



SMALL BUSINESS FIRST LANDLORD INSURANCE

PRODUCT DISCLOSURE STATEMENT

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Our Product Disclosure Statement

This policy document is also a Product Disclosure Statement (PDS). A PDS is a document required by the Corporations Act and contains information designed to help you decide whether to buy the policy.

Understanding your policy and its important terms and conditions

To properly understand this policy's significant features, benefits and risks you need to carefully read:

- about each of the available types of cover and benefits in the relevant sections, including any endorsements (remember certain words have special meanings – see the “Introduction” section);
- “When we will not pay a claim under your policy” section (this restricts the cover and benefits);
- “Conditions of cover” and “Making a claim” sections (these set out certain obligations that you and we have. If you do not meet them we may be able to refuse to pay a claim); and
- “Other information” section (this contains important information on Your Duty of Disclosure, our Privacy policy and our Dispute Resolution process).

When you apply for the policy by completing our application we agree with you on things such as: the period of insurance; your premium; what property you want to cover; the limits you want for certain covers (if optional); excesses that will apply to you or others and whether any standard terms need to be varied (this may be by way of an endorsement). These details are recorded in the schedule we issue to you.

The base premium we charge varies according to your risk profile (e.g. the location of the property, the type of property being insured, the amount of cover required, optional additional covers selected and relevant claims history etc). In some cases discounts may apply if you meet certain criteria we set. You will also have to pay any compulsory government charges (e.g. Stamp Duty and GST) and Fire Services Levy (where applicable) plus any additional charges we tell you of. In some cases a service fee will apply where you pay your premium by instalments. We tell you the total amount payable when you apply and if you effect cover, the amounts due will be confirmed in your schedule.

If you pay your premium by instalments refer to the “Conditions of cover” section for important details on your and our rights and obligations. Note that an instalment premium outstanding for 14 days may result in our refusal to pay a claim.

This policy sets out the cover we are able to provide you with. You need to decide if the limits, type and level of cover are appropriate for you and will cover your potential loss. If they are not, you may be underinsured and have to bear part of any loss you are not covered for yourself. To avoid this, people seek to set the sum insured for the relevant property being insured at its estimated replacement value.

You should also read the GST Notice to understand how GST is applied to a claim.

If you have any queries, want further information about the policy or want to confirm a transaction, please use the contact details on the back cover.

Fourteen day cooling off period

You can ask us to cancel your policy within fourteen days from either:

- the date we issued you a new policy, or
- the start date of a policy that you have renewed

and in either of those situations, provided you have not made a claim or an event has not occurred that could give rise to a claim on your policy, we will refund your premium.

We may deduct from your refund amount any reasonable administrative and transaction costs incurred by us that are reasonably related to you buying and cancelling your policy and any government taxes or duties we cannot recover.

In addition to your cooling off period, you cancel the policy at any time by calling us. See 'Cancellation rights under the policy' on page 53 for details.

Updating the PDS

Information in the PDS may need to be updated from time to time. You can obtain a copy from our website (www.allianz.com.au) or by calling us. Contact details are provided on the back cover of 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 this policy, we will provide you with a new PDS or a supplementary PDS.

Introduction

Welcome and thank you for choosing Allianz, one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a range of highly featured products and services to our customers. As members of the worldwide Allianz Group, we are committed to continuous improvement of our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services. We also aspire to industry best practice procedures in all aspects of our business, so you can relax knowing the power is on your side.

What the policy consists of

Your policy consists of:

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

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

Our agreement with you

We will insure you for:

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

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

This cover will be given on the basis:

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

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

For your assistance we have provided a full explanation of your Duty of Disclosure and the consequences of non-disclosure, under the heading “Your Duty of Disclosure” on pages 58 to 59.

Words with special meanings

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

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

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

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

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

“burglary or housebreaking” means theft following forcible entry.

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

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

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

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

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

- is still occupying the building but is not paying rent, and
- has been issued with the appropriate notices (including all notices required to be given under any relevant State

or Territory legislation) in relation to non payment of rent, such as “Notice to Remedy Breach” and “Notice to Leave”.

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

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

An excess of \$250 in addition to the amount shown in the current schedule applies to loss or damage caused by an earthquake and/or tsunami or a series of earthquakes and/or tsunamis during any period of 48 consecutive hours.

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

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

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

“lot” means the lot or unit in a strata title development. It includes fixtures and fittings which are not insurable by the body corporate. It does not include common property, fixtures and fittings which are insurable by the body corporate or contents (as described on pages 18 to 19, whether insured or not).

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

“period of insurance” means the period of time commencing on the effective date stated in the current schedule and ending on the expiry date stated in the current schedule or the date of cancellation, whichever is the earlier.

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

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

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

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

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

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

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

“theft” means theft without forcible entry.

“we”, “our” or “us” means Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850 of 2 Market Street, Sydney NSW 2000.

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

If you have buildings cover

Your current schedule shows if you have buildings cover.

What are buildings

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

1. pipes, cables, ducts, wires, meters and switches used in connection with the supply of water, drainage, sewerage, communication, electricity, cooling and heating which are your property or for which you are legally responsible and which are connected to the buildings;
2. fixed appliances which are permanently connected to the electrical, gas or plumbing systems such as air-conditioners, dishwashers, fans, hot water services, light fittings, room heaters and stoves;
3. fixtures and fittings, except those for which your tenant is legally responsible under the terms of the lease or similar agreement. These include fixed ceiling, wall or floor coverings (except for carpets, loose floor coverings, curtains and internal blinds), exterior blinds and awnings; and
4. When the buildings are not part of a strata title development, the term buildings also includes all structural domestic improvements which belong to you including:
 - a. carports, patios, gazebos and other structures which are not fully enclosed;
 - b. built-in furniture;
 - c. paved paths, paved driveways, terraces, walls, gates, fences, masts, aerials, satellite dishes, tennis courts, clothes lines and built-in barbecues;
 - d. permanently fixed swimming pools, saunas and spas (including their fixed accessories); and

- e. jetties which are permanently fixed to the land at the risk address, and which are your property, and which have no commercial activities undertaken from them.

What are not buildings

The following items are not buildings:

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

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

- c. anything else which is listed under “What are contents” on page 18;
- d. landscaping, trees, shrubs and plants;
- e. unpaved paths or unpaved driveways constructed of earth or gravel; and
- f. residential flats, home units or town houses, which are part of a strata title development.

Types of loss or damage your buildings are covered for

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

Insured events	page number
1. Accidental breakage of glass	23
2. Earthquake	24
3. Explosion	24

4. Fire or smoke	24
5. Flood (but only if your schedule shows you are covered for flood)	24
6. Impact damage	25
7. Lightning or thunderbolt	26
8. Malicious acts	26
9. Riot or civil commotion	27
10. Storm, rainwater or run-off	27
11. Theft, burglary or housebreaking	28
12. Tsunami	29
13. Water or other liquid damage	29

Other benefits

1. Automatic indexation of sums insured	31
2. Contents in the open air at the risk address	31
3. Continuation of cover when you are selling your buildings	31
4. Environmental benefits	32
5. Fusion	33
6. Landlords contents	34
7. Legal liability – cover for injury to other people or their property	35
8. Mortgage discharge costs	38
9. Reinstatement of sum insured after a loss	38
10. Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	39
11. Rental costs after an insured event	40
12. Replacement of locks or cylinders	41

How we will settle your buildings claim

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

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on pages 53 to 54.

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

2. When it is not possible to use original materials during the repair or rebuilding process, the nearest available equivalent to the original materials will be used. We will not pay to repair or rebuild property which has not been physically damaged.
3. Unless we have agreed in writing, repair or rebuilding of your buildings must commence within six months of the loss or damage. If repair or rebuilding of your buildings is not commenced within six months of the loss or damage or any extended period to which we have previously agreed in writing, we will not be liable for any costs beyond the repair or rebuilding costs as at the date the loss or damage occurred.
4. If we have chosen to repair or rebuild your damaged building and you do not wish to repair or rebuild then, we will at our option:
 - a. pay you the reasonable cost to repair or rebuild your damaged buildings less an amount for depreciation based on the age and condition of the buildings; or

- b. pay you the value of the land and buildings at the risk address immediately prior to the occurrence of the loss or damage less the value of the land and buildings immediately after the loss or damage occurred.
- 5. Rebuilding may be carried out on another site in the same vicinity provided that we agree in writing.
- 6. If the claim relates to loss or damage to fixed wall, floor or ceiling coverings, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
- 7. If the claim relates to loss or damage to a dividing fence we will only pay half the cost of repairing the fence.
- 8. If the claim is for gates, fences or freestanding walls damaged or destroyed as a result of storm, rainwater or run-off, we will deduct an amount from any claim settlement for depreciation based on their age and condition.
- 9. In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently under "Insured events we will pay" on pages 23 to 30, "Other benefits we will provide" on pages 31 to 41 or "Optional additional covers" on pages 42 to 45.
- 10. If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct the amount of any bond monies remaining after you have paid allowable re-letting expenses and we will then settle your claim subject to the policy conditions.

If you have contents cover

Your current schedule shows if you have contents cover.

What are contents

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

1. carpets, curtains, furnishings, furniture, household goods, internal blinds and loose floor coverings;
2. light fittings which are not permanently fixed to the buildings;
3. removable domestic appliances and utensils, which are installed specifically for the tenants’ use; and
4. swimming pools, saunas and spas (including their fixed accessories) which are designed to be dismantled and moved; and/or

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

5. fixtures and fittings and other structural improvements which are not insurable by the body corporate.

What are not contents

The following items are not covered by this policy:

- a. anything which is covered under “What are buildings” on pages 13 to 14;
- b. contents when they are in the internal or external common areas of a residential flat, home unit, town house or other type of multiple occupancy residence where any of the other owners, tenants, their guests or the public have access (including whilst contained in or on a vehicle in those areas);

- c. animals, birds, fish, insects, reptiles or spiders;
- d. trees, shrubs and plants growing outdoors in the ground;
- e. motor vehicles (including motor cycles, motorised mini-bikes and motorised go-karts) whether they are capable of being registered or not;
- f. farm vehicles, farm trailers and mobile or motorised farming implements;
- g. caravans or trailers;
- h. boats and other watercraft;
- i. aircraft;
- j. accessories and/or spare parts of motor vehicles, farm vehicles, caravans, trailers, watercraft or aircraft;
- k. items of clothing, personal effects, mobile phones, computers, jewellery, furs, curios, works of art, gold or silver, antiques, money, cheques, or other negotiable instruments, documents of any kind, stamp collections, coin collections or any other collections; and
- l. articles belonging to you or any other person, which are not for the sole use of your tenant and are being stored at the risk address or elsewhere.

Types of loss or damage your contents are covered for

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

Insured events	page number
1. Accidental breakage of glass	23
2. Earthquake	24
3. Explosion	24
4. Fire or smoke	24
5. Flood (but only if your schedule shows you are covered for flood)	24
6. Impact damage	25
7. Lightning or thunderbolt	26
8. Malicious acts	26
9. Riot or civil commotion	27
10. Storm, rainwater or run-off	27
11. Theft, burglary or housebreaking	28
12. Tsunami	29
13. Water or other liquid damage	29
Other benefits	
1. Automatic indexation of sums insured	31
2. Contents in the open air at the risk address	31
5. Fusion	33
7. Legal liability – cover for injury to other people or their property	35
9. Reinstatement of sum insured after a loss	38
10. Removal of debris, professional rebuilding fees and extra costs of complying with building regulations	39
11. Rental costs after an insured event	40
12. Replacement of locks or cylinders	41

How we will settle your contents claim

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

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

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on pages 53 to 54.

2. When it is not possible to repair or replace a damaged item with original materials or an original item, the nearest available equivalent to the original materials or item will be used. We will not pay to repair or replace property which has not been physically damaged.
3. If the claim relates to loss or damage to carpets, loose floor coverings, curtains or internal blinds, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
4. If any part of a pair, set or collection is lost or damaged, we will not pay any more than the value of the part which is lost or damaged. No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection.
5. If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct the amount of any bond monies remaining after you have paid allowable re-letting expenses and we will then settle your claim subject to the policy conditions.

6. For Oriental or Persian carpets or rugs which exceed \$500 in value per item, loss settlement will be limited to \$500 in total.
7. If the claim relates to replacement of lost or damaged refrigerators, freezers, washing machines, clothes dryers and dishwashers, with less than a 3 Star Energy Rating, we will replace these items with items that have a minimum 3 Star Energy Rating.

In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently "Insured events we will pay" on pages 23 to 30, "Other benefits we will provide" on pages 31 to 41 and "Optional additional covers" on pages 42 to 45.

Insured events we will pay

1. Accidental breakage of glass

(Applicable whether you have buildings and/or contents cover)

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

We will not pay for breakage:

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

2. Earthquake

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by earthquake.

An excess of \$250 in addition to the amount shown in the current schedule applies to loss or damage caused by an earthquake or a series of earthquakes during any period of 48 consecutive hours.

3. Explosion

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by explosion.

4. Fire or smoke

(Applicable whether you have buildings and/or contents cover)

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

We will not pay for loss or damage:

- a. which arises gradually out of repeated exposure to fire or smoke;
- b. to any property as a result of its undergoing a process necessarily involving the application of heat; or
- c. to any property as a result of scorching and/or melting.

5. Flood

(Applicable whether you have buildings and/or contents cover but only if your schedule shows you are covered for flood)

We will pay for loss or damage caused by flood or flood water combined with run-off and/or rainwater.

We will not pay for:

- a. loss or damage caused by storm, rainwater or run-off (except where the run-off and/or rainwater is combined with flood water)

Note: You may be covered for storm, rainwater or run-off under the insured event "Storm, rainwater or run-off";

- b. loss or damage caused by action of the sea, high water, tidal wave or storm surge;
- c. loss or damage caused by:
 - soil movement including erosion, landslide, mudslide or subsidence, unless it is directly caused by and occurs within 72 hours of the flood;
 - shrinkage or expansion of earth or land; or
 - hydrostatic pressure;
- d. loss or damage to gates or fences if they are not well maintained and are not in good order and repair;
- e. loss or damage to retaining walls;
- f. loss or damage to swimming pool and spa covers, their liners or their solar domes;
- g. loss or damage to pontoons, jetties or bridges; or
- h. the cost of cleaning mud or debris out of tanks, swimming pools or spas.

6. Impact damage

(Applicable whether you have buildings and/or contents cover)

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

- a. a road or rail vehicle;
- b. a watercraft;
- c. an external aerial which collapses or breaks;
- d. an animal other than a domestic pet;
- e. falling trees or parts of falling trees. We will not pay if the loss or damage is caused by the lopping or felling of trees at the risk address and you have given express or implied consent for the lopping or felling; or
- f. an aircraft or anything dropped or falling from an aircraft, space debris or debris from a rocket or satellite.

7. Lightning or thunderbolt

(Applicable whether you have buildings and/or contents cover)

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

8. Malicious acts

(Applicable whether you have buildings and/or contents cover)

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

- you or your domestic helpers;
- the invitees of you or your domestic helpers; or
- any person who is acting with your express or implied consent.

We will not pay for loss or damage resulting from:

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

We will not pay for the cost of cleaning, redecorating, painting or wallpapering unless:

- a. physical structural damage has occurred to the buildings; or
- b. the buildings has been damaged by graffiti, which we agree necessitates such cleaning, redecorating, painting or wallpapering.

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

9. Riot or civil commotion

(Applicable whether you have buildings and/or contents cover)

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

10. Storm, rainwater or run-off

(Applicable whether you have buildings and/or contents cover)

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

We will not pay for loss or damage:

- a. caused by:
 - flood; or
 - flood water combined with run-off and/or rainwater;
- b. caused by action of the sea, high water, tidal wave or storm surge;
- c. caused by:
 - soil movement including erosion, landslide, mudslide or subsidence;
 - shrinkage or expansion of earth or land; or
 - hydrostatic pressure;
- d. to retaining walls;
- e. to swimming pool covers, their liners or their solar domes;
- f. to the external paintwork or other exterior coatings of the buildings caused by rainwater;
- g. caused by water seeping, percolating or otherwise penetrating into the buildings as a result of:
 - structural defects;
 - faulty design of the buildings;

- faulty workmanship in the construction of the buildings; or
 - your failure to adequately maintain the buildings;
- h. caused by wind, rainwater, hail or snow entering the buildings through an open window or door or any opening not made by the storm, unless the loss or damage is caused by run-off; or
- i. caused by water entering your buildings through an opening made for the purpose of alterations, extensions, renovations or repairs.

11. Theft, burglary or housebreaking

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by theft, burglary or housebreaking.

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

- a. is committed by:
- you;
 - your domestic helpers;
 - the invitees of you or your domestic helpers;
 - any person who is acting with your expressed or implied consent; or
 - your tenant, or the invitees of your tenants, except as provided for under the Optional additional cover “Rent Default and Theft by Tenant” on pages 42 to 45;
- b. takes place in the internal or external common areas of residential flats, home units, town houses or any type of multiple occupancy residences;
- c. relates to contents in the open air, except in the circumstances set out under “Contents in the open air at the risk address” on page 31; or

- d. relates to contents items which are not listed as being present on the current property inspection report.

12. Tsunami

(Applicable whether you have buildings and/or contents cover)

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

An excess of \$250 in addition to the amount shown in the current schedule applies to loss or damage caused by a tsunami or series of tsunamis during any period of 48 consecutive hours.

13. Water or other liquid damage

(Applicable whether you have buildings and/or contents cover)

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

- fixed apparatus;
- dishwasher;
- washing machines;
- fixed tanks; or
- fixed pipes,

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

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

We will not pay:

- a. for loss or damage caused as a result of the gradual escape of liquid over a period of time:
- where you or a reasonable person in the circumstances could be expected to have been aware of such gradual escape of liquid;

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

Other benefits we will provide

1. Automatic indexation of sums insured

(Applicable whether you have buildings and/or contents cover)

If you make a claim during the period of insurance, the sums insured for your buildings and/or contents will be adjusted with reference to the Consumer Price Index from the effective date of the current period of insurance.

There will be no additional premium or rebate during the period of insurance. However, at the end of each period of insurance the renewal premium for the next period of insurance will be calculated on the amount of the amended sum(s) insured at that time.

2. Contents in the open air at the risk address

(Applicable only when you have contents cover)

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

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

No excess applies to this benefit.

3. Continuation of cover when you are selling your buildings

(Applicable only when you have buildings cover)

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

buildings up to your buildings' sum insured, until such time as:

- a. the sale is completed; or
 - b. the purchaser takes possession of your buildings,
- whichever occurs first.

4. Environmental benefits

(Applicable only when you have buildings cover)

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

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

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

A rainwater tank facility includes:

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

A solar power system includes:

- solar or PV panels;
- water tank, pump;
- electrical wiring;

- foundation or tank stand;
- pipes connecting the roof solar panels to the tank; and
- installation costs.

A hot water heat exchange system includes:

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

A grey water recycling system includes:

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

5. Fusion

(Applicable whether you have buildings and/or contents cover)

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

We will pay the total cost of repair or replacement of any household electrical motor up to 5 years old from the date of manufacture less the amount of the policy excess.

If the motor is more than 5 years old, your contribution towards the amount payable under this insured event will be:

- an amount equal to 10% of the total cost of claimable repairs for each additional year of age of the motor over 5 years; or
- the amount of the policy excess, whichever is the greater.

We will not pay for:

- a. any associated repair or replacement costs for items such as fuses, switches, electronic components, printed circuit boards, bearings, lighting or heating elements, protection devices, or electrical contacts at which sparking or arcing occurs in ordinary working;
- b. the cost of removing or reinstalling:
 - underground or submersible pump motors above 1.86 kW (2.5 hp); or
 - multi-stage and bore hole pumps;
- c. the cost of repair or replacement of rectifiers and transformers;
- d. fusion damage to motors under any warranty or manufacturers' guarantee; or
- e. motors more than 15 years old.

6. Landlords contents

(Applicable only when you have buildings cover only)

We will pay to repair or replace:

- furniture and furnishings other than electrical items;
 - fixtures and fittings; or
 - carpets, loose floor coverings, curtains and internal blinds,
- damaged as a result of an insured event.

Our maximum payment for this benefit will be the lesser of \$10,000 or up to the remainder of the sum insured after payment of your buildings claim.

7. Legal liability – cover for injury to other people or their property

(Applicable when you have buildings and/or contents cover)

If you have buildings cover, we will cover your legal liability for payment of compensation in respect of:

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

which is caused by an accident or series of accidents attributable to one source or originating cause which occurred during the period of insurance at the insured address.

If you do not have buildings cover and have selected contents cover only, we will cover your legal liability as owner of the contents (and as owner of the lot in a strata title development) for payment of compensation in respect of:

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

which is caused by an accident or series of accidents attributable to one source or originating cause which occurred during the period of insurance at the insured address.

The maximum amount we will pay under this policy is \$10,000,000 (Australian) arising out of any one accident or series of accidents attributable to one source or originating cause. This limit will be reduced by any amount paid under any other building or contents policies or similar policies you have with us providing this type of cover for the same liability, loss, occurrence or incident.

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

What you are not covered for:

1. We will not cover your legal liability for:
 - a. damage to your property;
 - b. injury to any person who normally lives with you, or damage to their property;

- c. injury to your employees, or damage to their property;
- d. loss of or damage to property in your care, custody, or control;
- e. claims arising out of or connected with your business, trade or profession;
- f. which you are liable because of the terms of an agreement, other than a lease or rental agreement, you have entered into (unless you would have been liable if the agreement did not exist);
- g. damage to any land or fixed property resulting from vibration, the removal or weakening of or interference with support to land, buildings or any other property;
- h. claims arising out of your ownership, possession or use of any:
 - aircraft or aerial device or aircraft landing area, except a model aeroplane or toy kite;
 - “aircraft landing area” means any area in which aircraft land, take off, are housed, maintained or operated;
 - mechanically propelled vehicle, except garden equipment, golf buggy or wheelchair which does not need to be registered or does not require statutory bodily injury cover to be taken out;
 - watercraft except for surfboards, sailboards, canoes and surf skis; and
 - other non-motorised watercraft more than 3 metres in length;
- i. claims involving buildings in the course of construction or any alterations, additions, demolition, repairs to or decorations of the buildings costing more than \$30,000;
- j. claims arising directly or indirectly out of or in any way connected with, the existence, at any time, of asbestos;

- k. claims arising out of the discharge, dispersal, release or escape of pollutants defined as, smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. This exclusion will not apply if such a discharge, dispersal, release or escape is caused by sudden accidental unexpected and unintended happening. We will not pay expenses for the prevention of such contamination or pollution;
- l. claims for:
 - pregnancy; or
 - the transmission of disease;
- m. which arises from your failure to take all reasonable precautions to comply with all statutory obligations and regulations imposed by any authority;
- n. which arises out of your ownership or possession of any building except for your buildings located at the risk address shown in the current schedule; or
- o. claims arising directly or indirectly from or in any way connected with, the existence, use, operation or maintenance, at any time, of electronic mail, a computer virus, an internet site or other internet based service, intranet or any website;

2. We will not:

- a. cover your legal liability arising out of breach of copyright or an act of libel, slander or assault caused by you;
- b. cover you for any legal liability arising from any:
 - statutory, compulsory scheme or fund;
 - accident compensation scheme or workers compensation policy of insurance; or
 - industrial award,even if the amount recoverable is nil,

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

Special condition applying to legal liability:

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

No excess applies to this benefit.

8. Mortgage discharge costs

(Applicable only when you have buildings cover)

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

9. Reinstatement of sum insured after a loss

(Applicable whether you have buildings and/or contents cover)

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

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

10. Removal of debris, professional rebuilding fees and extra costs of complying with building regulations

(Applicable whether you have building and/or contents cover)

- a. When the buildings have been destroyed or damaged by any of the insured events covered by your policy and we have agreed to pay your claim, we will also pay the reasonable and necessary costs of:
- demolition and removing your buildings debris from the risk address;
 - architects', engineers', surveyors' and solicitors' fees; and
 - complying with the requirements of any statutory authority.

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

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

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

The maximum combined total amount we will pay under this benefit is 10% of the sum insured on your contents. However, for a claim under this benefit we will first pay

up to the balance of any contents sum insured remaining after payment of your claim for loss or damage to your contents, and any such payment will not be taken into account in calculating the above maximum combined total amount.

c. We will not pay for:

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

11. Rental costs after an insured event

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

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

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

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

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

whichever period of time is the lesser.

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

We will not pay for your loss of rent if:

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

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

- “Rental costs after an insured event”;
- “Default of payment of rent by the tenant”;
- “Departure of the tenant from the building without notice”;
- “Death of a sole tenant”; or
- “Tenant hardship”,

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

12. Replacement of locks or cylinders

(Applicable whether you have buildings and/or contents cover)

If the key for the lock of any external door or window at the risk address is stolen during the period of insurance, or there are reasonable grounds to believe that the key(s) have been duplicated, we will pay for the replacement of the lock(s) or cylinder(s) operated by the key(s) up to a maximum amount of \$500.

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

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

Optional additional covers

Your schedule indicates which of the following optional additional covers apply and you have contents cover.

Rent Default and Theft by Tenant

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

Rent default

If you have this cover, we will pay you for your loss of rent due to the occurrence of one or more of the following insured events for the periods stated. The maximum amount we will pay for any one occurrence for rent default under all the events is \$10,000 in total.

1. Default of payment of rent by the tenant

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

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

we will pay your loss of rent:

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

whichever amount payable is the lesser.

2. Departure of the tenant from the building without notice

If your tenant permanently departs from the building during the period of insurance without providing written or verbal

notice of departure, as required under the current lease or rental agreement, we will pay your loss of rent:

- a. for a period of up to 6 weeks;
 - b. until another tenant takes up residence in the building; or
 - c. until payment of rent recommences,
- whichever amount payable is the lesser.

3. Death of a sole tenant

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

- a. for a period of up to 6 weeks; or
 - b. until another tenant takes up residence in the building,
- whichever amount payable is the lesser.

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

4. Tenant hardship

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

- a. for a period of up to 6 weeks;
 - b. until another tenant takes up residence in the building; or
 - c. until payment of rent recommences;
- whichever amount payable is the lesser.

Any payment under this cover will stop with immediate effect if your rental property is re-tenanted.

Theft by tenant

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

Legal expenses

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

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

we will also pay your legal expenses, up to a maximum amount of \$3,000, for each claim for rent default or theft by tenant provided these expenses have been incurred with our prior written approval for the purpose of minimising a claim.

Special conditions applying to Rent Default and Theft by Tenant cover:

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

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

If you are entitled to use bond monies to settle or reduce any loss or damage you must do so. To calculate the amount payable under this section we will deduct:

- the amount of any bond monies remaining after you have paid allowable reletting expenses; and
- any excess specified in your schedule.

We will then settle your claim subject to the policy conditions.

Only one excess is payable where a claim for rent default or theft is made at the same time as a claim for related legal expenses.

Landlord Workers' Compensation

(Not available in all States or Territories of Australia)

This cover only applies if your current schedule indicates you have Landlord Workers' Compensation cover.

Where you employ a person to do work around your rental property, we will pay the amount you are liable to pay if they are injured while working for you.

We will not pay for workers:

- who are working for you in your own business, trade, or profession.;
- who are part time or full time permanent workers; or
- when the annual wages expected to be paid for casual workers exceeds \$7,500.

In these circumstances, a separate general workers compensation policy is required.

How we will settle your Landlord Workers' Compensation claim

The relevant workers' compensation legislation for your State will determine what amount we will pay.

There is no excess payable under this optional cover except in Tasmania, where we will not pay the first 5 days of wages and the first \$200 of medical and other costs in respect of each injury.

When this cover is operative it is provided by:

- Allianz Australia Insurance Limited
ABN 15 000 122 850 in the Australian Capital Territory;
- Allianz Australia Insurance Limited
ABN 15 000 122 850 in Western Australia; or
- Allianz Australia Insurance Limited
ABN 15 000 122 850 in Tasmania.

When we will not pay a claim under your policy

1. This policy does not cover loss, liability, injury or damage:

a. Deliberate, intentional, malicious or criminal act

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

- you or anyone who lives with you permanently; or
- any person who is acting with your express or implied consent;

b. Lawful seizure

caused by lawful confiscation, destruction, detention, nationalisation, requisition or seizure;

c. Heat

to any property as a result of its undergoing any process involving the application of heat;

d. Nuclear

caused directly or indirectly by or arising from ionising radiation or contamination by radioactivity from:

- any nuclear fuel or nuclear waste,
- the combustion of nuclear fuel (including any self-sustained process of nuclear fission); or
- nuclear weapons material;

e. War

caused by or arising from any war, hostilities or warlike operations (whether war be declared or not), rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy or popular or military rising;

f. Wear and tear

arising out of depreciation, gradual deterioration, wear and tear;

g. Inherent defects

caused directly or indirectly through inherent defects, faulty design, structural defects or poor workmanship;

h. Illegal contents

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

i. Terrorism

arising directly or indirectly out of or in any way connected with:

- a. any act of terrorism arising directly or indirectly out of or in any way connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion; or
- b. any act of controlling, preventing, suppressing, retaliating against, or responding to any act referred to in a. above.

An act of terrorism includes, but is not limited to, any act, preparation in respect of action or threat of action, designed to:

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

2. Unless we state differently in your policy, we will not pay for:

- a. flood;
- b. any loss or damage which is not caused directly by one of the insured events;

- c. loss or damage caused by the action of light, atmospheric or other climatic conditions unless caused by:
 - lightning or thunderbolt; or
 - storm, rainwater or run-off;
- d. loss of property which has been simply mislaid or is missing and for which there is no single identifiable event to account for the disappearance;
- e. loss or damage which is caused directly or indirectly by:
 - insects or birds;
 - vermin (other than for loss or damage caused by fire or smoke);
 - rust, corrosion, algae, mould or mildew; or
 - any process of cleaning, repairing or restoring which involves the use of chemicals;
- f. loss or damage caused by mechanical or electrical breakdown, failure or derangement except for fusion of electrical motors as set out under "Fusion" on pages 33 to 34;
- g. anything which your tenant is legally liable for under the terms of a lease, rental or similar agreement;
- h. loss or damage to electronic equipment or data caused by electrical, electronic or mechanical derangement or malfunction, or by a processing error or computer virus;
- i. the cost of data recovery for any reason; or
- j. consequential loss.

3. This policy does not cover any loss or damage to any appliance, machinery, equipment or other property which is a computer or which contains or comprises any computer technology (including computer chip or control logic) and which:
 - a. fails to perform or function in the precise manner for which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic); or
 - b. arises directly or indirectly from the importation of any software virus whether the importation was malicious, negligent or accidental.

Conditions of cover

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

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

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

When we receive this information, we may:

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

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

2. Buildings not lived in for more than 60 days

If the buildings have not or will not be lived in for any period in excess of 60 consecutive days, we will not pay for loss or damage caused by any of the following insured events unless you have our prior agreement in writing:

Insured events	page number
1. Accidental breakage of glass	23
3. Explosion	24
4. Fire or smoke	24
7. Malicious acts	26

10. Theft, burglary or housebreaking	28
12. Water or other liquid damage	29

3. Taking precautions

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

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

4. Property inspection reports

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

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

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

5. Cancellation rights under the policy

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

6. Non payment of premium by instalments – Right to refuse a claim

Where you pay your premium by instalments, you must ensure they are paid on time because if one instalment has remained unpaid for a period of at least 14 days, we may refuse to pay a claim. We will notify you if an instalment has not been paid.

7. Keeping evidence of the value and ownership of the insured property

You should keep evidence of the value and ownership of all property covered under your insurance policy. Receipts and/or valuations prove the value of your insured property. Photographs and instruction books will help provide evidence of your ownership in the event of a claim.

8. Premium payment by direct debit

You may have chosen to pay the premium for this insurance by direct debit from a financial institution holding your account. If you choose this option, the financial institution may dishonour the direct debit payment due to lack of funds in your account. If this occurs, we will charge you for any direct and indirect costs which we incur arising from the payment being dishonoured.

9. GST Notice

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

Sums insured

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

Claim settlements – Where we agree to pay

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

- Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy) we will pay for the GST amount.

We will pay the GST amount in addition to the sum insured/limit of indemnity or other limits shown in the policy or in this schedule.

If your sum insured/limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled.

- Where we make a payment under this policy as compensation instead of payment for a relevant acquisition, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.
- Where the policy insures business interruption, we will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by your business that is relevant to your claim.

Disclosure – Input Tax Credit Entitlement

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

Making a claim

What you must do

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

1. Do not admit liability

You must not:

- a. admit guilt or liability, or make a promise or offer of payment in connection with any claim; or
 - b. offer or agree to settle any claim;
- without our written consent.

We are entitled to take over and conduct the defence of any claim made against you for damages by a third party.

We have full discretion in conducting any negotiations, proceedings and the settlement of claims.

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

2. Prevent further damage

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

3. Contact the police

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

4. Keep evidence of the loss or damage

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

5. Contact us as soon as possible

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

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

You must also:

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

What happens after you make a claim

1. Assist us with your claim

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

2. End of cover following a total loss claim

If we accept a claim and pay an amount which:

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

3. Payment of unpaid premium following a total loss claim

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

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

4. Our rights of recovery

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

5. GST

We may adjust your claims payment in accordance with the GST provision detailed under “Conditions of cover”, “GST Notice” on pages 53 to 54.

Other information

Renewal procedure

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

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

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

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

Your Duty of Disclosure

Before you enter into this insurance with us, you have a duty of disclosure under the Insurance Contracts Act 1984.

The Act imposes a different duty the first time you enter into a contract of insurance with us to that which applies when you vary, extend, reinstate or replace the contract.

This duty of disclosure applies until the contract is entered into (or varied, extended or reinstated as applicable).

Your Duty of Disclosure when you enter into the contract with us for the first time

When answering our specific questions that are relevant to our decision whether to accept the risk of the insurance and, if so, on what terms, you must be honest and disclose to us anything that you know and that a reasonable person in the circumstances would include in answer to the questions.

It is important that you understand you are answering our questions in this way for yourself and anyone else that you want to be covered by the contract.

Your Duty of Disclosure when you vary, extend or reinstate the contract

When you vary, extend or reinstate the contract with us, your duty is to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

What you do not need to tell us

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us; or
- that is of common knowledge; or
- that we know or, in the ordinary course of our business as an insurer, ought to know; or
- as to which compliance with your duty is waived by us.

Non-disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim, cancel the contract or both.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

Privacy notice

At Allianz, we give priority to protecting the privacy of your personal information. We do this by handling personal information in a responsible manner and in accordance with the Privacy Act 1988 (Cth).

How we collect your personal information

We usually collect your personal information from you or your agents. We may also collect it from our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a claim or assist us in investigating or processing claims, including third parties claiming under your policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that you are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why we collect your personal information

We collect your personal information to enable us to provide our products and services, including to process and settle claims; offer our products and services and those of our related companies, brokers, intermediaries and business partners that may interest you; and conduct market or customer research to determine those products or services that may suit you. You can choose not to receive product or service offerings from us (including product or service offerings from us on behalf of our brokers, intermediaries and/or our business partners) or our related companies by calling the Allianz Direct Marketing Privacy Service Line on 1300 360 529, EST 8am to 6pm Monday to Friday, or going to our website's Privacy section at www.allianz.com.au

Who we disclose your personal information to

We may disclose your personal information to others with whom we have business arrangements for the purposes listed in the paragraph above or to enable them to offer their products and services to you. These parties may include

insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, parties that we have an insurance scheme in place with under which you purchased your policy (such as a financier or motor vehicle manufacturer and/or dealer). Disclosure may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

Disclosure overseas

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to your personal information and complaints

You may ask for access to the personal information we hold about you and seek correction by calling 1300 360 529 EST 8am–6pm, Monday to Friday. Our Privacy Policy contains details about how you may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how we deal with complaints. Our Privacy Policy is available at www.allianz.com.au

Telephone call recording

We may record incoming and/or outgoing telephone calls for training or verification purposes. Where we have recorded a telephone call, we can provide you with a copy at your request, where it is reasonable to do so.

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

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

We keenly support the standards set out in the Code. You can obtain more information on the Code of Practice and how it assists you by contacting us. Contact details are provided on the back cover of this policy.

Complaints – Internal and external complaints procedure

If you are dissatisfied with our service in any way contact us and we will attempt to resolve the matter in accordance with our Internal Dispute Resolution procedures. To obtain a copy of our procedures contact us on 13 2664 EST 8am-6pm. A dispute can be referred to the Financial Ombudsman Service Australia (FOS) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms and its contact details are:

The Financial Ombudsman Service Australia

Phone: 1800 367 287

Post: GPO Box 3, Melbourne, Victoria 3001

Website: www.fos.org.au

Financial Claims Scheme

In the unlikely event Allianz Australia Insurance Limited were to become insolvent and could not meet its obligations under the policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. More information can be obtained from <http://www.fcs.gov.au>

Phoning for assistance

If you need to clarify any of the information contained in this policy wording or you have any other queries regarding your insurance policy, please use the contact details on the back cover.



Contact details

For all enquiries please call Allianz on 1300 548 517

smallbusinessfirst.com.au

Allianz Australia Insurance Limited
AFS Licence No. 234708
ABN 15 000 122 850
2 Market Street Sydney NSW 2000

This insurance is underwritten by Allianz Australia Insurance Limited ABN 15 000 122 850, AFS Licence No. 234708 (Allianz). Small Business First Pty Ltd ABN 15 604 335 105 AR No. 1235256 can refer you to Allianz and provide general advice in writing as an agent of Allianz and not as your agent.

POL1090FI/SBF 08/17

Supplementary Product Disclosure Statement (“SPDS”)

Preparation Date: 1 March 2019

From 1 November 2018, the Australian Financial Complaints Authority or ‘AFCA’ is the new external dispute resolution (EDR) scheme to deal with complaints from consumers in the financial system. It replaces the Financial Ombudsman Service Australia (FOS).

Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 of 2 Market Street Sydney NSW 2000 (Allianz) is a member of AFCA and this SPDS takes into account the above change.

This document is an SPDS that updates and amends any Product Disclosure Statement (PDS) that has been provided to you in relation to the insurance underwritten by Allianz issued to you.

This SPDS is issued by Allianz and must be read together with the applicable PDS issued by Allianz, and any other SPDS that you are given which updates or amends the relevant PDS, for your insurance product.

Changes to the PDS

Any reference in the PDS (or any prior issued SPDS) to

- ‘Financial Ombudsman Service Australia’ is replaced with the ‘Australian Financial Complaints Authority’.
- ‘FOS’ is replaced by ‘AFCA’.
- the Financial Ombudsman Service Australia or FOS contact details are replaced with:

‘The Australian Financial Complaints Authority:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001.’