



LANDLORDS EXTRA PROTECTION VALUE **PLUS+**

Policy Wording and Product Disclosure Statement

LEXPLUSWDG H (02-16)

Introduction

This is an important document that contains important information designed to help You:

- decide whether this insurance will meet Your needs; and
- compare it with other products You may be considering.

You need to decide if this insurance is right for You and You should read this document and all of the documents that make up the Policy carefully to ensure You have the cover You need.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account Your objectives, financial situation or needs.

For additional information please visit the Frequently Asked Questions (FAQs) on Our website at www.sgua.com.au – Landlords Extra Protection Value Plus.

Insurer and the underwriting arrangement

The insurer of this insurance is The Hollard Insurance Company Pty Ltd (Hollard) ABN 78 090 584 473 AFS Licence No. 241 436. In arranging this insurance Ukawa Pty Ltd trading as St. George Underwriting Agency ABN 59 009 357 582 AFS Licence No. 236663 act as an agent of Hollard and not as Your agent.

Summary of Available covers

Cover Type	This is a limited summary only and not a full description of the covers. Please see the relevant Section and policy for the full terms and conditions (including any exclusions and limitations) that apply
Section 1 – Damage and Theft by Tenants	This covers You for physical damage arising from deliberate, intentional, malicious or accidental acts and acts of theft to the Building or Contents by the Tenant, except when the act results in a fire or explosion (see Section 4).
Section 2 – Tenant’s Default of Rent	You are covered for loss of rent, payable by the Tenant, which arises from damage covered under Section 1 or from breach of a written Lease agreement.
Section 3 – Court Legal Expenses	This covers You for court costs incurred in pursuing recovery of a rent loss arising from an event insured under Section 2.
Section 4 – Contents and limited Building cover, including legal liability cover.	This Section covers You for physical loss or physical damage to property insured at the risk address caused by Defined Events up to \$60,000 and Damage by Tenants which results in fire or explosion to Building and/or Contents up to \$60,000. We also cover You for Your legal liability as owner of the insured property for bodily injury or property damage up to \$20,000,000 any one accident or series of accidents arising from one event.
Section 5 – Loss of Rent (Defined Events)	We cover You for loss of rent in the event that the Building or Contents is damaged by any of the Defined Events in Section 4 so as to become untenable.

UKAWA PTY LTD ABN 59 009 357 582 t/as

St George Underwriting Agency

AFS Licence No. 236663

449 Yangebup Road, Cockburn Central WA 6164 | PO Box 3701, Success WA 6964

tel: 08 9417 8501 | fax: 08 9417 9294 | email: admin@sgua.com.au

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Understanding Your Policy and its important terms and conditions

To properly understand the Policy's significant features, benefits and risks You need to carefully read:

- a. about each of the available covers provided in Sections 1 to 5;
- b. the rest of this "Introduction" section - this sets out how You apply for cover, the basis on which We insure You, the duty of disclosure You need to meet before We insure You, Your Cooling off rights, renewals, Our privacy information and Our dispute resolution procedures;
- c. "Definitions" section - this sets out the special meaning of certain words used in the Policy. In some cases, certain words might be given a special meaning in a particular section of the policy when used;
- d. "General Exclusions - Applying to all Sections" - this sets out the general exclusions and limits that apply to all covers and benefits;
- e. "General Conditions - Applying to all Sections" - this sets out certain general rights and obligations that You and We have. If You do not meet them We may be able to refuse to pay a claim subject to the relevant law;
- f. "Other Information" section - this explains other important information in relation to Your duty of disclosure, privacy, renewals and dispute resolution;
- g. the Schedule and any endorsements or other written changes to the standard cover We issue to You with - these contain specific details relevant to You and can affect the cover.

Applying for cover

When You apply for the Policy by completing Our application We or Our representative will agree with You on things such as: the Period of Insurance; Your premium; what property You want to cover; the limits You want for certain covers (if optional); excesses that will apply to You or others and whether any standard terms need to be varied (this may be by way of an endorsement). These details are recorded in the Schedule We issue to You.

The premium We charge varies according to the location where Your Premises is situated. You will also have to pay certain amounts in relation to compulsory government charges (e.g. Stamp Duty and GST) plus any additional charges of which We tell You. These amounts will be set out separately on Your Schedule as part of the total premium payable.

Cooling-off and cancellation rights

You have a cooling-off period and cancellation rights under the Policy (see "General Conditions - Applying to all Sections" section for details).

Basis on which We insure You

Where We agree to enter into a Policy with You it will be based on the information provided in Your proposal and subject to payment of the required premium by the required date.

The Policy is made up of:

- Your Application;
- this Policy document, which sets out the standard terms and conditions of Your cover, including its limitations and exclusions;
- the Schedule, which shows the insurance details relevant to You. It may include additional terms and conditions (including any exclusions and limitations) relevant to You that amend the standard terms of this document as well as any additional benefits You may be covered for; and
- any other change to the terms of the Policy otherwise advised by Us in writing (such as an endorsement or Supplementary PDS) which may vary or modify the above documents.

These are all important documents and should be carefully read together as if they were one document to ensure that You are satisfied with the cover. All policy documentation should be kept in a safe place for future reference.

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

If You require further information about the Policy or wish to confirm a transaction, call Us on (08) 9417 8501.

Information on this Product Disclosure Statement (PDS)

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

Information in the PDS may need to be updated from time to time if certain changes occur where required and permitted by law. We will issue You with a new PDS or a supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes.

You can obtain a paper copy of any updated information without charge by calling Us on the telephone number provided on the front cover of this Policy document.

Definitions

“Accidental Damage” means a sudden and unexpected unintentional loss or damage, provided that the loss or damage is not already covered by, or able to be insured by, or is not excluded by any other sections of the policy irrespective of whether or not You have elected to insure under any or all of these sections.

“Building” means the property described below, at the risk address shown in the Schedule but excluding any items for which a Tenant is legally liable under the terms of a Lease or similar agreement:

- a. the dwelling house, residential flat or home unit and all domestic outbuilding;
- b. structural domestic improvements including:
 - i. built-in furniture,
 - ii. paths, driveways, terraces, walls, gates, fences, masts, aerials and clothes lines,
 - iii. permanently fixed swimming pools, saunas and spas and associated equipment but not inflatable pool covers;

- c. pipes, ducts, wires, cables, meters and switches, all of which supply the Building with either light, heat, cooling, telephone, gas, water, drainage or sewerage;
- d. fixed (non-portable):-
 - i. room heaters, stoves, air conditioners, fans, light fittings and hot water systems;
 - ii. appliances or equipment attached to the gas, plumbing, drainage or sewerage systems, or to the electrical systems other than those items which plug into power points;
- e. exterior blinds and awnings and fixed wall, floor or ceiling coverings other than carpets and floating floors.

“Contents” means the property described below in the Premises for the use of the Tenant and belonging to You:

- a. fixtures, fittings, furniture or carpets
- b. household goods, furnishings other than those described in (d) below
- c. in respect of strata title properties, improvements, decorations and locks not forming part of the strata title property.
- d. antiques, works of art, collections of any kind and electronic equipment not fixed in the Premises, provided that such items are specified in the Schedule, and provided also that this definition (d) does not include refrigerators, stoves, washing machines or clothes dryers
- e. swimming pools not permanently fixed.

Contents shall **not** mean motor vehicles (other than garden implements used for private purposes), motor cycles, caravans, trailers, watercraft and aircraft (other than model aircraft) or any accessories in or on the aforesaid items, plants or shrubs or trees in gardens, animals, birds or fish, furs, jewellery, gold/silver articles, documents and money.

“Deliberate Damage” means damage arising from an intentional or deliberate act (which does not include an omission) by the Tenant where the damage:

- a. can be shown to have been foreseeable by a reasonable person; and
- b. occurred whilst the Tenant occupied the Premises; and
- c. was not noted on the Property Condition Report at the beginning of the tenancy.

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“Deliberate Damage” also includes Theft by Tenants as described in Section 1.

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

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

“Floorcovering” comprises any material applied over a floor structure to provide a walking surface including loose-laid materials but excluding paint.

“Lease” means a written and enforceable lease, as a domestic rental property, of the risk address stated in the Schedule between You and the Tenant, complying with state legislation, for a term of three (3) months or more.

“Period of Insurance” means the period during which cover is provided under the Policy as shown in the Schedule. Any period for which the Policy is renewed is treated as a separate Period of Insurance.

“Policy” means this document, the Schedule, and any other change to the terms of the Policy otherwise advised by Us in writing (such as an endorsement or Supplementary PDS) which may vary or modify the above documents.

“Premises” means the Building and land encompassed by the lease.

“Schedule” means the relevant schedule We issue including on renewal or variation of the Policy. The Schedule shows Your Policy number, together with the details of Your cover including the sections of the Policy which apply to You. Coverage for any section is indicated where a dollar amount is listed next to it.

“Storm” means violent atmospheric disturbance which may be accompanied by rain, hail, snow or sleet. Storm does not mean persistent bad weather, or intermittent rain, persistent rain or heavy rain by itself but includes a flash flood.

“Sum(s) Insured” means the relevant amount(s) (including any applicable sub-limits) shown in the Schedule or other policy documents as the Sum Insured applicable to the relevant cover provided under the Policy.

“Tenant” means the tenant covered under the Lease and includes any immediate family of the tenant residing at the Premises.

“We” “Us” “Our” means St. George Underwriting Agency acting as an agent of the insurer, The Hollard Insurance Company Pty Ltd.

“You” “Your” “Yourself” means the insured named in the Schedule.

Section 1 - Damage and Theft by Tenants

If Your Schedule specifies that You are covered under this Section, We will insure You against:

- a. **Deliberate Damage by Tenants** for losses arising from Deliberate Damage done to the Building and/or Contents by the Tenant.
- b. **Theft by Tenants** occurring during the Period of Insurance, subject to the following conditions:
 - i. Theft constitutes a crime and must be reported to police;
 - ii. Each claim is subject to an excess payable by You of \$250;
 - iii. Loss or disappearance or non-return of remote controls or keys does not constitute theft.

We will cover You for the cost of re-keying locks following a court-ordered eviction up to a maximum of \$1000 any one claim.

- c. **Accidental Damage caused by Tenants** occurring during the Period of Insurance
The following sub-limits apply to any one claim under this Defined Event:
 - i. Floorcovering (including floating floors) \$1,500;
 - ii. Painting \$1,000;
 - iii. Window Treatments \$1,000;
 - iv. Benchtops and vanity tops \$1,500;unless more specifically insured elsewhere in this Policy.

However, this subsection (c) excludes loss or damage caused by or arising directly out of:

1. the actions of cleaning;
2. heat, smoke or soot when the Building or Contents have not caught fire;
3. tree roots;
4. poor housekeeping by Your Tenants or a member of Your Tenant's family or Your Tenant's guests. Poor housekeeping includes costs associated with the Tenant's untidy unclean or unhygienic living habits;
5. loss or contamination of water in swimming pools, spas or water tanks or similar structures;
6. Damage to swimming pools or similar structures;
7. Scorching except as covered below.

Excess

Claims under this subsection (c) are subject to an excess payable by You of \$250 for each event, not exceeding a maximum of \$500 for each claim.

- d. **Scorching** caused by cigarettes, irons or hot cooking pots/pans.

This cover only applies to:

- a. carpet, but only in the room where the loss or damage occurred; or
- b. bench/vanity tops, but only to the section of bench/vanity top that was damaged.

Excess

Claims under this subsection (d) are subject to an excess payable by You of \$100 for each event.

- e. **Garbage removal** expenses incurred for the purpose of removing garbage left by the Tenant in order to return the premises to a lettable condition, but excluding costs associated with the use of regular garbage removal services provided by local councils and the like.

Limit

Claims under this subsection (e) are subject to a limit of \$500 for any one Tenant under Sections 1 and 2 combined.

Sum Insured

This Section 1 of the Policy is subject to a limit of \$60,000 during the currency of any one Lease

(subject to the other terms and conditions of the Policy).

Provided that no claim will be admitted until such time as any monies collected under the state legislation applicable to residential tenancies are exhausted.

Fire or explosion which arises from Deliberate Damage by the Tenant is excluded from this Section 1 (refer to Section 4).

It is a condition of this Section of the Policy that You and/or anyone acting on Your behalf take all available steps to minimise Your loss or damage. Failure to take all available steps may result, to the extent permitted by law, in Your claim being reduced.

Furthermore, it is a condition of this Section that the actions of the property manager appointed by You to manage the insured property shall be deemed to be Your actions.

The most We will pay for all claims under this Section 1 is \$60,000 during the currency of any one Lease.

Special conditions – Applying to Section 1

Reinstatement conditions

1. Where the Schedule specifies that You are covered for Damage by Tenants and there is a valid claim under Section 1, We will pay the cost of reinstatement of property destroyed or damaged to a condition substantially the same as but not better than its condition when new up to the sum insured stated on Your Schedule, which includes the additional costs necessary to comply with government or local by-laws. We will pay the replacement cost of any item of furniture or home electrical appliance (other than clothing and household linen) lost destroyed or damaged provided that the item is not more than 20 years old at the time of the loss destruction or damage. Replacement cost means the cost of replacing or repairing to a condition substantially the same as the condition of the item when new up to the sum insured stated on Your Schedule.

Provided that

- i. cover in respect of carpets wall floor and ceiling coverings internal blinds and curtains is restricted to the room or rooms in which loss or damage occurs;

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- ii. reinstatement or repair is effected without undue delay;
 - iii. the property is maintained in good condition;
 - iv. until a sum equal to the cost of reinstatement or replacement has been actually incurred Our liability will be limited to the present value of the property destroyed or damaged.

Section 2 - Tenant's Default or Damage Rent Loss

We will insure You (subject to the other terms and conditions of the Policy) for loss of rent under a Lease suffered during the Period of Insurance arising from:

- a. the Premises being unfit for occupation for at least 7 days caused by Deliberate Damage for which a claim under Section 1 has been admitted, or
- b. the default in payment of rent by the Tenant, or
- c. the departure of the Tenant from the Building without notice, or
- d. loss of rent due to a court or tribunal-ordered termination of the Lease due to hardship on the part of the Tenant, or
- e. loss of rent due to the death of a sole Tenant.

Provided that unless stated in the Schedule to the contrary, the total amount payable by Us will not exceed the lesser of fifteen (15) weeks rent or \$18,750 during the currency of any one Lease, but We will not pay more than the weekly rent amount in the Lease up to a maximum of \$1,250 per week.

Rent loss which results from fire or explosion caused by Deliberate Damage by the Tenant is excluded, to the extent permitted by law, from this Section 2 (refer to section 5).

It is a condition of this Section of the Policy that You and/or anyone acting on Your behalf take all available steps to minimise rent loss. We may, reduce or refuse Your rent loss claim if You or Your property manager:

- a. fails to issue or delays issuing rent arrears and termination notices to the Tenant, or
- b. fails to pursue or delays pursuing a court or tribunal order for the eviction of the Tenant following the expiry of the breach or termination notice.

The above processes should be followed in accordance with the relevant Tenancy Act in the State or Territory in which Your property is located. Further, it is a condition of this Section that the actions of the property manager You appoint to manage the insured property shall be deemed to be the actions of the Insured.

Garbage removal

This section 2 is extended to include Garbage removal expenses incurred for the purpose of removing garbage left by the Tenant in order to return the premises to a lettable condition, but excluding costs associated with the use of regular garbage removal services provided by local councils and the like.

Claims under this extension are subject to a limit of \$500 for any one Tenant under Sections 1 and 2 combined.

No claim shall be admitted under this Section 2 until such time as any bond monies collected under the state legislation applicable to residential tenancies are exhausted.

Section 3 - Court Legal Expenses

We will insure You for legal expenses incurred for the purposes of recovering any amount payable under Section 2, comprising court application and/or court lodgement fees and/or court-appointed bailiff/sheriff fees.

We will further insure You for Your property manager's fees but only for attending the court or tribunal on Your behalf.

Provided that:

- a. The fee amount and structure is agreed in the management agreement with Your property manager prior to the commencement of court action; and
- b. The maximum amount payable under proviso (a) arising from any one claim is \$500.

The maximum amount that We will pay under Section 3 is \$5,000 for any one claim.

Section 4 - Contents

Unless otherwise specified the most We will pay for all claims under this Section 4 is \$60,000.

Defined Events

We will indemnify You in respect of physical loss or physical damage to the relevant Contents caused by the following Defined Events which occur during the Period of Insurance (subject to other terms and conditions of the Policy).

1. **Fire, explosion, or lightning.** However, this excludes 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 (see section 1 "Damage and Theft by Tenants" above);
 - d. heat, smoke or soot when the Building or Contents have not caught fire.
2. **Earthquake and tsunami** but excluding the first \$200 of the total amount payable by Us in respect of loss of or damage to Your Building caused by earthquake or tsunami during any period of 72 consecutive hours.
3. **Theft** or any attempted theft (but excluding theft by any person ordinarily residing with You at the time of the theft and excluding theft or misappropriation by any Tenant or sub-Tenant or any servant of such Tenant or sub-Tenant).
In respect of strata title properties Theft includes the cost of re-keying or replacing locks up to a maximum of \$1000 any one claim following damage to the locks or theft of the keys where the Insured is responsible for such costs.
4. **Bursting, leaking, discharging or overflowing of fixed guttering, fixed tanks, fixed pipes** or other apparatus used to hold or carry liquid of any kind but excluding:
 - a. the cost of repair or replacement of the defective part(s) of the guttering, tanks, pipes or other apparatus giving rise to the said loss or damage, including the cost of making good the repairs or replacement;

- b. damage caused by the porous and/or deteriorated condition of grout; or
- c. damage caused by the lack of a waterproof membrane.

We will also pay for exploratory costs reasonably incurred in locating the source of damage subject to a limit of \$500 for any one occurrence, provided that a claim for damage is accepted under this Defined Event 4.

5. **Glass breakage** of:
 - a. fixed glass, fixed shower base, fixed basin, fixed sink, fixed bath, fixed lavatory pan or fixed cistern forming part of Contents; or
 - b. mirrors, or glass forming part of furniture (including glass table tops, fixed or unfixed).but **excluding** accidental breakage of
 - i. the screen of an electronic visual display unit;
 - ii. a ceramic or glass cooking top, unless damage was caused by physical impact by an object;
 - iii. tiles; or
 - iv. glass in a picture frame or clock.
6. **Acts of malicious persons or a deliberate or intentional act**, except destruction or damage intentionally caused by:
 - a. You;
 - b. a member of Your family ordinarily residing with You;
 - c. a person acting with the express or implied consent of any one of them; or
 - d. a Tenant or sub-Tenant, where You are the lessor.

Note: The cover granted in respect of Defined Events 1 to 6 inclusive will be entirely suspended for any period in excess of 60 consecutive days during which the Premises are left unfurnished or are not inhabited on an everyday basis unless with Our prior written consent (excluding the cover granted for lightning, earthquake and tsunami). This proviso will not apply if the property is being managed as a rental property by a licensed real estate property manager.

7. **Accidental Damage** but excluding Accidental Damage caused by Tenants or their guests (see Section 1 “Damage and Theft by Tenants” above).

There is no cover under Accidental Damage for loss or damage caused by or arising directly out of:

1. the actions of cleaning;
2. heat, smoke or soot when the Building or Contents have not caught fire;
3. tree and plant roots;
4. loss or contamination of water in swimming pools, spas or water tanks or similar structures;
5. damage to swimming pools or similar structures.

Excess

Claims under this Defined Event 7 are subject to an excess payable by You of \$250 for each event.

8. **Fire or Explosion resulting from acts of Deliberate Damage by a Tenant** to the Building or Contents subject to, and notwithstanding anything contained in the Schedule, to a limit of \$60,000 during the currency of any one Lease.

Provided that no claim will be admitted until such time as any monies collected under the state legislation applicable to residential tenancies are exhausted.

We may, to the extent permitted by law, refuse to pay a claim if You or Your agent do not take all necessary steps to minimise damage.

9. **Storm** but excluding loss or damage:
- a. caused by the sea, tidal wave, high-water, Flood (except as provided under Defined Event 10 below) erosion, subsidence or landslide;
 - b. caused by water seeping or percolating through walls, roofs or floors;
 - c. resulting from Your failure, or failure by Your property manager, to maintain the property in a good state of repair or failure to fix damage or deterioration; or

- d. due to a defect of which You or Your property manager were aware or should reasonably have been aware.

We also do not pay for the cost of cleaning or removing mud or debris out of swimming pools and spas and replacing the water.

10. **Flood.**

11. **Impact** by:

- a. aircraft or space debris or debris from an aircraft, rocket or satellite;
- b. any vehicle (including a waterborne craft) or animal (other than an animal kept on the site or a domestic animal);
- c. a falling tree or falling part of a tree (but excluding loss or damage caused by tree lopping or felling by You or a person acting with Your consent); and
- d. a satellite dish, television or radio aerials or masts that have broken or collapsed (but excluding damage to the satellite dish, television or radio aerial, or masts).

12. **Riot or civil commotion, or acts of:**

- a. strikers or locked-out workers or persons taking part in labour disturbances;
- b. persons of malicious intent acting on behalf of or in connection with any political organisations; and
- c. any lawfully constituted authority in connection with the events specifically referred to in this Defined Event 12 where the resulting loss or damage is directly caused thereby.

13. **Loss of or damage to any part(s) of household electrical machines** (other than radios, televisions, video or sound recording or playing equipment, computers and ancillary equipment and microwave ovens) forming part of Contents caused by the actual burning out of such part(s) by the electrical current therein but **excluding** loss of use.

If the lost or damaged item is over 5 years old at the time of the loss or damage, each claim under this Defined Event 13 will be reduced by 7% for each full year since the manufacture of the item for which a claim is admitted.

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Additional Benefits - Applying to Section 4

If Your Schedule specifies that You are covered under this Section, then We will also cover You for (subject to the other terms and conditions of the Policy):

1. Legal Liability:

Amounts which You, as owner of the Premises, may become legally liable to pay as compensation in respect to any one accident, or series of accidents, arising out of one event or originating cause, that had resulted in:

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

which occurred at the Premises during the Period of Insurance.

The maximum amount We will pay under this Additional Benefit is up to \$20,000,000 in respect of any one accident or series of accidents arising out of one event.

We will also pay in connection with any such valid claim all legal costs and charges and expenses:

- i. incurred with Our written consent in the settlement or defence of claims or litigation arising therefrom; and
- ii. recoverable by any claimant from You or from any other person insured by this Section of the Policy.

We will not pay for claims under this Additional Benefit:

- a. arising out of the ownership, possession or use by You of any land or building other than those Premises at the risk address shown in the Schedule;
- b. in respect of death, bodily injury or illness to any:
 - i. member of Your family ordinarily residing with You,
 - ii. person arising out of or in the course of employment of such person either in the service of You or of any other person insured by this Section of the Policy,

- iii. person arising from the transmission of any disease;
- c. in respect of damage to property belonging:
 - i. to or in the physical or legal control of You or any member of Your permanent household, or
 - ii. to any person in the service of either You or of any other person insured by this Section of the Policy;
- d. arising out of or in connection with any business or occupation carried on by You or of any other person insured by this Section of the Policy other than that of Landlord;
- e. arising out of or in connection with lifts, mechanically propelled vehicles (other than garden implements used for private purposes) watercraft, aircraft (other than model aircraft) or aircraft landing areas;
- f. arising out of alterations, additions, repairs or decorations to the Building which exceed a total cost of \$30,000;
- g. arising out of any liability imposed by contract;
- h. for any libel or slander;
- i. arising from a strata title building unless such building is insured by the Policy, however, this exclusion (i) will not apply to Your liability which falls outside the responsibility of the body corporate or strata title company.

If You have effected more than one policy with Us providing insurance in the terms of this Additional Benefit then Our liability under all policies shall not exceed \$20,000,000 in the aggregate in respect of any one accident or series of accidents arising out of one event or originating cause that is/are covered under both this Additional Benefit and any of those Policies.

Conditions Applying only to Section 4

1. Reinstatement and Replacement Conditions

Where there is a valid claim under Section 4 for Contents destroyed or damaged because of Defined Events 1 - 13, We will pay the replacement cost of any item of furniture or home electrical appliance (other than clothing and household linen) lost destroyed or damaged provided that the item is not more than 20 years old at the time of the loss destruction or damage.

Replacement cost means the cost of replacing or repairing to a condition substantially the same as the condition of the item when new up to the sum insured stated on Your Schedule. Where Reinstatement conditions do not apply claims will be settled on an indemnity basis.

Provided that:

- a. this Condition will only apply to Defined Event 13 for property no more than 5 years old;
- b. cover in respect of carpets wall floor and ceiling coverings internal blinds and curtains is restricted to the room or rooms in which loss or damage occurs;
- c. reinstatement or repair is effected without undue delay;
- d. the property is maintained in good condition; and
- e. until a sum equal to the cost of reinstatement or replacement has been actually incurred Our liability will be limited to the present value of the property destroyed or damaged.

Section 5 - Loss of Rent Defined Events

If Your Schedule specifies that You are covered under this Section, We will insure You against loss of rent in the event of the Building or Contents being so damaged by any of the Defined Events under Section 4 as to become untenable (subject to the other terms and conditions of the Policy).

Provided that the damage which causes the Premises to become untenable is to the:

- a. Building forming part of a strata title insured by any other policy against the peril which caused the damage, or
- b. Building currently insured by another policy issued by St George Underwriting Agency, or
- c. Building which does **not** form part of a strata title caused by Defined Event 8 under Section 4 - Contents, or
- d. Contents insured by the Policy.

The sum for which We will be liable will be proportionate to the time reasonably necessary for reinstatement not exceeding 52 weeks, plus, applicable to Building loss or damage only, up to 2 weeks for re-letting. The annual rent as per the Lease is to be taken as the basis of calculation of loss.

Prevention of Access

Irrespective of whether the Building or Contents are damaged, if rent is irrevocably lost due to access to the insured property being denied or restricted due to:

- i. Damage to neighbouring premises in the near vicinity; or
- ii. A government authority prohibiting your premises from being occupied as a direct result of damage to, or threat of damage to, Your premises or neighbouring premises or premises in the near vicinity;

We will indemnify You for such loss up to a maximum of 52 weeks' rent.

General Exclusions - Applying to all Sections

The Policy does not cover loss or damage or liability:

1.
 - a. to artificial turf;
 - b. to electrical contacts at which sparking or arcing occurs in ordinary working;
 - c. to lighting or heating elements, fuses or protective devices;
 - d. for any amount recoverable under a manufacturer's or retailer's guarantee or warranty;
 - e. caused by or arising from gradual deterioration including, rust, wear, tear, oxidation, change of colour, the exposure to light, atmospheric conditions or

- vibration unless caused by an insured event;
- f. caused by or arising from mould or mildew, wet or dry rot, rising damp or dampness unless caused by an insured event;
- g. caused by or arising from lack of maintenance;
- h. caused by or arising from scratching or denting;
- i. caused by or arising from inherent defects or faults, faulty workmanship, structural faults, faulty design;
- j. caused by or arising from animals, birds, insects, rats or mice. However this exclusion will not apply in respect of liability arising from the ownership by You of any animal or bird as a domestic pet;
- k. caused by or arising from roots from trees, plants, shrubs or grass other than the cover In additional benefits applying to section 4;
- l. caused by or arising from any intentional act committed by You, Your family or by any person acting with Your express or implied consent;
- m. caused by or arising from acts of Tenants with consent of You or a representative of You;
- n. caused by or arising from actions of the sea including tidal waves and high tides;
- o. caused by or arising from a bushfire, grassfire, named cyclone or Flood that occurs within 72 hours of the start of this Policy. However, We will cover these incidents if Your Policy began on the same day:
- You bought the property; or
 - another policy covering property expired. If this is the case, We will pay up to the sum insured covered under the expired policy (any increase in the Building Sum Insured will not be covered for these events in the first 72 hours).
- p. caused by or arising from water seeping through a wall or floor;
- q. caused by or arising from water entering through openings made by alterations or additions;
- r. caused by or arising from any earth movement or vibration including erosion, subsidence, landslide, mudslide, settling, collapse, earth shrinkage and expansion not directly caused by and occurring within 72 hours of an:-
- earthquake or tsunami;
 - storm, rainwater, flood, wind;
 - explosions;
 - escape of liquids from a fixed pipe or something attached to a fixed pipe, fixed gutter, fixed tank or fixed drain;
- s. caused by or arising from any loss or damage arising out of or connected with keys being provided for the purpose of property inspections;
- t. caused by or arising from the Tenant utilising the premises for trade, manufacturing or childcare with Your knowledge and/or consent;
- u. caused by or arising from mechanical, electronic or electrical breakdown or malfunction unless caused by a defined event;
- v. to swimming pools, spas, septic tanks, water tanks (and other in-ground or above-ground structures or their surrounds) caused by hydrostatic pressure or hydrodynamic pressure;
- w. caused by or arising from the removal or weakening of supports or foundations for the purpose of alterations, renovations or repair;
- x. caused by or arising from settling, shrinkage or expansion in building, foundations walls or pavements;
- y. caused by or arising from consequential loss other than as provided under Section 2 (Tenant's Default) or Section 5 (Loss of Rent);
- z. caused by or arising from or in any way connected with war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;



- aa. any order of any government, public or local authority including confiscation, nationalization, requisition, repossession of or damage to Your Building and/or Contents;
- bb. caused by or arising from direct or indirect exposure to radiation or contamination by radioactivity from any nuclear fuel, nuclear waste or nuclear material.

2. **Absolute Asbestos Exclusion**

We will not cover Your legal liability for claims caused by, arising from, or in any way connected with the existence, at any time, of asbestos.

3. **Cyber Exclusion**

We will not cover Your legal liability for claims caused by, arising from, or in any way connected with, the existence, use, operation or maintenance, at any time, of electronic mail, a computer virus or an internet site or other internet-based service, intranet or any web site.

4. **Terrorism**

This Policy does not cover loss, liability, injury, illness, death, cost or expense caused by, arising from, or in any way connected with:

- a. 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
- b. An act of 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:

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

This exclusion takes precedence over any other provision or endorsement of the Policy.

General Conditions - Applying to all Sections

1. **Occupancy**

We may, to the extent permitted by law, not pay a claim if the Building are not:

- a. used solely for private residential purposes; and
- b. subject to a Lease.

2. **Property Condition Report**

We may, to the extent permitted by law, not pay for any claim under Sections 1 and 2 if a Property Condition Report has not been completed and signed by You (or Your representative) and the Tenant upon commencement of the Lease.

3. **Cancellation**

- a. You may cancel the Policy at any time by advising Us in writing. Cancellation by You will be effective from 4pm on the later of the day We receive the cancellation notice or the date specified in the notice.
- b. We have the right to cancel the Policy where permitted by and in accordance with the law. For example, We may cancel the Policy in certain circumstances.

These include:

- if You failed to comply with Your Duty of Disclosure; or
- where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy; or
- where You have failed to comply with a provision of the Policy, including the term relating to payment of premium; or
- where You have made a fraudulent claim under the 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 seven or more periodic instalments and at least one instalment remains unpaid in excess of one month from the date on which it was due and payable.



- c. If We decide to cancel the Policy, We will (as relevant) give notice to You personally or to Your last known address. Such notice will be effective from 4pm on the third business day after the day it is given to You, unless it specifies a later date or such earlier time in accordance with the Insurance Contracts Act.
- d. Subject to (e), 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 the Policy and We have agreed to pay the full Sum Insured for Your property no return of premium will be made for any unused portion of the premium.

4. **Claims Settlement and Procedure**

- a. We may, at Our option and unless otherwise specified in the Policy, settle any claim by payment, reinstatement, replacement or repair.
- b. If loss or damage or an event occurs which is likely to result in a claim, You must at Your own expense:
 - i. advise Us immediately of full details of any loss, damage, injury or notice of claim against You;
 - ii. provide Us with all information and evidence We may reasonably require;
 - iii. take all reasonable precautions to prevent further loss or damage or liability;
 - iv. immediately inform the police of any actual or attempted malicious damage or theft, housebreaking or attempts to commit any of these; and
 - v. give to Us or Our representative, within thirty (30) days of the event, a written statement of the claim and any further information and proof which We may reasonably require.

- c. Where claims are made against You or any other person insured by the Policy:
 - i. You or such other person must not admit responsibility or offer or agree to settle the claim without Our consent;
 - ii. We will be entitled to take over and conduct in Your name or such other person any legal proceedings to defend the claim and to seek any legal remedy against other persons;
 - iii. We will have full discretion in the conduct of negotiations, proceedings and settlement of the claim and You or such other person must give such information and assistance as We may reasonably require.

5. **Fraudulent Claims**

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefit under the Policy, We will, to the extent permitted by law, refuse payment of such claims.

6. **Subrogation**

- a. Any person claiming under the Policy shall, at Our request and at Our expense, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Us for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which We shall be or would become entitled or subrogated upon Us paying for or making good any destruction or damage under the Policy.
- b. If We make any recovery as a result of such action, You may only recover from Us any amount by which the amount recovered by Us exceeded the amount paid to You by Us in relation to the loss.

8. **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.

Sums insured

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

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.

Other Information

Renewal procedure

Before the Policy expires We will advise You in writing if We are prepared to renew by sending a renewal invitation advising the amount payable to renew the Policy. Alternately, We will advise if renewal will not be offered.

This document also applies to any offer of renewal We may make, unless We tell You otherwise.

It is important that You check the information shown before renewing each year to satisfy Yourself that the details are correct.

Your Duty of Disclosure

We rely on the information You provide Us with, to decide whether to insure You and the terms on which We will insure You. To comply with Your duty of disclosure when first entering into an insurance contract with Us, You must tell Us everything You know and that a reasonable person in the circumstances could be expected to tell Us, in answer to the questions We ask You. This applies to every person insured under the policy.

If You fail in Your duty of disclosure, We may reduce or deny any claim You make or cancel Your policy. If You fraudulently keep information from Us or deliberately make false statements, We may avoid Your contract and treat Your insurance as if it never existed.

To comply with Your duty of disclosure when You vary, renew, extend, reinstate or replace Your policy, You must tell Us everything that You know, and which a reasonable person in the circumstances could be expected to know, is relevant to Our decision whether to insure You and, if so, on what terms. You do not have to tell Us anything that is common knowledge that We should know through Our business, that reduces the risk of a claim or that We tell You We do not need to know.

How We protect Your privacy

We are bound by the Australian Privacy Principles (APPs) under the Privacy Act 1988 (Cth) and comply with the Privacy Act 1988 (Cth). We are committed to ensuring that all Our business dealings comply with the APPs and acknowledge the importance of keeping personal details for individuals confidential and secure.

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We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling. Without this information, We are not able to provide You with the services You require.

If You would like a copy of Our privacy policy, would like to seek access to or correct Your personal information, or opt out of receiving materials We send, please contact Us.

Dispute resolution process - helping You solve any problems

We welcome every opportunity to resolve any concerns You may have with Our products or service. In the first instance contact Us directly or Your insurance broker if applicable.

If Your concern is still not resolved to Your satisfaction please write to Our Internal Dispute Resolution Committee at:

The Hollard Insurance Company Pty Ltd
Internal Dispute Resolution Committee
Locked Bag 2010, St Leonards NSW 1590
or email resolution@hollard.com.au or call 02 9253 6600.

Your concern will be investigated by an officer with full authority to deal with the complaint and You will be informed of the outcome within fifteen working days of receiving Your concern. If Your concern still remains unresolved to Your satisfaction or has not been resolved within 45 days, You may refer the matter to the Financial Ombudsman Service (FOS) subject to its terms of reference, which acts as Our external dispute resolution provider. FOS is an independent body and its service is free to You. FOS can be contacted via:

post GPO Box 3, Melbourne, Victoria 3001
web www.fos.org.au
email info@fos.org.au
phone 1300 78 08 08

A decision of FOS is binding on Us (up to specified jurisdiction limits). A decision of FOS is not binding on You and You have the right to seek further legal assistance.

General Insurance Code of Practice

Hollard is a signatory to the General Insurance Code of Practice. The objectives of this Code are to:

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

You can obtain a copy of the Code from the Insurance Council of Australia website www.insurancecouncil.com.au or by phoning (02) 9253 5100.

Financial Claims Scheme

Hollard is an insurance company authorised under the Insurance Act 1973 (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and is subject to the prudential requirements of the Insurance Act. The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Hollard are met within a stable, efficient and competitive financial system.

The protection provided under the Financial Claims Scheme legislation applies in relation to Hollard and the policy. If Hollard were to fail and were unable to meet their obligations under the policy, a person entitled to claim under the policy may be entitled to payment under the Financial Claims Scheme (access to the Scheme is subject to eligibility criteria). Information about the Financial Claims Scheme can be obtained from the APRA website at www.apra.gov.au or the APRA hotline on 1300 55 88 49.

Hollard is exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. Hollard has compensation arrangements in place that are in accordance with the Insurance Act.

Remuneration

Hollard as the insurer ultimately receives the premium for this insurance product if you purchase it. This amount is agreed with you before the product is purchased. SGUA receives a commission from Hollard which is included in this amount. You may request particulars about this commission or other benefits SGUA receives from Hollard, however the request must be made within a reasonable time after you have been given this document and before the relevant financial service has been provided to you.