



LANDLORDS RESIDENTIAL PROPERTY

INSURANCE PRODUCT DISCLOSURE STATEMENT AND POLICY – ACCIDENTAL DAMAGE COVER

with Flood Cover

For Steadfast Brokers



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Welcome To The Steadfast Landlords Residential Property Insurance Policy

About Steadfast

Steadfast Group Limited (**Steadfast**) is a public company. It includes a large network of insurance brokerages who operate in Australia as **Steadfast** brokers. This policy is available exclusively to you through a Steadfast broker. Steadfast does not issue, guarantee or underwrite this policy.

Important information about Steadfast's advice

Any advice Steadfast gives about this policy does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on Steadfast's advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decisions about whether to acquire this policy, we recommend you read this PDS.

Updating product disclosure statement

Information in this PDS may need to be updated from time to time where required and permitted by law. You can obtain a paper copy of any updated information without charge by calling us on the contact details provided in this document. If the update is to correct a misleading or deceptive statement or an omission that is materially adverse from the point of view of a reasonable person deciding whether to acquire the Policy, we will provide you with a new PDS or a Supplementary PDS.

Steadfast Landlords Residential Property Insurance Product Disclosure Statement

This Product Disclosure Statement (PDS) contains two sections:

- **Important information** – contains general information about your Landlords Residential Property Insurance policy, **and**
- **The Steadfast Landlords Residential Property Insurance Policy** – contains the terms and conditions of your Landlords Residential Property Insurance policy.

To assist you to locate specific items in this PDS, a table of contents is provided at the front of the booklet and an index is provided at the back of this booklet.

Please read this PDS before you apply for insurance.

If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

If you need more information about this PDS or your policy, please contact your insurance intermediary.

Important Information

The purpose of this PDS

The PDS has been prepared to assist you in understanding your Landlords Residential Property insurance policy and making an informed choice about your insurance needs.

This PDS sets out important information about the insurance and the terms and conditions and limitations of the policy. The policy terms and conditions are set out in this PDS under the heading 'The Steadfast Landlords Residential Property Insurance Policy' commencing on page 11.

Who is the insurer

Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance is the insurer under Section 1 Buildings and Contents and Section 2 Liability.

Insurance Australia Limited trading as CGU Workers' Compensation is the insurer under Section 3 Workers' Compensation if your situation is in Western Australia, Tasmania or Northern Territory. Our Australian Business Number is 11 000 016 722. In this policy the insurer is called 'we', 'us' or 'our'.

How to contact us

You may contact us by any of the following ways:

- in person at any CGU Insurance office
- by telephone on 13 24 81 (13 CGU1)
- by writing to us at CGU Insurance, GPO Box 9902 in your capital city
- by email on our website cgu.com.au

Your cooling-off period

We will refund all premium paid for cover under your policy if you request cancellation within 30 days of its commencement.

To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will not receive a refund if you have made a claim under your policy.

How to apply for insurance

Complete our application form. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

How to make a claim

When something happens that you believe you can claim for, please contact your nearest CGU Insurance office, or call 13 24 80 (13 CGU0). Details about making a claim are shown in the insurance policy terms and conditions under 'How to make a claim'.

Calculating your premium

The premium payable by you for this insurance will be shown on your schedule. The key factors that influence the premium calculation are reflected in the questions asked, and information sought, at the time of your enquiry or application for landlords residential property insurance. These include factors relating to the type of property being insured, where the property is located, the type of construction of the property and your previous insurance and claims history.

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

Premiums are subject to Commonwealth and state taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your schedule.

If we are unable to issue your insurance when we receive your application, we are required to hold your Premium in a trust account on your behalf until your insurance can be issued. We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

How CGU protects your privacy

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

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

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

For more details on how we collect, store, use and disclose your information, please read our Privacy Policy located at cgu.com.au/privacy. Alternatively, contact us at privacy@cgu.com.au or 13 15 32 and we will send you a copy. We recommend that you obtain a copy of this policy and read it carefully.

By applying for, using or renewing any of our products or services, or providing us with your information, you agree to this information being collected, held, used and disclosed as set out in this policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how we will deal with your complaint.

CGU Insurance triple guarantee

Our guarantee assures you of quality insurance and service at all times.

Fair dealing guarantee

We will meet any **claims** covered by your policy fairly and promptly.

Money back guarantee

If you change your mind, we provide a cooling-off period which lets you cancel your policy within 30 days with a full refund of your premium. However, your cooling-off period no longer applies if you make a **claim** within this time.

Service guarantee

We will provide you with the highest standards of service.

General Insurance Code of Practice

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

The objectives of the Code are:

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

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

Our commitment to you

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

Please contact us if you would like more information about the Code or the Code Governance Committee.

How to resolve a complaint or dispute

We will always do our best to provide you the highest level of service but if you are not happy or have a complaint or dispute, here is what you or your insurance adviser can do.

If you experience a problem or are not satisfied with our products, our services or a decision we have made, you or your insurance adviser should let us know so we can help. Contact information can be found within this PDS or you can call us on 13 24 81.

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

If we are not able to resolve your complaint when you contact us or you would prefer not to contact the people who provided your initial service, our Customer Relations team can assist:

Free Call: 1800 045 517

Email: Customer.Relations@iag.com.au

Customer Relations will contact you or your insurance adviser if they require additional information or have reached a decision. Customer Relations will advise you or your insurance adviser of the progress of your complaint and the timeframe for a decision in relation to your complaint.

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

Free Call: 1800 931 678

Email: info@afca.org.au

Mail: Australian Financial Complaints Authority

GPO Box 3 Melbourne VIC 3001

Visit: www.afca.org.au

Further information about our complaint and dispute resolution process is available by contacting us.

Your responsibilities to us

When you take out, renew, or change or vary a policy, you have a responsibility to answer our questions truthfully.

What you must do when you apply to take out this policy

When applying to take out insurance we will ask you certain questions. When answering these questions, you must be honest.

We will use your answers to help us decide whether to insure you and anyone else under this policy, and on what terms.

Who you are answering the questions for

It is important that you understand you are answering the questions in this way on behalf of yourself and anyone else that you want to be covered by the policy.

If you do not answer our questions in this way

If you do not answer our questions in this way, we may reduce the amount we pay for or refuse to pay a claim to the extent we are prejudiced by your noncompliance, or cancel the policy if we would not have issued you cover on the same terms had you complied, or do both. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never being in place. The course of action we take when you fail to tell us these things will be considered in each circumstance based on what impact or effect your failure caused or contributed to a claim or our decision to issue your policy.

Intermediary remuneration

Insurance Australia Limited trading as CGU Insurance pays remuneration to insurance intermediaries when we issue, renew or vary a policy the intermediary has arranged or referred to us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration we may pay your intermediary you should ask your intermediary.

Financial Claims Scheme

You may be entitled to payment under the Financial Claims Scheme in the event that Insurance Australia Limited trading as CGU Insurance becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from www.fcs.gov.au.

The Steadfast Landlords Residential Property Insurance Policy

Your policy

Your policy is a contract of insurance between you and us.

Your policy includes information on the following:

- when you are covered
- who is covered under your policy
- what is insured
- what your policy does not cover
- excesses that may apply
- how we pay claims.

If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out as described in this policy.

Our agreement with you is made up of your application, your current schedule and this policy, as well as any endorsements we send to you.

Together, they make up your insurance contract with us.

Read them carefully and store them together in a safe place.

We recommend that you keep receipts for major items you purchase.

When you are covered

Your insurance begins when we accept your application. The commencement date of your insurance will be shown on the schedule we will send you.

We will not cover loss or damage as a result of flood within 14 days (336 hours) of the start date of this policy, **unless:**

- you took out your insurance with us immediately after another insurance policy covering flood and insuring the same building or contents expired, without a break in cover.

We will not cover your buildings and your contents for a period of 48 hours from the time of the commencement of your insurance for loss or damage caused by:

- bushfire or grassfire, **or**
- a named cyclone.

We will provide cover however if:

- this insurance commences directly after another insurance policy covering the same property expired without a break in cover
- you have entered into a contract of sale to purchase the property
- you have entered into a contract to lease the property.

The insurance applies for the period for which you have paid us (or agreed to pay us) the premium. You may pay your premium by cash, cheque or credit card. If your cheque or credit card is dishonoured by your financial institution, you are not insured.

You can also pay your premium by instalments direct from a financial institution account or from your credit card.

What happens if you don't pay on time

When you take out insurance, you need to pay your annual premium or any instalments by the due date specified on your schedule. An instalment is unpaid if it cannot be deducted from your nominated account or credit card. If your premium is overdue we will send you a notice outlining the overdue amount and when it needs to be paid.

If your premium remains unpaid after the time period specified in the notice we send, we will:

- cancel your policy for non-payment; and
- refuse to pay any claim for an incident occurring after the cancellation date.

If you pay by instalment, we will send you a second notice either before cancellation informing you of the effective date of cancellation, or within 14 days after cancellation confirming the effective date of cancellation.

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

If you have a total loss, we shall deduct the instalments for the remaining period of insurance from the amount we pay you.

Who is covered under this policy

The person whose name is set out in the schedule is insured. In this policy that person is called 'you' or 'your'.

Optional cover you can select

You can choose cover for:

- buildings
- contents
- loss of rent
- Strata Title Mortgagee Protection
- rent default and theft by a tenant
- liability
- Workers' Compensation in WA, Tasmania and NT.

Excess that may apply

If you make a claim under the policy, you may be required to pay one or more excesses. The descriptions of these excesses and the circumstances in which they are applied are shown in the policy wording under 'Policy excess' on page 25 and 'Excess' on page 37. The amount of each excess will be shown on your schedule other than the earthquake or tsunami excess which is shown on page 25 of the policy wording.

In most instances, you can select at the time of your enquiry or application for insurance the amount of policy excess you wish to pay should you have a claim. When you select a higher policy excess amount, we will normally reduce the amount of premium we charge you.

In some instances, we will require you to pay a specific amount of policy excess should you have a claim. In deciding the amount of policy excess, we take into consideration a number of factors in setting the amount of the policy excess. These include factors relating to the type of property being insured, where the property is located, the type of construction of the property and your previous insurance and claims history. At the time of your enquiry or application for insurance, the amount of policy excess will be advised to you.

Words that have a special meaning

In this policy there are words that have a special meaning. These words are listed below. If the meaning of a word is not shown below, we tell you on what page the meaning is printed. Wherever a word with a special meaning is printed in this policy, it will be shown in **bold** print.

Act of Terrorism

This includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- involves violence against one or more persons
- involves damage to property
- endangers life other than that of the person committing the action
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or to disrupt an electronic system.

Allowable Reletting Expenses

Reletting expenses as specified in the current rental agreement for your property.

Bond Money

Money paid by the tenant and held as security against damage to the property or outstanding rent or other costs. Your policy will operate on the basis that bond money equal to at least four weeks rent has been paid.

Buildings

Buildings are:

- residential buildings including any professional offices or surgeries in those buildings
- domestic out-buildings
- fixed coverings to walls, floors and ceilings. This does not include fixed carpet, curtains or internal blinds
- services, which include the supply of electricity, water, etc.
- items built in or fixed to or on the buildings
- jetties, wharfs, pontoons and moorings used for domestic purposes
- blinds or awnings on the outside of the buildings
- anything permanently built, permanently constructed or installed permanently on your property for domestic purposes
- building materials. We will pay up to \$5000 in total for these items.

Buildings are not:

- property that a tenant is liable for under the terms of a rental agreement. This does not apply to items listed under "What are buildings"
- plants, shrubs, trees or grass
- lawns
- loose or compacted soil, gravel, pebbles, rocks or sand (e.g. a gravel driveway or sand in a sand pit)
- dams.

Claim

A separate identifiable event for which the policy provides cover. Where multiple events are submitted at the same time or on the same claim form, they will be treated as separate claims for the application of any policy excess or limitation.

Communicable Disease

Communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not,
- the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas between organisms, and
- the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

Contents

Contents are household goods you own or are legally responsible for that are not fixed or fitted to your building at your rental property and which are for the use of the tenant.

Your contents include:

- carpets, curtains and internal blinds
- furniture and furnishings that are not built in
- portable domestic appliances that are not built in

- swimming pools, saunas and spas that are not built in, and accessories for any swimming pools, saunas or spas
- items thinly covered with gold or silver that are not jewellery or watches
- fixtures and fittings that have been installed if you are the owner of a strata title unit. We will not cover any fixtures and fittings if the Body Corporate has them insured
- clothing, pedal cycles, surfboards and surfskis. We will pay up to \$2,000 in total for these items
- special contents which are listed on your schedule.

Contents are not:

- jewellery and watches
- items that contain gold or silver. This does not include items thinly covered with gold or silver
- unset precious and semi-precious stones
- furs
- personal effects
- money
- cryptocurrency or non-fungible tokens (NFTs) and/or any devices or programs involved in the storage or transfer of cryptocurrency or NFTs
- negotiable documents
- items able to be powered by battery as listed:
 - cassette players
 - compact disc players
 - electronic diaries
 - mobile or portable phones
 - portable computers
 - radios
 - record players
 - tape recorders
 - televisions
 - video recorders or cameras.
- sporting equipment
- photographic equipment
- collections of stamps, medals or coins

- plants and trees growing outdoors. This does not include plants and trees growing in pots or tubs
- animals, including birds and fish
- motorcycles, mini-bikes, caravans, trailers, aircraft, watercraft or motor vehicles other than ride-on mowers
- building materials.

Cryptocurrency

Any form of currency that only exists in digital form.

Deliberate or Intentional Damage

An act done without the owner's permission and with the full knowledge that the action will alter the current state of the property, and without any malice, vindictiveness or spite.

This does not include:

- tenant neglect, carelessness, poor housekeeping, or unhygienic living habits
- damage occurring during maintenance operations carried out by the tenants or anyone acting on their behalf
- damage as a result of repairs, or attempted repairs, carried out by the tenants or anyone acting on their behalf
- damage caused by failure of tenants or their visitors to control their children
- damage caused by pets belonging to visitors or children of visitors
- theft, or damage caused by theft
- accidental damage or accidental loss
- malicious damage or vandalism
- scratching, dinting, chipping, rubbing or chafing.

Excess

This is the amount you will be required to contribute towards the costs of any claim you make under this policy. Your excess will apply for each separate identifiable event.

The amount of your excess is shown on your schedule. Your Excess will be increased for claims for:

- an earthquake or tsunami as shown on page 25

Flood

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

(a) any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or (b) any reservoir, canal or dam.

Malicious Damage or Vandalism

A wrongful act motivated by malice, vindictiveness or spite with the intention of damaging the property. This does not include:

- tenant neglect, carelessness, poor housekeeping or unhygienic living habits
- damage occurring during maintenance operations carried out by the tenants or anyone acting on their behalf
- damage as a result of repairs, or attempted repairs, carried out by the tenants or anyone acting on their behalf
- damage caused by failure of tenants or their visitors to control their children
- damage caused by pets belonging to visitors or children of the visitors
- theft, or damage caused by theft
- deliberate or intentional damage
- accidental damage or accidental loss
- scratching, dinting, chipping, rubbing or chafing.

Periodic Tenancy Agreement

This applies when a tenant continues to occupy the situation, after a fixed term rental agreement has expired, and the rental agreement does not provide for its continuation, and a:

- notice to leave, **or**
- notice of intention to leave, **or**
- abandonment termination notice

has not been given by the tenant to you or your agent, or by you or your agent to the tenant. The tenant is then deemed to be under a periodic tenancy agreement on the same terms which applied immediately before the rental agreement ended. This does not include any term about the agreement's term.

Pet

A domestic animal kept at or in your rental property.

Rent

The amount of money paid, or payable, by the tenant to rent your property.

Rent Default

This is where the tenant fails to pay rent in accordance with a rental agreement and/or periodic tenancy agreement.

Rental Agreement

The agreement between you or your agent and the tenant. This agreement must be in writing and state:

- the term of the rental period, **and**
- the amount of rent payable to you, **and**
- the amount of the bond money that the tenant is required to pay.

Schedule

This is the document we give you which sets out the details of your insurance cover. You receive a schedule when you first take out your insurance and again when the policy is renewed or changed.

Short Term Rental

Refers to rental agreements less than three months in length.

Situation

This is the place where the building and/or contents are located. We will show this place on all schedules we give you.

Tenant

The person(s) named in the rental agreement or periodic tenancy agreement and including that person's partner, children, and any other person(s) permanently living at the situation. Any person(s) including that person's partner, children and any other person(s) living at your situation under any other rental arrangement that is not a rental agreement or periodic tenancy agreement.

Unable to be leased or rented

Means when you cannot lease or rent the buildings due to the condition of the buildings after the accidental damage or accidental loss has occurred, but does not mean 'unable to be lived in'.

Unable to be lived in

Means when your buildings are not:

- fit to live in due to the buildings not being connected to:
 - electricity or gas, **or**
 - hot and cold running water, **or** safe to live in.

Section 1

Buildings And Contents

Accidental damage cover

What is insured

Your **buildings** and/or **contents** as set out in your **schedule** are insured if they are destroyed, lost or damaged. They are insured only if you own them, or are liable for them.

If you only insure **buildings**, the cover provided for destruction, loss or damage does not apply to **contents**. This does not include the **contents** cover we provide shown on page 22 under “Additional things we will pay for when you have insured your buildings”. If you only insure contents, the cover provided for destruction, loss or damage does not apply to buildings.

Your **buildings** and **contents** are only insured while at your **situation**.

We will cover your **buildings** and **contents** for any accidental damage or accidental loss including that caused by:

- landslide or subsidence but only if it occurs within 72 hours after one of the following:
 - storm, flood, rainwater or wind
 - earthquake
 - explosion
 - liquid that escapes from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank or a drain.

This cover also applies to gates, fences or retaining walls that are attached to, and are part of, the structure of the **buildings**.

- storm, flood, rainwater or wind. This includes storm, rainwater or wind damage to:
 - gates, fences or walls that are attached to, and are part of, the structure of the **buildings**

- gates, fences or walls that are not attached to, and are not part of, the structure of the **buildings** but only for any section of a gate, fence or wall made of brick, stone, metal or frame-supported corrugated fibrous material.

The frame supporting the corrugated fibrous material must be made of brick, stone or metal

- gates, fences or walls made of timber and that are not attached to, and are not part of, the structure of the **buildings**. We will only pay for gates, fences or walls which are 15 years old or less
- free-standing fences made from corrugated fibrous material that do not have a supporting frame if:
 - these fences have been installed and constructed according to the manufacturer's specifications, or
 - these fences have not been installed and constructed according to the manufacturer's specifications, and such installation or construction did not cause or contribute to the loss or damage.

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

- an electric motor burning out. If an electric motor burns out, we will repair, reinstate or replace it. Our choice will have regard to the circumstances of your claim and consider any preference you may have. We will only do this if the electric motor is 15 years old or less.
- chemical contamination. If you have insured your buildings or contents and they suffer chemical contamination as a result of the manufacturing, storage or distribution at the property, of any controlled drug. We will pay up to \$10,000 during your period of insurance for clean up costs to remove or mitigate the contamination or pollution.

We will only pay this when:

- the manufacturing, storage, or distribution of any controlled drug is discovered by, or referred to the police for investigation and proper assessment confirms contamination **and**
- the property is rented to a tenant and a valid tenancy agreement is in place **and**

- you, or the person managing your property has conducted regular inspections at the property in line with the rental agreement terms and conditions.

We will not pay if:

- there is not a valid rental agreement in place **or**
- the manufacturing, storage or distribution of any controlled drug has not been reported to the police or relevant authority **or**
- you, or the person managing your property become aware of the situation and failed to act immediately
- a tenant's pet up to \$2,500 per claim.

What is not insured

We will not cover your **buildings** and **contents** for any accidental damage or accidental loss caused by:

- landslide or subsidence except as described on page 19
- settling, shrinkage or any movement of earth
- erosion
- water entering the **buildings** through an opening made for any building, renovation or repair work
- water entering the **buildings** because of a structural defect, faulty design or faulty workmanship when the **buildings** were constructed
- rust, corrosion, gradual deterioration, depreciation, wear or tear
- rats, mice or insects
- roots from trees, plants, shrubs or grass
- any process of cleaning involving the use of chemicals other than domestic household chemicals
- a defect in an item, faulty workmanship, structural defects or faulty design
- breakage of mirrors, glassware, crystal, crockery or china while they are being used, cleaned or carried by hand
- **tenants**, their visitors or their visitors' children, scratching, denting, chipping, rubbing, or scuffing, any surface
- any animals belonging to the **tenants** visitors
- **tenant** neglect, carelessness, poor housekeeping or unhygienic living habits
- theft by **tenants** or their visitors.

Additional things we will pay for when you have insured your buildings

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

- We will pay your legal costs to discharge your mortgage if your **claim** is for a total loss.
- We will pay the reasonable costs of demolishing and removing any building debris when damage or loss occurs. We will pay up to 15 per cent of your **buildings** sum insured.
- We will pay the reasonable costs of architects, surveyors and legal fees when damage or loss occurs. We will pay up to 15 per cent of your **buildings** sum insured.
- We will pay up to \$10,000 for **contents**. This will be paid in addition to any value of **contents** shown on your schedule.
- If you have a loss, we will increase your sum insured by the amount the Consumer Price Index (all groups) has increased since you took out your policy or last renewed it.
- You are fully insured again for your **buildings** for the amount shown in your schedule following a claim. This does not apply when your claim is for a total loss as your cover for **buildings**, including **contents** cover we provide shown on page 22 under “Additional things we will pay for when you have insured your buildings” will end then.
- We will pay up to an additional 15 per cent of the **buildings** sum insured if your **buildings** are damaged as a result of an event that the government declares a catastrophe or emergency.

We will only do this if:

- your **buildings** are considered by us to be a total loss
- the increased cost to rebuild or repair your **buildings** was caused solely by the event that the government declares a catastrophe or emergency
- the cost to rebuild or repair your **buildings** is greater than your **buildings** sum insured, **and**
- you rebuild or repair your **buildings** at the situation.

We will not pay the cost necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your **buildings** at the situation.

This benefit is only payable for additional building costs that have been caused as a result of increased demand on building material and labour costs by the catastrophe or emergency. This benefit will not provide any shortfall caused in your rebuilding costs if you have under insured your **buildings**.

Example (does not include costs necessary to meet the requirements of any statutory authority)

Your Building Sum Insured	\$200,000
Cost to rebuild your building immediately prior to event	\$250,000
Cost to rebuild your building immediately after the event	\$260,000
Benefit Payable	\$10,000

- a key to an external door lock of your **buildings**, or a key to an external window lock of your **buildings**, is stolen as a result of burglary or housebreaking, we will pay the reasonable costs of replacing the external lock, key or cylinder with a similar item. We will consider the individual circumstance in deciding which one we will do. The most we will pay is \$1,000. The burglary or housebreaking must be reported to the Police.

Additional things we will pay for when you have insured your contents

The following will be paid in addition to the sum insured. These will be paid when they relate to **malicious damage or vandalism**. This does not include **deliberate or intentional damage**.

- We will pay up to \$25,000 if a tenant or their visitors, or the children of a tenant or their visitors, or the pets of tenants or their visitors damage your Body Corporate building and you are legally liable for the damage.

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

- We will pay the reasonable costs of removing any **contents** debris when damage or loss occurs. We will pay up to 15 per cent of your **contents** sum insured.
- If you have a loss, we will increase your sum insured by the amount the Consumer Price Index (all groups) has increased since you took out your policy or last renewed it. This increase does not apply to any special contents you have insured.
- You are fully insured again for your **contents** for the amount shown in your **schedule** following a claim. This does not apply when your claim is for a total loss as your cover for **contents** will end then.
- If a key to an external door lock of your **buildings**, or a key to an external window lock of your **buildings**, is stolen as a result of burglary or housebreaking, we will pay the reasonable costs of replacing the external lock, key or cylinder with a similar item. We will consider the individual circumstance in deciding which one we will do. The most we will pay is \$1,000. The burglary or housebreaking must be reported to the Police.

Limit for the value of contents

The most we will pay for any one item, pair, set, collection or system is \$20,000. This does not apply to carpets, curtains and internal blinds. You can insure items that are worth more than \$20,000 each as a “special contents” item. To do this you must advise us and the items will be listed on your **schedule**.

Paying claims

Policy excess

The amount of your **excess** is shown on your **schedule**.

Your **excess** will be increased by \$250 for any **claim** for damage or loss arising from earthquake or tsunami. Damage or loss from earthquake must occur within 72 hours of the earthquake.

When a **claim** is paid for damage to, or loss of, **buildings** and **contents**, the **excess** amount will only apply once. When a **claim** is submitted for one or more separate identifiable events, the **excess** will be applied to each separate identifiable event.

The most we will pay for your buildings or contents

The most we will pay for any **claim** for **buildings** or **contents** is the sum insured shown on your **schedule**, less any applicable **excess**. This does not apply to amounts payable under “Additional things we will pay for when you have insured your buildings” or “Additional things we will pay for when you have insured your contents”.

How we pay a claim for your buildings

When damage or loss occurs to your **buildings** we will pay the cost of rebuilding your **buildings** or repairing the damaged portions to the same condition as when they were new. We will only do this when your **schedule** shows “including replacement benefit”. If your **schedule** does not show “including replacement benefit” and there is damage or loss to your **buildings**, your claim will be settled as shown on page 31 of this policy booklet.

We will also pay any additional costs required for your **buildings** to comply with government or local authority bylaws. We will not pay these additional costs if you were required to comply with these bylaws, and had not done so, before the damage or loss occurred. Where the damage is less than 50 per cent of the costs of rebuilding your **buildings**, we will only pay for the additional costs in the damaged portions.

Rebuilding or repairing your **buildings** must commence within six months of the damage or loss occurring, otherwise we will not pay any additional costs caused by any delay caused by you or any builder or supplier you engage or appoint for the repair or rebuilding work.

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

- reinstate or repair the **buildings** to the condition they were in just before the damage or loss occurred, **or**
- pay you the cost of reinstating or repairing the **buildings** to the condition they were in just before the damage or loss occurred, **or**
- pay you the value of the land and **buildings** just before the damage or loss occurred. We will reduce this payment by the value of your land and **buildings** after the damage or loss occurred.

Our choice will have regard to the circumstances of your claim and consider any preference you may have.

If we decide to repair, rebuild or pay you the cost to repair or rebuild, we will only repair the damaged parts of your buildings.

We do not pay for materials to match the undamaged parts of your building to create a uniform appearance. In the event of repairs, we will make a fair and reasonable attempt to match the repairs to undamaged areas, using the closest match available.

If you are not satisfied with the closest match, you are able to:

- pay the extra cost of repairing undamaged areas to achieve a matching appearance, **or**
- we will pay you what it would have cost to repair the damaged area provided that cost is available to or actionable by you.

If the damage or loss was caused to the **buildings** by liquid escaping:

- from a bath, basin, sauna, spa, shower base or shower wall, we will pay the costs to repair the **buildings**. We will not pay the cost to repair or replace the bath, basin, sauna, spa, shower base or shower wall.

We will pay the cost to:

- identify and locate where the liquid escaped from
- replace the defective part from where the liquid escaped from.

However we will not cover:

- fixing or finding leaks that have not caused loss or damage to your **buildings** or contents.

If the rebuilding or repair is limited by government or local authority bylaws that reduce the floor area of the **buildings** we will:

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

Provided your sum insured is not totally used for a **claim** we will also pay for any loss of land value following your **claim**. This loss must be as a result of government or local authority legislation that reduces the floor area of your **buildings**. Loss of land value is the difference between the value of the land just before the damage or loss occurred, and the value of the land just after the damage or loss occurred. We will reduce the amount we pay you for the loss of land value by any amount that you receive as compensation for this loss. The most we will pay is the unused portion of your sum insured.

Where you are entitled to use **bond money** to pay for or reduce the costs of any loss or damage, you must do so and the amount of that entitlement will be deducted from your **claim**.

How we calculate the amount if we choose to pay you

If your building is repairable, in some circumstances we will choose to settle your **claim** by deciding to pay you. We will pay you the reasonable costs of what it would cost provided that cost is available to or actionable by you.

What are some examples of when we do this?

- when you decide not to repair or rebuild your rental property.
- if you don't start repairing or rebuilding your rental property within 6 months of the loss or damage, or within any longer period we agree to in writing
- if not all the damage to your building is covered by this policy – you can find examples of these under “What Section 1 and Section 2 of the Policy do not cover” in this policy
- your building may have had some damage that existed prior to the event you are claiming for
- your building cannot be repaired until other work that is required to be done by you is completed, **or**
- when it is the only way to settle your claim.

Calculation of the amount

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

Where a **claim** relates to the **contents** cover provided under “Additional things we will pay for when you have insured your buildings” it will be settled under the section “How we pay a claim for your contents”.

How we pay a claim for your contents

When damage or loss occurs to:

- any item that consists solely of fabric, **or**
- carpet which is 10 years old or more, **or**
- any other **contents** item that is 15 years old or more, we will do one of the following:
 - replace the property with property of the same condition. The replacement property will be no better than the property replaced, **or**
 - repair the property to the same condition it was in before the damage or loss, **or**
 - we will pay you the cost of replacement or repair. Our payment will be reduced to allow for wear, tear and depreciation.

Our choice will have regard to the circumstances of your claim and consider any preference you may have.

When damage or loss occurs to any other **contents** item we will do one of the following:

- replace the property with the nearest equivalent new property, **or**
- repair the property to the condition it was in when new, **or**
- pay you the cost of replacement or repair.

Our choice will have regard to the circumstances of your claim and consider any preference you may have.

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

When a damaged or lost item is part of a pair, set, system or collection, we will only pay for the value of the item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set, system or collection.

Where the loss or damage to an item that forms part of a pair or set results in the pair or set being completely inoperable, or if any replacement part does not function to enable operation with the remaining item/s in the pair or set, then we will pay you the cost to replace the entire pair or set.

Where you are entitled to use bond money to pay for or reduce the costs of any loss or damage, you must do so and the amount of that entitlement will be deducted from your claim.

How we calculate the amount if we choose to pay you

In some circumstances we will choose to settle your claim by deciding to pay you. We will pay you the reasonable costs of what it would cost us to repair or replace the items provided the cost is available to or actionable by you.

What are some examples of when we do this?

This may occur when the other settlement types under 'How we pay a claim for your contents' are unable to be used or when it is the only way to settle your claim.

Calculation of the amount

If we choose to settle your contents claim by paying you the reasonable cost to repair or replace the items we will calculate this amount in the following way:

- If it was based on the cost to replace the item included as part of your claim:
 - We will agree with you the appropriate replacement item to settle your claim.
 - We will obtain a quote from our supplier to replace the item and supply it to you.
 - We will use the quoted amount as the basis of the settlement.
 - The amount we pay you will not be more than contents sum insured in total and the maximum amount per item, set, pair, collection or system, as relevant.
- If it was based on the cost to repair the item included as part of your claim:
 - We will agree with you the repairs covered by your policy that are required to settle your claim.
 - We will obtain a quote from our supplier or repairer to repair the item for you.
 - The quote will include the details of the repairs required.
 - We will use the quoted amount as the basis of the settlement.

The amount we pay you will not be more than **contents** sum insured in total and the maximum amount per item, set, pair, collection or system, as relevant.

How we pay a claim for your buildings when your schedule does not show “including replacement benefit”

When damage or loss occurs to your buildings, we will do one of the following:

- reinstate or repair the buildings to the condition they were in just before the damage or loss occurred, **or**
- pay you the cost of reinstating or repairing the buildings to the condition they were in just before the damage or loss occurred, **or**
- pay you the value of the land and **buildings** just before the damage or loss occurred. We will reduce this payment by the value of your land and **buildings** after the damage or loss occurred.

Our choice will have regard to the circumstances of your claim and consider any preference you may have.

We will pay for the damaged portions of fixed coverings to walls, floors and ceilings only in the room, hall or passage in which the damage occurred.

If we decide to repair, rebuild or pay you the cost to repair or rebuild, we will only repair the damaged parts of your buildings.

We do not pay for materials to match the undamaged parts of your building to create a uniform appearance. In the event of repairs, we will make a fair and reasonable attempt to match the repairs to undamaged areas, using the closest match available.

If you are not satisfied with the closest match, you are able to:

- pay the extra cost of repairing undamaged areas to achieve a matching appearance, **or**
- we will pay you what it would have cost to repair the damaged area provided that cost is available to or actionable by you.

If the damage was caused by liquid that escaped from a bath, basin, sauna, spa, shower base or shower wall, we will pay the costs to repair the **buildings**. We will not pay the costs to repair or replace the bath, basin, sauna, spa, shower base or shower wall.

Provided your sum insured is not totally used for a claim, we will also pay for any loss of land value following your claim. This loss must be as a result of government or local authority legislation that reduces the floor area of your buildings. Loss of land value is the difference between the value of the land just before the damage or loss occurred and the value of the land just after the damage or loss occurred. We will reduce the amount we pay you for the loss of land value by any amount that you receive as compensation for this loss. The most we will pay is the unused portion of your sum insured.

Loss Of Rent

This section of the policy only applies when your **schedule** shows that you have requested cover for Loss of Rent.

It applies when accidental damage or accidental loss occurs on the same basis as set out in Section 1 “Building and Contents”. We will pay when the **building** or sections of the **buildings and/or contents** are:

- **unable to be lived in** after the accidental damage or accidental loss has occurred, **or**
- **unable to be leased or rented** when the property is used for short term rental after the accidental damage or accidental loss has occurred. We will deduct an amount equal to five days **rent** from our payment to you.

The cover also applies when accidental damage or accidental loss to other property located near the insured **buildings** is damaged and access to the **buildings** or contents is prevented.

We will pay the amount that is equal to the **rent** up to the period of time your **buildings** have been repaired or replaced. We will pay this for up to 24 months and the amount we pay will not be greater than double the sum insured shown on your **schedule**.

When accidental damage or accidental loss occurs to **buildings** that are subject to Rent Pool arrangements we will only pay where other sections of the **buildings** are not available for lease and a financial loss occurs.

Where the **buildings** are not used for short term letting, we will extend cover for up to 2 weeks after the **buildings** have been repaired or replaced.

Where you are entitled to use **bond money** to pay for or reduce the costs of any loss or damage, you must do so and the amount of that entitlement will be deducted from your **claim**.

Strata Title Mortgagee Protection

This section of the policy only applies when your **schedule** shows that you have requested cover for Mortgagee Protection.

It applies when you own part of a building that has been subdivided, usually into strata title units, and you have a mortgage on that part of the building. We will cover the part of the building that you own for any damage or loss covered by Section 1 “Buildings and Contents”.

We will pay up to the amount you owe on your mortgage but no more than the sum insured shown on your **schedule**, less any applicable **excess**. We will pay this to your mortgagee when you are required to pay your mortgage in full following a loss. We will only pay this when the Body Corporate has not insured the buildings, or it has not insured the buildings for damage that you can **claim** for under this policy.

Rent Default And Theft By A Tenant

This section of the policy only applies when your **schedule** shows that you have requested cover for Rent Default and Theft by a Tenant.

When we will pay for rent default

We will pay if your **tenant**:

- leaves your **buildings** before the end of the tenancy period stated in the **rental agreement** and does not give you or your agent notice, **or**
- stops paying **rent** owed to you or your agent, **or**
- is legally evicted from your **buildings**.

We will pay the weekly amount your **buildings** are rented for. The most we will pay is \$12,000. We will not pay you when your **buildings** are re-tenanted.

When we will pay for theft by a tenant

We will pay if there is theft of any part of your **buildings** or **contents** by your **tenant** or their visitors, or their visitors' children.

We will only pay for theft to:

- your **buildings** if you have insured your **buildings** under Section 1 of this policy. The most we will pay is the sum insured you have selected for your **buildings**, less any applicable **excess**. This includes \$10,000 for **contents** as set out under "Additional things we will pay for when you have insured your buildings"
- your **contents** if you have insured your **contents** under Section 1 of this policy. The most we will pay is the sum insured you have selected for your **contents**, less any applicable **excess**.

Paying claims

We will pay your claim for **rent default**, or theft by your **tenant** or their visitors, or their visitors children, of any part of your **buildings** and/or **contents**.

We will only pay when you and your tenant have a **rental agreement**.

We will only pay for **rent default** if the **tenant** breaches the **rental agreement**.

The cover for **rent default** will not apply if the **rent** is in arrears at the commencement date of this insurance. The cover will not commence until the **rent** arrears have been paid, and the **tenant** has paid agreed **rent** in accordance with the **rental agreement** for a period of not less than four consecutive weeks.

When we pay a **claim** for **rent** and/or legal expenses, the **claim** will be reduced by the balance, if any, of any **bond money** remaining after deduction of **allowable reletting expenses** and any other costs or expenses you are legally entitled to deduct from the **bond money**.

We will only pay a **claim** when you have taken all reasonable steps legally available to you under the Residential Tenancies Act or other relevant legislation, to remedy non payment and evict the tenant. Your **claim** for **rent default** ceases when the **rental agreement** could reasonably have been legally terminated by you.

If the **rental agreement** defaults to a **periodical tenancy agreement** we will only pay two weeks **rent** after the **tenant** vacates the **building** without notice.

We will not pay if your **tenant** leaves the **buildings** with or without notice, and you have failed to rectify a Notice of Remedy breach issued by the **tenant** to you.

Excess

If you make a claim, you will need to pay any excess that applies to your building or contents as part of the finalisation of your claim. The amount of your **excess** is shown on your **schedule**.

Additional things we will pay for when you make a claim for Rent Default and Theft by a Tenant

We will also pay legal costs you incur:

- to legally evict **tenants, or**
- to recover amounts owed to you by your **tenants, or**
- to recover amounts for items stolen by your **tenants** or their visitors, or their visitors' children.

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

The most we will pay for your legal costs is \$5,000. You should seek our agreement before incurring any out-of-pocket expenses to ensure you will be able to **claim** those costs back on your policy. If you do not obtain our agreement first, we will only pay reasonable costs up to the amount we would have agreed to pay had you obtained our prior agreement.

Section 2

Liability

This section of the policy only applies when your **schedule** shows that you have requested cover for liability.

In this section there is an additional word that has a special meaning. This word is listed below. Whenever this word appears in this section it will be shown in **bold** print.

In this section **occurrence** means:

- a single incident that is not intended or expected, **or**
- a series of incidents or continuous or repeated exposure to substantially the same general conditions, which:
 - are not intended or expected, **and**
 - have the same cause, **or**
 - are attributable to the same source.

We will pay the amount you are liable to pay following an **occurrence** if your liability arises from any of the circumstances shown below. The **occurrence** that results in a claim must occur during the period of insurance. We will also pay any legal costs you have to pay in relation to the **occurrence**. This includes costs awarded against you. The most we will pay, including costs, for any **occurrence** is the amount shown in your **schedule**. Where the **occurrence** takes place over more than one period of insurance, we will only pay the amount shown in your **schedule** once in respect of each **occurrence**.

When we will pay

- If you have insured your **buildings**, we will pay the amount you have to pay as owner or occupier of your **buildings**.
- If you have insured your **contents** and you own part of a building that has been subdivided, we will pay the amount you have to pay as owner of your **contents** or occupier of your part of the building.
- If you have insured your **contents**, we will pay the amount you have to pay for any occurrence that happens because of any defect in your **contents**.

- If you have a car park for your **tenants** or guests of your **tenants**, we will pay the amount you have to pay for damage to property while it is in the car park.

If your buildings are a total loss, we will continue liability cover for any amount you have to pay as owner or occupier of the buildings for up to six months from the date your buildings were destroyed.

This cover will stop immediately if:

- construction commences at the rental property
- you sell the land, **or**
- you take out a new **buildings** insurance policy for the rental property.

When we will not pay

We will not pay **claims** arising from:

- penalties, fines or awards of aggravated, exemplary or punitive damages made against you
- using a motor vehicles, motor-cycles, mini-bikes, aircraft or watercraft, other than ride-on mowers
- servicing, repairing or maintaining any vehicle
- personal injury to you, or any member of your family who normally lives with you, including your legal or de facto spouse and any member of their family who normally lives with you, or any other person who normally lives with you
- personal injury to any person you employ and that injury arises from their employment with you
- damage to or loss of property that belongs to you, or any member of your family who normally lives with you, including your legal or de facto spouse and any member of their family who normally lives with you, or any other person who normally lives with you
- damage to or loss of property that belongs to any person you employ and that damage arises from their employment with you

- damage to or loss of property that is in your control, or the control of any member of your family who normally lives with you, including your legal or de facto spouse and any member of their family who normally lives with you, or any other person who normally lives with you
- any alterations, servicing, repairing or any additions to lifts, escalators or hoists. This includes anything that is part of a lift, escalator or hoist
- vibration or interference with the support of land, buildings or other property
- any disease that is transmitted by you, or any member of your family who normally lives with you, including your legal or de facto spouse and any member of their family who normally lives with you
- any business, profession, trade or occupation carried on by you other than managing the **buildings** and their surrounds
- any alterations, repairs, renovations or additions to your **buildings** that cost more than \$100,000
- the erection or demolition of **buildings**
- any agreement or contract you enter into other than where you would have been liable without the agreement or contract
- any act of libel or slander.

We will not cover any:

- liability, cost or expense that arises or results from, or is in any way connected with, asbestos, whether directly or indirectly.

What Section 1 And Section 2 Of The Policy Do Not Cover

We will not pay claims arising from:

- lawful destruction or confiscation of your property
- damage to a heating element. We will pay for any resultant damage following damage to a heating element
- mildew
- atmospheric or climatic conditions
- anything that you or anyone acting for you deliberately caused
- storm surge, the action of the sea, tidal wave, high water or erosion
- landslide or subsidence except as detailed on page 19
- any event that does not occur within the period of insurance.

We do not cover:

- any loss, damage, liability, injury or death caused by, arising from, occasioned by or through or in consequence directly or indirectly of war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, insurrection, rebellion, revolution or military or usurped power
- any loss, damage, liability, injury, death, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:
 - an **act of terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, or
 - any action taken to control, prevent, suppress, retaliate against, or respond to an **act of terrorism**
- mechanical, structural, electrical, hydraulic, or electronic breakdown or failure unless the breakdown or failure results in loss or damage to insured property. This exclusion does not apply to an electric motor burning out

- loss, damage, liability, claim, cost or expense directly or indirectly caused or contributed to by:
 - errors or omissions involving access to, processing of, use of or operation of any computer system or any unavailability or failure to access, process, use or operate any computer system, or
 - any unauthorised, malicious or criminal act (or any threat or hoax of this) involving access to, processing of, use of or operation of any computer system,

provided that this exclusion will not apply to physical loss or damage directly caused by an incident or event we cover you for under this policy except if caused by **malicious damage or vandalism**, or **deliberate or intentional damage**. For example, we will not cover you if your property's security system cannot be used because of a cyber attack, but we will cover you for loss or damage from theft from your property as covered under this policy after your property's security system is impacted by a cyber attack

- loss, damage, liability, claim, cost or expense directly or indirectly caused or contributed to by loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any data including the value of any data
- consequential loss except if specifically covered under this policy. This means we will not pay for direct or indirect financial or economic loss, for example loss of use or enjoyment, loss of profits or depreciation
- seepage, pollution or contamination, or any loss, damage, liability, injury, death, cost, expense, fines, penalties, punitive or exemplary damages caused by, arising from or in connection with any seepage, pollution or contamination
- any loss, damage, injury or death arising from or directly or indirectly caused by, contributed to by, resulting from or in connection with a **communicable disease**, or the fear or threat (whether actual or perceived) of a **communicable disease**

- loss, damage, liability, injury or death caused by or arising from any nuclear, radioactive, biological or chemical material or the use, handling, transportation or storage of such material. This exclusion does not apply to the extent of any chemical contamination specifically covered under Section 1 "Buildings and Contents".

We will not be liable to provide any cover, pay any **claim** or provide any benefit under this policy (including any refund of premium), to the extent that such cover, **claim**, benefit or refund may contravene or expose us to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanctions, laws or regulations of any country.

Policy Information That Applies To Section 1 And Section 2 Of The Policy

When your insurance cover does not apply

Your insurance for your **buildings** and **contents** will not apply if, for a continuous period of 90 days or more, no one has lived at your **situation**. This does not apply to holiday lettings.

You can ask us to provide cover if no one is going to be living at your **situation** for more than 90 days. If we agree to provide cover we will advise you in writing.

Section 3

Workers' Compensation

This section of the policy only applies when your **schedule** shows that you have requested cover for Workers' Compensation for persons employed in connection with owning, operating and managing the **buildings**.

Some circumstances make Workers' Compensation compulsory if you have employees. If you are unsure, check with your local Workers' Compensation Authority.

We will pay the amount you are liable to pay if a person you employ is injured while working for you. We will only pay if the person is doing work for you in respect of owning, operating and managing the **buildings** insured under Section 1. We will not pay if the person is working for you in your business, profession, trade or occupation.

The amount we will pay is subject to the relevant Workers' Compensation legislation in your state or territory.

Please refer to page 3 under 'Who is the insurer'.

Policy Information That Applies To All Sections Of The Policy

You cannot give your rights away

You cannot give anyone else an interest in this policy without our written consent.

What you are required to do for us

- you must pay us the premium for this insurance
- you must tell us as soon as reasonably possible of anything that changes the facts or circumstances relating to your insurance
- you must take reasonable precautions to prevent anything which could result in a **claim** under this policy
- you must take all reasonable steps to ensure that anyone doing anything on your behalf obeys all laws
- you must comply with the conditions of this policy.

Failure to do any of these things may affect our decision to continue your insurance cover. The course of action we take when you fail to do any of these things will be considered in each circumstance based on what impact or effect your failure to comply caused or contributed to the claim or our decision to issue your policy.

Cancelling your policy before the due date

You can cancel this policy at any time. To do this you must ask us in writing. The policy will end when we receive your request.

We can cancel this policy if you do any of the following:

- make a misleading statement to us when you apply for your insurance
- fail to tell us anything you should tell us when you apply for this policy, renew this policy and when you change or reinstate this policy
- fail to comply with the conditions of this policy
- fail to pay the premium for this insurance as described under "What happens if you don't pay on time"
- are not fair and open in your dealings with us
- make a claim during the period of this policy that is not true. The **claim** does not have to be under this policy and can be with us or another insurance company.

We may cancel this policy if you fail to notify us of a change in the circumstances of the risk during the period of insurance if the change materially increases the risk under your policy.

If we cancel this policy we will advise you in writing. To do this, a notice will be delivered or posted to you.

Return of premium if your policy is cancelled before the due date

If your policy is cancelled before the due date:

- we will keep the premium for the period that the policy was in force
- we will return to you the premium for the period from the date the policy ended to the due date of the policy.

How the Goods and Services Tax affects your claim

Where we make a payment under this policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is actually made.

Where we make a payment under this policy as compensation instead of payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply

The law that applies to this policy

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

How To Make A Claim

Please contact your nearest CGU Insurance office when something happens that you believe you can claim for.

What you must do when you make a claim

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

You must also:

- take all reasonable steps to stop any further loss from occurring, including all remedies available to you under any relevant state Residential Tenancy Act
- advise the nearest police station if your property is lost or stolen, vandalised or maliciously damaged. We may ask you to give us a written report from the police. If we ask you and you are unable to obtain a written police report, please contact us to discuss alternatives.
- keep the property that has been damaged so we can inspect it provided it is reasonable and safe to do so.
- tell us about any prosecution or inquest that may be held
- send us any document relating to your claim as soon as reasonably possible after receiving the document.

What you should not do when you make a claim

You should not repair or replace any damaged property without our consent.

You should seek our agreement before incurring any out-of-pocket expenses to ensure you will be able to **claim** those costs back on your policy. If you do not obtain our agreement first, we will only pay the reasonable costs. Refer to the 'Calculation of the amount' sections of this document for information in relation to what are reasonable costs.

What you must not do when you make a claim

You must not pay, promise to pay, or offer payment, or admit responsibility for a **claim**.

You give us your rights to claim from anyone else

If you have a right to claim against someone else for a claim you made under this policy, you give us your rights to make that claim. You also give us your rights to conduct, defend or settle any legal action and to act in your name.

You must not do anything unreasonable which prevents us from doing this and you must give us all the information and co-operation that we reasonably require in connection with the conduct of proceedings. We will act reasonably in exercising our discretion in the conduct and defence of any legal proceedings and in the settlement of any **claim** while we conduct any recovery action. We will keep you reasonably informed and updated with the progress of proceedings.

We will only request information and cooperation that is relevant to our entitlement to make a claim against anyone else, or conduct, defend or settle any legal action, and we will explain why such information and cooperation is needed.

Claim payment examples

These Claim payment examples show you how a **claim** settlement may be calculated based on some practical scenarios. Any actual **claim** settlement amount will depend upon the facts of each case. For the purpose of the scenarios you are not registered for GST.

Claim Example 1

Policy type	Building Insurance
Buildings sum insured	\$250,000
Excess	\$500
Loss or damage	Storm damage to your roof
How we settle your claim	<ul style="list-style-type: none">• We arrange for a builder to repair your roof for \$4,000• We pay the builder \$3,500• We ask you to pay the builder the \$500 basic excess

Claim Example 2

Cover type	Building and Contents Insurance & Loss of rent
Buildings sum insured	\$300,000
Contents sum insured	\$80,000
Loss of rent sum insured	\$15,000
Excess	\$500
Loss or damage	Your buildings and contents are partially destroyed by fire. We agree that you tenant is unable to live in your buildings and you suffer loss of rent
How we settle your claim	<ul style="list-style-type: none">• we choose to pay you directly for the damage• we pay you \$25,500 as follows:<ul style="list-style-type: none">– Building repairs \$15,000– Content replacement \$5,000– Loss of rent \$6,000– Less excess \$500– Total \$25,500

Claim Example 3

Cover type	Rent default and theft by a tenant
Excess	\$500
Loss	Tenant stops paying you rent
How we settle your claim:	<ul style="list-style-type: none">• we assess your rent default at \$8,000• less applicable excess, \$500• we settle your claim for \$7,500

Claim Example 4

Cover type	Liability
Loss or damage	Liability to pay for damages for personal injury to a third party
How we settle your claim	We pay the legal costs of \$10,000 We pay the medical expenses incurred by the third party of \$22,000

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CONTACT DETAILS

CLAIMS **13 24 80**

[CGU.COM.AU](https://www.cgu.com.au)

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