



Product Disclosure Statement and RentCover Policies

About this booklet

This booklet is a Product Disclosure Statement (PDS) and is also the Policy Wording. Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

This booklet has two (2) parts: Important Information to help you understand the insurance, and the Policy Wording, which sets out terms and conditions of the cover provided. It is up to you to choose the cover you need. Any advice in this booklet is general in nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it is right for you.

Our agreement with you

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

- this Policy Wording; and
- your Policy Schedule, which sets out the cover you've chosen and any terms specific to you.

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

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

Excesses

If you make a claim, you must pay the excess set out in the Policy Schedule for every claim you make which applies to that cover or section.

How much we will pay

The most we will pay for a claim is the sum insured set out in the Policy Schedule for the cover or section you are claiming under, less any excess.

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QM8691-0620

About RUA and EBM

RentCover Underwriting Agency Pty Ltd (RUA), ABN 76 130 218 914 / ARN 325630 is a related company of, and an Authorised Representative of, Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM), ABN 31 009 179 640 / AFS Licence No: 246986. EBM holds a binding authority from QBE which is delegated to RUA and allows RUA to arrange, issue and distribute insurance on behalf of QBE and to deal with or settle claims on their behalf.

If you require further information about this product, please contact your RUA.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE).

QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 of Level 5, 2 Park Street, Sydney 2000.

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IMPORTANT INFORMATION

Types of Policies Included in this Document

There are two types of Policies within this document, these are RentCover Gold and RentCover Prime.

If you have selected RentCover Gold; all Sections are insured.

If you have selected RentCover Prime; Sections 1, 3, 4, 5 & 6 are insured, and Section 2 is inoperative.

Your Policy Schedule clearly shows the type of Policy you have selected.

Significant benefits and features

We believe the most significant benefits of this insurance Policy are that it protects:

- a) your financial investment in your premises and contents, in most cases on a new for old basis, if they are lost or damaged due to an insured event. You can choose to cover your premises, your contents, or both under this Policy.
- b) you for your legal liability to third parties if they claim against you for compensation or expenses which you become legally liable to pay for:
 - the death of, or bodily injury to, any person
 - the loss of, or damage to, property.
- c) accidental and malicious damage by tenants, tenant's visitors or family.

The Policy provides:

- a) Cover for your premises and contents up to their sums insured at the site, during the Period of Insurance, caused directly by any of the following insured events:
 - fire or explosion
 - storm, rainwater or flood
 - lightning or thunderbolt
 - earthquake and tsunami
 - theft and attempted theft
 - malicious acts
 - riot or civil commotion
 - bursting, leaking, discharging or overflowing of fixed basins, shower bases or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind
 - impact
 - breakage of fixed glass, shower base, sink, bath, lavatory pan or cistern if the building is insured, or of any glass forming part of an item of furniture, if the contents are insured
 - fusion of an electric motor
- b) Legal liability cover for \$30,000,000 which includes liability for you or any member of your family in respect of ownership or occupancy of your premises where your premises is insured under this Policy, or where your premises is a strata title residence and your contents are insured under this Policy.

This Policy also provides the following additional benefits:

- a) fees incurred directly in relation to repair or replacement of your premises
- b) removal of debris under section 2.
- c) if this Policy insures your premises, we insure your extra costs of reinstatement necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your premises

The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the Policy Wording for full details of cover and exclusions.

The Policy will not cover loss or damage:

- a) intentionally caused by you or a member of your family or a person acting with your consent or the consent of a member of your family
- b) resulting from or caused by:
 - inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
 - wear, tear, rust, corrosion, depreciation, gradual deterioration or age, mildew, mould or algae
 - any consequential loss other than that specifically provided by this Policy
 - erosion, subsidence, landslide or earth movement other than as a direct result of some insured events
 - storm or wind damage to fences, gates or retaining walls if they are not made of steel, brick, concrete, masonry or stone (except in Queensland and Western Australia)
 - water entering the home through an opening made for the purpose of alterations, additions, renovations or repair
 - the action of the sea, high water, tidal wave.

The Policy will not insure you or your family against liabilities arising from:

- a) any agreement, unless liability would have attached to you or your family if that agreement did not exist
- b) death or bodily injury to you or to any person who normally lives with you
- c) damage to property belonging to you or any person who normally lives with you
- d) directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos
- e) building work, construction or demolition of a building, including the home if the value of the work exceeds \$50,000

The Policy will not insure you or your family against fines, penalties, or punitive, aggravated, multiple or exemplary damages.

These are only some of the events that are not covered by this insurance. Please read the Policy Wording for full details of all relevant Policy exclusions.

The amount of any claim made against the Policy may be reduced

- a) where an excess applies (any applicable excess will be shown in your Policy Schedule). A \$250 excess applies to earthquake claims (unless a greater excess is shown on your schedule).
- b) where you do not comply with a condition of this Policy and this contributes to any loss or damage
- c) in relation to damage caused by the tenant loss of rent or legal expenses, by the balance of the bond monies remaining after deducting clean up costs or other expenses you are legally entitled to deduct from the bond monies

You should refer to the General Conditions section in the Policy Wording of this document for full details of all the General Conditions.

Some General Conditions include:

- you must tell us about changes that increase the risk of this insurance
- you must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury
- we may agree to insure your premises and contents only if certain specified burglary protection devices are installed. The required devices, if any, will be noted on your Policy Schedule
- you must take reasonable care to:
 - protect and maintain the property insured under this Policy
 - prevent damage or injury to others or their property
 - minimise the cost of any claim under this Policy, or
 - comply with all statutory obligations and by-laws or regulations relating to the safety of person or property.

If you do not, we will not pay for loss, damage, liability or injury to which this failure to take reasonable care contributes.

Significant risks

Your sum insured may not be adequate

The Policy generally provides replacement or reinstatement conditions for premises and contents which means that claims are settled without contribution for age, depreciation or wear and tear. (Where floor, wall or ceiling coverings suffer accidental loss or damage, we will only repair or replace them to a condition the same as the condition they were in when the loss or damage occurred.) It is important that the sums insured you select cover the cost of replacing your premises and contents on a new for old basis. The sums insured that you select must make allowance for structural improvements (such as sheds, pergolas, and fencing), GST and any additional benefits that are included in the sum insured such as removal of debris. It is recommended that you use the free, sum insured calculator, available on our website to determine your building sum insured.

It is important that you read the sublimits in the terms and conditions. If you have any of these items that will cost more than the sublimit to replace, then you will need to nominate them to ensure that they are covered for more than the sublimit.

For example, there is a sublimit on works of art, tapestries and antique furniture of \$5,000 per item, and in total, 20% of the unspecified contents sum insured.

A claim may be refused

We may refuse to pay or reduce the amount we pay under a claim if you do not comply with the Policy conditions, if you do not comply with your duty of disclosure, or if you make a fraudulent claim.

We will not pay a claim under Sections 1 or 4 when there is no lease in existence at the time of loss or damage or event, act or omission giving rise to a claim.

The cost of this Insurance Policy

The total premium is the amount we charge you for this insurance Policy. It includes the amount which we have calculated will cover the risk, and any taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

When calculating your premium we take a range of rating factors into account. These factors, and the degree to which they affect your premium, will depend upon the information you provide to us.

Some factors that impact the calculation of your premium include:

- where the premises or contents are located,
- the sum insured, and
- your previous insurance and claims history.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, which may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Privacy Promise

All companies in the QBE Group are committed to safeguarding your privacy and the confidentiality of your personal information. QBE collects only that personal information from or about you for the purpose of assessing your application for insurance and administering your insurance Policy, including any claim made by you. QBE will only use and disclose your personal information for a purpose you would reasonably expect. We will request your consent for any other purpose.

Without this personal information we may not be able to issue insurance cover, administer your insurance or process your claim. Our aim is to always have accurate and up-to-date information. When you receive a Policy Schedule, Certificate of Insurance, Renewal or other document from us, you should contact us if the information is not correct.

QBE uses the services of a related company located in the Philippines to provide Call Centre sales and claims handling, accounting and administration services to QBE in Australia.

QBE or our authorised agent may collect or disclose your personal information from or to:

- any person authorised by you;
- a mail house, records management company or technology services provider (for printing and/or delivery of mail and email, including secure storage and management of our records). These companies may be located or the records stored using 'Cloud' technology overseas, including in India, Ireland, USA or the Netherlands;
- a financier whose name appears on your Policy Schedule (for the purpose of confirming the currency of your Policy or when you have a claim and the insured property is a total loss, to confirm if the financier has a current interest);
- an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transactions or confirming payments made by you to us);
- a financial services provider or our agent who is arranging your insurance (for the purpose of confirming your personal and insurance details);
- another person named as a co-insured on your Policy (for the purpose of confirming if full disclosure has been made to us);
- another insurer (to obtain confirmation of your no claim bonus or to assess insurance risks or to assist with an investigation);
- our reinsurer that may be located overseas (for the purpose of seeking recovery from them);
- a dispute resolution organisation such as the Australian Financial Complaints Authority (for the purpose of resolving disputes between QBE and you or between QBE and a third party);
- a company to conduct surveys on our behalf for the purpose of improved customer services; and
- an insurance reference bureau (to record any claims you may make upon us).

In addition to the above, in the event of a claim, QBE or our authorised agent may disclose your personal information:

- to a repairer or supplier (for the purpose of repairing or replacing your insured items);
- to an investigator or assessor (for the purpose of investigating or assessing your claim);
- to a lawyer or recovery agent (for the purpose of defending an action by a third party against you or recovering our costs including your excess or seeking a legal opinion regarding the acceptance of a claim);
- to a witness to a claim (for the purpose of obtaining a witness statement);

- to another party to a claim (for the purpose of obtaining a statement from them or seeking recovery from them or to defend an action by a third party).

Personal information (about you) may also be obtained from the above people or organisations.

In addition we will:

- give you the opportunity to find out what personal information we hold about you and when necessary, correct any errors in this information. Generally we will do this without restriction or charge; and
- provide our dispute resolution procedures to you, should you wish to complain about how we handle your personal information.

To obtain further information about our Privacy Policy, to request access to or correct your personal information, or to make a complaint please email: complaints@qbe.com.

The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. The Code aims to:

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

How to make a claim

Please contact your Broker or RUA to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim. Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet.

In an emergency outside normal business hours you may ring our emergency service on 1800 023 387 for assistance.

Resolving complaints and disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service. We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

{LXH / 20093873 / 00146875}

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIIC).

Contacting QBE's CCU, AFCA or the OAIIC

How to contact QBE Customer Care	
Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	complaints@qbe.com , to make a complaint privacy@qbe.com , to contact us about privacy or your personal information. customercare@qbe.com , to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA	
Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIIC	
Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Cancelling your Policy

How you may cancel this Policy

- You may cancel this Policy at any time by telling us in writing that you want to cancel it. You can do this by giving the notice to RUA.
- Where 'you' involves more than one person, the Insurer will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

How we may cancel this Policy

- The Insurer may cancel this Policy in any of the circumstances permitted by law by informing you in writing.

- The Insurer will give you this notice in person or send it to your address last known to us.

The Premium

We will refund to you the proportion of the premium for the remaining period of insurance, less an administrative charge not exceeding \$33.00, including GST.

Cooling-off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify RUA electronically or in writing within 21 days from the date the Policy commenced.

This cooling off right does not apply if you have made or are entitled to make a claim. Even after the cooling off period ends, you still have cancellation rights however RUA may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

Financial Claims Scheme

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

More information may be obtained from APRA – www.apra.gov.au or 1300 558 849.

Providing Proof

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase, and
- valuations
- photographs of items in the premises.
- Any other documentation and information requested at the time of a claim.

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

Other Parties' Interests

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

How you can pay your premium

You can pay your premium:

- in one annual payment to your Broker or RUA.

Paying your annual premium

You must pay your annual premium by the due date to RUA. If your premium is unpaid by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

Preventing our right of recovery

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

POLICY WORDING

Words with special meanings

Some key words and terms used in this Policy have a special meaning.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

Word or Term	Meaning
Accidental damage	Sudden, unforeseen, unexpected and unintended loss or damage, which is not 'Malicious damage', and which is not an 'Insured Event' and which is not otherwise excluded by this Policy.
Arrears	Any rent that has not been paid by the date it was due.
Audit	Any form of investigation or audit of your financial or taxation affairs that is initiated by an authorised government auditor. An audit does not include anything pertaining to <ol style="list-style-type: none"> any licence, membership, industry status compliance with any employee law the gathering of any data or information not directly part of the audit superannuation
Auditor	An officer who is authorised under Commonwealth, State or Territory legislation to carry out an audit of your taxation, financial affairs or a taxation liability.
Contents	Cover up to \$65,000, Under Section 1 contents means: <ol style="list-style-type: none"> built in furniture, cupboards, non-portable stoves, non-portable electrical equipment, water heaters and coolers and space heaters and coolers, blinds, light fittings, curtains, drapes of every description, floor coverings, if you own a strata title building, the internal paintwork, wallpaper and any fixture or structure improvement within or attached to that residence which the Body Corporate is not required by law to insure your personal property, and general household contents and equipment which is <ul style="list-style-type: none"> not for the tenants use, and in an area that is locked and fully enclosed by walls and a ceiling inaccessible to the tenant, and which are contained in the premises.

Word or Term	Meaning
	<p>Up to the sum insured shown on your coverage summary, Under Section 3 contents means:</p> <p>a) household goods, blinds, light fittings, curtains, drapes of every description and floor coverings</p> <p>b) general household contents and equipment which is</p> <ul style="list-style-type: none"> - not for the tenants use, and - in an area that is locked and fully enclosed by walls and a ceiling inaccessible to the tenant, <p>and which are contained in the premises.</p> <p>c) if you own a strata title building, the internal paintwork, wallpaper and any fixture or structure improvement within or attached to that residence which the Body Corporate is not required by law to insure</p> <p>d) garden equipment if it does not require registration.</p> <p>What 'contents' does not mean (applies to Section 1 and Section 3)</p> <p>'contents' does not include:</p> <p>a) fish, birds or animals of any description</p> <p>b) trees, shrubs and any other plant life including grass or lawns, or soil, bark or mulch (other than pot plants)</p> <p>c) any caravan or trailer, watercraft or bicycles,</p> <p>d) motorised vehicles other than that listed in point (d) under the heading 'What contents means' under section 3</p> <p>e) aircraft or their accessories</p> <p>f) accessories or spare parts, keys or remote locking or alarm devices of motor vehicles (including motorcycles and motor scooters), caravans, trailers, aircraft or watercraft while they are in or on the motor vehicle, caravan, trailer, aircraft or watercraft</p> <p>g) photographic and video equipment, film, negatives photographs, musical instruments or musical equipment, or any sporting equipment</p> <p>h) antiques (other than furniture), carpets or rugs that are made by hand</p> <p>i) any type of mobile telephones, MP3 or MP4 players or any similar devices, computers of any type – including laptops, notebooks, palmtops, Personal Digital Assistants (PDAs) electronic diaries, electronic notebooks, pocket Personal Computers</p> <p>j) electronic data, or any computer media such as discs or tapes – other than computer games for non-portable computer game</p>

Word or Term	Meaning
	<p>consoles</p> <p>k) any property</p> <ul style="list-style-type: none"> • illegally in your possession • stored in a dangerous and illegal way, or any equipment connected with growing or creating any illegal substance • within or attached to the residence which the Body Corporate is required by law to insure if your premises is in a strata title building <p>l) commercial or retail trade stock</p> <p>m) your premises or any part of your premises.</p> <p>n) jewellery, gold or silver articles, furs, watches, clothing, stamps coins or medals, documents or any personal effects.</p> <p>o) cash, coins and negotiables.</p> <p>'Negotiables' means treasury notes, savings certificates, stamps, money orders, gift certificates and any other negotiable instrument.</p>
Dwelling	<p>A self contained residence within a premises which includes:</p> <ul style="list-style-type: none"> • A kitchen sink • Food preparation facilities • A bath or shower, and • A closet pan and wash basin.
Event	<p>Each occurrence, loss or damage which entitles you to make a claim under this Policy.</p>
Excess	<p>The first amount of any claim which must be paid by you in relation to each loss or damage or a series of losses or damages arising out of any one event. If an excess is applicable the amount will be shown in the Policy Schedule. Malicious damage by a tenant is treated as one event. General Policy Excesses are shown under the clause heading of What you must pay if you make a claim – Excess on page 14 of the Policy.</p>
Family	<p>Any member of your family who lives permanently with you, including your partner.</p>
Flood	<p>The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <p>a) a lake (whether or not it has been altered or modified);</p> <p>b) a river (whether or not it has been altered or modified);</p> <p>c) a creek (whether or not it has been altered or modified);</p> <p>d) another natural watercourse (whether or not it has been altered or modified);</p> <p>e) a reservoir;</p> <p>f) a canal</p> <p>g) a dam.</p>

Insured Events mean:	But Not:
a) Fire, smoke or explosion	Loss or damage to any item caused by scorching, melting, or charring without flames. Any damage that is gradual from a fireplace.
(b) Storm (including cyclone or hurricane) or rain which may be accompanied by snow, sleet or hail and flood	Loss or damage caused by: <ul style="list-style-type: none"> Storm, rainwater or wind to trees, shrubs or plants Storm, rainwater or wind to: <ul style="list-style-type: none"> Retaining walls, Free standing walls, Fences or Gates unless they are located in Queensland or Western Australia or they are constructed of: <ul style="list-style-type: none"> brick, concrete, masonry, stone or steel, constructed of timber but are 15 years old or less The action of the sea, high water, or tidal wave, Water seeping through a wall or floor Fungus, mildew, mould, algae Atmospheric or climatic conditions other than storm Water entering the premises through an opening made for the purpose of alterations, additions, renovations or repair.
c) Lightning or thunderbolt	
d) Earthquake or tsunami. All destruction or damage occurring within a period of 72 hours of the earthquake or tsunami is regarded as the one insured event. Tsunami means a sea wave caused by a disturbance of the ocean floor or seismic movement.	The first \$250 for earthquake or tsunami damage, or the excess amount shown on your Policy Schedule, whichever is greater.
e) Theft or attempted theft	<ul style="list-style-type: none"> Theft of cash or negotiables Loss or damage caused by: <ul style="list-style-type: none"> theft by any person who is living at the premises unless there is evidence that the premises have been entered forcibly and violently (see Section 1 for this cover) “forcible and violent entry” does not include: <ul style="list-style-type: none"> entry through a door or window that has been left open or unlocked, where the premises have been entered with the consent of the owner or occupier of the home. More than \$1500 for theft of contents in the open air

Insured Events mean:	But Not:
f) Malicious acts	Loss or damage intentionally caused by: <ul style="list-style-type: none"> You, your family, or your family’s visitors A tenant, or a tenant’s visitors or family (See Section 1 for this cover), except for damage by fire, smoke or explosion.
g) Riot or civil commotion	
h) Bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind. Water suddenly escaping from a waterbed or aquarium. If we accept a claim because damage has occurred as a direct result of the liquid escaping, we will also pay the reasonable costs of locating the cause of the damage, and the costs of reinstating the property damaged or disturbed in the course of work.	Loss or damage which: <ul style="list-style-type: none"> occurs gradually over time results from water escaping from a shower base not fitted with a tray or water proof membrane is caused by the porous condition of any tiles, grouting or sealant We will not pay for repair or replacement of the apparatus, tank, or pipe itself.
i) Impact by: <ul style="list-style-type: none"> A vehicle, an aircraft or waterborne craft Space debris or debris from an aircraft, rocket or satellite A falling tree or part of a tree A mast or a television or radio aerial that has broken or collapsed ‘Impact’ means a collision of 2 or more objects.	Loss or damage caused by: <ul style="list-style-type: none"> felling or lopping trees at the site an animal kept at the premises.
j) Breakage of: <p>Any fixed glass, shower base, basin, sink, bath, lavatory pan or cistern or glass forming part of an item of furniture.</p>	Damage to any property other than the broken glass (except for window tinting or shatter proofing) or shower base, basin, sink, lavatory pan, cistern or any item that is chipped or scratched prior to the breakage. <p>Any item where the only damage is chipping or scratching or the breakage does not extend through the entire thickness.</p> <p>Glass in Television sets, VDU’s or any other computer or electrical equipment or mobile phone.</p> <p>Glass in a picture frame or clock.</p>
k) Fusion of an electric motor: <p>Fusion is the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by an</p>	Motors more than 15 years from the date of purchase when new or more than 15 years from the date of rewinding. <p>The cost of repair or replacement of additional parts or service items, including worn or broken</p>

Insured Events mean:	But Not:
<p>electric current.</p> <p>We will pay the cost of rewinding the motor, or at our option, replacing it.</p> <p>For air-conditioning units, we will pay for the replacement of the refrigerant driers, only if replacement of the refrigerant gas or drier is made necessary because of the fusion.</p>	<p>bearings or switches.</p> <p>Leakage of refrigerant gas and maintenance of refrigerant driers.</p> <p>Lighting elements (for example, light bulbs or fluorescent tubes) or heating elements, solenoids, fuses or protective devices (for example a fuse or circuit breaker).</p> <p>Electrical contact points where sparking or arcing occurs during ordinary use.</p> <p>The cost of retrieving, removing or replacing the pump section of pool or pressure pumps or the cost of retrieving submersible pumps or their driving motors.</p> <p>Electronic controllers or other electronics.</p>
<p>l) Power surge to fixed domestic appliances or domestic equipment directly caused by an identifiable and verifiable source outside your premises including; a lightning strike, an object contacting power lines, the resumption of power following a blackout caused by a storm or unexpected interference with a power company transformer by animal.</p>	<p>Domestic appliances or domestic equipment more than 15 years from the date of purchase when new.</p> <p>Any power surge caused at your premises.</p>
<p>m) Erosion, subsidence, landslide or earth movement but only if it is directly as a result of one of the following insured events;</p> <ul style="list-style-type: none"> • explosion • storm • earthquake or tsunami • escaping liquid <p>and it occurs no more than 72 hours after the insured event.</p>	<p>Any other erosion, subsidence, landslide or earth movement event.</p>
<p>n) Damage caused by animals or birds</p>	<p>Any damage caused by or resulting from;</p> <ul style="list-style-type: none"> • rodents, vermin, or insects, (at any stage of their life cycle) • any gnawing, chewing, pecking, clawing, scratching or in any way polluting or soiling; <ul style="list-style-type: none"> – Any exterior part of your premises, or – Any part of the interior of your premises that is not fully enclosed and secured prior to and at the time of damage. <p>By secure we mean that there is no open door, window or screen that allowed the animal to enter. Any part of the</p>

Insured Events mean:	But Not:
	<p>interior of your premises if you or the occupier has knowingly permitted an animal to enter your premises.</p> <p>Where the animal is not a domestic pet covered under section 1 of this policy.</p>

Word or Term	Meaning
Investigation	Means a detailed in-depth inquiry.
Lease	<p>A written agreement between you and a tenant for occupancy of the premises which is;</p> <ul style="list-style-type: none"> • allowed by and compliant with legislative requirements in the State or Territory the premises are located in and • for which a bond equivalent to at least four weeks rent has been paid. <p>It also includes a tenancy at will which immediately follows the lease.</p>
Malicious damage	Loss or damage intentionally caused by a tenant, which is not 'Accidental Damage', and which is not an 'Insured Event', and where the loss or damage has been reported to the police.
Notice Date	When you or your representative first become aware of any actual or potential audit either verbally or in writing.
Period of insurance	The period shown on the Policy Schedule.
Policy Schedule	The document that we give you which sets out the details of your cover which are personal to You. It forms part of the Policy. It shows the cover and any options that you have selected. When your Policy is changed or renewed, we will give you a new Policy Schedule. The information on your schedule can modify the terms set out in this Policy.
Premises	<p>The premises used primarily or entirely for residential purposes (including where part of the premises is used as an office or surgery) at the address shown on the Policy Schedule.</p> <p>Premises includes the following:</p> <ul style="list-style-type: none"> a) Outbuildings, fixtures and structural improvements including in-ground swimming pools, tennis courts, in-ground spas, saunas, jetties and pontoons all of which are used for domestic purposes b) Fixed light fittings, fixed wall coverings, fixed ceiling coverings and fixed floor coverings c) Services (whether underground or not) that are your property or which you are liable to repair or replace or pay the cost of their repair or replacement d) Paved pathways and paved driveways, retaining walls, fences and gates entirely

Word or Term	Meaning
	or partly on the site
	<p>What premises does not mean</p> <p>Premises does not mean:</p> <ul style="list-style-type: none"> a) Earth or gravel pathways or driveways or other unpaved surfaces b) <ul style="list-style-type: none"> • A hotel, motel, bed & breakfast, nursing home or boarding house • Buildings of flats or caravans (whether fixed to the site or not), unless this is expressly endorsed on your Policy Schedule • Strata title, company title or community units with respect to insuring the building. <p>However, where Strata Title Units are permitted by legislation to be insured by their individual Unit owners, and Unit owners and any committee have met all relevant legislative requirements, the meaning of premises is extended to include Strata Title Units as defined in the various State's Strata Titles Acts.</p> <ul style="list-style-type: none"> c) Any building used for any business or trade, except a dwelling used principally as a place of residence that also contains an office or surgery d) A building in the course of construction e) A building in the course of being demolished, or that is vacant pending demolition f) A temporary building or structure g) Trees, shrubs and any other plant life including grass or lawns, or soil, sand, gravel, bark or mulch, except to the extent cover is provided under Section 2 Additional Benefit 11. Landscaping h) Contents

Word or Term	Meaning
Professional Fees	Any reasonably incurred fees, costs and expenses of a practising accountant or any other professional you need to engage such as a qualified advisor, solicitor, lawyer or another professional and disbursement costs. Professional fees do not include professional fees to complete relevant returns/questionnaires or documents required by a government authority or agency that you would ordinarily be required to complete and supply or costs associated with the reconstruction or rewriting of your records required for the purpose of the audit.
Rent	Rent applying under the lease or rental agreement at the time of loss or damage.
Return	A return that is legally required to be lodged with a government or government agency.
Subtenancy	Where a lease or rental agreement is in place for a third party to rent all or part of the premises from the tenant(s).
Tenant	The person(s) named on the lease and who occupy the premises, including members of their family residing with them and their invitees; or Where the tenant named on the lease is not a natural person (for example a company or a family trust), tenant includes; <ul style="list-style-type: none"> - the tenant named on the lease and any of their invitees, and - person(s) authorised by the tenant named on the lease to occupy the premises (i.e. an employee of the tenant company) including members of their family residing with them and their invitees.
We, our, us	The Insurer, QBE Insurance (Australia) Limited, ABN 78 003 191 035
You, your	The person(s), companies or firms named on the current Policy Schedule as the 'Insured'.

Sections

This part of the Policy contains the following six sections:

Section 1: Cover for your Premises and Contents – Tenant and Accidental Damage

Section 2: Cover for your Premises – Insured Events

Section 3: Cover for your Contents – Insured Events

Section 4: Cover for your Rent and Legal Expenses

Section 5: Cover for your Legal Liability.

Section 6: Cover for your Taxation Audit

Section 1: Cover for your Premises and Contents (Fixtures & Fittings) – Tenant and Accidental Damage

What you are insured against

You are insured against malicious damage or theft caused by the tenant or accidental damage to your premises and contents at the address shown on your Policy Schedule during the period of insurance.

What we will pay

If the premises or contents (other than floor, wall and ceiling coverings which are over 1 year old) suffer loss or damage, we will at our option:

- a) reinstate, repair or replace them to a condition the same as their condition when new, or
- b) pay for the loss or damage.

For floor, wall and ceiling coverings that are over 1 year old which suffer loss or accidental damage, we reduce the amount that we pay by an allowance for wear, tear and depreciation. We will at our option:

- a) repair or replace them, or
- b) pay the reasonable cost of their repair or replacement

to a condition no better than their condition at the time the loss or damage occurred. For items older than 1 year, the amount we depreciate by will be 7.5% off the new repair or replacement cost for each year older than 1 year.

We will only pay for their repair or replacement in the room, hall or passage in which the loss or damage occurred.

Additional Benefits

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

1. Damage by Tenant's Domestic Pet

You are insured against damage caused by a domestic pet, provided that:

- a) The pet is owned by the tenant, and
- b) That you or your representative inspect the home within 6 months of the commencement of the initial lease, and then at least annually thereafter

2. Rubbish Removal and Clean Up Costs

We will pay the Rubbish Removal and Clean Up Cost where the cost of clean up and rubbish removal exceeds \$5,000.

We pay additional benefits 1 & 2 as part of the sum insured.

You must pay the applicable excess for any claim under this section.

How we will pay

- If part of your premises &/or contents are damaged and we agree to pay your claim, we pay only for the part or parts of the premises &/or contents that actually sustained damage. We do not pay to replace any undamaged materials.

What we will NOT pay

We do not pay under Section 1:

- Any loss or damage where there is a subtenancy &/or multiple leases in place for an individual dwelling

Section 2: Cover for your Premises - Insured Events

What you are insured against, and what you are NOT

You are insured for loss or damage to your premises, caused directly by any of the Insured Events, as set out under 'Words with special meanings', which occur at your premises (except to the extent indicated in the right column under the subheading of 'But Not')

There are also some limits and exclusions described under "How we will pay" and "When you are not covered", which you must read.

How we will pay

Premises

- a) You may choose to have your premises replaced at another site, but we do not pay more than the sum insured.

At our option we:

- repair your premises, or
- replace the premises to a condition substantially the same as, but not better than when new, or
- pay the reasonable cost of its repair or replacement to a condition substantially the same as when new, or
- pay up to the sum insured shown on your Policy Schedule.

If your premises are damaged beyond economic repair, we will pay no more than the reasonable cost of replacement as new even if you have insured for an amount greater than the reasonable cost of replacement as new. When we pay your claim for your premises being damaged beyond economic repair, the Policy is exhausted and comes to an end.

- a) If your premises are damaged beyond economic repair and you do not commence rebuilding within 6 months of the damage occurring, (or any other period which we agree with you in writing) you may have to pay any increase in cost caused by your delay.
- b) If part of your premises are damaged by an insured event and we agree to pay your claim, we pay only for the part or parts of the premises that actually sustained damage. We do not pay to replace any undamaged materials.

However, if:

- It is impossible to acquire new material to replace the damaged material that reasonably matches the undamaged portion to a similar extent as immediately prior to the damage occurring, and
- The amount of damaged material that cannot be matched to the undamaged material is more than 40% of the total material that would have to be replaced if all the matching damaged and undamaged material was replaced,

then we will replace both the damaged and undamaged material.

Example 1

There are 300 matching white, wall tiles in the bathroom. As a result of a burst pipe, 8 bathroom wall tiles are damaged. We would pay only the reasonable cost to repair or replace the 8 damaged tiles to a condition substantially the same as when new.

(In addition, we would pay for damage sustained in locating the leak under Insured Event (h) in the table under the heading "Words with special meanings".)

Example 2

There are 300 superseded, matching, wall tiles in the bathroom. As a result of a burst pipe, 140 wall tiles are damaged. It is impossible to locate tiles that reasonably match the remaining 160 tiles. Over 40% of the matching wall tiles have been damaged. Therefore, we would pay the reasonable cost to repair or replace all 300 tiles (140 damaged and

160 undamaged) to a condition substantially the same as when new. We would be entitled to keep the 160 undamaged wall tiles by way of salvage. We would not pay to replace any tiles located in a room other than where the loss or damage occurred.

- c) where materials that are required to settle a claim that we agree to pay are not commercially available in Australia, at our option, we:
 - Replace the material with the nearest equivalent or similar new material available in Australia or overseas, or
 - pay the cost to replace the material with the nearest equivalent or similar new materials available in Australia or overseas.

Additional Benefits

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

We pay additional benefits 1 to 8 as part of the sums insured.

1. Fees

If your premises are damaged as a result of an insured event, and we agree to pay a claim, we pay any reasonable fees which we have approved and which are incurred directly in relation to repair or replacement of your premises.

2. Removal of debris

If your premises are damaged as a result of an insured event, and we agree to pay a claim, we pay the reasonable costs of demolition and removal of debris from the site to the nearest authorised facility.

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

- a) we agree that the remaining tree or branch is unsafe,
- b) the remaining tree or branch only became unsafe as a direct result of the insured event causing damage to the tree, and
- c) all necessary approvals have been obtained and removal of the tree or branch would not result in a breach of any laws, by-laws, regulations or contractual obligations.

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

- a) all necessary approvals have been obtained and removal of the stump would not result in a breach of any laws, by-laws, regulations or contractual obligations, and
- b) not removing the stump would interfere with repairing or replacing the damaged part of the premises required to settle your claim.

3. Extra costs of reinstatement

If your premises are damaged as a result of an insured event and we agree to pay a claim, we pay the extra costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your premises at the site.

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

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

4. Contracting purchaser

If you have entered a contract to sell the premises, this Policy insures the purchaser from:

- when they become liable for any damage to the premises until the contract is settled or terminated, or
- until the purchaser insures the premises

whichever happens first.

5. Waiver of excess if your property is a total loss

You are not required to pay an excess if we agree to pay a claim as a

result of damage that renders your premises beyond economical repair.

6. Temporary accommodation

We pay the following benefit if your premises are so damaged by an insured event that it cannot be lived in and you have a fixed date you were due to occupy the premises as an owner/occupier;

We pay up to \$10,000 or 20% of the sum insured for your premises, whichever is the higher, for temporary accommodation costs.

7. Automatic reinstatement of sum insured

This benefit applies to the sums insured for premises, as shown on your Policy Schedule.

Following payment of a claim other than a claim for total loss the sums insured will be reinstated, unless:

- you request otherwise
- we tell you otherwise

8. Replacement of locks and keys

We pay up to \$500 to replace/alter locks or keys, if your:

- locks to your premises are damaged, or
- keys to your premises are stolen by someone breaking into your premises.

9. Inflation adjustment

This benefit only applies to the premises sum insured as shown on your Policy Schedule.

During each period of insurance we increase the premises sum insured by 0.4 of 1% of the relevant sum insured shown on your current Policy Schedule per month until the next renewal date.

10. Legal costs

We pay the reasonable legal costs incurred in discharging your mortgage following settlement of a claim for total loss.

11. Landscaping

We pay up to \$500 per tree, shrub, plant or other plant life and up to \$1,500 in total any one period of insurance for loss or damage to a tree, shrub, plant or other plant life caused directly by an insured event other than by storm or other events connected to weather or any event that is not sudden and unforeseen that results in the tree, shrub, plant or other plant life being so damaged that they die, are permanently disfigured or not recovered after being stolen.

We will not cover any loss or damage to any real or artificial grass or lawn unless loss or damage occurs within 72 hours of it being laid or installed.

Section 3: Cover for your Contents – Insured Events

You are insured for loss or damage to your contents while they are in your premises caused directly by any of the 'Insured Events' as set out under 'Words with Special Meanings', (except to the extent indicated in the right column under the sub heading of 'But Not').

There are also some limits and exclusion described under 'How we will pay' and 'When you are not covered', which you must read.

How we will pay

Contents

- a) At our option we:
- repair the damaged items, or
 - replace the items with items substantially the same as, but not better than when new, or
 - pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new, or
 - pay up to the sum insured shown on your Policy Schedule.
- b) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we:

- replace the item with the nearest equivalent or similar new item available in Australia or overseas, or
- pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.

- c) If part of your contents are damaged by an insured event and we agree to pay your claim, we pay only for the part or parts of the contents that actually sustained damage. We do not pay to replace any undamaged materials.

However, if:

- It is impossible to acquire new material to replace the damaged material that reasonably matches the undamaged portion to a similar extent as immediately prior to the damage occurring, and
- The amount of damaged material that cannot be matched to the undamaged material is more than 40% of the total material that would have to be replaced if all the matching damaged and undamaged material was replaced,

then we will replace both the damaged and undamaged material.

- d) The maximum we pay on the following contents items is shown below.

Contents where a maximum limit applies

- Works of art, pictures, tapestries, rugs, antique furniture** - \$5000 per item and in total 20% of the sum insured for unspecified contents.
- Floor coverings, blinds and curtains** – For carpets and other floor coverings, curtains and internal blinds. We pay only for items in the room, hall or passage where the damage occurred.
- Open Air – 'Open air' is restricted to the premises and includes non lockable parts of the premises** – For loss or damage by storm or theft to contents in the open air we pay up to \$1500.

Additional Benefit

1. Change of Premises

If you are moving contents insured under the Policy into a new premises or unit within Australia, we insure your contents at both sites for a maximum of 30 days. The maximum we pay at each site will be the proportion of the sum insured that the value of the contents at the premises bears to the total value of the contents at both sites.

You must tell us of your new address within 30 days of first moving to it.

2. Automatic reinstatement of sum insured

This benefit applies to the sums insured for contents, as shown on your Policy Schedule.

Following payment of a claim other than a claim for total loss the sums insured will be reinstated, unless:

- you request otherwise,
- we tell you otherwise.

Section 4: Cover for Rent and Legal Expenses

What you are insured against

We will indemnify you for loss of rent if:

- a) your premises or contents suffer loss or damage and are unfit for living in and we have agreed to pay a claim under Sections 1, 2 or Section 3 for that loss or damage, and
 - repairs are commenced promptly but at the latest within one week after the damage has occurred (unless we have agreed otherwise in writing), and
 - repairs take at least seven days to complete, providing there are no unreasonable delays
- b) your premises cannot be occupied due to prevention or denial of access caused by:
 - damage to neighbouring premises in the near vicinity.
 - 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.
- c) rent is lost because your premises cannot be lived in due to the death of the tenant or murder or suicide at your premises
- d) your premises cannot be occupied due to denial of access caused by the tenant refusing to vacate your premises after a lawful order for eviction or possession has been served upon them

What we will pay

- a) For claims occurring under clauses (a), (b) and (c) of 'What you are insured against' in this section, we will pay up to fifty-two (52) weeks rent, limited to a maximum of \$1,500 per week.

The period for which we provide cover is from the date of loss or damage until either:

- your premises are re-tenanted, or
- where there is an ongoing lease liability, up to six (6) weeks following your premises becoming suitable for tenants to move in again, or
- where there is no ongoing lease liability, your premises becoming suitable for tenants to move in again

whichever occurs first.

- b) For claims occurring under clause (d) of 'What you are insured against' in this section, we will pay up to fifty-two (52) weeks rent, limited to a maximum of \$1,500 per week.

The period for which we provide cover is from the day after the lawful eviction or possession order expires until either:

- where there is no ongoing lease liability, the tenant vacates the premises, or
- where there is an ongoing lease liability, up to six (6) weeks following the tenant vacating the premises, or
- your premises are re-tenanted
whichever occurs first.

- c) All claims under this section will be reduced by the balance of any bond monies remaining after deducting clean up costs or any other expenses that you are legally entitled to deduct from the bond.
- d) We will also pay legal expenses up to \$5,000 following loss of rent admitted under this section if they have been incurred with our prior written approval for the purpose of minimising or preventing a loss under this section.
- e) Where your premises are managed by someone else (your agent) we will pay any loss of rent claims to your agent.

Where your premises were managed by your agent at the time of loss and that management agreement has since ceased, we will pay your agent any commissions or other costs your agent is legally entitled to from the loss of rent claim and pay the balance to you.

- f) Where a tenant is evicted by a Statutory Authority (Bailiff, Sheriff and the like) we will pay for the cost of changing of door and/or window locks to the maximum value of \$250.00, where the

Statutory Authority has ordered locks to be changed.

What we will NOT pay

We do not pay under Section 4:

- when rent is in arrears on or before the commencement of the period of insurance. Cover will not apply until rent in arrears is brought up to date.
- in respect to periodic tenancies; we will only pay the actual rent loss and not the rent you could have charged for any further period where there is no ongoing liability for payment of rent by the tenant or ex tenant.
- any loss of rent where there is a subtenancy and/or multiple leases in place for an individual dwelling
- the tenant vacates your premises without notifying you
- the tenant has defaulted in the payment of rent. 'Default' includes; termination on the grounds of hardship which has been authorised by a court or tribunal.
- any loss of rent arising out of another insurer's claim.

Section 5: Cover for your Legal Liability – Property Owners

What you are insured against

We insure you and any member of your family against any claim for compensation or expenses which you or the member of your family become legally liable to pay for:

- a) the death of, or bodily injury to, any person
- b) the loss of, or damage to, property

resulting from an occurrence during the period of insurance arising out of the ownership of the premises or its contents.

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

We pay up to \$30,000,000 for any one occurrence.

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

In addition to this amount, we pay legal costs that we approve.

What you are NOT insured against

- a) We do not insure you or your family against liabilities arising from:
 - i) any liability which arises out of you being party to a contract or agreement unless liability would have attached to you or your family if that agreement did not exist
 - ii) death of or bodily injury to you or to any person who normally lives with you
 - iii) death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment
 - iv) damage to property belonging to you or any person who normally lives with you
 - v) any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme or the conduct of any activity carried on by you or your family for reward except for letting the premises for domestic purposes
 - vi) vibration or the weakening of, removal of or interference with support to land, buildings or other property
 - vii) construction or demolition of a building, including the premises if the value of the work exceeds \$50,000
 - viii) the ownership of land, buildings or structures other than the premises insured by this Policy
 - ix) loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of a member of your family
 - x) the lawful seizure, confiscation, nationalisation or requisition of the property insured

- xi) destruction of or damage to property by any government or public or local authority.
- b) We do not insure you or your family:
 - i) against fines, penalties, or punitive, aggravated, multiple or exemplary damages
 - ii) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos.

Section 6: Cover for your Taxation Audit

What you are insured against

You are insured against reasonable professional fees incurred by you in connection with an audit or investigation conducted by an auditor in respect to any return lodged with the Commissioner of Taxation in respect of the premises insured by this Policy.

We pay only if:

1. The notice date occurred during a current period of insurance and this Section 6 has commenced;
2. The audit commenced during a current period of insurance;
3. The audit was notified to us during the current or previous period of insurance;
4. The audit relates to a return lodged no more than 12 months prior to the original commencement date of this Section 6; and
5. The return was lodged no more than four years before the notice date.

However, we will pay when this Policy is not in force, subject to all the other terms, conditions and exclusions only if you have sold your premises and not replaced it, or, you have sold your premises and replaced it, and that replacement premises is insured by us under this Section 6 when the audit commences.

What we will pay

- (a) The most we will pay for all claims during any one period of insurance, per audit is \$1,000
- (b) The maximum amount in the aggregate is limited to \$2,000
- (c) If you have more than one residential landlord property insured, whether under the same Policy or not, and those properties benefit from the cover provided by "Section 6: Taxation Audit", we will not pay more than a total of \$4,000 for all residential landlord Policies that you have insured with us during any one period of insurance. We will not pay any professional fees pertaining to any residential landlord Policies that are not insured under "Section 6: Taxation Audit". We will not pay any professional fees pertaining to any activity or part of a return not pertaining to the residential landlord property insured by this Policy.

What we will not pay

We will not indemnify you with respect to any claims under this Policy arising out of or in any way connected with:

- a) enquiries from the Commissioner of Taxation that seek information or raise requisitions, or enquiries of any similar kind.
- b) matters arising under customs legislation.
- c) audits or investigation notice of which or information as to their likely conduct was received by you or any person acting on your behalf prior to the period of insurance.
- d) any audits or investigation concerning income earned or sourced or any professional fees payable to persons outside Australia and its external Territories.
- e) any dishonest or fraudulent act or omission committed by you or on your behalf.
- f) any oral or written statement by you or on your behalf which you know to be false or misleading in any material particular made recklessly or wilfully.
- g) the imposition of or the seeking to impose any tax, penalty tax, costs interest, or any fine.
- h) audits or Investigations not legally requiring returns or where a required return has not been lodged.

- i) any form of activity involving a review relevant to maintaining industry status, licence, membership, any form of occupational health and safety type compliance, similar requirements.
- j) any form of activity involving a review of how the practising accountant or other professional assisting you undertakes their professional duties.
- k) any form of practice or procedural audit of any of your files or those at your professional accountant or other professional assisting you.
- l) any activity involving a government agency gathering information or data that is not part of an audit.
- m) any activity involved in the familiarisation education, training, application, implementation, process or operation of any amendments or changes to existing, or the introduction of new, government or industry regulation.
- n) any mass marketed tax avoidance scheme

General Conditions - Taxation Audit

- All documents including taxation and other returns must be submitted within the time limits prescribed by all relevant statutes and regulations or as required by or on behalf of the Commissioner of Taxation unless You demonstrate that any failure to comply with any such time limit was not the result of your culpable delay or you have lawful justification for non compliance.
- If you or any person acting on your behalf becomes aware of any error or deficiency in any information, return of income or other documentation furnished to the Commissioner of Taxation, you must notify the Commissioner accordingly without delay.
- You must make full and complete disclosure of all income as required by any relevant legislation.
- All taxes must be paid by the due date or within any extension granted by the Commissioner of Taxation.
- You must obtain our written permission and provide us with estimated costs and fees before engaging anyone other than your accountant
- You must advise us if your and /or any related entities' total annual turnover from renting residential premises exceeds \$200,000 in the latest financial year for cover to continue.

What you must pay if you make a claim – Excess

(Applicable to Sections 1, 2 and 3)

'Excess' means the first amount you must contribute to any claim you make under this Policy. We deduct the excess shown in the Policy document or on the current Policy Schedule from the amount of your claim.

Under Section 1, the excess for:

- Malicious Damage by Tenants is \$400 per claim;
- Theft by Tenants is \$400 per claim; and
- Accidental damage is \$400 per event (A maximum of two excesses will be applied per claim)

Under Sections 2 & 3, Insured Events excesses are:

- \$200 all States each and every claim, except earthquake or tsunami and cyclone
- \$250 – Earthquake or tsunami
- \$500 – Cyclone

or the amounts shown on your Policy Schedule, whichever are greater.

Under Section 4, there is no excess applicable, however, claims are reduced by the balance of bond monies remaining after deducting clean up costs or other expenses you are legally entitled to deduct from the bond.

Under Sections 5 and 6 there is no excess applicable, unless one is shown in the Policy Schedule.

Unoccupancy

(Applicable to Sections 1, 2 and 3)

If your premises are unoccupied for more than 90 consecutive days, you

must tell us and obtain our written agreement for full cover to continue. If you do not do so, the cover for Section 2 -Premises and Section 3 - Contents is limited as described below.

For the period from 90 consecutive days up to 180 consecutive days of Unoccupancy the excess will be \$1,000. For any period of unoccupancy exceeding 180 consecutive days the excess will be \$2,000.

However, these higher excesses do not apply to claims directly caused by the following insured events; lightning, thunderbolt, fusion, riot and civil commotion, damage directly caused by impact by a vehicle, aircraft, waterborne craft, space debris, rocket, satellite, or a branch, or earthquake even if the premises are unoccupied for a period in excess of 90 consecutive days. However, we do not insure you against any subsequent resultant damage such as rainwater entering any opening made by impact or looting subsequent to a riot.

When you are not covered

(Applies to all Sections of this Policy)

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
2. Any act(s) of Terrorism that is directly or indirectly caused by, contributed to by, or in any way involves or is connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion

For the purpose of this exclusion, an act of terrorism 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, or
 - involves damage to property, or
 - endangers life other than that of the person committing the action, or
 - 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.
3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

Sanctions limitation and exclusion clause

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

Additional exclusions applying to this Policy

(Applies to Sections 1, 2, 3 and 4) **We will not pay:**

- a) for loss or damage under Sections 1, 2, 3 and 4 of this Policy caused directly or indirectly by:
 - you or a member of your family or a person acting with your consent or the consent of a member of your family
 - rodents, vermin, insects, wildlife (at any stage of their lifecycle)
 - any contagious or communicable animal disease
 - wear, tear, rust, corrosion, depreciation, gradual deterioration or age
 - inherent defects, structural defects, faulty workmanship or faulty design
 - fungus, mildew, mould or algae, atmospheric or climatic conditions (other than as described under Insured Events storm or rainwater and lightning or thunderbolt)
 - renovations, repairs, alterations or additions
 - general maintenance
 - the lawful seizure, confiscation, nationalisation or requisition of the property insured
 - destruction of or damage to property by any government or public or local authority
 - settling, shrinkage or expansion in buildings, foundations, walls or pavements
 - the removal or weakening of supports or foundations for the purpose of alterations, additions, renovations or repair carried out by or on behalf of you
 - damage to swimming pools or similar structures by hydrostatic pressure
 - any consequential loss other than that specifically provided by this Policy
 - tree roots
 - actions by the sea, high water, tidal wave.
- b) for loss or damage covered under insurance effected by a strata body corporate covering the same premises or contents.
- c) (Applies to Section 1 only)
for loss under Section 1 of this Policy caused directly or indirectly by:
 - riot or civil commotion
- d) (Applies to Sections 1,2 and 3 only)
 - for the cost of cleaning, decorating or painting, unless structural damage covered under Section 1 or 2 of this Policy has occurred to that part of the affected property
 - when property is damaged due to neglect or normal wear and tear
 - for damage to swimming pool liners
 - for loss or damage, caused directly or indirectly by the sea, high water or tidal wave, atmospheric or climatic conditions, inherent defects, structural defects, faulty workmanship, faulty design or any gradual process.
 - For loss or damage, caused by erosion, subsidence, earth movement or landslip, unless loss or damage is caused under Insured Event).

General Conditions

Changes

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury.

Examples of circumstances where the risk of loss, damage or injury may increase include where:

- you are having renovations undertaken
- the premises is left vacant or unoccupied for an indefinite period
- the premises falls into a state of disrepair

- your premises is opened up to the public for an exhibition or similar event (including if it is not for reward), or
- you are participating in a public exhibition (including if it is not for reward).

Changing your Policy

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it, and
- we give you a new Policy Schedule detailing the change.

Other interests

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

Any persons whose interests you have told us about and which we have noted on your Policy Schedule are bound by the terms of this Policy.

Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally, or
- if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

Reinstatement under Sections 1 & 4

Where the sum insured is reduced by the amount of any claim, the Policy will be automatically reinstated after payment by you of the appropriate additional premium.

Contribution

When a loss paid under this Policy is also recoverable under another Policy and we have paid more than our rateable share, we reserve our right to seek contribution from another insurer.

Claims

What you must do

As soon as you discover any circumstances likely to result in a claim under this Policy, you must:

- as soon as you possibly can, advise your Broker or RUA of the circumstances
- take all reasonable precautions to prevent further loss, damage or liability
- advise RUA in writing of any other insurances covering any interests insured by this Policy
- when requested by us or RUA and at your own expense provide all books, vouchers, correspondence documents, receipts relating to the possible loss
- deliver detailed proof of loss to RUA as soon as possible but within thirty (30) days of the loss or damage occurring
- send RUA every communication from anyone claiming against you
- not negotiate, admit, decline or pay any claim by any person
- provide RUA with such information and assistance as they may require to allow them to determine:
 - the circumstances of the loss which gave rise to the claim
- the amount recoverable under the Policy, and the extent to which any other person may be responsible for the loss and to obtain reimbursement for the loss.

- notify the police immediately if any of your property is lost, stolen or maliciously or intentionally damaged
- supply RUA with all information we require to settle or defend the claim
- notify RUA of any other insurance covering the same loss, damage or liability
- if, after we have assessed your claim, you are required to enter into a contract with a third party to replace or reinstate lost or damaged items that we have agreed to pay under this Policy, you will enter into that agreement with the third party as our agent unless advised otherwise
- advise RUA of your correct Australian Business Number & Taxable Percentage, if applicable. Any GST liability arising from your incorrect advice is payable by you. When we pay a claim, your GST status will determine the maximum amount we pay. We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

In an emergency outside normal business hours you may ring QBE's emergency service on 1800 023 387 for assistance.

If in doubt at any time, ring your Broker or RUA for advice.

What you must not do

You must not:

- Authorise repairs to or arrange replacement of any of the property insured in connection with any claim without our consent, other than emergency repairs necessary to prevent further loss. If we agree to pay your claim, we will pay for these repairs, but you must retain all receipts
- Admit liability if an accident occurs which is likely to result in someone claiming against you.

What we do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

What can affect a claim

We will reduce the amount of a claim by the excess shown in the Policy Wording or on the Policy Schedule.

We may refuse to pay a claim if you are in breach of your duty of disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Policy Schedule.

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

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

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