ड (बीमे द्वारा कवर्ड) नहीं है तथा इसमें आपके और हमारे दायित्वों के बारे में भी बताया गया है। यह जांच करने के लिए कि क्या पोलिसी आपकी आवश्यकताओं को पूरा करती है, आपको इसे समझने की आवश्यकता है। यदि आप अंग्रेज़ी पढ़ और समझ नहीं सकते/सकती हैं तो कृपया किसी ऐसे व्यक्ति से सहायता लें जो आपको इसे आपकी पसंदीदा भाषा में समझने में मदद कर सकता हो।

Este es un documento importante sobre seguros. En él se explica lo que cubre y no cubre su póliza de seguro y tanto sus obligaciones como las nuestras. Deberá entenderlo para determinar si la póliza se adapta a sus necesidades. Si no lee ni entiende inglés, solicite la ayuda de alguien que le pueda ayudar a entenderlo en su idioma.

ਇਹ ਬੀਮੇ ਬਾਰੇ ਇੱਕ ਮਹਤਵਪੂਰਨ ਦਸਤਾਵੇਜ਼ ਹੈ। ਇਸ ਵਿੱਚ ਇਹ ਵੇਰਵਾ ਦਿਤਾ ਗਿਆ ਹੈ ਕਿ ਬੀਮਾ ਪਾਲਿਸੀ ਤਹਿਤ ਕੀ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਹੈ ਅਤੇ ਕਿ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਨਹੀਂ ਹੈ ਅਤੇ ਇਸ ਵਿੱਚ ਤੁਹਾਡੀਆਂ ਅਤੇ ਸਾਡੀਆਂ ਜੁੱਮੇਵਾਰੀਆਂ ਬਾਰੇ ਵੀ ਦਸਿਆ ਗਿਆ ਹੈ। ਇਹ ਜਾਂਚ ਕਰਨ ਲਈ ਕਿ ਕੀ ਪਾਲਿਸੀ ਤੁਹਾਡੀਆਂ ਲੋੜਾਂ ਨੂੰ ਪੂਰਾ ਕਰਦੀ ਹੈ, ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਦੀ ਲੋੜ ਹੈ। ਜੇ ਤੁਸੀਂ ਅੰਗਰੇਜ਼ੀ ਪੜ੍ਹ ਤੇ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੋਂ ਮਦਦ ਲਵੋ ਜੋ ਤੁਹਾਡੀ ਪਸੰਦੀਦਾ ਭਾਸ਼ਾ ਵਿੱਚ ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮਦਦ ਦੇ ਸਕੇ।

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# ABOUT THIS BOOKLET

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

This booklet is also a Product Disclosure Statement (PDS). Other documents you receive may comprise the PDS. You'll know when this happens because it'll say so in the document.

The information in this PDS is current at the preparation date however it may change over time.

When we make a change that is materially adverse, either a Supplementary Product Disclosure Statement (SPDS) or a new PDS will be provided at renewal.

If we make a change to information in the PDS that is not materially adverse, we may not notify you of the change and may not immediately update the PDS. However, you can contact us for a copy of the change at no charge by us.

## FOR MORE INFORMATION OR TO MAKE A CLAIM

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact your financial services provider. The contact details for your financial services provider are set out in the financial services guide they give you.

The section titled 'Claims' at the end of this booklet tells you the full details about what you need to do in the event of a claim. If you'd like to make a claim or to enquire about an existing claim please contact your financial services provider.

## ABOUT QBE

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 (QBE) is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886.

### QBE IN THE COMMUNITY

**Premiums4Good™**

We are committed to giving back to the communities that we operate in. Through Premiums4Good, we invest a portion of customer premiums into impact investments that aim to make positive environmental or social change, alongside a financial return. It's just another way we help in enabling a more resilient future.

## ABOUT CASTLE INSURANCE

Sure Insurance Pty Ltd (ABN 72 624 109 128, AFSL 506378) trading as Castle Insurance acting under its own AFSL, distributes this insurance for and on behalf of the insurer QBE. Castle Insurance acts as an agent for QBE and not for you.

Castle Insurance is a company within the Steadfast Underwriting Agencies division of Steadfast Group Limited (ABN 98 073 659 677) (SGL).

# IMPORTANT INFORMATION

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

## THIS POLICY IS DESIGNED FOR LANDLORDS

This Policy is not suitable for insuring owner occupiers. It is only suitable for landlords who own a residential rental property that is rented out to tenants under a lease agreement or holiday homes if they are a short-term rental or casually let, and you tell us, and 'Landlords – Short-term rental' or 'Landlords – Holiday home – Short-term rental (including casually let holiday home)' is noted on your Certificate of Insurance. There are limitations to the coverage provided by this Policy if you do not tell us that you are an owner occupier or you use the home as a holiday home that is not a short-term rental or casually let.

## THE COST OF THIS POLICY

There are a number of factors we take into account when determining your insurance premium, which include:

- pricing factors;
- Policy options;
- any applicable discount;
- any administration fees; and
- any statutory charges.

At Castle Insurance, we believe that the cost of insurance should be fair and reasonable, which is why we use a number of reliable indicators to accurately assess your risk and calculate your premium. These may change over time. Each year, your premium is likely to change even if your circumstances haven't. Factors like the claims we experience, the cost of reinsurance, improved data and changes to business costs may change.

The following shows some of the pricing factors that may be taken into account when determining your premium:

- the sum insured for your home and/or contents;
- the physical address of your home;
- the age of your home;
- the materials used to construct your home;
- the occupancy and use of your home;
- the age of each insured person;
- the bushfire risk at the physical address of the home or where your contents are located;
- the cyclone risk at the physical address of the home or where your contents are located;
- the flood risk at the physical address of the home or where your contents are located; and
- the excess amount.

## INFORMATION RELATING TO PREMIUM CALCULATION

The list of factors in 'The cost of this Policy' is not exhaustive. We may take other factors into account and add or remove factors. The importance we place on the factors we use to calculate the premium and how the factors combine, all affect calculation of the premium. Some factors will not affect all components of the premium and not all components of the premium may be subject to discounts in the same way or at all.

How the factors combine to calculate premium may also be impacted according to your circumstances and other underwriting considerations. The premium determined by a combination of the factors may be adjusted up or down to reflect your circumstances and underwriting considerations including the risk being insured and the value of any claims. An adjustment like this may increase or decrease the premium from the combination of factors and may limit discounts.

Minimum premium and your previous year's premium are commercial factors that may limit premium increases and decreases from the combination of the factors and any discounts. A minimum premium is the least amount of premium we will accept for the insurance and factors and any discounts will not reduce the premium below minimum premium. Your previous year's premium is taken into account on renewal and may limit premium increases and decreases from the combination of the factors and limit discounts.

The premium we calculate according to the factors, your circumstances and other commercial factors, including taxes and government charges, will be shown on your Certificate of Insurance.

## DUTY TO TAKE CARE NOT TO MAKE A MISREPRESENTATION

By law, you must take reasonable care not to make a misrepresentation. A misrepresentation includes a statement that is false, partially false, or that does not fairly reflect the truth.

This means, prior to entering into an insurance contract, giving us true, complete and accurate answers to our questions, including where you provide information on someone else's behalf. We use your answers to decide whether to insure you and on what terms. If any of your answers are misleading, incomplete, inaccurate or fraudulent we may reduce or refuse to pay a claim, cancel your Policy or treat it as if it never existed. If you don't understand a question, you're unsure how to answer or if anything is unclear, please call us.

If you are renewing your insurance, you need to carefully review the information provided in your renewal documents and check that it is true, complete and accurate. If any of the information is incorrect or has changed, you must let us know before renewal. Some changes may impact our offer of renewal terms. If you don't understand a question, you're unsure how to answer or if anything is unclear, please call us before you renew your Policy. If we do not hear from you and you renew your Policy, we will take that to mean that the information provided in your renewal document is true and correct and that nothing has changed. If you do not tell us about anything that has changed, or if you do not take reasonable care not to make a misrepresentation then we may reduce or refuse to pay a claim, cancel your Policy or treat it as if it never existed.

## COOLING-OFF PERIOD

If you change your mind about your Policy and haven't made a claim, you can cancel it within 21 days of the start or renewal date and we'll give you a full refund. If you cancel your Policy in these circumstances, you will have no cover under the Policy.

To cancel your Policy within the cooling-off period, contact your financial services provider.

You can also cancel your Policy outside the cooling-off period, see 'Cancelling your Policy'.

## GENERAL INSURANCE CODE OF PRACTICE

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. You can read the Code at **insurancecouncil.com.au**

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code. For more information about the Code Governance Committee please visit **insurancecode.org.au**

## MISUSE OF OUR PRODUCTS AND FAMILY VIOLENCE

We do not condone the misuse of our products for the purpose of financial abuse or disadvantage, including through family and domestic violence. We are here to provide support to our customers who may be impacted. Further details about our Family and Domestic Violence Customer Support Policy are available at **qbe.com/au** and **castleinsurance.com.au**

## PRIVACY

### QBE

QBE takes the security of your personal information seriously.

QBE will collect personal information either directly from you or sometimes through its agents, other companies in the QBE group or suppliers acting on its behalf. QBE will only ever collect the personal information needed to provide its services to you, such as issuing and administering its products and services and processing claims. QBE will obtain consent before collecting sensitive information, such as health information, unless required by or permitted by law to collect it without consent. Sometimes QBE may store and disclose your personal information overseas. When QBE does this, your information is retained in accordance with the Australian *Privacy Act 1988* (Cth) and local privacy laws.

QBE's Privacy Policy describes in more detail from whom it collects personal information, as well as where the information is stored and the ways QBE could use it. You can find it at **qbe.com/au/about/governance/privacy-policy**

If you would like to access or correct your personal information please contact QBE at **customercare@qbe.com** or on **1300 650 503**.

### CASTLE

We value the privacy of the personal information we collect about you.

We collect your personal information directly from you and through others, including those listed in our Privacy Policy, such as our distributors, claim managers and legal service providers.

**How we use your personal information**

We and any parties appointed by us will only use your personal information for the purpose it was collected, for example, to provide you with assistance or a product or service you requested or to help with your claim.

Your personal information may also be used for other purposes, which are set out in our Privacy Policy.

You may choose to not give us your personal information. However, this may affect our ability to provide you with a product or service, including the management of your claim.

**We may disclose your personal information to**:

- our related entities;
- our service providers, which may include some providers based overseas; and
- other parties as set out in our Privacy Policy.

**Our Privacy Policy**

Our Privacy Policy provides information about how we collect, use and disclose your personal information and how you can:

- access your personal information in our records;
- ask us to correct your personal information in our records; and
- complain about any breach of the principles set out in the *Privacy Act 1988* (Cth), and how we will deal with your complaint.

**Our Privacy Statement**

To obtain a copy of the Sure Privacy Statement, the details of which are available by either:

- visiting **castleinsurance.com.au**; or
- calling us on **1300 265 735**.

## COMPLAINTS

We're here to help. If you're unhappy with any of our products or services, or the service or conduct of any of our suppliers, please let us know and we'll do our best to put things right.

### STEP 1 — TALK TO US

Your first step is to get in touch with QBE Customer Relations, who will assist you with resolving your complaint. Please provide our team with as much information as possible so they can try to fix the problem quickly and fairly.

A Dispute Resolution Specialist will review your complaint independently and provide you with our final decision.

You can contact the Customer Relations team directly:

| | |
|---|---|
| **Phone:** | 1300 650 503 |
| **Fax:** | (02) 8227 8594 |
| **Email:** | complaints@qbe.com |
| **Post:** | GPO Box 219, Parramatta NSW 2124 |

For additional assistance in lodging a complaint, please refer to **qbe.com/au**

### STEP 2 — STILL NOT RESOLVED?

If we're unable to resolve your complaint to your satisfaction within a reasonable time, or you're not happy with our final decision, you can refer your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We're a member of AFCA and their decisions are binding on us.

| | |
|---|---|
| **Phone:** | 1800 931 678 |
| **Email:** | info@afca.org.au |
| **Post:** | GPO Box 3, Melbourne VIC 3001 |

AFCA will inform you if your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit **afca.org.au**

### MORE INFORMATION

You can find more information about how we deal with complaints on our website at **qbe.com/au** or you can call us on **133 723** to speak with us or request a copy of our complaints brochure at no charge by us.

### COMPLAINTS JUST ABOUT PRIVACY

If you're not happy with how we've handled your personal information, call us on **1300 650 503** or email us at **customercare@qbe.com**. If you're not satisfied with our response, you can contact the Office of the Australian Information Commissioner (OAIC):

| | |
|---|---|
| **Phone:** | 1300 363 992 |
| **Email:** | enquiries@oaic.gov.au |
| **Post:** | GPO Box 5288, Sydney NSW 2001 |

## FINANCIAL CLAIMS SCHEME

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if you meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

| How to contact APRA | |
|---|---|
| **Phone:** | 1300 558 849 |
| **Online:** | **www.apra.gov.au/financial-claims-scheme-general-insurers** |

# POLICY WORDING

This Policy is issued by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

## OUR AGREEMENT

Your Policy is an agreement between you and us, made up of:

- this Product Disclosure Statement; and
- your Certificate of Insurance, which sets out the cover you've chosen and any terms specific to you.

The cover under this Policy is provided during the period of insurance, once you've paid us your premium. There are also:

- Conditions and exclusions, which apply to specific covers or sections;
- General exclusions, which apply to any claim you make under this Policy;
- General conditions, which set out your responsibilities under this Policy;
- Claims conditions, which set out our rights and your responsibilities when you make a claim; and
- Other terms, which set out how this Policy operates.

### EXCESSES

You must pay any excesses which apply to your claim. The excesses which you have to pay are set out in this Product Disclosure Statement or on your Certificate of Insurance.

## PAYING YOUR PREMIUM

The ways you can pay your premium, and the frequency you can pay it, are described below:

- in one annual payment to your financial services provider according to their business practices; or
- in monthly instalments by direct debit from your credit card or from your account with your financial institution which facility can be arranged by your financial services provider.

### ANNUAL PREMIUM

We will let you know how much premium you need to pay us, how to pay it and when. If you pay your premium annually, you need to pay your premium on time to ensure you are covered. If you don't pay the premium your Policy may be cancelled and we'll write to let you know when this will happen.

### INSTALMENT PAYMENTS

If you pay your premium by instalment, your Certificate of Insurance will show the date and frequency of your instalments. If your direct debit details change you must tell us no later than seven days before your next instalment is due to allow us to process the change in time.

**At renewal**

If you pay by instalments, and renew your Policy, we'll continue to deduct instalments for a renewed Policy at the new premium level according to the same instalment pattern, unless you tell us to stop your direct debit.

If you don't want to renew, you must tell us at least seven days before your Policy's end date so that we can arrange for the direct debit to stop in time.

**What happens if you miss an instalment?**

If you miss an instalment, we'll contact you to ask you to pay it or arrange to collect it from you. If you don't pay the missed instalment your Policy may be cancelled and we'll write to you to let you know when this will happen.

If you don't pay the missed instalment and a claim arises, then we will deduct the missed instalment from your claim.

**If your payment details change**

If your direct debit details change, such as you changing credit cards or bank accounts, you must tell us at least seven days before your next payment date to allow us to process the change in time.

### ADJUSTMENT OF PREMIUM ON RENEWAL

If we invite you to renew your Policy, we will send you a renewal invitation. If you make any changes to your Policy after we send you our renewal invitation, and we have agreed to continue to insure you, we will send you an updated renewal invitation. You will need to pay us any additional premium to ensure your cover is not affected.

**A claim on your Policy may affect your renewal premium**

If we send you a renewal invitation and the premium doesn't take into account a claim on your Policy, you agree to pay us any additional premium we would have charged if we had known about that claim.

If you tell us about the claim before your renewal takes effect and we agree to continue to insure you, we may apply specific conditions to your Policy (including applying an additional Policy excess) and/or recalculate your renewal premium and send you an updated renewal invitation.

If your Policy has already renewed, we may ask you for an additional premium. If you're paying in instalments, any remaining instalments will be adjusted to reflect the additional premium. If you've already paid your renewal premium in full, you'll need to pay us any additional premium to ensure your cover is not affected. If you don't pay the additional premium by the due date then we may:

- deduct the outstanding premium amount from a claim payment; or
- cancel your Policy (see 'Cancelling your Policy').

If it was reasonable in the circumstances for you to be unaware that you had a claim until after we issued your renewal invitation, we will not ask you to pay the additional premium for that renewal period however the claim may affect your future renewal premiums and/or future Policy conditions (including the application of an additional Policy excess).

Please note we may have other rights under this Policy or as permitted by law, depending on the circumstances.

## WORDS WITH SPECIAL MEANING

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

| When we say | We mean |
|---|---|
| Action of the sea | Tidal wave, high tide, king tide, or any other movement of the sea except for:<br>– tsunami; and<br>– storm surge. |
| Antique | An item valued for its rarity, aesthetic or historical significance which is over 100 years old. It does not include jewellery, watches or collections. |
| Bond money | Any money paid by or on behalf of the tenant held as security against any damage to the home and/or contents, rent owed, re-letting costs or any other expenses. |
| Certificate of Insurance | The document we give you which sets out the details of your cover which are personal to you. It forms parts of the Policy. It shows the cover and any options that you have selected. When your Policy is changed or renewed, we will give you a new Certificate of Insurance. The information on your Certificate of Insurance can modify the terms set out in this Policy. |

| When we say | We mean |
|---|---|
| Damage or damaged | When property insured by this Policy is physically harmed, but not from wear and tear, and its value or usefulness is permanently reduced. It also includes where property insured is destroyed or unrecoverable.<br>It does not include:<br>– where property can be cleaned using ordinary household chemicals and cleaning processes to bring it back to its pre-event condition. Property may be considered to be damaged if only professional cleaning can bring it back to its state prior to the event;<br>– scratching or denting which is cosmetic and that's the only damage; or<br>– any change a tenant makes to the property that is permitted by you under the lease agreement or the relevant residential tenancy legislation. |
| Earth movement | Includes landslide, landslip, mudslide, subsidence and the heaving, collapsing, vibration, erosion, settlement or shrinkage of earth, but not earthquake.<br>Note: 'Heave' is the upward movement of the earth supporting a building because of the expansion of soil. |
| Flood | The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:<br>– a lake (whether or not it has been altered or modified);<br>– a river (whether or not it has been altered or modified);<br>– a creek (whether or not it has been altered or modified);<br>– another natural watercourse (whether or not it has been altered or modified);<br>– a reservoir;<br>– a canal;<br>– a dam. |
| Holiday rental platform | Either:<br>– a website that; or<br>– a suitably licensed real estate agent who,<br>facilitates a transaction for a short term rental or casually let holiday home between you and a paying guest, provided the website or the agent records the name, address and telephone number of the paying guest. |
| Insured Address | The address shown on your Certificate of Insurance where your home is located or your contents are kept. |
| Lease agreement | The written and enforceable agreement between you and your tenant to rent your home and which is subject to and compliant with the *Residential Tenancies Act* or similar in the State or Territory of the Insured Address, whether the agreement is for a fixed term, or a periodic tenancy immediately following a lease agreement. |

| When we say | We mean |
|---|---|
| Malicious damage by tenants, tenant's visitors or family | A wrongful act by a tenant, tenant's visitors or family motivated by malice, vindictiveness or spite with the intention of damaging the property.<br>This does not include:<br>– damage occurring during or as a result of any maintenance, repairs or attempted repairs carried out by the tenant or anyone acting on their behalf;<br>– damage caused by the failure of your tenant to control their children;<br>– damage caused by pets belonging to your tenant;<br>– accidental damage or accidental loss or any scratching, denting, chipping, rubbing or chaffing; or<br>– any neglect, carelessness, poor housekeeping or unhygienic living habits. |
| Paying guest | A person, and their family or visitors, who rents your home without a lease, but where there is either a:<br>– rental agreement (that need not be subject to the *Residential Tenancies Act* or similar); or<br>– record in a booking register,<br>that includes the following details:<br>– the length of time the property will be let;<br>– the amount of rent payable; and<br>– the amount of the security bond, booking fee or deposit. |
| Period of insurance | The period this Policy operates for as shown in the current Certificate of Insurance. |
| Periodic tenancy | The agreement that continues following the expiry of a fixed term lease agreement where the tenant continues to legally occupy the rental property. |
| Power surge | An unexpected, temporary, uncontrolled increase in current or voltage in an electrical circuit. Also known as a power swell, brown out, voltage variation or power spike. |
| Purposeful damage by tenants, tenant's visitors or family | An act done by tenants, tenant's visitors or family without the owner's permission and with the full knowledge that the action will alter the current state of the property, but done without any malice, vindictiveness or spite.<br>This does not include:<br>– tenant neglect, carelessness, poor housekeeping, or unhygienic living habits;<br>– damage occurring during or as a result of any maintenance, repairs or attempted repairs carried out by the tenant or anyone acting on their behalf;<br>– damage caused by failure of tenants or their visitors to control their children;<br>– damage caused by pets belonging to tenants, their visitors or children of the tenants or their visitors;<br>– theft, or damage caused by theft; or<br>– accidental damage or accidental loss or any scratching, denting, chipping, rubbing or chaffing. |

| When we say | We mean |
|---|---|
| Reasonable cost, reasonable additional cost | If we arrange the repair, rebuild, replacement or work for which a cost is incurred: the actual cost that we incur.<br><br>If you arrange the repair, rebuild, replacement or work for which a cost is incurred with our prior consent: the actual cost as set out in a valid tax invoice.<br><br>If you arrange the repair, rebuild, replacement or work for which a cost is incurred without our prior consent because of an emergency and you act reasonably in:<br><br>– making arrangements by engaging reputable service providers or sourcing replacement property at market rates;<br>– arranging repairs, rebuild or replacements at market rates that are necessary to restore your property to a condition no better than when new; or<br>– taking proportionate steps to protect your property from further damage:<br><br>the actual cost as set out in a valid tax invoice.<br><br>If you arrange the repair, rebuild, replacement or work for which a cost is incurred without our prior consent because of an emergency and you do not act reasonably: the cost that you would have incurred if you had acted reasonably.<br><br>If you arrange the repair, rebuild, replacement or work for which a cost is incurred without our prior consent and there is no emergency: the cost we would have incurred if you had obtained our prior consent and we had made the arrangements.<br><br>In this definition, when we say 'act reasonably' this means acting prudently, as if you did not have insurance. |
| Rent | The amount of money payable under the lease agreement to rent your home at the time of any claim.<br><br>For a short term rental or casually let holiday home it is the amount of money payable by your paying guest to use the property. |
| Rental property | If you are a strata lot owner, the lot in a strata building at the Insured Address, which you rent out to tenants or paying guests.<br><br>If you are not a strata lot owner, for example if you own a free-standing house, your home and your land at the Insured Address which you rent out to tenants or paying guests. |
| Security bond | Money paid by or on behalf of the paying guest or a credit card hold under a short term rental or casually let holiday home as security against any damage to the home and/or contents. A security bond may be held by you, your agent, a holiday rental platform or other third party. |
| Scope of works | An itemised description of all work to be done to repair or rebuild, to a condition substantially the same as but not better than when new, the damage caused to your home by an incident. |

| When we say | We mean |
|---|---|
| Short-term rental or casually let holiday home | Your home that is let on a casual or temporary, short-term basis for residential, holiday or recreational purposes where there is no legal requirement for a lease agreement under the relevant residential tenancy legislation. The rental period under a short-term rental or casually let holiday home must be less than three months.<br>Short-term rental or casually let holiday homes do not include premises that:<br>– are not legally approved as habitable spaces for residential purposes;<br>– are not standard housing such as:<br>  – free-standing houses;<br>  – units, flats or apartments;<br>  – semi-detached houses;<br>  – townhouses or villas;<br>  – terraces; or<br>  – duplexes, triplexes, fourplexes.<br>– are unsafe to live in;<br>– do not have functional bathroom facilities;<br>– are not connected to the electricity supply;<br>– are not connected to hot and cold running water;<br>– are not furnished such that they are comfortably habitable; or<br>– do not contain a functioning refrigerator and cooking appliance. |
| Storm surge | The covering of normally dry coastal land by water as a result of wind and low atmospheric pressure caused by a storm. |
| Tenant | The person or persons renting the home named in the current lease agreement and any partner, children, pets or other persons permanently living at the Insured Address. |
| Terrorism | Any act, or preparation in respect of action, or threat of action designed to influence any government of any nation or any political division of it, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government, and which:<br>– involves violence against one or more persons;<br>– involves damage to property;<br>– endangers life other than that of the person committing the action;<br>– creates a risk to health or safety of the public or a section of the public; or<br>– is designed to interfere with or to disrupt an electronic system. |
| Total loss | Your property is a total loss when:<br>– we pay the total sum insured; or<br>– your insured home and/or contents are lost or destroyed. |

| When we say | We mean |
|---|---|
| Unliveable | The property is unliveable if, due to an incident, any of the following circumstances occur:<br>– it is unsafe to live in;<br>– it does not have functional bathroom facilities;<br>– it does not have functional kitchen facilities;<br>– it is not connected to the electricity supply;<br>– it is not connected to hot and cold running water; or<br>– if it's rented out on a fully furnished basis:<br>  – it is not furnished such that it is comfortably habitable; or<br>  – it does not contain a functioning refrigerator and cooking appliance. |
| Unoccupied | A property is unoccupied in a period of 100 consecutive days if, during that period, the following did not happen:<br>– you, your family, or someone with your consent, slept and ate there for at least two consecutive nights in that 100 day period; and<br>– on those two nights each of the following circumstances applied to the property:<br>  – it was furnished such that it was comfortably habitable;<br>  – it contained at least one usable bed/mattress;<br>  – it contained at least one table or bench and a chair;<br>  – it contained a functioning refrigerator and cooking appliance;<br>  – it was connected to the electricity supply; and<br>  – it was connected to hot and cold running water.<br>You may be asked to prove the occupancy of the property in the event of a claim. This may be supported by the usage of the utilities that are connected to the property. Sometimes we might ask for other evidence of occupancy. |
| We, our, us | Sure Insurance Pty Ltd ABN 72 624 109 128 AFSL 506378 trading as Castle Insurance.<br>Note: In some cases, QBE may take on management of a claim. We'll tell you if this is going to happen and, in this event, references to 'we', 'our' and 'us' mean QBE in the Claims administration, going to court, recovery action and legal liability claims section. |
| Your family | Any member of your family who lives permanently with you, including your partner. |
| You, your | The persons or entities named as Insured(s) on your Certificate of Insurance.<br>If the insured noted on the Certificate of Insurance is a company or a company that is a trustee then 'you' also includes (except in the case of a deceased estate):<br>– in the case of a company - that company's directors and owners; and<br>– in the case of a company that is a trustee - that company's directors and owners and that trust's beneficiaries. |

## SECTION 1: WHAT 'HOME' AND 'CONTENTS' MEAN

### HOME

Your Certificate of Insurance indicates whether your home is insured and the sum insured.

### WHAT 'HOME' MEANS

Your 'home' is the dwelling used entirely or primarily as a place of residence at the Insured Address shown on the Certificate of Insurance.

'Home' includes the following:

(a) outbuildings, fixtures and structural improvements including in-ground swimming pools, tennis courts, in-ground spas, saunas, a fixed solar photovoltaic or hot water system, jetties and pontoons all of which are used for domestic purposes;

(b) fixed light fittings, fixed wall coverings, fixed ceiling coverings and fixed floor coverings;

(c) services (whether underground or not) that are your property or which you are liable to repair or replace or pay the cost of their repair or replacement;

(d) landscaping, paved pathways and paved driveways, retaining walls, fences and gates entirely or partly at the Insured Address; and

(e) fixed water tanks, and water in tanks but only if there is no drinkable water supply available at the Insured Address.

### WHAT 'HOME' DOES NOT MEAN

'Home' does not include:

(a) carpets (whether fixed or not), curtains or internal blinds unless you regularly lease out the home on an unfurnished basis;

(b) earth or gravel pathways or driveways or other unpaved surfaces;

(c) (i) a hotel or motel;

(ii) community or public housing including nursing homes, guest houses, hostels, boarding houses, sharing houses, refuge houses, shelters, mixed occupancy houses, three-quarter houses, transitional/recovery/rehabilitation houses/centres, safe houses, halfway houses, farm stays, inns, commercially operated serviced apartments, resorts, rooming houses, dormitories, community housing, refuges, sober/sobriety housing, shelters, backpacker accommodation, barracks/service quarters, colonial accommodation, communes, or any other form of share/transient housing with shared facilities or similar venues for accommodation;

(iii) a caravan (whether fixed to the Insured Address or not);

(iv) blocks of flats, unless this is expressly endorsed on your Certificate of Insurance;

(v) strata title, company title or community strata title units with respect to insuring the building, however we will insure contents contained within these units.

(d) any building used for any business or trade, except a dwelling used principally as a place of residence that also contains a home office;

(e) a building in the course of construction;

(f) a building in the course of being demolished or that is pending demolition;

(g) a temporary building or structure;

(h) trees, shrubs and any other plant life including grass or lawns, or soil, sand, gravel, bark or mulch;

(i) water in tanks if there is a drinkable water supply available at the Insured Address such as mains water.

## CONTENTS

Your Certificate of Insurance indicates whether your contents are insured and the sums insured.

The total contents sum insured consists of:

- a sum insured for unspecified contents; and
- a sum insured for specified contents.

Specified contents are items of particular value that you have individually listed as specified items and that are listed on the Certificate of Insurance under 'Contents, specified items'.

## WHAT 'CONTENTS' MEANS

'Contents' means, items (a) to (d) below, while they are at the Insured Address, and which belong to you or your family or for whose loss or damage you or your family are legally liable.

Contents are:

(a) household goods (including carpets whether fixed or not);

(b) articles of special value which you have listed on the Certificate of Insurance under 'Contents, specified items';

(c) if you own a unit in a strata title building, the internal paintwork, wallpaper and any fixture or structural improvement within or attached to that residence which you own that the Body Corporate is not required by law to insure;

(d) domestic garden equipment if it does not require registration.

## CONTENTS WITH LIMITS

The maximum we pay on the following contents items is shown in the table below.

| Contents where a maximum limit applies | Maximum limit |
|---|---|
| Works of art, pictures, tapestries, rugs. | $20,000 per item and in total 25% of the sum insured for unspecified contents. |

You may obtain a higher limit if you have these items specified on your Certificate of Insurance. We will pay up to the amount specified for each item.

## WHAT 'CONTENTS' DOES NOT MEAN

'Contents' does not include:

(a) fish, birds or animals of any description;

(b) trees, shrubs and any other plant life including grass or lawns, or soil, bark or mulch (other than pot plants);

(c) any caravan or trailer;

(d) cash, any negotiable instruments;

(e) clothing, personal effects, jewellery, furs, watches, any gold or silver objects, computers of any type or any equipment, software or consumables associated with a computer, photographic or video equipment or associated consumables of any kind, musical instruments, sporting goods or equipment, stamps, coins, medals or documents of any kind, any portable electrical appliance or electrical equipment including but not limited to portable electronic games devices or any similar devices;

(f) bicycles, motor vehicles of any kind other than domestic garden equipment only as in point (d) of 'What 'contents' means' (including but not limited to any motorcycles, motor scooters, caravans or trailers), watercraft or aircraft or aerial device or the accessories or spare parts of any of bicycles, motor craft, watercraft or aircraft or aerial device;

(g) any property belonging to a tenant, tenant's family or tenant's guest or any property owned by you but not intended for the use of any tenant;

(h) any electrical, electronic or mechanical item that:

(i) is broken;

(ii) is no longer functional;

(iii) has reached the end of its useful life; or

(iv) cannot be used for its intended purpose,

and which would:

(i) have no intrinsic value and you would not receive more than scrap value were you to attempt to sell the item; and

(ii) cost more to repair than its sale value once repaired,

immediately before the time of an incident.

(i) any property:

(i) illegally in your possession;

(ii) stored in a dangerous and illegal way; or

(iii) any equipment connected with growing or creating any illegal substance.

(j) any tools of trade or any commercial or retail trade stock; or

(k) your home or any part of your home.

## SECTION 2: COVER FOR YOUR HOME AND CONTENTS – ACCIDENTAL DAMAGE

### WHAT YOU ARE INSURED AGAINST, AND WHAT YOU ARE NOT

You are insured against malicious damage, accidental loss or damage (including the 'Specified events' listed below and including accidental, purposeful or malicious damage or theft caused by tenants, tenant's family or tenant's visitors) to your home, contents or both at the Insured Address during the period of insurance.

### SPECIFIED EVENTS

'Specified events' means loss or damage directly caused by the following events (a) to (r):

(a) fire;
(b) lightning;
(c) thunderbolt;
(d) explosion;
(e) implosion;
(f) earthquake or tsunami ('tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement);
(g) subterranean fire;
(h) volcanic eruption;
(i) impact ('impact' means a collision of two or more objects);
(j) impact by an aircraft and/or other aerial devices and/or articles dropped from them;
(k) sonic boom;
(l) theft (including attempted theft);
(m) accidental breakage of fixed glass, shower bases, basins, sinks, baths or toilets;
(n) the acts of persons taking part in riots or civil commotion or of strikes or of locked-out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising;
(o) falling objects;
(p) water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes, but there is no cover for any costs to repair or replace any part of the shower recess or shower base such as tiles, grouting, or any membrane or waterproofing if any damage is caused by, results from or arises out of any water discharging and/or overflowing and/or leaking;
(q) storm, storm surge, tempest, rainwater, flood, wind, hail, tornado, cyclone or hurricane, freeze or weight of snow;
(r) power surge, confirmed by an appropriately qualified contractor.

You are not covered for any accidental loss or damage caused by:

- tenants;
- tenant's visitors; or
- tenant's family or pets,

scratching, denting, chipping, rubbing or scuffing any surface where that is the only damage to that surface or item.

You are not covered for any chemical contamination by an illegal or controlled drug caused by your tenant, nor damage caused by your tenants' pets, other than as described below.

Whether you have selected cover for your home, contents or both is shown on your Certificate of Insurance.

There are some limits and exclusions described under 'Contents with limits', 'Claims' and 'General exclusions', which you must read.

In addition, you are insured for loss or damage to your home, contents or both at the Insured Address, caused directly by the events set out in the left column of the following table (except to the extent indicated in the right column of the table).

| You are insured against | But not |
|---|---|
| (a) Fusion of an electric motor.<br><br>Fusion is the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by an electric current.<br><br>We will pay the cost of rewinding the motor or replacing it.<br><br>For refrigerators and air conditioning units, we pay for the replacement of refrigerant gas and refrigerant dryers, only if replacement of the refrigerant gas or dryer is made necessary because of the fusion. | Motors more than 15 years old from the date of purchase when new or more than 15 years old from the date of rewinding.<br><br>The cost of repair or replacement of additional parts or service items, including worn or broken bearings or switches.<br><br>Leakage of refrigerant gas and maintenance of refrigerant dryers.<br><br>Lighting elements (for example, light bulbs or fluorescent tubes) or heating elements, solenoids, fuses or protective devices (for example a fuse or circuit breaker).<br><br>Electrical contact points where sparking or arcing occurs during ordinary use.<br><br>The cost of:<br>– retrieving, removing or replacing the pump section of pool or pressure pumps;<br>– retrieving or re-installing submerged or underground pumps or their driving motors; or<br>– hiring a replacement machine or appliance.<br><br>Repairing or replacing:<br>– motors under manufacturers' guarantee or warranty;<br>– motors forming part of equipment used for earning any income by you or your family;<br>– parts in a radio, television, computer, microwave oven, sound recording and playing equipment, amplifying or transmitting device, electronic equipment, control panels or similar device or instrument;<br>– electronic controllers or other electronics; or<br>– transformers. |
| (b) Erosion, subsidence, landslide or earth movement but only if it is directly as a result of one of the following Specified events:<br><br>(d) explosion;<br><br>(f) earthquake or tsunami;<br><br>(p) water and/or other liquid discharged; or<br><br>(q) storm, storm surge, tempest, rainwater or flood,<br><br>and it occurs no more than 72 hours after the insured event. | Any other earth movement. |

| You are insured against | But not |
|---|---|
| (c) Clean up costs following a death.<br><br>We pay the necessary and reasonable costs of cleaning up and fumigating your rental property following the death of a tenant or paying guest.<br><br>The most we will pay is up to $70,000 in total in any one period of insurance. | |
| (d) Chemical decontamination costs.<br><br>We pay the necessary and reasonable costs of decontaminating your rental property if it's unliveable due to chemical contamination as a result of any illegal or controlled drug manufacturing, distribution or storage by your tenants during the period of insurance.<br><br>We will only pay for chemical decontamination if:<br><br>(i) you are renting out your rental property under a lease agreement;<br>(ii) you or your estate agent inspect the rental property at least every six months;<br>(iii) you report the manufacturing, distribution or storage of drugs to the police as soon as you become aware of it (unless the police discover it first); and<br>(iv) an assessment, in accordance with the relevant state, territory or national government authority guidelines, confirms that chemical decontamination is required by those guidelines.<br><br>We will only pay for chemical decontamination to the level required by the applicable state, territory or national government authority guidelines.<br><br>If you are required to pay for the assessment that confirms chemical decontamination is required, we will also pay the assessment costs.<br><br>Note: See 'You must collect bond money' section for how bond money is applied to claims for loss or damage for which your tenant is responsible.<br><br>The most we will pay is up to $70,000 in total in any one period of insurance. | If we have paid you a previous claim for chemical decontamination costs in relation to the same tenants or under the same lease agreement.<br><br>If you are legally required to have a lease agreement but you don't have one.<br><br>If you or your agent conducted an inspection and a reasonable person in the circumstances would have been aware of the manufacturing, distribution or storage of drugs and you or your agent didn't report it to the police as soon as reasonably practicable. |

| You are insured against | But not |
|---|---|
| (e) Damage by tenants' pets.<br><br>We pay for damage caused by tenants' domestic pets, provided that you or your estate agent inspect the rental property at least every six months.<br><br>This cover only applies to tenants' pets and not paying guests' pets.<br><br>Note: See 'You must collect bond money' section for how bond money is applied to claims for loss or damage for which your tenant is responsible. We will also deduct from any claim, the pet bond you actually collected or, if you didn't collect one, the maximum amount you could have legally collected as a pet bond.<br><br>We pay up to $10,000 during any one period of insurance. | If you are legally required to have a lease agreement but you don't have one. |

## SECTION 3: COVER FOR YOUR LEGAL LIABILITY

### WHAT YOU ARE COVERED AGAINST

If this Policy covers your home, or, if the home is a strata titled residence and your contents are insured under this Policy, we insure you and any member of your family against any claim for compensation or expenses which you or the member of your family become legally liable to pay for:

(a) the death of, or personal injury to, any person;

(b) the loss of, or damage to, property,

resulting from an occurrence during the period of insurance, at the Insured Address.

In this section we include land, trees, shrubs and other plant life at the Insured Address as part of your home.

An 'occurrence' includes continuous or repeated exposure to substantially the same general conditions. We regard all death, personal injury or loss or damage to property arising from one original source or cause as one occurrence.

'Personal injury' means bodily injury, shock, mental anguish or mental injury.

Personal injury does not include the publication or utterance of a libel or slander, any defamation of character nor invasion or breach of privacy.

'Bodily injury' means physical bodily harm including sickness or disease, and any resultant required care, loss of services, loss of consortium or death.

### LIABILITY COVER FOR THE INSURED ADDRESS CONTINUES FOLLOWING A HOME TOTAL LOSS

If your home is a total loss as the result of an insured event and your Policy comes to an end, we will continue to provide you with this liability cover in relation to the Insured Address that your home formerly occupied until the earliest of:

- any construction commencing at the Insured Address;
- the sale of the Insured Address or any part of it;
- another policy that includes liability cover being taken out in relation to the Insured Address;
- the commencement of construction of a home to replace the insured home at another location; or
- six months from the date of the damage that caused the total loss.

### WHAT YOU ARE NOT COVERED AGAINST — LEGAL LIABILITY

**When we do not insure you or your family**

We do not insure you or your family:

(a) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos; or

(b) against fines, penalties, or punitive, aggravated, multiple or exemplary damages.

**We do not insure you or your family against liabilities arising from:**

(a) any agreement, unless liability would have attached to you or your family if that agreement did not exist;

(b) death of or personal injury to you or to any person who normally lives with you;

In this exclusion we consider that a person normally lives with you, if that person:

(i) has lived with you in your home as their primary residence for 60 days or more out of any 90 consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence; or

(ii) has lived with you in your home and intends or intended to use your home as their primary residence for 60 days or more out of any 90 consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence.

(c) death of or personal injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment;

(d) damage to property belonging to you or any person who normally lives with you or to your or their employees;

(e) any workers' compensation legislation, industrial award or agreement, or statutory accident compensation scheme;

(f) the ownership, custody, or use of any lift, aerial device or aircraft, aircraft landing area, or watercraft;

(g) the conduct of any activity carried on by you or your family for reward except for letting the home for domestic purposes or babysitting on a casual basis;

Babysitting cannot be considered to be on a casual basis where:

(i) the babysitting is not of a casual nature;

(ii) any licence or other permission is required by any government body or public authority in order to legally conduct the babysitting;

(iii) the income derived from babysitting is the primary or only source of the household's income; or

(iv) there is a registered business associated with the babysitting.

(h) vibration or the weakening of, removal of or interference with support to land, buildings or other property;

(i) building work, construction or demolition of a building, including the home if the value of the work exceeds $100,000;

(j) death or personal injury to any person arising out of pregnancy or the transmission of any communicable disease by you or your family;

(k) the ownership of land, buildings or structures other than the home insured by this Policy. If you have insured your contents only, then you are not covered for any legal liability arising from the ownership of any land, buildings or structures;

(l) loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of any member of your family, unless the action was reasonable and to prevent or reduce loss, damage or injury to property or persons;

(m) the lawful seizure, confiscation, nationalisation or requisition of the property insured;

(n) destruction of or damage to property by any government or public or local authority;

(o) the ownership or use of any motor vehicle, other than domestic garden equipment that does not require registration, at the Insured Address;

(p) any act or omission that is knowingly illegal, dishonest, fraudulent, wilful, malicious or done with reckless disregard for their consequences by you, your family or a person acting with the consent of you or your family.

### WHAT WE WILL PAY

(a) We pay up to $30,000,000 for any one occurrence.

(b) We do not pay more than this amount in total under all policies we have issued to you which cover the same liability.

(c) In addition to this amount, we pay legal costs for which we have provided prior written approval.

## SECTION 4: ADDITIONAL BENEFITS

We give you the following additional benefits. For any additional benefits to be payable, you must suffer or incur the relevant loss, liability or damage during the period of insurance.

**We pay additional benefits 1 to 6 as part of the sums insured for home or contents, depending on the type of cover you have chosen.**

### 1. FEES

If this Policy insures your home, and:

- it is damaged as a result of an event insured under this Policy; and
- your claim is accepted,

we pay any reasonable fees which we have approved and which are incurred directly in relation to repair or replacement of your home.

### 2. REMOVAL OF DEBRIS

If this Policy insures your home, and:

- it is damaged as a result of an event insured under this Policy; and
- your claim is accepted,

we pay the reasonable costs of demolition and removal of debris from the Insured Address to the nearest authorised facility.

If the damage is caused directly by a fallen tree that has, as a result of the insured event, become debris, we will remove the tree from the Insured Address. We will remove a standing tree or branch that formed part of the tree that caused the insured damage only if:

(a) the remaining tree or branch is unsafe;

(b) the remaining tree or branch only became unsafe as a direct result of the event covered under this Policy causing damage to the tree; and

(c) all necessary approvals have been obtained and removal of the tree or branch would not result in a breach of any laws, by-laws, regulations or contractual obligations.

We will remove a stump that formed part of the tree that caused the insured damage only if:

(a) all necessary approvals have been obtained and removal of the stump would not result in a breach of any laws, by-laws, regulations or contractual obligations; and

(b) not removing the stump would interfere with repairing or replacing the damaged part of the home required to settle your claim.

If this Policy insures your contents, and:

- they are damaged as a result of an event insured under this Policy; and
- your claim is accepted,

we pay the reasonable costs of removal of contents debris from the Insured Address to the nearest authorised facility.

### 3. EXTRA COSTS OF REINSTATEMENT

If this Policy insures your home, and it is damaged as a result of an event insured under this Policy, and your claim is accepted, we pay the extra costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your home at the Insured Address.

If only part of your home is damaged, we pay only the extra costs you incur in repairing that part.

We do not pay any extra costs which resulted from any notice which a statutory authority served on you before your home suffered loss or damage.

### 4. REPLACEMENT OF LOCKS AND KEYS

We pay up to $3,000 to replace or alter locks and/or keys, if:

- locks to your home are damaged; or
- keys to your home are burgled,

by someone other than the tenant or their family breaking into the home.

### 5. TREES, SHRUBS AND PLANTS

We pay up to $750 for loss or damage to any one tree, shrub or plant up to $3,000 in total in any one period of insurance caused directly by a Specified event other than (q) storm, storm surge or flood, or any other events connected to the weather or any event that is not sudden and unforeseen. We do not insure grass or lawn. We only repair or replace trees, plants or shrubs that, as a direct result of the insured event, are so damaged that they die, are permanently disfigured or not recovered after being stolen.

### 6. BUILDING MATERIALS

If this Policy insures your home, we will pay up to $5,000 in any one period of insurance if your unfixed building materials are lost or damaged at the Insured Address due to an event covered by this Policy. Cover only applies to building materials intended to be used for repairs, alterations or additions to your home at the Insured Address. We do not insure soil, sand, gravel, bark or mulch or any similar materials. We do not cover any gas or electrical appliances unless they are in a locked and fully enclosed building where those items are not visible from the outside of the building.

**We pay additional benefits 7 to 12 over and above your sum insured for home or contents, depending on the type of cover you have chosen.**

### 7. LOSS OF RENT

If the insured property is so damaged by an event insured under this Policy that it is unliveable, we pay up to:

- $50,000; or
- 20% of the sum insured for your home; or
- 20% of the sum insured for your contents,

whichever is the highest, for loss of rent or rentable value if the insured property is tenanted or is between tenants at the time the loss or damage occurred.

**Forced evacuation by government authority**

If this Policy insures your:

(a) home; or

(b) contents in a strata titled residence,

that you let to tenants, and the insured property cannot be lived in because of:

- damage to a home, strata title property, road or street caused by an event that is covered by this Policy;
- a burst water main;
- a bomb threat or bomb damage;
- a riot;
- a lift malfunction at the Insured Address (and your tenant has a medical certificate stating that they must use a lift); or
- emergency services or a government authority refuse access to your insured property, or evacuate the insured property for safety reasons due to the immediate threat of physical damage to your insured property caused by an event covered by this Policy,

we pay any resultant rent lost. We pay up to a maximum of 20% of the sum insured for your home or contents for loss of rent or rentable value if the home is tenanted or is between tenants at the time the loss or damage occurred.

We do not cover loss due to cancellation of a lease or agreement including if a tenant decides to leave without giving proper notice.

Under this additional benefit 7, we do not pay for:

- loss of rent if the home has been untenanted for 100 consecutive days immediately before the loss occurred;
- any rent lost outside the period the home is unable to be tenanted, except for up to an additional two weeks to re-let the home from the time the home is able to be lived in again; or
- any rent lost later than 24 months after the damage occurs.

### 8. AUTOMATIC REINSTATEMENT OF SUM INSURED

This benefit applies to the sums insured for home and unspecified contents as shown on your Certificate of Insurance.

Following payment of a claim, other than for a total loss claim, your sum(s) insured will remain unchanged unless you request otherwise.

### 9. INFLATION ADJUSTMENT

This benefit only applies to the home and contents sums insured as shown on your Certificate of Insurance.

During each period of insurance we increase the home and contents sums insured by 0.5 of 1% of the relevant sum insured shown on your current Certificate of Insurance per month until the next renewal date.

### 10. LEGAL COSTS OF DISCHARGING A MORTGAGE

If this Policy insures your home, we pay the reasonable legal and administrative costs incurred in discharging your mortgage following settlement of a claim for total loss.

### 11. LOCATION COSTS DUE TO SPECIFIED EVENT (P) WATER AND/OR OTHER LIQUID DISCHARGED

If this Policy insures your home and we pay for damage caused by liquid escaping from any fixed basin, or other fixed apparatus, fixed tanks, or fixed pipes used to hold or carry liquid, we will also pay the reasonable costs of locating the cause of the damage, and of reinstating the property damaged or disturbed in the course of work.

We do not pay for repair or replacement of the apparatus, tank or pipe itself.

### 12. ENVIRONMENTAL UPGRADE BENEFIT

**If this Policy insures your home**

If your home is assessed as a total loss as the result of an insured event, and we rebuild your home, we will pay up to a maximum of $5,000 of the cost to you, after the deduction of any rebate to which you are entitled under any government or council scheme to install any of the following:

- rainwater tank;
- solar power system (including solar hot water heating system or photo-voltaic electricity system);
- hot water heat exchange system; or
- grey water recycling system.

A rainwater tank includes the tank and necessary pump, wiring, foundations, stand, pipes and installation costs.

A solar power system includes any photo-voltaic or solar panels and necessary water tank, pump, wiring, supporting framework, inverter, electricity meter, ducting, pipes and installation costs.

A hot water heat exchange system includes the heat exchange system and necessary wiring, stand, pipes and installation costs.

A grey water recycling system includes the recycling system, wiring, pipes and installation costs.

**If this Policy insures your contents**

If a claim has been accepted for one of the following items:

- refrigerator;
- freezer;
- washing machine (but not clothes dryer); or
- dishwasher,

it is a total loss, and it had an energy star rating of less than three stars, then we will replace the item with an equivalent item that has an energy rating of at least three stars.

If a claim has been accepted for a clothes dryer, it is a total loss, and it had an energy star rating of less than two stars, then we will replace the item with an equivalent item that has an energy rating of at least two stars.

## SECTION 5: RENT DEFAULT BY TENANT OPTION

### RENT DEFAULT BY TENANT OPTION FOR AN ADDITIONAL PREMIUM

The 'Rent default by tenant option' may be obtained on application, and for an additional premium (subject to our agreement).

Whether we agree to provide the option will depend on our underwriting rules and processes at the time.

If you have selected and paid for this rent default option, it will be shown on your Certificate of Insurance.

### WHAT YOU ARE INSURED AGAINST

#### (A) RENT DEFAULT

Rent default means your tenant fails to pay rent in accordance with the lease agreement.

We will pay your rent lost by reason of rent default if your tenant:

- absconds from your rental property before the end of the tenancy period stated in the lease agreement and does not give you or your agent notice;
- ceases to pay rent owed to you or your agent; or
- is legally evicted from your rental property.

#### (B) DEATH, MURDER OR SUICIDE AT THE INSURED ADDRESS

We will pay your rent lost because your rental property could not be lived in as a result of:

- death of the tenant; or
- suicide, murder or attempted murder,

at the Insured Address.

#### (C) FAILURE OF A TENANT TO GIVE VACANT POSSESSION

We will pay your rent lost where your tenant refuses to pay rent and also refuses to vacate the rental property after an order for eviction or possession has been served on them by a legal authority such as a bailiff, court or tribunal.

#### (D) RELEASE FROM LEASE OBLIGATION DUE TO HARDSHIP OR FAMILY DOMESTIC VIOLENCE

We will pay your rent lost because a court or tribunal has released your tenant from their obligation to pay rent due to hardship or family domestic violence.

### WHAT WE WILL PAY

For all events (A) to (D), the most we will pay is the lesser of:

- the actual weekly amount for which your home is rented in accordance with the lease agreement; or
- the weekly rent amount shown on your Certificate of Insurance.

The maximum amount that we will pay for event (A) or (B) is $1,200 per week up to a maximum of the lesser of:

- a total of $20,000; or
- 20 weeks' rent.

For example, if the rent lost is $1,500 per week over 17 weeks, we will pay no more than $20,000 (17 weeks x $1,200 = $20,400 so the $20,000 limit applies). If the rent lost is $250 per week, we will pay no more than 20 weeks rent (total lost rent of $5,000).

For event (A), where there is a periodic tenancy, or a tenancy at will, we will only pay the actual rent lost in accordance with the lease agreement. We do not pay any amount for any period where there was no liability to pay rent under the lease agreement by the tenant or ex-tenant.

We will not pay for any rent lost:

- once your rental property is re-tenanted; or
- for more than two weeks after the tenant vacates the rental property following a 'Notice to Leave' being served on the tenant, if the rental property is in a fit state to be lived in by a tenant.

For event (C), the maximum amount that we will pay is $1,200 per week up to a maximum of the lesser of:

- a total of $28,000; or
- 28 weeks rent.

For event (D), the maximum amount that we will pay is $1,200 per week up to a maximum of the lesser of:

- a total of $6,000; or
- six weeks rent.

We do not pay for any bond money that the court or tribunal awards to the tenant on the grounds of hardship.

If more than one event (A) to (D) occurs, we will pay for only one event. We will pay the event that pays the highest amount.

### LEGAL COSTS WE PAY WHEN YOU MAKE A CLAIM FOR RENT DEFAULT

We will also pay legal costs you incur:

- to legally evict tenants;
- to recover amounts owed to you by your tenants; or
- to otherwise mitigate a loss under this rent default option.

We will not pay legal costs to recover any amount owed to you solely for the payment or recovery of any excess applicable to any claim under this Policy.

The most we will pay for your legal costs is $6,000. We will only pay your legal costs if they are incurred with our prior written consent.

### RELETTING COSTS IN EXCESS OF THE BOND MONEY IF WE PAY A CLAIM UNDER EVENT (D)

If we pay a claim under event (D) we will also pay for reletting costs that exceed the available bond money up to $500 during any one period of insurance. We will only pay if the bond money is not legally available for you to claim against due to legislation or a court or tribunal order that results from tenant hardship or family domestic violence.

### REMOVAL OF TENANTS' PROPERTY IN EXCESS OF THE BOND MONEY IF WE PAY A CLAIM UNDER EVENT (D)

If we pay a claim under event (D) we will also pay for the removal and storage (in accordance with the *Residential Tenancies Act* or similar) of the tenant's property if the tenant vacates the property as a result of family domestic violence, up to $500 during any one period of insurance. We will only pay if the bond money is not legally available for you to claim against due to legislation or a court or tribunal order that results from family domestic violence.

### OTHER CONDITIONS APPLICABLE TO THE 'RENT DEFAULT BY TENANT OPTION'

We will only pay when you and your tenant have a valid lease agreement. We will only pay for rent default if the tenant breaches the lease agreement.

This cover is not available and we will not pay under this option for a short-term rental or casually let holiday home.

We will not pay you for any rent default events (A) to (D), if the rent is in arrears on or before the commencement of the period of insurance or when you select this 'Rent default by tenant option'. Cover for this rent default option will not commence until any rent arrears have been paid in full, and the tenant has paid rent in accordance with the lease agreement for a period of not less than four consecutive weeks.

Any claim for a rent default event (A) to (D) and/or associated legal costs will be reduced by the balance of any bond money that you can legally use to reduce or pay for any loss or damage after you have deducted any other expenses that you are legally entitled to deduct from the bond money such as clean up costs, rent owing or re-letting expenses.

If a tribunal orders the refund of the bond money to the tenant, on the grounds of hardship, an excess equal to four weeks rent will apply to your claim.

We will only pay a claim when you have taken all reasonable steps legally available to you under the *Residential Tenancies Act* or similar legislation or any other legal avenue available to you to mitigate any loss and evict the tenant.

We will not pay any lost rent if you have failed to rectify a 'Notice of Remedy' breach, issued by the tenant to you or your agent.

## SECTION 6: ADDITIONAL LOSS OF RENT OPTIONS

Under Section 4, 'Additional benefit 7 – Loss of rent', you are insured for the rent lost up to a maximum of the greater of $50,000 or 20% of your home or contents sum insured, if your insured property is so damaged by an event insured by the Policy that it is unliveable.

Under this Section 6, you can nominate a higher maximum annual dollar amount for 'Loss of rent' if the limit in 'Additional benefit 7' is inadequate. You can nominate higher amounts in multiples of $25,000. For example, $75,000 or $100,000.

If you select and pay for an optional increased 'Loss of rent' under this section, it will be shown on your Certificate of Insurance.

## SECTION 7: SHORT-TERM RENTAL OR CASUALLY LET HOLIDAY HOME COVER

This cover is only applicable to your Policy where your Certificate of Insurance shows the occupation of the property as 'Landlords – Short-term rental' or 'Landlords – Holiday home – Short-term rental (including casually let holiday home)'. Where you have selected the occupation of the insured property as 'Landlords – Short-term rental' or 'Landlords – Holiday home – Short-term rental (including casually let holiday home)' and it is shown on your Certificate of Insurance, then:

- under your contents, we will also insure computer game consoles that are designed to be played via a television display and the console's games and accessories up to a maximum of $800 in total;
- there is no requirement to have a lease agreement (that is compliant with the *Residential Tenancies Act* or similar);
- the unoccupancy condition does not apply to this Policy;
- 'Additional benefit 7 – Loss of rent' is payable even if the home has been untenanted for a period in excess of 100 days before the loss;
- the maximum loss of rent payable is limited to a period of up to a maximum 12 months instead of 24 months; and
- the Policy will not operate on the basis that four weeks bond has been collected, but any security bond, booking fee or deposit will be applied first to any claim that is caused by your paying guest.

### CONDITIONS APPLYING TO THIS SECTION

You must collect a reasonable security bond, a booking fee or deposit to be applied against any loss of rent or damage to the property by your paying guest.

'Section 5: Rent default by tenant option' is not available and we will not pay under this 'Short-term rental or casually let holiday home cover'.

We will not insure you under this cover if you were legally required to have had a lease in place (that should have complied with the *Residential Tenancies Act* or similar) but you did not enter into such an agreement.

## SECTION 8: EXCESSES

### WHAT YOU MUST PAY IF YOU MAKE A CLAIM

An excess is the amount which you may have to pay each time you make a claim.

The excess will be applied to each separate incident whether or not the separate incidents are submitted at the same time or on the same claim form. However, where multiple separate identifiable incidents occur and the claims are submitted simultaneously the total maximum number of excesses applicable will be two, for example, if you have a $1,000 excess and three separate incidents are discovered, a $2,000 excess would apply (2 x $1,000).

We deduct the excess shown in the Policy or on the current Certificate of Insurance from the amount of your claim.

Where a maximum limit is applicable under 'Contents with limits', the excess will be applied to the claim prior to applying the maximum limit. For example, if a painting worth $23,000 was stolen from the home (by someone unknown to you) and it has not been specified, the $20,000 per item work of art/picture maximum limit would apply. If a $1,000 excess was applicable, this would be applied to the $23,000 claim, rather than the $20,000 maximum limit. Therefore, $20,000 would be payable.

If the painting had been specified for $23,000, we would pay $22,000 – the $23,000 claim less the $1,000 excess. If the painting was worth only $2,000, we would pay $1,000 - $2,000 less the $1,000 excess.

All damage caused by earthquake or tsunami, occurring within seven days of the first damage occurring, will be regarded as damage resulting from one incident. If any earthquake or tsunami damage occurs after that, each subsequent seven day period in which damage occurs will be regarded as a separate incident. An excess applies for each incident.

An additional imposed excess may apply. If this amount is payable, it will be shown on your Certificate of Insurance.

**Unoccupied Property Excess**

This excess applies when:

- you do not tell us that your property will be unoccupied for more than 100 consecutive days; and
- you make a claim for an incident that occurs more than 100 days after your property was first unoccupied.

A different excess applies for each of the following periods when your property is unoccupied:

- 101 - 365 days;
- 366 days or more.

This excess is payable in addition to the home and/or contents excess and any other excesses that may apply.

This excess is not applicable when you make a claim for damage caused by the following Specified events:

(b) lightning;
(f) earthquake or tsunami;
(i) impact;
(j) impact by an aircraft and/or other aerial devices;
(n) riot or civil commotion; or
(o) falling objects.

| Excess Type | Amount |
|---|---|
| Unoccupied Property Excess 101-365 days | $1,500 |
| Unoccupied Property Excess 366 days or more | $4,500 |

This excess is payable in addition to the home and/or contents excess and any other excesses that may apply when you have not advised us that the property is to be unoccupied for this period.

**Unoccupied Property Excess for Agreed Period**

This excess applies when:

- you've told us about, and we've agreed to cover you for, a period when your property is unoccupied for more than 100 consecutive days; and
- you make a claim for an incident that occurs more than 100 days after your property was first unoccupied.

This excess is payable in addition to the home and/or contents excess and any other excesses that may apply.

This excess is not applicable when you make a claim for damage caused by the following Specified events:

(b) lightning;

(f) earthquake or tsunami;

(i) impact;

(j) impact by an aircraft and/or other aerial devices;

(n) riot or civil commotion; or

(o) falling objects.

## SECTION 9: GENERAL EXCLUSIONS

### INTENTIONAL, RECKLESS OR FRAUDULENT ACTS

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability, that is caused by, or arises from or in connection with, any intentional, reckless or fraudulent acts or omissions by:

- you;
- anyone acting with your express or implied consent; or
- anyone who owns the home or contents insured under this Policy to any extent.

### ILLEGAL ACTIVITY

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability, that is caused by, or arises from or in connection with, any illegal activity you are involved in, including but not limited to:

- you illegally keeping explosives, flammable or combustible substances at the Insured Address;
- hazardous materials if they are not stored, used or disposed of legally and in accordance with the manufacturer's directions;
- weapons, firearms and ammunition if they are not stored and used legally; or
- the illegal supply of drugs or alcohol.

We will not cover your property if:

- it is rented out as a short-term rental or casually let holiday home and this is not in accordance with laws such as those relating to local government, council or any authority's zoning or land usage requirements, or the by-laws or constitution of a strata body corporate, as applicable; or
- you are aware or should reasonably be aware, that the use of the rental property or any part of the rental property is not in accordance with laws such as those relating to local government, council or any authority's zoning or land usage requirements, or the by-laws or constitution of a strata body corporate.

### REASONABLE ACTIONS AND PRECAUTIONS

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability, to the extent that it is caused by or arises from you:

- not taking reasonable care to protect and maintain the insured property;
- not taking reasonable steps to minimise the cost of any claim under your Policy; or
- not complying with all laws relating to the safety of a person or property.

### CONDITION OF YOUR RENTAL PROPERTY

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability caused by or arising from:

- your failure to fix:
  - a defect;
  - a structural fault;
  - a design fault; or
  - faulty workmanship,

  as soon as is reasonable after you become aware of it, or a reasonable person in the circumstances would have become aware of it;
- your failure to fix damage that existed prior to the incident or occurrence as soon as is reasonable after you become aware of the damage, or a reasonable person in the circumstances would have become aware of it; or

- your rental property not being structurally sound, watertight, secure, well maintained and in a good state of repair, for example where:
  - gutters overflow and cause water damage due to a build-up of leaves or other debris; or
  - wind, rain or hail entering the home due to part of the roof being rusted through.

However, this 'Condition of your rental property' exclusion applies only to the extent that the relevant claim or loss, damage, injury or death, cost or legal liability is caused by, arises from or is made worse by one or more of the above circumstances, and you knew or a reasonable person in the circumstances would have known that the relevant condition of the rental property may cause, give rise to or make worse the claim or loss, damage, injury or death, cost or legal liability.

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability caused by or arising from renovations, alterations, additions or repairs undertaken or authorised by you, where you were aware or a reasonable person in the circumstances would have been aware that the work did not comply with building laws or regulations and, for a strata lot owner, any strata by-laws or constitution of a strata body corporate.

There is no cover under any section of your Policy for any:

- wear, tear, depreciation, rust, oxidisation, corrosion, fading;

  For example, worn carpets or scratched floors in high traffic areas, faded curtains due to sunlight, or scratches in a kitchen benchtop that would be expected from normal use.
- defect, structural fault, design fault or faulty workmanship;
- rising damp, seepage, mould, mildew, rot;
- gradual deterioration due to action of light, air, sand, sea salt, water, or atmospheric or climatic conditions;

  For example, the gradual weathering of brick, mortar or concrete or the breakdown of grouting or tile adhesive over time.
- damage caused by storm, storm surge, rainwater, flood or wind to retaining walls, gates and fences that you were aware, or a reasonable person in the circumstances would have been aware, were:
  - in a poor or damaged condition before the incident; or
  - installed or constructed incorrectly.
- damage caused by water, rain, wind, hail or debris entering your buildings through an opening in any part of your home made for the purpose of alterations, additions, renovations or repairs;
- damage caused by water or wind to external paintwork, treated surfaces or finishes where that's the only damage that occurs to that part of the home; or
- cost of removing residue deposited by wind and/or rain on your home, such as dust or sand.

There is no cover for any costs to repair or replace any part of a shower recess or shower base such as tiles, grouting, or any membrane or waterproofing if any damage is caused by, results from or arises out of any water discharging and/or overflowing and/or leaking.

### CONSTRUCTION WORKS

There is no cover under any section of your Policy for any claim, loss, cost, damage, injury, death or legal liability, that is caused by or arises from buildings under construction or undergoing renovations, alterations, additions or repairs that:

- involve removal of any part of the roof or an external wall; or
- impact the structure of a building such as removing or changing supporting walls, underpinning, foundations or piers.

If you are removing the roof (except if the roof is fully reinstated within 24 hours of the commencement of its removal), or removing or changing supporting walls, underpinning, foundations or piers in a residential building at the Insured Address, we will cancel your Policy and return any unused premium to you.

### LOSS OR DAMAGE INDIRECTLY RELATED TO YOUR CLAIM

This Policy only covers claims, losses and costs directly related to damage from an insured event (such as the costs of repair or replacement) unless additional cover is specifically stated. Any other claims, losses and costs that are not directly related to damage from an insured event are not covered, such as but not limited to:

- any decrease in the value of your land or, if you are a strata lot owner, any decrease in the value of your strata lot or your share in relation to company title;
- any diminished value of your property after it's been repaired;
- any intangible losses including intellectual or sentimental value;
- the cost of hiring a replacement machine or appliance;
- loss of income (except for loss of rent from your rental property), loss of profits, or costs arising from any business interruption;
- medical expenses; or
- compensation for your stress or anxiety, inconvenience or loss of time.

See 'Additional benefits' relating to loss of rent that may be covered under your Policy.

However, if the claim is covered under 'Section 3: Cover for your legal liability', and you are ordered by a court or required by a settlement made in accordance with this Policy to pay for a third party's indirect losses, we will cover those indirect losses.

### COMMERCIAL MANAGEMENT

We do not cover properties managed by or used as hotels, motels, resorts, inns, commercially operated serviced apartments or similar venues for accommodation.

### OTHER LOSS OR DAMAGE

There is no cover under any section of your Policy for any claim, loss, damage, cost, injury, death or legal liability, that is caused by or arises from:

- an event occurring outside the period of insurance;
- any neglect, poor housekeeping or untidy, unclean or unhygienic living habits such as:
  - odours including from pets, cigarettes or other smoking items;
  - liquid or food stains that have gradually built up over time; or
  - water damage to carpets, flooring or cabinets due to splashing from baths, showers or sinks,

  however we will cover your legal liability caused by any of the above three points;
- any party, function or other event at the rental property while it's being rented out as a short-term rental or casually let holiday home where there are more than 20 people in attendance at any one time, where such an event is not prohibited in the short-term rental agreement or where you permit it;
- action of the sea;
- earth movement except where it occurs within 72 hours of, and as a direct result of, the following Specified events:

  (d) explosion;

  (f) earthquake or tsunami;

  (p) water and/or other liquid discharged; or

  (q) storm, storm surge, tempest, rainwater or flood.
- hydrostatic pressure;

  For example, if you empty your swimming pool or spa, the pressure exerted on it by water in the surrounding ground due to heavy rain, can cause it to move, warp or lift out of the ground.
- mechanical, electronic or electrical breakdown other than as described under the event 'Fusion of an electric motor', as the result of a lightning strike under Specified event (b), or as the result of power surge to domestic appliances under Specified event (r), however, we will cover resultant damage to the extent it's covered under the Specified event (a) fire (under 'Section 2: Cover for your home and contents – Accidental damage');

- insects, vermin or rodents, however, we will cover resultant damage to the extent it's covered under the Specified events (a) fire or (p) water and/or other liquid discharged (under 'Section 2: Cover for your home and contents – Accidental damage');

  For example, we will cover damage caused by (a) fire due to a rat chewing through an electrical wire.
- any gnawing, biting, chewing, pecking, clawing, scratching or in any way soiling or polluting:
  - your contents outside the home;
  - any exterior part of your home; or
  - within the roof cavity or an enclosed crawl space or storage cage.
- roots of trees, plants or shrubs, however, we will cover resultant damage to the extent it's covered under the Specified event (p) water and/or other liquid discharged (under 'Section 2: Cover for your home and contents – Accidental damage');

  For example, we will cover damage due to (p) water escaping from pipes damaged by tree roots.
- a process of cleaning by you:
  - using any chemicals other than domestic household chemicals (domestic household chemicals include products that can be purchased from a supermarket or department store); or
  - where domestic household chemicals have been used but not in accordance with the manufacturer's directions for use.
- cancellation of a booking by you or a prospective paying guest under a short-term rental or casually let holiday home except where the cancellation is due to the property becoming unliveable because of damage caused by an insured incident, or where loss of rent is covered under the additional benefit 'Loss of rent' due to forced evacuation by government authority;

  See 'When we pay a loss of rent claim for a short-term rental or casually let holiday home'.
- or in connection with any contagious or communicable disease;
- or in connection with:
  - an unauthorised or malicious act, software, coding or instructions;
  - a threat, hoax, scam or fraud;
  - programming or operator error; or
  - outage,

  affecting the use, integrity, security, operation, storage of, or access to, data, information, a computer, system, device, appliance, equipment, software, hardware, back-up facility or a component of or attachment to any of these, regardless of time or place.

  Examples of what are not covered under your Policy:
  - loss, damage, destruction, distortion, erasure, corruption or alteration of, or loss of access to, or interference with, data on a computer or access to an internet service, due to malicious software or a cyber-attack, including but not limited to viruses, worms, Trojan Horses, back doors, logic bombs, trap doors, denials of service, ransomware or any computer hacking;
  - unauthorised access to or copying of personal information via the internet or mobile phone network;
  - unauthorised access to, or interference with the operation of, an appliance or device via the internet, Wi-Fi or Bluetooth; or
  - unauthorised access to your computer or device provided by means of a scam, or connection of a storage or other device affected by malicious software.

  However, you will still have cover for physical damage to your property insured under your Policy caused by a Specified event such as fire.
- fees payable in relation to:
  - repairing or rebuilding any part of your home where you were aware or a reasonable person in the circumstances would have been aware that they were illegally constructed (you will be considered 'aware' if the illegal construction has been identified in any report received by you or as a result of any enquiries made by you, for example during the course of the purchase or conveyance of the property); or
  - a notice served on you by a statutory authority before the incident took place.

- or in connection with, any aerial device or aircraft including kites or model aircraft or drones being used by you; or
- changes in a right, title or interest in your property, for example due to a transfer, agreement or adverse possession.

There is no cover under any section of your Policy for any:

- end-of-lease expenses such as cleaning, removal of tenants' property, re-letting expenses or removal of rubbish;
- damage covered under a manufacturer's or a supplier's guarantee or warranty (whether express or implied by law);
- damage to your property while it's being cleaned, repaired, restored or altered by your estate agent or contractor;
- damage to glass that is designed to be exposed to heat, in the ordinary course of its use including glass in:
  - fireplaces and heaters; or
  - oven doors, stove tops or other cooking surfaces.
- damage to an item designed to be exposed to or generate heat, caused in the ordinary course of its use, such as a fireplace, a clothes iron or a cooking or heating appliance, where that's the only damage that occurs.

### OPERATION OF LAW, WAR, NUCLEAR MATERIAL OR TERRORISM

There is no cover under any section of your Policy for any claims, loss, cost, damage, injury, death or legal liability, that is caused by, or arises from or in connection with:

- compulsory acquisition, lawful seizure, confiscation, nationalisation, requisition, repossession or other similar operation of law;
- invasion, acts of foreign enemies, hostilities, war or war-like operations (whether war be declared or not), or civil war;
- mutiny, civil commotion assuming the proportions of, or amounting to, a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power;
- a nuclear weapon, the use, existence or escape of nuclear fuel, waste, radiation or material, or nuclear fission or fusion; or
- any act of terrorism involving biological, chemical, nuclear or radioactive pollution, contamination or explosion.

### SANCTIONS LIMITATION AND EXCLUSION

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

### LAWS IMPACTING COVER

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is unlawful for us to do so.

### MULTIPLE CAUSES

Where loss, damage, injury or death has two or more causes and at least one of those causes is excluded by this Policy, we will not provide any cover, pay any claim or provide any benefit under this Policy.

## SECTION 10: GENERAL CONDITIONS

There are conditions set out in this 'General conditions' section, in the 'Claims' section and under each particular cover and section. If any of these conditions aren't met, we may refuse a claim, reduce the amount we pay or in some circumstances we may cancel your Policy. When making a claim, you must have met and then continue to comply with the conditions of your Policy. Any person covered by your Policy, or claiming under it, must also comply with these conditions.

If you, or someone covered under your Policy, don't meet these conditions or make a fraudulent claim we may:

- refuse to pay your claim or reduce what we pay for your claim; and/or
- cancel your Policy.

### ASSISTANCE AND CO-OPERATION

You must provide reasonable assistance to us, including:

- being truthful and frank at all times;
- providing us with relevant information and documents we ask for, such as proof of purchase or repair quotes, if needed;
- telling us as soon as reasonably practicable if you've been contacted by someone about an incident, such as another insurer or a third party's lawyer;
- attending one or more interviews about the claim if we ask you to;
- appearing in court, giving evidence or providing a formal statement, if needed;
- making your property available for us to inspect or examine; and
- responding to our requests as soon as reasonably practicable.

If you don't cooperate in any of these ways, it may delay your claim, or we may reduce or refuse to pay your claim.

At all times you must refrain from behaving in a way that's improper, hostile or threatening towards us, our representatives, our suppliers or third parties involved in an incident. Such behaviour may result in our not inviting you to renew your Policy when it expires.

### TELL US WHEN THESE THINGS CHANGE

You must tell us as soon as reasonably practicable if any of the information on your Certificate of Insurance is incorrect or has changed.

| Things you must tell us | If you have home cover | If you have contents cover |
|---|---|---|
| You sell the home or home unit. | ✓ | ✓ |
| You're planning construction work including renovations, alterations, additions or repairs at the Insured Address. | ✓ | ✓ |
| Your home will be unoccupied for any period longer than 100 consecutive days. | ✓ | ✓ |
| The occupancy of your home changes, for example, you plan to move into and live in the home, or you stop renting out the property under a lease agreement and start to rent it out as a short-term rental or casually let holiday home. | ✓ | ✓ |
| You start operating a business or generating a regular income (other than residential rental income) at the Insured Address. | ✓ | ✓ |
| You add or change mortgage lenders. | ✓ | ✗ |

| Things you must tell us | If you have home cover | If you have contents cover |
|---|---|---|
| You want to increase your sum(s) insured. | ✓ | ✓ |
| You want to add specified contents or increase any specified limit. | ✗ | ✓ |

If you don't tell us, we may reduce or refuse to pay a claim.

When you tell us about something that has changed or request a change to your Policy, we will assess the change to the risk in accordance with our underwriting rules and processes.

### CHANGES TO YOUR COVER

If you request any change to cover (e.g. you choose to add an optional cover or you increase your sum(s) insured) or the occupancy changes e.g. you stop renting out the property under a lease agreement and start to rent it out as a short-term rental or casually let holiday home (or the other way around) then, if we agree to the change, we will issue a new Certificate of Insurance and ask you for any additional premium. If an additional premium is required, the change will only be effective when:

- if you're paying in instalments by direct debit, any remaining instalments have been adjusted to reflect the additional premium; or
- you have paid the additional premium by the due date we give to you.

If you don't pay the additional premium by the due date then we will make reasonable efforts to contact you using the latest contact details you provided us. If we don't receive payment of the additional premium owed, the change will not be effective and we will confirm this by issuing a replacement Certificate of Insurance.

If you request any change to your cover and we don't agree to the change, then we will let you know and the Policy will continue unchanged.

### CHANGES TO YOUR CIRCUMSTANCES

Contact us to discuss potential changes in circumstances when you know the details of the timing and nature of the changes before they happen, to find out in advance whether we will be able to continue to insure your home and/or contents.

If you tell us about any of the following changes then we will cancel your Policy and refund any unused portion of the premium:

- you are removing the roof (except if the roof is fully reinstated within 24 hours of the commencement of its removal), or removing or changing supporting walls, underpinning, foundations or piers in a residential building at the Insured Address;
- you start operating a business, or generating a regular income (other than residential rental income) at the Insured Address; or
- the occupancy of your rental property changes, for example you decide to stop renting it out and move into it yourself.

If you tell us about a change in mortgage lender we will note them on the Certificate of Insurance.

If you tell us about any other change, for example if your rental property is going to be unoccupied for more than 100 consecutive days, we will consider it under our underwriting rules and processes at the time.

### INTERESTS IN THE POLICY

You must not transfer any interests in your Policy without our written consent.

Any person whose interests you've told us about and we've noted on your Certificate of Insurance is bound by the terms of your Policy in relation to any claim they make.

If you have used all or part of your home or contents as security for a loan from a lender, we may pay the lender all or part of the payment made when settling your claim. For more information, see 'Lender's rights'.

### YOU MUST COLLECT BOND MONEY

If loss or damage to your home or contents is caused by your tenant, or you claim for rent default, the bond money will be used to mitigate your loss. If bond money has not been collected or if you have returned bond money to the tenant that could have been used to mitigate any loss, then we will reduce any amount that we pay by the amount that we are prejudiced. This Policy will operate and all claims will be paid on the basis that at least four weeks' rent has been paid as bond money.

### IF YOU EVER USE THE HOME AS A HOLIDAY HOME

This Policy is issued on the basis that you let it to tenants and it is not used as a holiday home unless you have told us it is a short-term rental or casually let holiday home and it appears on your Certificate of Insurance.

If you use the home as a holiday home, you must tell us.

You must collect a reasonable security bond, a booking fee or deposit to be applied against any loss of rent or damage to the property by your paying guest.

### UNOCCUPANCY

If your home is unoccupied for more than 100 consecutive days, you must tell us.

If we agree to continue your cover, we will advise you in writing and we may impose conditions or exclusions.

Our agreement will take the form of an endorsement. We will send you a Certificate of Insurance to confirm your Policy has been extended to insure you for a greater period of time.

If you do not tell us that your property has or will be unoccupied for a period in excess of 100 consecutive days, and obtained our prior written agreement, an additional excess will apply. Refer to the 'Excesses' section.

This unoccupancy clause does not apply where your Certificate of Insurance shows the occupation of the property as 'Landlords – Short-term rental' or 'Landlords – Holiday home – Short-term rental (including casually let holiday home)'.

## SECTION 11: CLAIMS

This section describes what you must do, as well as conditions that apply when you make a claim and at the time loss or damage occurs which is likely to give rise to a claim.

### WHAT YOU MUST DO AFTER AN INCIDENT

If an event happens which may give rise to a claim you must:

- take all reasonable precautions to prevent further loss, damage or liability;
- notify the police as soon as reasonably practicable if any of your property is lost, stolen, or maliciously or intentionally damaged and provide details of the report to us. We may need the police report number to process your claim or our recovery action if there is a third party who is liable for your loss;
- tell us or your financial services provider as soon as reasonably practicable. You will be provided with a claim form and advice on the procedure to follow;
- supply us with all relevant information we reasonably require to settle or defend the claim; and
- notify us of any other insurance covering the same loss, damage or liability.

In an emergency outside normal business hours you may ring our emergency service on **1300 265 735** for assistance.

If in doubt at any time, ring us or your financial services provider for advice.

### WHAT YOU MUST NOT DO AFTER AN INCIDENT

We reserve the right to reduce your claim payment if your actions after an incident increases the loss or liability. If your actions prevent us from recovering a claim payment from another person who would be liable to you for a loss or liability that you suffer, then we may refuse to pay your claim. To avoid your claim being delayed, reduced or refused you must not:

- admit fault or liability, except in a court or to police. Call us if you would like guidance;
- offer or negotiate to settle a claim against you;
- unnecessarily delay notifying us of the incident;
- enter into any agreement with anyone else which could limit the amount that could be recovered from them;
- agree not to seek compensation from any person liable to compensate you;
- authorise repairs to or arrange replacement of any of the property insured in connection with any claim without our consent (which will not be unreasonably withheld), other than emergency repairs necessary to prevent further loss. If your claim is accepted, we will pay for these repairs, but you must retain all receipts; and
- dispose of damaged items unless we've first agreed to this. This is so we can establish the cause or extent of the damage to quickly and accurately assess your claim. Call us if you would like guidance including where there is hazardous material present.

### HOW WE SETTLE YOUR CLAIM

We only pay once for loss or damage caused by the same event covered by this Policy even if that loss or damage is covered under more than one section of the Policy.

## HOW WE SETTLE HOME CLAIMS

We'll normally pay our supplier the necessary and reasonable cost to repair, replace or rebuild the damaged parts of the home to a condition substantially the same as, but not better than, when new. Where this happens, you'll receive our 'Guarantee on home repairs'.

**If you don't use our supplier**

We will pay you the reasonable cost to repair, replace or rebuild the damaged parts of your home to a condition substantially the same as but not better than when new if, for example:

- you decide to:
  - rebuild to a better standard; or
  - sell the land at the Insured Address; and/or
  - rebuild elsewhere.
- if it's not practical for us to repair, replace or rebuild your home due to the age, Policy limit, inadequate sum insured, construction or condition of your home or if materials needed for repairs are not readily available; or
- if you choose to go with a supplier (which includes a repairer or builder) of your choice.

To assess the cost of the necessary work required to repair, replace or rebuild the damaged parts of your home we will, where possible, obtain a scope of works and a quote from our supplier. If you agree with this, we will then pay you the amount quoted by our supplier.

If you're not happy with the amount quoted by our supplier, or if we're unable to obtain a scope of works from our supplier, we'll ask you to provide us with a fully itemised scope of works and quote from a supplier of your choice for us to consider. We'll review these to ensure they cover the necessary work and are within market rates. To determine this, we'll consider the following:

- our supplier's scope of works and quote (if we were able to obtain it);
- our own data and experience with similar repairs, replacements or rebuilding;
- third party cost estimation sources; and
- your circumstances, including the location and attributes of your home.

Following our review, we'll do one of the following:

- If we believe your supplier's scope of works and quote cover the necessary work and are within market rates, we'll pay you the amount quoted by them.
- If we believe your supplier's scope of works either omits or overstates aspects of the work required or their quote is significantly above market rates, we'll discuss this with you and/or them and seek agreement on the scope of works and quote, and:
  - if we come to an agreement with you or your supplier, we'll pay you the amount agreed; or
  - if we're still unable to agree with you on the amount we'll pay you, we'll attempt to obtain a scope of works, quote or report (as required) from an alternative supplier we both agree on, and we'll review these together with you to arrive at a final scope of works and quote. If we're able to come to an agreement, we'll pay you the amount quoted by them; or
  - if we're unable to agree on an alternative supplier, we believe the alternative supplier's scope of works either omits or overstates key aspects of the work required, or we believe their quote is significantly above market rates, we'll refer you to our complaints process.

When we pay you the reasonable cost to repair, replace or rebuild the damaged parts of your home, you will not be eligible for our 'Guarantee on home repairs' because we won't have appointed the supplier or managed the works.

If your home sum insured is inadequate, we will only pay up to the sum insured or any applicable standard Policy limits.

**Building costs**

Whether we arrange the repairs, replacement or rebuilding or pay you the cost to complete the repairs, replacement or rebuilding we'll also pay the necessary and reasonable costs as part of your home sum insured:

- to temporarily protect your Insured Address (this includes preventing access to limit the risk of theft, weather damage and injury);
- for demolition;
- to remove debris from your Insured Address;
- for an architect or surveyor; and
- to comply with current building codes and statutory requirements.

**Undamaged parts of your home**

We won't pay for any undamaged parts of your home, even to restore those undamaged parts to achieve a uniform appearance, other than to the extent set out in the table below in relation to internal building damage:

| External home damage | |
|---|---|
| **Damage to roofs, doors, gates and fences** | We'll only repair or replace the individual tiles, roof sheeting, doors, gates or fence panels that were damaged. |
| **Damage to external walls** | We'll only repair or replace the part of the wall that was damaged. |
| **Paths/driveways/tennis courts etc.** | We'll only repair or replace the areas that were damaged. |

| Internal home damage | |
|---|---|
| **Damage to internal flooring**<br>(excludes carpets unless the home is let out on an unfurnished basis – otherwise these are covered as contents) | We'll pay to repair or replace up to an existing change or join in the flooring, or an archway, doorway or similar opening, whichever is closest to the damage.<br>We'll consider a combined lounge/dining room as one room if the opening between them is more than 82cm wide. This is a common width of a doorway.<br>We won't pay to replace any undamaged materials in any other adjoining rooms, hallways or stairwells. |
| **Damage to internal walls** | We'll pay to repair or replace the damaged wall(s). We won't pay to replace the wall covering (for example wallpaper or paint) on any adjoining walls or in any adjoining rooms, hallways or stairwells. |
| **Damage to internal fixtures/fittings** | We'll pay to repair or replace fitted cupboards, sections of cabinets and sections of benchtops if they are continuously joined to, and made of the same material as, the damaged part. |

**Matching materials**

If part of your home is damaged or destroyed by a Specified event and your claim is accepted, or one of our suppliers has caused damage during exploratory work to locate the source of escaped water or other liquid, we'll match existing materials if they're commercially available in Australia when we repair, replace or rebuild the damaged property.

If not, we'll use the nearest equivalent materials that we can source locally. In this case, if the damage is inside your home, we will also pay up to $1,000 to replace undamaged parts of the same room, hallway or stairwell (to the nearest doorway, archway, or other opening) so that it matches or complements the materials we've used. We'll consider a combined lounge/dining room as one room if the opening between them is more than 82cm wide (this is a common width of a doorway). If you're not satisfied with the nearest equivalent materials we source, we will pay you what it would have cost to repair, replace or rebuild with these materials.

**Delays in repairing, replacing or rebuilding**

If you delay repairing, replacing or rebuilding, for example by unreasonably delaying to review and approve documents necessary to effect the repair, replacement or rebuilding, for more than six months from the date when the claim was approved, we'll only pay the reasonable cost that would have been incurred to repair, replace or rebuild your home at the time the claim was approved. You may have to pay any increase in cost caused by your delay.

If you believe that, due to special circumstances, you have a reason to delay the repair, replacement or rebuilding for more than six months, we will give consideration to those circumstances, and we may:

- not charge you for any increase in cost caused by the delay; or
- pay the reasonable cost that would have been incurred to repair, replace or rebuild your home at the time the claim was approved.

**Rebuilding at an alternative location**

If your home is a total loss, you may choose to rebuild at another location in Australia. We won't pay you more than it would have cost to rebuild at your Insured Address.

**Guarantee on home repairs**

We closely monitor the performance of our suppliers to help ensure the best outcome for our insureds. This enables us to guarantee that if we have:

- selected and authorised a supplier to replace, repair or rebuild your home; and
- paid, or have a legal liability to pay, the supplier, repairer or builder directly for this work,

and a defect arises as a result of poor-quality workmanship or use of incorrect or poor-quality materials in relation to this work, we'll rectify the problem by arranging, authorising and paying for further replacement, repair or rebuilding, for as long as you own the home.

We will also handle any complaint about the quality or timeliness of the work or conduct of the supplier as part of our complaints handling process.

This guarantee does not apply to:

- replacements, repairs or rebuilding that you arrange, authorise or make yourself (even if we give you the name of a possible supplier (which includes a repairer or builder) who is involved with the repair, replacement or rebuilding);
- home replacement, repairs or rebuilding that you arrange, authorise or make yourself (even if we give you or a supplier a cheque or other form of payment for all or part of the repair cost);
- loss, damage or failure of any electrical or mechanical appliances or machines that form part of your home; or
- wear and tear consistent with normal gradual deterioration (e.g. paint peeling as part of its normal life cycle, wood rotting or mould from moisture in the air or ground, roofs weathering or a hot water system leaking as a result of normal gradual deterioration).

**Fences**

When a claim has been accepted for damage to a shared or dividing fence, we will pay no more than your proportion of costs for the repair or replacement in accordance with the relevant legislation relating to dividing fences, for example the Dividing Fences Act or Dividing Fences and Trees Act or any similar legislation. Typically, your proportion of the cost will be 50% of the repair or replacement cost of the fence.

If there is no legislation in place in relation to the amount that you are liable for, with respect to the repair or replacement of dividing fences, then we will pay no more than 50% of the cost of repair or replacement of the shared or dividing fence.

However, we will pay the full cost to repair, rebuild or replace the fence if:

- there's no neighbour who is liable to share the cost of repairing, rebuilding or replacing the fence; or
- the damage to the fence was caused by an insured event at your Insured Address and you're liable to pay the full cost of repairing, rebuilding or replacing the fence.

We will pay no more than the cost to repair, rebuild or replace a fence of the same quality and specification as the fence which was damaged.

**The most we'll pay**

The most we'll pay is your home sum insured plus any 'Additional benefits' payable on top of the home sum insured, less any applicable excesses.

Your home sum insured may be increased through the application of the 'Inflation adjustment benefit' or if eligible, the 'Special benefit – Home sum insured safeguard'.

**Special benefit – Home sum insured safeguard**

In some circumstances, if we agree that the cost to replace your home is greater than your home sum insured, we will pay up to 30% more than the home sum insured shown on your Certificate of Insurance. This Special benefit applies only if:

- this Policy insures your home; and
- your home is damaged by an insured event that is covered by this Policy and we assess it as a total loss; and
- we agree to:
  - replace your home to a condition substantially the same as, but not better than when new; or
  - pay you the reasonable cost of its replacement to a condition substantially the same as when new; and
- the cost to replace your home building is greater than your home sum insured because either:
  - (i) a surge in building costs was caused directly by a 'Catastrophic event' that occurred on or after the date your home was damaged but before we pay your claim; or
  - (ii) you correctly used the Finity Home Building Sum Insured Calculator (Finity Calculator) on the Castle Insurance website located at **www.castleinsurance.com.au** to calculate your home sum insured and the Finity Calculator estimated an inadequate sum insured for your home, provided:
    - that you can demonstrate that you correctly used the Finity Calculator to determine your home sum insured;
    - your home is substantially the same as when you used the Finity Calculator (for example, you have not added to nor extended your home); and
    - you have not reduced any sum insured that we have offered on any renewal invitation since you used the Finity Calculator.

'Catastrophic event' means a naturally occurring event that is insured by this Policy, which causes extensive and widespread damage to property in the local vicinity of your home resulting in a surge in building costs due to the sudden increase in demand for materials and labour.

This Special benefit only relates to the home. It does not apply to any other insured property, Policy section, Additional benefit or other Policy feature.

**The maximum we pay as the result of a 'Catastrophic event'**

If we pay more than the home sum insured on your Certificate of Insurance because the increased cost of repairing damage to your home was caused directly by a 'Catastrophic event', we only pay an amount that is equal to the additional costs resulting from that 'Catastrophic event'. We will calculate the additional costs resulting from the 'Catastrophic event' using our standard processes and procedures and based on the best available information at the time of calculation.

For example, if we calculate that the cost of materials and labour has increased by 8% due to a surge in the demand resulting from the 'Catastrophic event', we will pay up to 8% more than the home sum insured on your Certificate of Insurance. If the actual cost to replace your home was only 5% more than your home sum insured, then we would pay 5% more than the sum insured on your Certificate of Insurance.

## HOW WE SETTLE CONTENTS CLAIMS

In this section when we say 'contents' in the context of settling your claim, we're referring to contents including, 'Contents with limits'.

If a damaged item can be repaired, we'll normally pay our repairer the necessary and reasonable cost to repair your contents item to a condition substantially the same as, but not better than, when new.

If it's not economical to repair the item, or it's been lost or stolen, we'll replace the item with a new one that's substantially the same where it's practical to do so.

If the Policy limit, maximum limit or sum insured is not adequate to repair or replace the item to a condition substantially the same as when new, the most we will pay is that limit or sum insured.

**If you don't use our repairer, or we can't repair or replace the item**

We will pay you the reasonable cost to repair or replace the lost, stolen or damaged contents to a condition substantially the same as, but not better than when new if, for example:

- you decide to replace those contents with items that are not substantially the same;
- you decide you do not want the contents repaired or replaced;

  If you don't want an item repaired we will not pay to replace it; we'll pay what it would have cost to repair it. See 'How the amount we'll pay is determined if the item is repairable'.
- if it's not practical for us to repair or replace your contents due to the age, style, type, condition or nature of your contents or if materials or skills needed for repairs are not readily and locally available; or
- if you choose to go with a repairer of your choice.

If the Policy limit, maximum limit or sum insured is not adequate to repair or replace the item to a condition substantially the same as when new, the most we will pay is that limit or sum insured.

**How the amount we'll pay is determined if the item is repairable**

To assess the necessary work required to repair damaged contents items we will, where possible, obtain a report or quote from our repairer. If you agree with this, we will then pay you the amount quoted by our repairer.

If you're not happy with the amount quoted by our repairer, or if we're unable to obtain a report or quote from our repairer, we'll ask you to provide us with a report or quote from a repairer of your choice for us to consider. We'll review this to ensure it covers the necessary work and is within market rates. To determine this, we'll consider the following:

- our repairer's report or quote (if we were able to obtain it);
- our own data and experience with similar repairs;
- third party cost estimation sources; and
- your circumstances, including the location and attributes of your contents.

Following our review, we'll do one of the following:

- If we believe your repairer's report or quote covers the necessary work and is within market rates, we'll pay you the amount quoted by them.
- If we believe your repairer's report or quote either omits or overstates aspects of the work required or their quote is significantly above market rates, we'll discuss this with you and/or them and seek agreement on the report or quote, and:
  - if we come to an agreement with you or your repairer, we'll pay you the amount agreed;
  - if we're still unable to agree with you on the amount we'll pay you, we'll attempt to obtain a quote or report from an alternative repairer we both agree on, and we'll review this together with you to arrive at a final quote. If we're able to come to an agreement, we'll pay you the amount quoted by them; or
  - if we're unable to agree on an alternative repairer, we believe the alternative repairer's report or quote either omits or overstates key aspects of the work required, or we believe their quote is significantly above market rates, we'll refer you to our complaints process.

If the Policy limit or sum insured is not adequate to repair or replace the item to a condition substantially the same as when new, the most we will pay is the item limit or sum insured.

**How the amount we'll pay is determined if the item is not repairable**

For replacement items that are readily available including tools, devices and appliances, we will pay you an amount equal to the lowest price available to you from a reputable commercial retailer at the time we settle the claim.

If an item is not readily available, we'll pay you an amount equal to the lowest price available to you from a reputable commercial retailer at the time we settle the claim for an equivalent item with similar specifications and functionality.

**How the amount we'll pay is determined if the item can't be replaced**

If we can't repair the item, or it can't be replaced because of its antiquity or rarity, we'll pay the lesser of:

- the standard Policy limit (or the specified limit noted on your Certificate of Insurance if it's a specified contents item); and
- the fair market value based on enquiries made to independent and appropriately experienced or qualified professionals.

If your contents sum insured is inadequate, we will only pay up to the sum insured or any applicable standard Policy limits.

**The most we'll pay**

The most we'll pay in total for your contents is your contents sum insured, plus any 'Additional benefits' payable on top of the contents sum insured, less any applicable excesses.

Your contents sum insured may be increased through the application of the 'Inflation adjustment benefit'.

We treat the following items differently when we pay your claim:

| Item | What we pay |
|---|---|
| Carpets | We'll pay to repair or replace up to an existing change or join in the carpet or an archway, doorway or similar opening, whichever is closest to the damage.<br>We'll consider a combined lounge/dining room as one room if the opening between them is more than 82cm wide. This is a common width of a doorway.<br>We won't pay to replace any undamaged carpet in any other adjoining rooms, hallways or stairwells. |

## HOW WE SETTLE LOSS OF RENT CLAIMS

**How we settle loss of rent claims – Lease agreement**

When we pay a loss of rent claim, we pay the actual rent you lose, based on your current lease agreement, for the period your rental property is unliveable due to an event for which a claim has been accepted. The limit of what we pay is shown in the additional benefits section, 'Additional benefit 7 – Loss of rent'.

If your home claim has been accepted but you decide not to rebuild, we'll only pay the rent you would have lost for the time it would have taken to repair or replace your home.

We do not pay for any fees or commissions normally charged by the estate agent for renting out and/or managing your rental property.

If at the time of the event that caused loss or damage, the rental property was untenanted (for a maximum period of 100 consecutive days), we will only pay for loss of rent if you can demonstrate that you were actively seeking a tenant. In this case, we will base the lost rent amount on your most recent lease agreement.

**When we pay a loss of rent claim for a short-term rental or casually let holiday home**

The most we will pay is the rent you expect to lose over a period of 12 months from the date that the property became unliveable, calculated as set out below.

We will calculate the amount we will pay you, as follows:

- for the first month, the actual rent lost* as a result of confirmed bookings being cancelled due to the damage; and
- for any period after the first month, the greater of:
  - the actual rent lost* as a result of confirmed bookings in that period being cancelled due to the damage; or
  - the rent you would have received during that period, based on paid bookings during the same period in the previous year.

However, if you have not owned the property for 12 months or the paid bookings during the previous year are not reflective of the rent you would have received, for example, where your property has been upgraded or you have recently started renting the property out as a short-term rental or casually let holiday home, we will base this calculation on the rent of a similar property in a similar area.

* *The actual rent lost is calculated at the same rate and for the same period of time confirmed in those cancelled confirmed bookings.*

You must be able to prove that the rental property would have been available for rent during the period for which you're claiming loss of rent.

You could prove that your rental property would have been available for rent through advertisements or by demonstrating availability on the holiday rental platform(s) used.

If your home claim has been accepted but you decide not to rebuild, we'll only pay the rent you would have lost for the time it would have taken to repair or replace your home.

This is payable in addition to your home and/or contents sum insured.

We will not pay for any fees or commissions normally charged by the holiday rental platform for things such as:

- registration, cleaning or advertising; or
- managing or renting out the rental property.

We will not pay any rent lost more than 12 months after the incident occurred.

## TOTAL LOSS

Where a claim is for a total loss and we pay you the sum insured, then your Policy comes to an end and no refund of your premium is due. The total premium is payable and non-refundable because you have received the benefit of the cover we provide under the Policy.

If you pay your premium in instalments, you will still need to pay the total of any remaining premium instalments for the period of insurance. Any payment we make to you will be minus the instalments you're yet to pay. This amount is the difference between what you've already paid us (via your instalments) and what you would've paid us for the remainder of the insured period. Depending upon how your claim is settled, we will either deduct the total of all remaining instalments from your claim settlement or we will ask you to pay the total to us.

Where you have both your home and contents insured under the Policy, and only either the home or contents are a total loss, the cover under that part of the Policy that is not a total loss remains in place. This lasts until your Policy renewal date, which you can find on your Certificate of Insurance.

## CLAIMS ADMINISTRATION, GOING TO COURT, RECOVERY ACTION AND LEGAL LIABILITY CLAIMS

If you suffer loss or damage due to an incident for which someone else is responsible, you may have a legal right to recover some or all of the loss or damage from that person, including by taking legal action against them. When we pay a claim under your Policy, we have the right to exercise your legal rights in your name against the person responsible for the loss or damage. We'll take full control of the administration, conduct or settlement of the recovery, including any legal defence.

When we do any of these things in your name, it will be at our expense, however you'll need to give us reasonable assistance. This may include following our directions in relation to the conduct of any legal proceedings even after a claim has been paid. You must not enter into any agreement with anyone else which could limit the amount that could be recovered, including joining class action proceedings, without our permission.

When we pay a claim and some of your loss isn't covered by your Policy, we may offer to try to recover that loss for you when we take any steps to recover the covered loss. We can only do so if you agree to give us documents and statements that support your loss and agree with us on how we'll handle that recovery. You may also need to contribute to the associated costs if, to recover the loss for you, we need to take additional steps that we wouldn't otherwise need to take.

If we successfully recover more than we paid for your claim under your Policy, we will first keep the amount we paid for your claim and the amounts we paid in administrative and legal costs spent towards making the recovery. If there is any amount remaining after this, we will pay you the remainder to compensate you for loss that was not insured. Finally, we will keep any remaining amounts.

If you've received a benefit under your Policy that you were not entitled to, we reserve the right to recover from you the amount we have paid. If we decline a claim for fraud, we reserve the right to recover any amounts we paid to you under the Policy as well as our reasonable administration, investigation and legal costs from anyone at fault in relation to the fraud.

When we cover you for a legal liability claim, we may:

- arrange for a lawyer to represent you or we may act on your behalf;
- attempt to settle the claim; and/or
- defend the claim.

We will decide whether to defend or settle the claim and how much to pay to settle the claim.

## WHAT CAN AFFECT A CLAIM

We will reduce the amount of a claim by the excess shown in the Policy terms and conditions or on the Certificate of Insurance.

We may refuse to pay a claim, or reduce the amount we pay, if you are in breach of your duty to take reasonable care not to make a misrepresentation or any of the conditions of this Policy, including any endorsements noted on or attached to the Certificate of Insurance.

We pay only once for loss or damage from the same event covered by this Policy even if it is covered under more than one section of the Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent; or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.

## CONTRIBUTION AND OTHER INSURANCE

When making a claim, you must notify us of any other insurance that you're aware will or may, whether in whole or in part, cover any loss insured under your Policy.

If at the time of any loss, damage or liability there's any other insurance (whether issued to you or any other person) which covers the same loss, damage or liability you must provide us with any reasonable assistance we require to make a claim for contribution from any other insurer(s).

### LENDER'S RIGHTS

If we're settling your claim by paying you (instead of paying our repairer or other service providers), and you have used all or part of your home or contents as security for a loan from a lender, we reserve the right to pay all or part of the payment to the lender.

The amount we pay to the lender will be the lesser of:

- the amount owing to them (with any balance paid to you); or
- the amount we agree to pay in settlement of the secured property.

A payment made to a lender will satisfy our obligation to you for the amount paid.

For more information about other interests in your Policy, see 'Interests in the Policy'.

### CLAIM PAYMENTS AND GST

We pay claims inclusive of GST unless the owner of the property is a business which is, or needs to be, registered for GST. In that case, we'll reduce the amount we pay to settle the claim by the Input Tax Credit amount to which they are, or would be, entitled. If they fail to disclose or understate their entitlement, they may be liable for GST on a claim we pay.

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend you seek professional advice.

Unless we say otherwise, all amounts in your Policy are inclusive of GST.

### PREVENTING OUR RIGHT OF RECOVERY

If you've agreed with or told someone who caused you loss, damage or liability covered by your Policy that you won't hold them responsible then, to the extent we've been prejudiced by this act, we won't cover you for that loss, damage or liability.

### PROVIDING PROOF OF OWNERSHIP AND VALUE

In some cases we will ask you for proof that you owned the items you're claiming for and for documents or other information to assist us in assessing their value. Whether we ask for proof and, if we do, the types of documents we ask for may depend on the situation. So that your claim can be assessed, make sure you keep things like:

- receipts or tax invoices;
- credit card or bank statements;
- guarantee or warranty certificates;
- valuation certificates for artworks, rugs and antiques; and
- photographs or video film of the item/s in your rental property.

If, after reviewing all the evidence about your claim that has been provided to us, we're not satisfied that you actually owned the items, we may refuse to pay your claim.

### OTHER INFORMATION WE MAY NEED TO PROCESS YOUR CLAIM

Make sure you keep things like:

- any cleaning or repair quotes or receipts;
- receipts for expenses deducted from the bond money or security bond;
- records of commissions payable to your estate agent or a holiday rental platform;
- lease agreements or details of booking confirmations and payments received;
- records of cancellations;
- bond receipts or details of the security bond, booking fees and deposits; and
- rent receipt records.

If you rent your property out through a holiday rental platform, you should keep a record of any cancelled bookings just in case the holiday rental platform doesn't retain or provide you with access to these records.

### SALVAGE

If we pay a claim by replacing or paying to replace any items or materials, we're entitled to obtain and retain any items or materials salvaged or recovered. We may sell the items or materials and keep the proceeds. If you ask us, we may agree to sell the items or materials to you, provided you agree to pay the fair market value. This is the price we could get if we sold the items or materials to someone else who is willing and able to buy them. If there is no market for the items or materials, then we will base the amount on enquiries made to appropriately experienced or qualified third party professionals.

## SECTION 12: OTHER TERMS

These other terms apply to how your Policy operates.

### CANCELLING YOUR POLICY

You can cancel your Policy at any time by telling us.

We can cancel your Policy as permitted by law, for example, if you do not pay us your premium or if you told us something that you knew to be incorrect or untrue during your application for cover. We can also cancel your Policy if your circumstances change and no longer fall within our underwriting rules. See 'Tell us when these things change'.

If you've paid your premium in advance and your Policy is cancelled, we'll refund you the proportion of the premium for the remaining period of insurance, less any non-refundable government fees, duties or charges. But see 'Cooling-off period' where you may be entitled to a full refund.

If you make a fraudulent claim on your Policy, we can cancel it.

### WHEN THERE IS MORE THAN ONE INSURED

When there is more than one insured on your Policy, we may treat what any one of them says or does in relation to your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel your Policy or tell us where a claim payment should be paid. Where a payment is made to one insured under this Policy, we have no further obligations to any other insured regarding that payment.

### SENDING YOU DOCUMENTS

Documents relating to your insurance Policy will be sent by post or email. Where you have been given the choice, they will be sent by your chosen delivery method and you can change your preference at any time.

It is your responsibility to make sure your contact details are current (including telephone number, email and mailing address where relevant) and you must update these as soon as they change.

### REFERENCES TO LEGISLATION

Legislation referenced in this Policy includes subsequent legislation. Any term used in this Policy and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation.

'Subsequent legislation' means:

- an act or regulation as amended, replaced or re-enacted;
- where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

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