



Rental Protect Landlords Insurance Product Disclosure Statement and Policy Document

About this booklet

This policy document is also a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. The PDS contains information about significant features and benefits of this product, costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions, exclusions and obligations attaching to this product.

Please read this document carefully.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS, a Supplementary PDS may be provided. In either case the relevant document will be provided to you with the PDS.

Our agreement with You

These Policy terms and conditions and the Policy Schedule form the legal contract between You and us. You pay us the premium, and we provide You with the cover You have chosen as set out in the Policy, during the period of insurance shown on your Policy Schedule or any renewal period. Please keep them in a safe place for future reference.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General conditions' apply to all types of cover.

The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

Date of preparation: March 2019

About Offshore Market Placements (Australia)

This insurance is issued by Offshore Market Placements (Australia) acting under a binder as an agent of XL Insurance Company SE Australia branch (XLICSE). In providing any financial services Offshore Market Placements (Australia) acts as an underwriting agent under Arthur J. Gallagher & Co (Aus) Limited Ltd AFS Licence 238312.

All services that are provided to you regarding this product are provided by Offshore Market Placements (Australia).

Our contact details are:

Offshore Market Placements (Australia)
80 Pacific Highway
North Sydney, NSW 2060

ABOUT XLICSE

AXA XL Insurance – We Don't Just Provide Insurance. We Reinvent It.

AXA XL is the P&C and Specialty Risk Division of AXA. We're known for solving complex risks for mid-sized companies, multinationals and even some inspirational individuals.

With speed, agility and a focus on the future we can offer more products, greater global reach, and the best talent in an agile and inclusive workspace, empowered to deliver top client service across all our lines of business - Property, Casualty, Professional and Financial Lines and Specialty.

With an innovative and flexible approach to risk solutions, we partner with those who move the world forward.

Below are our current Insurer Financial Strength Ratings:

AM Best	A+
Standard & Poor's	AA
Fitch Ratings	AA
Moody's	Aa3

Introduction

What the policy consists of:

- this your Landlord's Insurance policy document which sets out details of your cover and its limitations; and
- a schedule, which sets out important details of cover such as who is insured, the cover(s) selected, the period of insurance, the limits of liability, excesses and other important information. This is referred to as the current schedule in this policy document.

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

Factors affecting Your premium

When calculating your premium, we take various factors into consideration, including the sum insured, the address of your premises, the construction, the security features of your premises and your past insurance history. Your premium will also include amounts payable in respect of compulsory government charges including Stamp Duty, GST, and any state based levies and Offshore Market Placements (Australia) administration fee.

Our agreement with you

We will cover you for:

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

as set out in this policy, occurring during the period of insurance.

This cover will be given on the basis:

- that you have paid or agreed to pay us the premium for the cover you selected when you applied for cover and which the current schedule indicates is in force; and
- of the information provided by you which you gave after having been advised of your Duty of Disclosure either verbally or in writing. If you failed to comply with your Duty of Disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or we may cancel your policy. If you have told us something which is fraudulent, we also have the option of cancelling your policy from the effective date stated in the current schedule.

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

For your assistance we have provided a full explanation of your Duty of Disclosure and the consequences of non-disclosure, under the heading "Your Duty of Disclosure" on page 33.

Words with special meanings

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

“accidental loss or damage” means sudden and unexpected damage to, loss or destruction of your buildings or contents caused by an unintentional act by persons including your tenant, their family or their guests, but excludes:

- Damage caused over a period of time,
- Malicious Damage,
- Damage otherwise excluded by this Policy,
- Neglect, wear and tear
- When the property is occupied by you or your family or your non-paying guests.

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

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

“bond monies” means the amount paid by your tenant at the start of the current lease or rental agreement that is held as security against damage or loss of rent. Your policy will operate on the basis that bond money equal to at least four weeks rent has been paid.

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

“burglary or housebreaking” means theft following forcible entry.

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

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

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

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

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

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

“deliberate acts” means the act or acts carried out by a person or persons, other than you or your agents and employees or other representatives, without your consent which causes damage to your buildings and/or contents without the deliberate and direct intention of denying you the use or benefit of the buildings and/or contents damaged; it does not mean theft, burglary or housebreaking.

“excess” means the amount you, or the person making the claim, must pay towards the claim. The amount of the excess is set out in your current schedule. You are only required to pay one excess in respect of any single claim:

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

Should more than one excess appear under this policy for any claim or series of claims arising from the one event such excesses shall not be aggregated, you are only required to pay the highest single level of excess.

“fixtures and fittings” means any household items or household equipment that are permanently attached to your buildings.

“flood” means the inundation of normally dry land by water that has escaped or has been released from the normal confines of any natural watercourse, lake or lagoon whether or not altered or modified or of any reservoir, canal or dam.
Note: this policy does not cover loss, liability, injury or damage caused by or arising from flood to buildings and/or contents.

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

“lot” means the lot or unit in a strata title development. It includes fixtures and fittings which are not insurable by the body corporate. It does not include common property, fixtures and fittings which are insurable by the body corporate or contents (as described on page 8, whether insured or not).

“malicious acts” means the wilful act or acts of a person or persons, other than you or your agents and employees or other representatives, which causes damage to your buildings and/or contents with the deliberate and direct intention of denying you the use or benefit of the buildings and/or contents damaged; it does not mean theft, burglary or housebreaking.

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

“period of insurance” means the period shown in the policy schedule.

“Periodic Tenancy Agreement” means when a tenant continues to occupy a property after the expiration of a fixed term rental agreement. The terms and conditions of the fixed term agreement continue to apply.

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

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

“rent default” means when the tenant fails to pay rent in accordance with a rental agreement and /or periodic tenancy agreement.

A rental agreement is the agreement between you and or your agent with the tenant. Such agreement must be in writing and must state the term of the agreement, the amount of rent payable; and the amount of the bond money that the tenant is required to pay

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

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

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

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

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

“tenant” means the person or persons named in the rental agreement or periodic tenancy agreement and includes that persons family, pets or any other person living at the insured property.

“theft” means theft without forcible entry.

“we”, “our” or “us” means XL Insurance Company SE Australia branch XLICSE.

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

If you have buildings cover

Your current schedule shows if you have buildings cover.

What are buildings

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

- 1) pipes, cables, ducts, wires, meters and switches used in connection with the supply of water, drainage, sewerage, communication, electricity, cooling and heating which are your property or for which you are legally responsible and which are connected to your building;
- 2) fixed appliances which are permanently connected to the electrical, gas or plumbing systems such as air-conditioners, dishwashers, fans, hot water services, light fittings, room heaters and stoves;
- 3) fixtures and fittings, including fixed ceiling, wall or floor coverings (except for carpet, curtains and internal blinds), exterior blinds and awnings except those for which your tenant is legally responsible under the terms of the lease or similar agreement;
- 4) domestic outbuildings which are enclosed with walls and roof and used mainly for domestic purposes and which can be locked up; and
- 5) When the buildings are not part of a strata title development, the term buildings also includes all structural domestic improvements which belong to you including:
 - a) carports, patios, gazebos and other structures which are not fully enclosed;
 - b) built-in furniture;
 - c) paved paths, paved driveways, terraces, walls, gates, fences, masts, aerials, satellite dishes, tennis courts, clothes lines and built-in barbeques;
 - d) permanently in-ground swimming pools, above ground swimming pools that are enclosed by decking, saunas and spas (including their fixed accessories); and
 - e) jetties, wharves and pontoons which are permanently fixed to the land at the risk address, and used for domestic use only;
 - f) anything that is permanently built, constructed or installed on your rental property for domestic use only.

What are not buildings

The following items are not buildings:

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

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

- c) anything else which is listed under "What are contents" on page 8;
- d) landscaping, trees, shrubs and plants; unpaved paths or unpaved driveways constructed of earth or gravel; and
- e) residential flats, home units or town houses, which are part of a strata title development.

Types of loss or damage your buildings are covered for

We will cover your buildings against loss or damage caused by any of the insured events occurring during the period of insurance. We will also cover you for the other benefits listed below. Details of the terms, conditions and exclusions which specifically relate to each insured event and other benefits are detailed on the pages indicated.

Insured events	page number
Accidental breakage of glass	11
Accidental loss or damage	11
Earthquake	11
Explosion	11
Fire or smoke	12
Impact damage	12
Lightning or thunderbolt	12
Malicious or deliberate acts	12
Pet damage	13
Riot or civil commotion	13
Storm, rainwater or run-off	13
Theft, burglary or housebreaking	14
Tsunami	14
Water or other liquid damage	14
Other benefits	
Contents in the open air at the risk address	16
Continuation of cover when you are selling your buildings	16
Environmental benefits	16
Fusion	17
Landlords contents	17
Legal liability – cover for injury to other people or their property	18
Mortgage discharge costs	19
Reinstatement of sum insured after a loss	19
Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	20
Rental costs after an insured event	20
Replacement of locks or cylinders	21

How we will settle your buildings claim

- 1) At our option we will:
 - a) Repair or rebuild the damaged part of your building to the same condition as when it was new; or
 - b) Pay you the reasonable cost of repairing or rebuilding any damaged part of your building to the same condition as when it was new;
 - c) Pay you up to the amount of the sum insured shown in the current schedule for your relevant buildings.

We will adjust your claim payments in accordance with the GST provision noted under “Conditions of Cover”, “GST Notice” on page 29.

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

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

- 4) If we have chosen to repair or rebuild your damaged building and you do not wish to repair or rebuild them, we will at our option:
 - a) Pay you the reasonable cost to repair or rebuild your damaged buildings less an amount for depreciation based on the age and condition of the buildings; or
 - b) Pay you the value of the land and buildings at the risk address immediately prior to the occurrence of the loss or damage less the value of the land and buildings immediately after the loss or damage occurred.
- 5) Rebuilding may be carried out on another site in the same vicinity provided we agree in writing.
- 6) If the claim relates to loss or damage to fixed wall, floor or ceiling coverings, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
- 7) If the claim relates to loss or damage to dividing fence we will only pay half the cost of repairing the fence.

Further, if the claim is for gates, fences or freestanding walls damaged or destroyed as a result of storm, rainwater or run-off, we will deduct an amount from any claim settlement for depreciation based on their age and condition.
- 8) In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently under "Insured events we will pay" on pages 11 to 15, "Other benefits we will provide" on pages 16 to 21 or "Optional Additional covers" on pages 22 to 24.
- 9) If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct the amount of any bond monies remaining after you have paid allowable reletting expenses and we will then settle your claim subject to the policy conditions.

If you have contents cover

Your current schedule shows if you have contents cover.

What are contents

In this policy the term 'contents' means property which belongs to you as the landlord (or for which you are legally responsible) consisting of:

- 1) carpets, curtains, furnishings, furniture, household goods, internal blinds and loose floor coverings;
- 2) light fittings which are not permanently fixed to the buildings;
- 3) removable domestic appliances and utensils, which are installed specifically for the tenants' use; and
- 4) swimming pools, saunas and spas (including their fixed accessories) which are designed to be dismantled and moved;
- 5) shrubs and plants including trees, shrubs and plants in pots or tubs;
- 6) special contents as listed on your policy schedule; and/or

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

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

What are not contents

The following items are not covered by this policy:

- a) anything which is covered under "What are buildings" on page 5;
- b) contents when they are in the internal or external common areas of a residential flat, home unit, town house or other type of multiple occupancy residence where any of the other owners, tenants, their guests or the public have access (including whilst contained in or on a vehicle in those areas);
- c) animals, birds, fish, insects, reptiles or spiders;
- d) motor vehicles (including motor cycles, motorised mini-bikes and motorised go-karts) whether they are capable of being registered or not;
- e) farm vehicles, farm trailers and mobile or motorised farming implements;
- f) caravans or trailers;
- g) boats and other watercraft;
- h) aircraft;
- i) accessories and/or spare parts of motor vehicles, farm vehicles, caravans, trailers, watercraft or aircraft;
- j) items of clothing, personal effects, mobile phones, computers, jewellery, furs, curios, works of art, gold or silver, antiques, money, cheques, or other negotiable instruments, documents of any kind, stamp collections, coin collections or any other collections; and
- k) articles belonging to you or any other person, which are not for the sole use of your tenant and are being stored at the risk address or elsewhere.

Types of loss or damage your contents are covered for

We will cover your contents, when contained in the buildings, against loss or damage caused by one or more of the insured events occurring during the period of insurance. We will also cover you for the other benefits listed below. Details of the terms, conditions and exclusions which specifically relate to each insured event and other benefits are detailed on the pages indicated.

Insured events	page number
Accidental breakage of glass	11
Accidental loss or damage	11
Earthquake	11
Explosion	11
Fire or smoke	12
Impact damage	12
Lightning or thunderbolt	12
Malicious or deliberate acts	12
Pet damage	13
Riot or civil commotion	13
Storm, rainwater or run-off	13
Theft, burglary or housebreaking	14
Tsunami	14
Water or other liquid damage	14
Other benefits	
Contents in the open air at the risk address	16
Continuation of cover when you are selling your buildings	16
Environmental Benefits	16
Fusion	17
Landlords contents	17
Legal liability – cover for injury to other people or their property	18
Reinstatement of sum insured after a loss	19
Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	20
Rental costs after an insured event	20
Replacement of locks or cylinders	21

How we will settle your contents claim

- 1) At our option, we will:
 - a) Repair or replace your contents;
 - b) Pay you the reasonable cost of repair or replacement; or
 - c) Pay you up to the amount of the sum insured shown in the current schedule for your relevant contents.

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

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on page 29.

- 2) When it is not possible to repair or replace a damaged item with original materials or an original item, the nearest available equivalent to the original materials or item will be used. We will not pay to repair or replace property which has not been physically damaged.
- 3) If the claim relates to loss or damage to carpets, loose floor coverings, curtains, or internal blinds, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
- 4) If any part of a pair, set or collection is lost or damaged, we will not pay any more than the value of the part which is lost or damaged. No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection.
- 5) In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently “Insured events we will pay” on pages 11 to 15, “Other benefits we will provide” on pages 16 to 21 and “Optional Additional covers” on pages 22 to 24.

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

Insured events we will pay

1) Accidental breakage of glass

(Applicable whether you have buildings and or contents cover when insured)

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

We will also pay the cost of replacing window tinting; shatter proofing, the reasonable cost to reconnect electrical components and repairing or replacing frames holding glass if they need to be replaced along with the glass.

We will not pay for breakage:

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

2) Accidental loss or damage

(Applicable whether you have buildings and or contents cover when insured)

We will pay for accidental loss or damage, unless it is caused by:

- An event otherwise excluded under sections "Insured events we will pay" on pages 11 to 15 or "When we will not pay a claim under your policy" on pages 25 to 27;
- Scratching, denting, chipping, rubbing or scuffing of any surface;
- Roots from trees, shrubs or grass; or
- Deliberate, intentional or malicious acts.

3) Earthquake

(Applicable whether you have buildings and or contents cover when insured)

We will pay for any loss or damage caused by earthquake.

An excess of \$200 in addition to the amount shown in the current schedule applies to loss or damage caused by an earthquake or series of earthquakes during any period of 72 consecutive hours.

4) Explosion

(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by explosion.

5) Fire or smoke
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by fire or smoke.

We will not pay for loss or damage:

- a) which arises gradually out of repeated exposure to fire or smoke;
- b) to any property as a result of its undergoing a process necessarily involving the application of heat;
- c) to any property as a result of scorching and/or melting;
- d) from marks or burns caused by a cigarette, cigar, iron or hot cooking pots/pans, but we will pay for: damage caused by a fire which spreads from the initial burn spot; carpet but only in the room where the damage occurs; bench/vanity tops but only the section of the bench top/vanity top that was damaged.

6) Impact damage
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by the impact of any of the following objects:

- a) a road or rail vehicle, but excluding damage to driveways, paths, paving or underground services caused by a road vehicle, crane or earthmoving equipment;
- b) a watercraft;
- c) an external aerial which collapses or breaks;
- d) an animal other than a domestic pet;
- e) falling trees or parts of falling trees including the cost of removing and disposing of the fallen trees or parts of fallen tree. We will not pay if the loss or damage is caused by the lopping or felling of trees at the risk address where you have given express or implied consent for the lopping or felling; or
- f) an aircraft or anything dropped or falling from an aircraft, space debris or debris from a rocket or satellite.

7) Lightning or thunderbolt
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by lightning or thunderbolt.

We do not cover any claim where the Australian Government Bureau of Meteorology has no record of lighting in your area at the time of the damage. Any claim without written confirmation from a qualified repairer saying that lightning was the actual cause of the damage caused by power failures or surges by your power provider.

8) Malicious or deliberate acts
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by malicious or deliberate acts, unless the loss or damage was caused by:

- You or Your domestic helpers;
- The invitees of You or Your domestic helpers; or
- Any person who is acting with express or implied consent.

We will not pay for loss or damage resulting from:

- a) Poor housekeeping by Your tenant or a member of their immediate family or Your tenant's invitees; or
- b) Your tenant or a member of their immediate family or your tenant's invitee's failure to control their children or domestic pets.

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

- a) Physical structural damage has occurred to the buildings; or
- b) The buildings have been damaged by graffiti, which we agree necessitates such cleaning, re-decorating.

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

9) Pet damage caused by a domestic pet.

We will pay for damage caused by a domestic pet up to a maximum of \$ 10,000 during any one period of insurance provided that:

- a) the pet is owned by the tenant;
- b) you have agreed for the pet to be at the property;
- c) the pet is noted on the tenants lease or rental agreement
- d) where you are legally able to collect a pet bond from the tenant, that the pet bond must be collected and applied to any pet damage costs prior to making a claim.

We will not pay for damage that results from the keeping of reptiles.

10) Riot or civil commotion
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by riot or civil commotion.

11) Storm, rainwater or run-off
(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by storm, rainwater or run-off.

We will not pay for loss or damage:

- a) Caused by:
 - Flood; or
 - Flood water combined with run-off and or rainwater
- b) Caused by action of the sea, high water, tidal wave or storm surge;
- c) Caused by:
 - Soil movement including erosion, landslide, mudslide or subsidence;
 - Shrinkage or expansion of earth or land; or
 - Hydrostatic pressure;
- d) To retaining walls;
- e) To swimming pool covers, their liners or their solar domes;
- f) To the external paintwork or other exterior coatings of the buildings caused by rainwater;
- g) Caused by water seeping, percolating or otherwise penetrating into the buildings as a result of:
 - Structural defects;
 - Faulty design of the buildings;
 - Faulty workmanship in the construction of the buildings; or
 - Your failure to adequately maintain the buildings;

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

12) Theft, burglary or housebreaking

(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by theft, burglary or housebreaking. Theft without forcible entry to the building is limited to \$2,000 any one claim.

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

- a) Is committed by:
 - You;
 - Your domestic helpers;
 - The invitees of you or your domestic helpers;
 - Any person who is acting with your expressed or implied consent; or
 - Your tenant, or the invitees of your tenants, except as provided for under the Optional Additional Cover "Rent Default and Theft by Tenant" on pages 22 to 24.
- b) Takes place in the internal or external common areas of residential flats, home units, town houses or any type of multiple occupancy residences;
- c) Relates to contents in the open air, except in the circumstances set out under "Contents in the open air at the risk address" on page 16; or
- d) Relates to contents items which are not listed as being present on the current property inspection report.

13) Tsunami

(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage caused by a tsunami.

An excess of \$200 in addition to the amount shown in the current schedule applies to loss or damage caused by a tsunami or series of tsunamis during any period of 72 consecutive hours.

14) Water or other liquid damage

(Applicable whether you have buildings and or contents cover when insured)

We will pay for loss or damage which results directly from bursting, leaking, discharging or overflowing of:

- Fixed apparatus;
- Dishwasher;
- Washing machines;
- Fixed tanks; or
- Fixed pipes;
- Swimming pool or spa;
- Road gutter or curbing;

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

If you have buildings cover we will also pay the reasonable cost of locating the source of the damage.

We will not pay:

- a) For any loss or damage caused by a result of the gradual escape of liquid over a period of time:
 - Due to lack of maintenance, wear and tear or neglect; or
 - Caused by water escaping from a shower base, shower recess, shower alcove or the walls surrounding the shower;
- b) For the cost of repair or replacement of the defective part or parts of the fixed apparatus, dishwashers, washing machines, fixed tanks, fixed pipes or installations which caused the loss or damage;
- c) For the cost of repair or replacement of any broken main or pipe;
- d) For loss or damage caused by rust, corrosion, algae, mould or mildew; or
- e) Caused by water entering your buildings through an opening made for the purpose of alterations, extensions, renovations or repairs.

Other benefits we will provide

- 1) Contents in the open air at the risk address
(Applicable whether you have buildings and or contents cover when insured)

We will cover your contents in the open air which have been lost or damaged due to an insured event covered by your policy, up to a maximum amount of \$200 for any one item and \$2,000 for any one claim. We will not cover contents located:

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

- 2) Continuation of cover when you are selling your buildings
(Applicable whether you have buildings and or contents cover when insured)

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

- a) the sale is completed; or
- b) the purchaser takes possession of your buildings,

whichever occurs first.

- 3) Environmental benefits

If your building has been totally destroyed by an insured event and we have agreed to rebuild your building, we will pay up to a maximum amount of \$5,000 of the cost to you, after deduction of any rebate you are eligible for under any government or council rebate scheme, to install any combination of the following:

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

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

A rainwater tank facility includes:

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

A solar power system includes:

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

A hot water heat exchange system includes:

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

A grey water recycling system includes:

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

4) Fusion

(Applicable whether you have buildings and or contents cover when insured)

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

We will not pay for:

- a) any associated repair or replacement costs for items such as fuses, switches, electronic components, printed circuit boards, bearings, lighting or heating elements, protection devices, or electrical contacts at which sparking or arcing occurs in ordinary working;
- b) the cost of removing or reinstalling;
- c) underground or submersible pump motors above 1.86 kW (2.5 hp); or
- d) multi-stage and bore hole pumps;
- e) the cost of repair or replacement of rectifiers and transformers;
- f) fusion damage to motors under any warranty or manufacturers' guarantee; or
- g) motors more than 5 years old.

5) Landlords contents

(Applicable whether you have buildings and or contents cover when insured)

We will pay to repair or replace:

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

damaged as a result of an insured event.

Our maximum payment for this benefit will be the lesser of \$62,000 or up to the remainder of the sum insured after payment of your buildings claim.

6) Legal liability – cover for injury to other people or their property
(Applicable only when you have buildings cover or the building is part of a strata title development and you have contents cover)

We will cover your legal liability as owner of the buildings (where buildings are noted on your schedule as being insured under this policy) and/or the contents for payment of compensation in respect of:

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

occurring during the period of insurance which is caused by an occurrence as defined first occurring within the Territorial Limits arising out of the ownership of the building or ownership of the contents.

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

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

What you are not covered for:

1) We will not cover your legal liability for:

- a) damage to your property;
- b) injury to any person who normally lives with you, or damage to their property;
- c) injury to your employees, or damage to their property;
- d) loss of or damage to property in your care, custody, or control;
- e) claims arising out of or connected with your business, trade or profession; other than as owner of the building(s);
- f) which you are liable because of the terms of an agreement, other than a lease or rental agreement, you have entered into (unless you would have been liable if the agreement did not exist);
- g) damage to any land or fixed property resulting from vibration, the removal or weakening of or interference with support to land, buildings or any other property;
- h) claims arising out of your ownership, possession or use of any:
 - aircraft or aerial device or aircraft landing area, except a model aeroplane or toy kite;
 - "aircraft landing area" means any area in which aircraft land, take off, are housed, maintained or operated;
 - mechanically propelled vehicle, except garden equipment, golf buggy or wheelchair which does not need to be registered or does not require statutory bodily injury cover to be taken out; or
 - watercraft except for non-motorised water craft less than 4 meters in length.
- i) claims involving buildings in the course of construction or any alterations, additions, demolition, repairs to or decorations of the buildings costing more than \$50,000.
- j) claims arising directly or indirectly out of or in any way connected with, the existence, at any time, of asbestos;
- k) claims arising out of the discharge, dispersal, release or escape of pollutants defined as, smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. This exclusion will not apply if such a discharge, dispersal, release or escape is caused by sudden accidental unexpected and unintended happening. We will not pay expenses for the prevention of such contamination or pollution;
- l) claims for:
 - pregnancy; or
 - the transmission of disease;

- m) which arises from your failure to take all reasonable precautions to comply with all statutory obligations and regulations imposed by any authority;
- n) which arises out of your ownership or possession of any building except for your buildings located at the risk address shown in the current schedule; or
- o) claims arising directly or indirectly from or in any way connected with, the existence, use, operation or maintenance, at any time, of electronic mail, a computer virus, an internet site or other internet based service, intranet or any website;

2) We will not:

- a) cover legal liability arising out of breach of copyright or an act of libel, slander or assault caused by you;
- b) cover you for any legal liability arising from any:
 - statutory, compulsory scheme or fund;
 - accident compensation scheme or workers compensation policy of insurance; or
 - industrial award,

even if the amount recoverable is nil,

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

Special condition applying to legal liability:

This legal liability cover will be governed by the law of the State or Territory where this policy was arranged and whose courts will have jurisdiction in any dispute.

No excess applies to this benefit.

7) Mortgage discharge costs
(Applicable whether you have buildings insured)

If we have paid a claim involving the total destruction of your buildings, we will reimburse your reasonable legal costs for the discharge and replacement of your mortgage(s) including legal fees and statutory government charges, up to an amount of \$2,000.

We will not cover penalty interest rate charges or early loan repayment charges imposed on you by the credit provider.

8) Reinstatement of sum insured after a loss
(Applicable whether you have buildings and or contents cover when insured)

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

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

9) Removal of debris, professional rebuilding fees and extra costs of complying with building regulations
(Applicable whether you have buildings and or contents cover when insured)

a) When the buildings have been destroyed or damaged by any of the insured events covered by your policy and we have agreed to pay your claim, we will also pay the reasonable and necessary costs of:

- demolition and removing your buildings debris from the risk address;
- architects', engineers', surveyors' and solicitors' fees; and
- complying with the requirements of any statutory authority.

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

The maximum combined total amount we will pay under this benefit is 10% of the sum insured on your buildings.

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

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

c) We will not pay for:

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

10) Rental costs after an insured event

(Applicable only when you have buildings cover or the building is part of a strata title development and you have contents cover)

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

- damage to other property in the vicinity of the buildings; or
- damage within the strata title development itself, where the building is a lot; and
- this damage prevents access to or use of the building for a minimum period of 7 days,

We will pay for your loss of rent on the buildings:

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

whichever period of time is the lesser.

The amount we will pay will be based on the weekly rent payable by your tenant as at the date of damage to the buildings.

We will not pay for your loss of rent if:

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

11) Replacement of locks or cylinders
(Applicable whether you have buildings and or contents cover when insured)

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

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

If you are entitled to use bond monies to settle or reduce any loss you must do so.

Optional Additional covers

If your schedule indicates that you have Loss of Rent and Rent Default and Theft by Tenant the following optional additional covers apply as applicable.

Loss of Rent

If your buildings become un-tenantable for a period of more than seven (7) days as the result of an insured event we will pay your loss of rent to a maximum of \$1,000 per week or the weekly rent sum insured shown in the schedule:

- a) for a period of up to 52 weeks whilst the damage caused by the insured event is being repaired; or
- b) until another tenant takes up residence in the building,

The maximum amount payable under this additional cover is 52 times the weekly rent payable up to a maximum of \$52,000 or the amount shown in the schedule.

Rent Default and Theft by Tenant

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

Rent default

If you have this cover, we will pay you for your loss of rent due to the occurrence of one or more of the following insured events for the periods stated.

- 1) Default of payment of rent by the tenant

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

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

we will pay your loss of rent:

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

whichever amount payable is the lesser.

2) Departure of the tenant from the building without notice

If your tenant permanently departs from the building during the period of insurance without providing written or verbal notice of departure, as required under the current lease or rental agreement, we will pay your loss of rent:

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

whichever amount payable is the lesser.

- 3) Death of a sole tenant

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

- a) for a period of up to 15 weeks; or
- b) until another tenant takes up residence in the building,

whichever amount payable is the lesser.

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

4) Tenant hardship

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

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

whichever amount payable is the lesser.

We will not pay under sections 1 to 4 if a valid tenancy agreement is not in place between the landlord and the tenant. We will not pay if you or your managing agents have not made reasonable attempts to collect unpaid rent or find a replacement tenant.

Theft by tenant

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

Legal expenses

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

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

we will also pay your legal expenses, up to a maximum amount of \$5,000, for each claim for rent default or theft by tenant provided these expenses have been incurred with our prior written approval for the purpose of minimising a claim with our prior written approval.

Representation Costs

Following an insured claim for loss of rent we will also pay for the costs incurred as a result of the Insured's property manager:

- representing the Insured in court or a tribunal for the purpose of obtaining a court order for eviction against the tenant
Limit to a maximum of \$500 any one period of insurance; and/or
- sub limit \$300 per claim for engaging a bailiff/sheriff for the purpose of evicting the tenant.

Temporary Accommodation

If following an insured event the building cannot be lived in and provided you have a fixed date you were due to occupy the premises as an owner/occupier and the premises are tenanted or are between tenants at the time of loss or damage we will pay the cost of temporary accommodation until the premises are fit to be lived in to a maximum of \$10,000 or 20% of the sum insured on the building whichever is the higher.

Prevention of Access

If other property within 100 metres of your building is damaged by an insured event and as a result you are unable to lease or rent your property we will pay your loss of rent to the weekly rent sum insured shown in the schedule:

- a) for a period of up to 15 weeks; or
- b) until a tenant takes up residence in the building,

whichever amount payable is the lesser.

We will not pay for the first 48 hours loss of rent.

Removal of Rubbish and Clean Up Costs

If your tenant permanently departs from the building during the period of insurance without providing written or verbal notice of departure as required under the current lease or rental agreement, and the property is left in a state unfit for occupation, we will pay the cost up to a maximum of \$2,000 to remove rubbish left by the vacating tenant under the current lease or rental agreement.

Further, if you have insured your buildings or contents and they suffer chemical contamination as a result of the manufacturing, storage or distribution at the insured situation of any illicit or illegal drug, we will pay up to \$20,000 for clean up costs to remove or mitigate the contamination or pollution.

We will only pay this when:

- The manufacturing, storage, or distribution is discovered by, or referred to the police for investigation and proper assessment confirms contamination;
- The home is rented to a tenant and a valid tenancy agreement is in place; or
- You, or the person managing your property have conducted regular inspections at the property in line with the rental agreement terms and conditions.
- The property is subject to an inspection before and after each tenancy by a qualified technician to check for any contamination, and the requirement for inception before a tenancy only applies where the tenancy commences after December 2017. Such inspection must include swab sampling and laboratory screening conducted within Australian standards.

We will not pay if:

- a) There is not a valid rental agreement in place;
- b) It has not been reported to the police or relevant authority; or
- c) You, or the person managing your property become aware of the situation and failed to act immediately.

Special conditions applying to Rent Default and Theft by Tenant cover

- 1) We will not pay any claim under this cover unless you have a written lease or rental agreement in place from the time your tenant takes up residence.
- 2) At the time your tenant entered into the lease or rental agreement you must have collected the total amount of bond monies due under the terms of the lease or rental agreement. This amount must be equivalent to at least 4 week's rent.
- 3) In order to receive cover under section, 1. Default of payment of rent by the tenant. 2. Departure of the tenant from the building without notice, 3. Death of a sole tenant or Tenant hardship, you must be actively seeking to obtain a tenant at any time when your buildings are unoccupied.

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

If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct the amount of any bond monies remaining after you have paid allowable reletting expenses and we will then settle your claim subject to the policy conditions.

When we will not pay a claim under your policy

(applicable to all sections)

- 1) This policy does not cover loss, liability, injury or damage:
 - a) Deliberate, intentional, malicious or criminal act:

caused by a deliberate, intentional, malicious or criminal act by:

 - you or anyone who lives with you permanently; or
 - any person who is acting with your express or implied consent;
 - b) Lawful seizure:

caused by nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
 - c) Heat:

to any property as a result of its undergoing any process involving the application of heat;
 - d) Nuclear:
 - caused directly or indirectly by caused by or contributed to by or arising from:
 - ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
 - any chemical, biological, bio-chemical, or electromagnetic weapon;
 - e) War:

directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
 - f) Wear and tear:

arising out of depreciation, gradual deterioration, wear and tear;
 - g) Inherent defects:

caused directly or indirectly through inherent defects, faulty design, structural defects or poor workmanship;
 - h) Illegal contents:

to contents which are acquired illegally or are illegally held; or

i) Terrorism:

arising directly or indirectly out of or in any way connected with terrorism.

“terrorism” means:

any act of terrorism arising directly or indirectly out of or in any way connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion; or

any action in controlling, preventing, suppressing, retaliating against, or responding to any act referred to in (a) above.

An act of terrorism includes, but is not limited to, any act, preparation in respect of action or threat of action, designed to influence a government or any political division within it for any purpose, and/or influence or intimidate the public or any section of the public with the intention of advancing a political, religious, ideological or similar purpose.

- 2) Unless we state differently in your policy, we will not pay for:
- a) flood as defined on page 4;
 - b) any loss or damage which is not caused directly by one of the insured events;
 - c) loss or damage caused by the action of light, atmospheric or other climatic conditions unless caused by:
 - lightning or thunderbolt; or
 - storm, rainwater or run-off;
 - d) loss or damage which is caused directly or indirectly by:
 - insects or birds;
 - vermin (other than for loss or damage caused by fire or smoke);
 - rust, corrosion, algae, mould or mildew; or
 - any process of cleaning, repairing or restoring which involves the use of chemicals.
 - e) loss or damage caused by mechanical or electrical breakdown, failure or derangement except for fusion of electrical motors as set out under “Fusion” on page 17;
 - f) anything which your tenant is legally liable for under the terms of a lease, rental or similar agreement;
 - g) loss or damage to electronic equipment or data caused by electrical, electronic or mechanical derangement or malfunction, or by a processing error or computer virus;
 - h) the cost of data recovery for any reason; or
 - i) consequential loss.
- 3) Subject only to clause 3.1 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 3.1) Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 3 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
- 4) No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any jurisdiction applicable to that (re)insurer.

- 5) This policy does not cover any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro-organism of any type, nature, or description including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is:

- a) any physical loss or damage to insured property;
- b) any insured peril or cause whether or not contributing concurrently or in any sequence;
- c) any loss of use, occupancy, or functionality; or
- d) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion replaces and supersedes any provision in the policy that provides insurance in whole or in part for these matters.

- 6) If a claim can be made under more than one of the following sections:

- a) "Rental costs after an insured event";
- b) "Default of payment of rent by the tenant";
- c) "Departure of the tenant from the building without notice"
- d) "Death of a sole tenant"; or
- e) "Tenant hardship",

then you may only claim under one section of your choice.

Conditions of cover

1) Changes to your insurance details – what you must tell us

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

- a) you commence using any part of your home for business, trade or professional purposes;
- b) you remove any security devices that were specifically required by us;
- c) you carry out alterations, additions, demolition, repairs or decorations to the buildings costing more than \$50,000;
or
- d) you appoint or terminate a licensed managing agent for the property.

When we receive this information, we may:

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

If you do not provide the information immediately we may not pay a claim under the policy.

2) Buildings not lived in for more than 90 days

If the buildings have not or will not be lived in for any period in excess of 90 consecutive days, we will not pay for loss or damage caused by any of the following insured events unless you have our prior agreement in writing:

Insured events	page number
Accidental breakage of glass	11
Accidental loss or damage	11
Explosion	11
Fire or smoke	12
Malicious or deliberate acts	12
Pet damage	13
Theft, burglary or housebreaking	14
Tsunami	14
Water or other liquid damage	14

3) Taking precautions

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

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

4) Property Inspection Reports

You must complete a property inspection report or have your authorised real estate agent or a qualified appraiser complete a report:

- a) at the time when a new lease or rental agreement commences;
- b) at the time when an existing tenant vacates the property; and/or
- c) at least on an annual basis if there is long term tenancy.

In the event of a claim we will require copies of the property inspection reports.

5) Cooling off and cancellation rights under the policy

- a) If, for any reason, You decide that You do not require the Policy and no claim has been made under the Policy, you have the right to cancel and return the Policy to Us within 14 days, which starts on the earlier of:
- the date You received confirmation of the Policy; or
 - the end of the fifth day after the Policy was issued to You.

If you cancel within this 14 day period, We will refund the premium You have paid unless You have made a claim.

- b) You may cancel or return this policy at any time by contacting us.
- c) We have the right to cancel this policy where permitted by law. For example, we can cancel:
- if you have failed to comply with your Duty of Disclosure;
 - where you have made a misrepresentation to us during negotiations prior to the issue of this policy;
 - where you have failed to comply with a provision of your policy, including the term relating to payment of premium;
 - where you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time that our policy covers you; or
 - where we agree to accept payment of premium by periodic instalment and at least one instalment remains unpaid in excess of one month from the date on which it was due and payable.
- d) If you or we cancel the policy we may deduct a pro rata proportion of the premium for time on risk, reasonable administrative costs related to the acquisition and termination of the policy and any government taxes or duties we cannot recover.
- e) In the event that you have made a claim under this policy and we have agreed to pay the full sum insured for your property no return of premium will be made for any unused portion of the premium.

6) Keeping evidence of the value and ownership of the insured property

You should keep evidence of the value and ownership of all property covered under your insurance policy.

Receipts and/or valuations prove the value of your insured property. Photographs and instruction books will help provide evidence of your ownership in the event of a claim.

7) GST Notice

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

8) Claim settlements – Where we agree to pay

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

- Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy) we will pay for the GST amount.
We will pay the GST amount in addition to the sum insured/limit of indemnity or other limits shown in the policy or in this schedule.
If your sum insured/limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.
We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled.
- Where we make a payment under this policy as compensation instead of payment for a relevant acquisition, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.

- Where the policy insures business interruption, we will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by your business that is relevant to your claim.

Disclosure – Input Tax Credit Entitlement

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

Making a claim

What you must do

We may not pay your claim if you do not act as follows:

- 1) Do not admit liability

You must not:

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

without our written consent.

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

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

- 2) Prevent further damage

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

- 3) Contact the police

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

- 4) Keep evidence of the loss or damage

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

- 5) Contact your broker and Gallagher Bassett (GB) as soon as possible

Gallagher Bassett Property Claims Team
Email: propertyclaims@gbtpa.com.au
Phone: 07 3005 1610
Address: GPO Box 14, Brisbane, QLD 4001

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

- a) in writing by completing a claim form which will be supplied to you when you contact GB; or
- b) verbally.

You must also:

- provide GB with any original receipts, proof of ownership or quoted required to settle your claim;
- provide GB with any information they may reasonably require (including a copy of the current lease, proof of any bond held, notices provided to tenants and confirmation from your agent that you are actively seeking to re-lease your buildings) in the event your claim is for loss of rent, malicious or deliberate acts or any other claim involving your tenant;
- inform GB if your property is insured under any other policy; and
- give GB immediate notice of the commencement of any legal proceedings against you.

What happens after you make a claim

1) Assist us with your claim

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

2) End of cover following a total loss claim

If we accept a claim and pay an amount which:

- a) is equal to or greater than the total sum insured for any single part of the policy on the insured property; or
- b) is sufficient to pay you for the total loss or destruction of all the insured property under a single part of the policy,

cover under that particular part of the policy will end.

3) Payment of unpaid premium following a total loss claim

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

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

4) Our rights of recovery

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

5) GST

We may adjust your claims payment in accordance with the GST provision detailed under "Conditions of cover", "GST Notice" on page 29.

Other information

Renewal procedure

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

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

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

It is important that you check the sum(s) insured before renewing each year to satisfy yourself that they continue to represent current full replacement values.

Your Duty of Disclosure and we rely on you

We rely on you

It is important you understand that we will rely on the accuracy and completeness of the information you provide to us. We do not independently verify the information you provide before sending it to the insurer.

Keeping your information up to date

Once your insurance cover has commenced, you should tell your broker about any changes to your circumstances when they occur. This will allow us to ensure your cover remains appropriate.

Your duty of disclosure

Before you enter into an insurance contract with an insurer, you have a duty under the Insurance Contracts Act 1984 to disclose information to the insurer. The Duty of Disclosure applies until the insurer agrees to insure you or renew your insurance. The Duty of Disclosure also applies before you extend, vary or reinstate your insurance.

If you are applying for or renewing insurance in relation to your motor vehicle, home building and/or contents, residential strata, travel, personal accident or sickness and/or consumer credit products, you must answer the specific questions asked by the insurer truthfully and accurately. In answering those questions, you must tell the insurer all information that's known to you and that a reasonable person would be expected to provide in answer to the questions.

At renewal, the insurer may ask you to advise it of any changes to something you have previously disclosed, or may give you a copy of the information you previously disclosed and ask you to advise the insurer if there has been a change. If you do not tell the insurer about a change, you will be taken to have told the insurer there is no change.

If you are applying for or renewing any other insurance, you must tell the insurer all information that is known to you, that a reasonable person could be expected to know or that is relevant to the insurer's decision to insure you and on what terms. You do not need to tell the insurer anything:

- that reduces the risk it insures you for;
- is common knowledge;
- that the insurer knows or should know; or
- which the insurer waived your duty to tell it about.

Non-disclosure

If you fail to comply with your Duty of Disclosure, the insurer may cancel your contract or reduce the amount it will pay you if you make a claim, or both. If your failure to comply with the Duty of Disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

People you represent

You must make sure you explain the Duty of Disclosure to any person you represent when we arrange any insurance cover for you. Alternatively, you may ask any person you represent to contact us and we will explain their Duty of Disclosure to them directly.

Contact your broker

If you are unclear about your Duty of Disclosure or require more information about how to comply with your Duty of Disclosure, please refer to the information provided by the relevant insurer in relation to your Duty of Disclosure in the relevant PDS or policy wording. Alternatively, you can call your broker, your nearest branch or our Toll Free Client Inquiry Line, **1800 240 432**.

Complaints and Dispute Resolution Policy

Offshore Market Placements (Australia) (a division of Arthur J Gallagher & Co (Aus) Ltd (ABN 34 005 543 920)) treats all complaints regarding the products and services that we provide seriously. If you are dissatisfied in any way, then you may lodge a complaint using our complaints process.

If you have a Complaint

Please address your complaint in writing to the Manager:
Offshore Market Placements (Australia)
80 Pacific Highway
North Sydney NSW 2060
Australia
Email: ed.vincent@ajg.com.au
Telephone: +61 2 9424 1754

We will usually require the following information:

- Name, address and telephone number of the policyholder
- The type of insurance policy involved
- Details of the policy concerned, including policy and or claim reference numbers
- Name and address of the broker through whom the policy was obtained
- Details of the reasons for lodging the complaint
- An explanation of what you would like us to do to correct the situation
- Copies of any supporting documentation

For many of our products and services we have a two stage internal complaints process. External dispute resolution may also be available. There will be no cost to you for us handling your complaint.

Stage One of Our Complaints Process

All products and services

Your complaint will be acknowledged in writing within 5 business days. We will respond to your complaint within 15 business days, provided we have all necessary information and have completed any investigation required.

In cases where we cannot respond within 15 business days because we do not have all necessary information or we have not completed our investigation, we will let you know as soon as reasonably practicable and agree a reasonable alternative timetable with you. If we cannot agree an alternative timetable, you have the right to take your complaint to the next stage of the complaints process.

We will keep you informed of the progress of our response to your complaint.

We will respond to your complaint in writing and tell you:

- our decision in relation to your complaint
- the reasons for our decision

If our decision does not resolve your complaint to your satisfaction, you will have the right to take your complaint to the next stage of the complaints process.

Stage Two of Our Complaints Process

In the unlikely event that we do not resolve the matter or you are not satisfied with the way your complaint about an XL Insurance Company SE Australia branch policy or claim under a XL Insurance Company SE Australia branch policy has been dealt with, you should contact:

The Complaints Officer
XL Insurance Company SE Australia branch
L28, 123 Pitt Street
Sydney NSW 2000
Email: apacompliance@axaxl.com

Your complaint will be acknowledged in writing within 5 business days of receipt, and you will be kept informed of the progress of XL Insurance Company SE Australia branch review of your dispute at least every 10 business days.

The length of time required to resolve a particular complaint will depend on the individual issues raised, however, in most cases you will receive a full written response to your complaint within 15 business days of receipt, provided XL Insurance Company SE Australia branch has received all necessary information and has completed any investigation required.

External Dispute Resolution

Australian Financial Complaints Authority

If your complaint is not resolved to your satisfaction following our complaints process or if we do not resolve your complaint within 45 calendar days of receiving it at Stage 1, you may refer the matter to the Australian Financial Complaints Authority. AFCA is an independent body that operate nationally in Australia and aim to resolve disputes between you and your insurer. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Your dispute must be referred to AFCA within 2 years of the date of our final decision. Determinations made by AFCA are binding upon us.

Australian Financial Complaints Authority
GPO Box 3
Melbourne, Vic 3001
Telephone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

How much will this procedure cost you?

This service is free of charge to policyholders.

Financial Claims Scheme

This Policy may be a protected Policy under Federal Government's Financial Claims Scheme (FCS), which is administered by APRA.

The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies a person who is entitled to make a claim under this Policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria.

You may obtain further information about the FCS from <http://www.fcs.gov.au> and the APRA hotline on 1300 55 88 49.

Privacy Information

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.) when collecting and handling your personal information.

Offshore Market Placements (Australia) have developed a privacy policy that explains the sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make. We will only disclose and use your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. We may disclose information to organisations that conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures.

Without your personal information, we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge.

For further information about our privacy policy or to access or correct your personal information, please contact:

Manager
Offshore Market Placements (Australia)
80 Pacific Highway
North Sydney NSW 2060
Australia

General Insurance Code of Practice – providing you with even better service

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. We keenly support the standards set out in the Code. You can obtain more information on the Code of Practice and how it assists you by contacting us. Contact details are provided on the back cover of this policy.

This policy is Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia.

End of Policy Wording