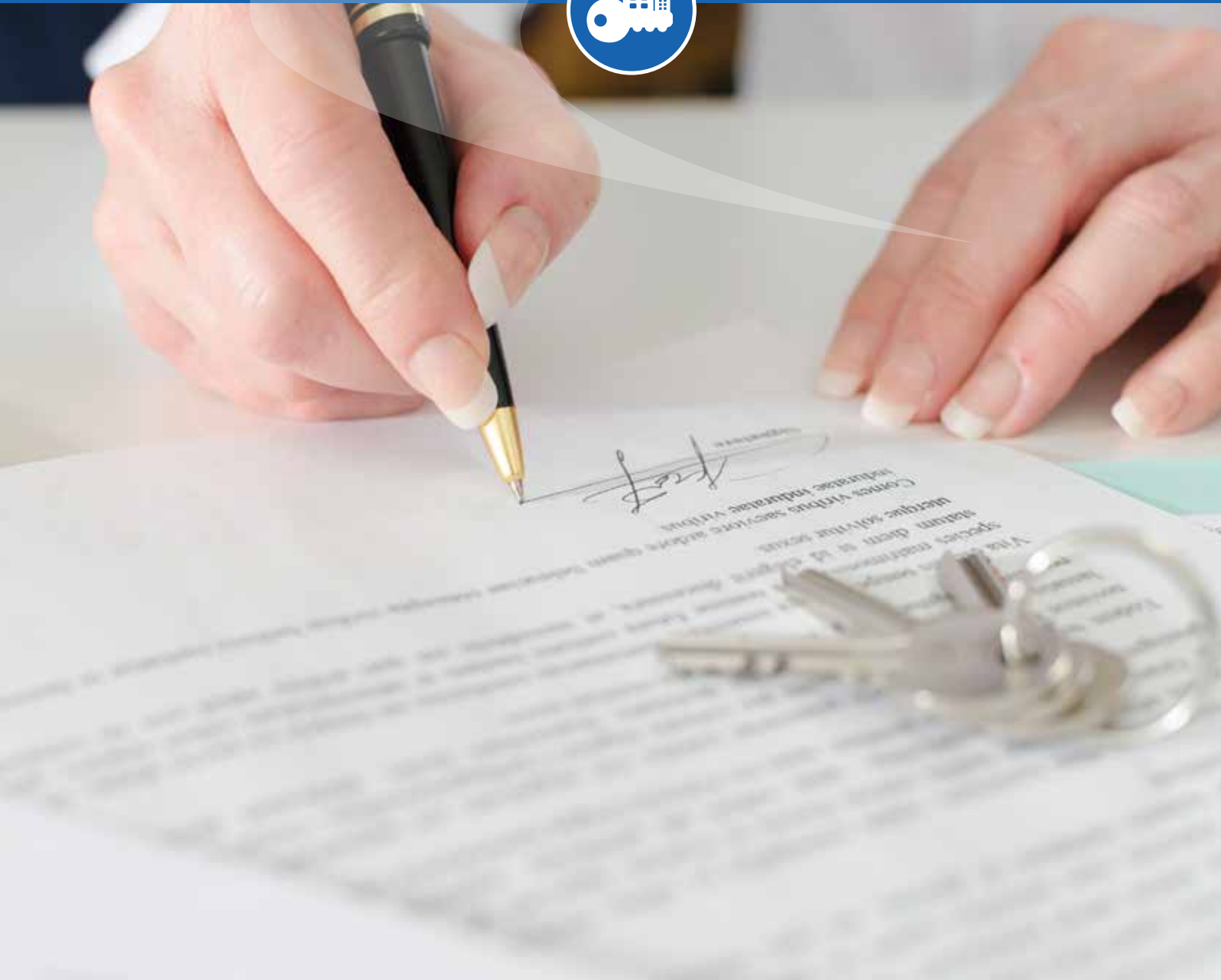


Landlords Insurance for Strata



Product Disclosure Statement
and Policy Wording



Contents

Product Disclosure Statement

Important Information and Notices.....	4
Insurer.....	4
About CHU.....	4
Authority to act on Our behalf.....	4
What You should read.....	4
Sending You documents.....	4
Summary of cover and significant benefits and risks.....	4
What You are covered / not covered for.....	4
Other important information.....	5
Instalment payments.....	6
Monetary limits on cover.....	6
Payment of Excesses.....	6
GST information.....	6
Cost of Your Policy.....	6
Paying Your Premium.....	6
Cooling off period.....	7
Cancellation.....	7
Changes to Your cover.....	7
Confirming transactions.....	8
The General Insurance Code of Practice.....	8
How to make a claim.....	8
Resolving Complaints and Disputes.....	8
Privacy.....	9
Financial Claims Scheme.....	9
Updating the PDS.....	9
Contact Us.....	9

Policy Wording

What makes up this Policy.....	10
Payment of Premium.....	10
General definitions – the meaning of some words.....	10
General conditions – which apply to all policies.....	13
General exclusions – what We do not insure under any policy.....	14
GST.....	15
Claims information.....	15
Cancelling Your Policy.....	17

Policy 1 – Contents

What We insure.....	18
Special benefits.....	18
Exclusions – what We do not insure.....	18
Claims – how We will settle Your claim.....	19



Excesses	19
Policy 2 – Building Damage – malicious Damage	
What We insure.....	20
Claims – how We will settle Your claim.....	20
Policy 3 – Loss of Rentable Value	
What we insure	20
Claims – how We will settle Your claim.....	20
Policy 4 – Loss of Rent (departure by Tenant)	
What We insure.....	21
Special condition	21
Policy 5 – Loss of Rent (default by Tenant)	
What We insure.....	21
Special benefit.....	21
Special condition	21
Policy 6 – Legal expenses	
What We insure.....	22
Special benefits.....	22
Policy 7 – Liability to others	
What We insure.....	22
Additional benefit.....	22
Exclusions - what We do not insure.....	22
Special definitions.....	23
Policy 8– Government audit costs	
What We insure.....	24
Special benefit.....	24
Exclusions – what We do not insure.....	24
Special conditions.....	24
Special definitions.....	24

Date of preparation: 8th September 2022
Date effective: 1st December 2022
QM8132 11/22

Product Disclosure Statement

Important Information and Notices

This document is a Product Disclosure Statement (PDS) and is also Our insurance Policy Wording. Please note that it operates as a PDS under the Corporations Act 2001 (Cth).

Other documents may comprise Our PDS and We will specifically tell You if this is the case in the relevant document.

Information in this PDS might change. If the change is adverse then We'll issue a supplementary PDS or a new PDS at renewal. All updates (whether adverse or not adverse) will be made available at www.CHU.com.au or You can call to request an up-to-date paper copy at no charge by CHU. The contact details for CHU are shown on the back cover of this document.

This document contains important information to help You understand this insurance. It is up to You to choose the cover You need. This document contains information which can help You decide. Please read it carefully.

Any advice that may be contained within this PDS or accompanying material does not take into account Your individual objectives, financial situation or needs. You should carefully consider the information provided having regard to Your personal circumstances to decide if this insurance is right for You.

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 which is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE).

We have authorised the information contained in this PDS and it is operative from 1st December 2022.

About CHU

CHU Underwriting Agencies Pty Ltd (CHU) is a specialist strata and community title insurance intermediary and holds an Australian Financial Service Licence (AFS Licence No. 243261) to issue and advise on general insurance products and provide claims as a financial service.

CHU Underwriting Agencies is a wholly owned subsidiary of Steadfast Group Ltd (ABN 98 073 659 677)

Authority to act on Our behalf

We have given CHU a binding authority to market, underwrite, settle claims and administer this Policy on Our behalf.

Any matters or enquiries You may have should be directed to them in Your State. The contact details of their offices are shown on the back cover of this document.

Under the terms of this binding authority CHU act as Our agent, and not Yours, but liability within the terms and conditions of the Policy remains at all times with Us.

What You should read

To understand the features, benefits and risks of this insurance and to determine if it is appropriate for You, it is important that You read:

- a. all of the Product Disclosure Statement. This information is designed to help You understand this insurance and Your rights and obligations under it;
- b. the Policy Wording part. It tells You about:
 - i. what makes up the insurance (i.e. Your contract with Us which is what We call a Policy);
 - ii. important definitions that set out what is meant by certain words (see General Definitions and Specific Definitions under Sections 1 to 8);
 - iii. the cover We can provide (see Sections 1 to 8);
 - iv. when You are not insured (see General Exclusions and Specific Exclusions under Sections 1 to 8);
 - v. what You and We need to do in relation to claims (see Claims Conditions);
 - vi. Your and Our cancellation rights (see General Conditions);
- c. any Schedule (refer to the definition of Schedule) when it is issued to You; and
- d. any other documents We may give You which vary Our standard terms of cover set out in this document.

Sending You documents

We may send letters, policy and other related documents to You. If We email them to You, We'll consider the email to be received by You 24 hours after We send it. If We email them to Your financial services provider and not directly to You, We'll consider the email to be received by You one business day after We send it.

Please make sure We have Your current email and mailing address on record and let Us know as soon as these change.

Summary of cover and significant benefits and risks

The following is a summary only and does not form part of the terms of Your insurance. We give examples of some of the significant benefits and risks but You need to read the Landlords Policy part of this document which sets out the terms and conditions of this insurance to make sure it matches Your expectations.

What You are covered/not covered for Policy 1 – Contents

This Policy covers You for accidental loss or damage to Your Contents that occurs during the Period of Insurance.

This cover also includes special benefits up to specified limits, for example:



- loss or damage by an insured Event to Your Contents while in the open air at Your Site - up to \$3000 (see **Special Benefit 1 of Policy 1**);
- removal and disposal of the residue of damaged Contents up to 10% of the Contents Sum Insured (see **Special Benefit 2 of Policy 1**);
- Fusion damage to domestic electric motors - up to \$2,000 (see **Special Benefit 3 of Policy 1**).

Some events We do not cover include:

- loss or Damage to fixed floor coverings (other than carpets or carpet underlay), stoves, built-in air conditioners and heaters, hot water services and garbage disposal units;
- loss or Damage to clothing, personal effects, jewellery, furs, gold plated or silver plated items, gold or silver items, uncut or unset gemstones;
- loss or Damage to pictures, works of art or Antiques (other than furniture) in excess of \$5,000 any one item or in total more than 20% of the Sum Insured for Policy 1;
- loss or Damage to video cameras, photographic equipment, stamps, coins, documents, manuscripts, cash or negotiables of any kind;
- accidental breakage of glass in windows, doors, stoves or ovens, toilet cisterns, pans, baths, sinks, and hand basins, TV sets, video, radio, computer or other electrical equipment, and items such as glassware, drinking glasses or ornaments.

Policy 2 – Building damage

This Policy covers loss or damage to the walls, windows, doors, floors, ceilings or fixtures of Your Lot/Unit caused by:

- Vandalism or Malicious Acts; or
- theft (including damage caused by theft);
- Your Tenants or their invitees if such damage is not covered by any insurance Policy effected;
- the Body Corporate on the building containing Your Lot/Unit

See Policy 2 for full details of cover, limits that apply and how We will settle Your claim for these covers.

Policy 3 – Loss of Rentable Value

This Policy covers loss of Rentable Value if Your Lot/Unit cannot be occupied due to loss or damage:

- for which a claim is accepted under **Policy 1** or **Policy 2** and the Lot/Unit is Unliveable; or
- to the building containing Your Lot/Unit if caused by an event covered by the Body Corporate's building insurance Policy; or
- to property in the immediate vicinity if caused by an Event covered under **Policy 1**, which prevents access to

Your Lot/Unit.

We do not pay for loss of Rentable Value:

- following loss or damage which is not covered under **Policy 1** or **Policy 2**;
- for any period beyond that reasonably necessary to repair/ replace Your Contents or repair Your Lot/Unit;
- for any period where Your Lot/Unit has reasonable access and is fit to be occupied;
- if Your Tenant continues to pay Rent during the time that Your Lot/Unit is Unliveable.

See **Policy 3** for full details of cover, limits that apply and how We will settle Your claim for these covers.

Other policies

We can also cover You against:

- Tenants' default in payment of Rent following their departure without notice (see **Policy 4**);
- Tenants' default in payment of Rent that requires a court or tribunal eviction order (see **Policy 5**);
- legal expenses for minimising claims under **Policies 3, 4 and 5** (See **Policy 6**);
- legal liability for accidental death or bodily injury to other persons as well as accidental damage to other person's property. The Event causing the liability must occur during the Period of Insurance (see **Policy 7**);
- cost of Professional Fees if You are audited by the Australian Tax Office or another government organisation (see **Policy 8**).

Other important information

In addition to the preceding covers, inclusions and exclusions there are other times when this insurance may or may not provide cover.

Please read the Landlords Policy part of this document, which sets out the inclusions and exclusions to make sure the cover We provide matches Your expectations.

We may also refuse to pay or reduce the amount We pay under a claim if:

- You do not comply with the cover conditions (please read the Landlords Policy part of this document for details of the conditions to make sure You understand Your obligations);
- You make a fraudulent claim.

We may also cancel Your Policy in certain situations permitted by law. For example, if You breach a condition of the insurance.

Some important things to remember are:

Keep receipts – You should keep receipts, invoices or other evidence of ownership and value of all property that You insure because if You make a claim You may be asked to

prove ownership and value in order for Us to pay the claim.

Total loss – When Your Contents are a Total loss and We have paid out the total Sum Insured, this insurance ceases. If You replace Your Contents, this requires a new insurance contract commencing at that time with an applicable Premium.

Overdue Premium – You must pay Your Premium on time. If You have not paid by the due date or Your payment is dishonoured We may cancel the Policy. CHU will do so by providing You with written notice.

Instalment payments

If You pay Your premium by instalment, Your Policy Schedule will show the date and frequency of Your instalments. If Your direct debit details change You must tell Us no later than seven days before Your next instalment is due to allow Us to process the change in time.

What happens if You miss an instalment

If You miss an instalment We'll contact You to ask You to pay it or arrange to collect it from You. If You don't pay the missed instalment Your Policy may be cancelled and We'll write to You to let You know when this will happen.

If You don't pay the missed instalment and a claim arises, before We finalise Your claim You must pay any outstanding instalments.

At renewal

If You pay by instalments, and You renew Your Policy, We'll continue to deduct instalments for a renewed Policy at the new premium level according to the same instalment pattern, unless You tell Us to stop Your direct debit.

If You don't want to renew, You must tell Us at least seven days before Your Policy's end date so that We can arrange for the direct debit to stop in time.

Renewing Your insurance – When renewing Your insurance with Us You must advise Us of any changes to Your claims, insurance or criminal history. CHU will notify You in writing of any effect a change may have on Your insurance renewal.

Please read the Landlords Policy part of this document which sets out details of the conditions to make sure You understand Your obligations, as these are only some examples.

Monetary limits on the cover

We can insure You up to the amount of the Sum Insured or other specified limits for Your Contents. These amounts are specified in the relevant clauses in the Landlords Policy part or on the Schedule.

Covers for building Damage, loss of Rentable Value, loss of Rent (departure by Tenant), loss of Rent (default by Tenant), legal expenses, liability to others, and Government audit costs insure You up to a set Limit of Liability which is shown on the Schedule.

You need to make sure You are happy with the relevant Sum(s) Insured and limits. If You do not adequately insure Yourself You may have to bear the uninsured proportion of any loss Yourself.

You should also advise CHU of any changes in the details of the information You have given Us, otherwise Your insurance may not be sufficient.

Excesses may apply. See **Payment of Excesses** section below.

Payment of Excesses

The Excess is the amount You must contribute towards the cost of any claim You make.

If We pay Your claim, We will deduct the Excess from the amount of the claim We will pay to You.

The amount of Excess payable by You is shown in the Policy or on the Schedule.

Claim payments and GST

We pay claims inclusive of GST unless the owner of the property is a business which is, or needs to be, registered for GST. In that case, We'll reduce the amount We pay to settle the claim by the Input Tax Credit amount to which they are, or would be, entitled. If they fail to disclose or understate their entitlement, they may be liable for GST on a claim We pay.

There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend You seek professional advice.

Unless We say otherwise, all amounts in Your Policy are inclusive of GST.

Cost of Your Policy

The amount that We charge You for this insurance when You first acquire Your Policy and when You renew Your Policy is called the Premium. The Premium is the total that We calculate when considering a number of factors which make up the risk, such as:

- a. the Sum(s) Insured;
- b. the address of Your Site;
- c. Your insurance and claims history.

The total cost of Your Policy is shown on the Schedule and is made up of Your premium plus government charges such as Stamp Duty, GST, and any Emergency Services Levy (where applicable).

Paying Your Premium

The options available for paying Your Premium include annual payment or by way of monthly instalments by:

- a. credit card
- b. BPAY
- c. EFT/direct deposit.



Other costs, fees and charges

Other costs, fees and charges which may be applicable to the purchase of Your Policy include:

Costs or fees	Details
Administration Fee	An administration fee of \$33 inclusive of GST is payable by You to cover CHU's administration cost of preparing and distributing Your Policy. The administration fee is noted on the Schedule and is not refundable in the event of cancellation, unless the insurance contract is cancelled within the cooling off period, is a full term cancellation or We exercise a right to cancel Your Policy.
Non-refundable government taxes or charges	You may cancel Your Policy at any time. If You choose to cancel Your Policy We will retain a portion of the Premium which relates to the period for which You have been insured. We will refund the residue for the unexpired period less any non-refundable government taxes or charges, provided that no event has occurred where liability arises under the Policy.

Cooling off period

If You change Your mind about Your Policy and haven't made a claim, You can cancel it within 21 days of the start or renewal date and We'll give You a full refund. If You cancel Your Policy in these circumstances, You will have no cover under the Policy.

To cancel Your Policy within the cooling off period, please contact CHU electronically or in writing.

You can also cancel Your Policy outside the cooling off period, see 'Cancelling Your Policy'.

Cancellation

You may cancel the Policy at any time by notifying Us in writing. We may cancel the Policy where We are entitled to by law.

Further details about cancellation are shown in the General Conditions.

Tell Us when these things change

You must tell Us as soon as reasonably possible if any of the information on Your Schedule is incorrect or has changed.

Things You must tell Us:

- You sell the Lot/Unit;
- You're planning renovations, alterations, additions or repairs at the Site;
- Your Lot/Unit will be Unoccupied for any period longer than 90 consecutive days;
- The occupancy of Your Lot/Unit changes, for example, You plan to move into and live in the Lot/Unit, or, You stop renting out the property under a Tenancy Agreement and start to rent it out as a casually let holiday home;
- You start operating a business or generating a regular income (other than residential rental income) at the Site;
- You want to increase Your Sum Insured.

If You don't tell Us, We may reduce or refuse to pay a claim.

When You tell Us about something that has changed or request a change to Your Policy, We will assess the change to the risk in accordance with Our underwriting rules and processes.

Changes to your cover

If You request any change to cover (e.g. You choose to add an optional cover or You increase your sum(s) insured) then, if We agree to the change, We will issue a new Schedule and ask You for any additional premium. If an additional premium is required, the change will only be effective when:

- if You're paying in instalments by direct debit, any remaining instalments have been adjusted to reflect the additional premium; or

- You have paid the additional premium by the due date We give to You.
- If You don't pay the additional premium by the due date then We will make reasonable efforts to contact You using the latest contact details You provided us. If We don't receive payment of the additional premium owed, the change will not be effective and We will confirm this by issuing a replacement Schedule.

If You request any change to cover and We don't agree to the change, then We will let You know and the Policy will continue unchanged.

Changes to Your circumstances

Contact CHU to discuss potential changes in circumstances when You know the details of the timing and nature of the changes before they happen, to find out in advance whether We will be able to continue to insure Your Contents.

If You tell Us about any of the following changes then We will cancel Your Policy and refund any unused portion of the Premium:

- You start operating a business, or generating a regular income (other than residential rental income) at the Site; or
- the occupancy of Your Lot/Unit changes, for example You decide to stop renting it out and move into it Yourself.

If You tell Us about any other change, for example if Your Lot/Unit is going to be Unoccupied for more than 90 consecutive days, We will consider it under Our underwriting rules and processes at the time.

Confirming transactions

You may contact CHU in either writing, email or by phone to confirm any transaction under Your Policy if You do not already have the required Policy confirmation details.

General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. You can read the Code at codeofpractice.com.au

At CHU, We recognise that family and domestic violence is a complex issue and We take it seriously. For more information about support, Our Family and Domestic Violence Customer Support Policy is available at www.chu.com.au/resource/chu-family-and-domestic-violence-policy/

How to make a claim

Please contact CHU in Your state or territory to make a claim. They also have an After Hours Emergency Claims Hotline that You can contact on 1800 022 444.

You should advise CHU as soon as possible of an incident which could lead to a claim.

Having the required documentation and possibly photographs of the items will assist in having Your claim assessed and settled.

When You make a claim You must:

- provide details of the incident and when requested complete the claim form We send You;
- allow Us to inspect any Damaged property and take possession of any Damaged item(s);
- take all reasonable steps to reduce the Damage or loss and prevent further loss or Damage;
- inform the police as soon as reasonably possible following theft, Vandalism, malicious Damage or misappropriation of money or property and provide details of the report to Us. We may need the police report number to process Your claim or Our recovery action if there is a third party who is liable for Your loss;
- not dispose of any Damaged items without first seeking Our approval. This is so We can establish the cause or extent of the Damage to quickly and accurately assess Your claim. Call Us if You would like guidance including where there is hazardous material present; and
- not get repairs done, except for emergency temporary repairs, until We give You authority, and We reserve the right to choose the repairer or supplier.

These are only some of the things that You must do if making a claim. Please refer to the Claims Conditions section, which sets out claims information and what You must do if making a claim.

Resolving Complaints and Disputes

At QBE and CHU, We are committed to providing You with quality products and delivering the highest level of service. QBE and CHU also do everything We can to safeguard Your privacy and the confidentiality of Your personal information.

Something not right?

QBE and CHU know sometimes there might be something You are 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 CHU

If Your complaint relates to a claims decision or CHU service provider, please initially contact the CHU Claims Handler who is handling the Claim. If Your complaint relates to an underwriting decision (or anything else), please contact the CHU representative who originally assisted You. When You make Your complaint please provide as much information as possible. CHU are ready to help You resolve Your issue, aiming to resolve all complaints within fifteen (15) business days.



Any feedback is good feedback. It allows Us to address any issues and resolve it with You in a fair and reasonable manner.

Get in touch

By Phone: 1300 361 263

By Email: complaints@chu.com.au

By Post: PO Box 500, North Sydney, NSW 2059 or Level 33, 101 Miller Street, North Sydney NSW 2060

Provide all supporting documents with dates, a detailed description of Your complaint and how You would like it resolved - this will assist Our review.

We will acknowledge Your complaint (generally within 1 business day), give You a reference number and the name and contact of the person who is handling Your complaint.

We will keep You updated on the progress of Your complaint at least every 10 business days.

Most complaints can be resolved promptly, but if We are unable to resolve Your complaint within 30 calendar days, We will tell You why We need more time to investigate it.

If there is a delay or We are not able to provide a final response within 30 calendar days, We will tell You the reason for the delay and We'll keep You updated every month. At that point, We'll also give You the option to escalate this complaint to Australian Financial Complaints Authority (AFCA).

Disputes not covered by the AFCA Rules

If Your dispute doesn't fall within the AFCA Rules, or You are not satisfied with CHU's decision then You may wish to seek independent legal advice.

Privacy complaints

If You are not satisfied with CHU's final decision and it relates to Your privacy or how CHU has handled Your personal information, You can contact the Office of the Australian Information Commissioner (OAIC).

Privacy

In this Privacy Notice, the use of 'We', 'Our' or 'Us' means QBE and CHU unless specified otherwise.

Our Privacy Policies describe how We collect, disclose, store and use personal information as well as how to access it, correct it or make a complaint. When We say personal information We may also mean sensitive information such as health information, criminal history or professional memberships that's relevant to Us issuing, administering or managing products or providing services and the terms on which We will do these things. We use personal information to issue, administer and manage products and provide services.

You can view QBE's Privacy Policy at www.qbe.com.au/privacy, or obtain a copy at no charge by Us by phoning Us on 133 723 or requesting it from Our authorised

representatives or service providers. You can view CHU's Privacy Policy at www.CHU.com.au or obtain a copy at no charge by CHU by contacting CHU's/Steadfast's Privacy Officer on +61 2 9307 6656 or by writing to:

Postal Address: PO Box A2016, Sydney South NSW 1235

Email: privacyofficer@steadfastagencies.com.au

We may share Your information with other QBE Group companies, Our authorised representatives and service providers, each of which may be based outside of Australia. The locations We may disclose Your information include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

By giving Us personal information You consent to Us collecting, disclosing, storing and using it in accordance with Our Privacy Policies. If You give us someone else's personal information You confirm You've obtained their consent to do so.

If You don't provide all of the personal information We've requested We may be unable to issue, administer or manage products or provide services.

Financial Claims Scheme

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if You meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

How to contact APRA

Phone 1300 558 849 (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.

Online www.apra.gov.au/financial-claims-scheme-general-insurers

Updating the PDS

Information in this PDS might change. If the change is adverse then We'll issue a supplementary PDS or a new PDS at renewal. All updates (whether adverse or not adverse) will be made available at www.CHU.com.au or You can request an up-to-date paper copy at no charge by CHU by calling 1300 289 248

Contact Us

If You have any questions or You would like any further information please contact Your nearest CHU office (see the back cover of this document).

Landlord's Policy Wording

It is very important that You read this Policy carefully and make sure You are satisfied with this insurance.

What makes up this Policy?

This Policy and the Schedule must be read together as they form Your insurance contract.

Important: Sometimes We need to change the wording of Your Policy because the insurance varies depending on a number of factors. We do this by adding what is called an Endorsement.

This Policy sets out what You are insured for and those circumstances where You will not be insured.

Some words and expressions have been given a specific meaning in this Policy and You will find their meaning under Definitions herein. These specific meanings only apply to these words when they begin with a capital letter.

Payment of Premium

Provided We receive the Premium, We will insure You as set out in this Policy and the Schedule in respect of an insured Event occurring during the Period of Insurance.

General definitions – the meaning of some words

The words listed below have been given a specific meaning in this Policy and these specific meanings apply when the words begin with a capital letter.

There are other definitions which are specific to Policy 7 and these appear in the appropriate Policy section.

Act of Terrorism

means 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:

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

Action of the sea

means a tidal wave, high tide, king tide, Storm Surge or any other movement of the sea except for Tsunami.

Allowable Reletting Expenses

means reasonable reletting expenses as specified in the current Tenancy Agreement for Your Lot/Unit and/or in terms of the Residential Tenancy Act or similar legislation applying where Your Lot/Unit is situated.

Antique

means an item valued for its rarity, aesthetic or historical significance which is over 100 years old. It does not include jewellery, watches or collections.

Body Corporate

means the body incorporated under the provisions of the Strata Schemes Management Act, Strata Titles Act, Community Titles Act or similar legislation applying where Your Lot/Unit is situated who is responsible for the control and administration of the common property.

Bond Monies

means the greater of:

- a. the amount of money held as security for the performance obligations under a tenancy or letting agreement such as outstanding Rent or Damage; or
- b. an amount of money calculated on the basis of four weeks Rent if the amount of money held in terms of Clause a is equivalent to a lesser period than four weeks.

Contents

means the following while they are at Your Site which You lease to a Tenant:

- a. household furniture and furnishings that are not built-in, household goods and appliances such as stereos, computers, TV's, VCR's, refrigerators, dishwashers (plumbed-in and freestanding), washing machines, and dryers;
- b. curtains, carpets, carpet underlay, rugs, other unfixed floor coverings, and internal blinds;
- c. above-ground spas, above-ground swimming pools, pool cleaning and domestic gardening equipment, plants in pots or containers;
- d. pictures, works of art or Antiques (other than furniture) up to a maximum of \$5,000 any one item and in total 20% of the Sum Insured for Policy 1;
- e. (applicable to Your Lots/Units only):
 - i. light fittings, ceiling fans, garden sheds and fixtures installed for the exclusive use and enjoyment of Your Lot/ Unit if they are not covered, or not required to be covered by law, under any insurance Policy effected by Your Body Corporate;
 - ii. paint, wallpaper and temporary wall, floor and ceiling coverings within Your Lot/Unit if it is situated in New South Wales;
 - iii. temporary wall, floor and ceiling coverings within Your Lot/Unit, and mobile or fixed air-conditioning units exclusively servicing Your Lot/Unit if it is situated in Queensland;



Contents does not include:

- Contents in the internal or external common property areas of residential flats, home units, town houses or any other type of multiple occupancy residence;
- money and negotiable instruments;
- home office equipment, computers and associated computer equipment or software and mobile phones;
- animals, birds, insects, reptiles or pets of any kind;
- fixed floor coverings (other than carpet or carpet underlay), stoves, built-in air conditioners and heaters, hot water services, garbage disposal units;
- clothing, personal effects, jewellery, furs, gold plated or silver plated items, gold or silver items, uncut or unset gemstones;
- video cameras, photographic equipment, sporting equipment, stamps, coins, documents, manuscripts,
- bicycles, Vehicles, caravans, trailers, Watercraft, aircraft or accessories for these Vehicles or craft;
- plants, hedges, trees or shrubs in gardens (except those in pots or tubs);
- any property belonging to a Tenant, Tenant's family or Tenant's guest or any property owned by You but not intended for the use of any Tenant;

unless We specifically agree to such inclusion in writing.

Damage, Damaged

means when property insured by this Policy is physically harmed, but not from Wear and Tear, and its value or usefulness is permanently reduced. It also includes where property insured is destroyed or unrecoverable.

It does not include:

- where property can be cleaned using ordinary household chemicals and cleaning processes to bring it back to its pre-event condition. Property may be considered to be Damaged if only professional cleaning can bring it back to its state prior to the Event; or
- scratching or denting which is cosmetic and that's the only Damage; or
- any change a Tenant makes to the property that is permitted by You under the Tenancy Agreement or the relevant residential tenancy legislation.

Depreciation

means the reduction in the value of an item or property due to Wear and Tear or age.

Earth Movement

includes landslide, landslip, mudslide, subsidence and the heaving, collapsing, vibration, Erosion, settlement, shrinkage of earth but not earthquake.

Note: 'Heave' is the upward movement of the earth supporting a building because of the expansion of soil.

Electronic Data

means any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

Endorsement

means a written alteration to the terms, conditions and limitations of this Policy which is shown on the Schedule.

Erosion

means being worn or washed away by water, ice or wind.

Event, Events

means a happening or an incident not intended to happen which occurs during a particular interval of time and causes or results in loss or Damage, or series of loss or Damage happening from that one Event, that is insured by this Policy.

Excess, Excesses

means the amount You may have to contribute towards a claim. You will find the amount of any Excess shown on the Schedule or within the Policy.

Family

means any member of Your Family who lives permanently with You, including Your partner.

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. a lake (whether or not it has been altered or modified);
- b. a river (whether or not it has been altered or modified);
- c. creek (whether or not it has been altered or modified);
- d. another natural watercourse (whether or not it has been altered or modified);
- e. a reservoir;
- f. a canal;
- g. a dam.

Fusion

means the process of fusing or melting together the windings of an electric motor following Damage to the insulating material as a result of overheating caused by electric current.

Indemnity Value

means the cost to rebuild, replace or repair property to a condition which is equivalent to or substantially the same as but not better nor more extensive than its condition at the time of loss taking into consideration age, condition and remaining useful life.

Lot/Unit

means an area shown on a plan as a Lot or Unit in terms of the Strata Titles Act, Community Titles Act or similar legislation applying where Your Lot/Unit is situated.



Period of Insurance

The time between the start date and end date shown on Your Schedule during which We have agreed to provide cover. If Your policy ends sooner, for example Your policy is cancelled, the period of insurance ends at the same time.

Policy

means Your insurance contract which consists of this policy wording and the Schedule.

Power Surge

means an unexpected, temporary, uncontrolled increase in current or voltage in an electrical circuit. Also known as a power swell, brown out, voltage variation or power spike.

Premium

means the amount We require You to pay for this Policy to operate. It includes Government charges and is shown on Your Schedule.

Property Manager

means the Real Estate company, firm or other entity acting as manager or agent for Your Lot/Unit.

Rainwater

means the rain which falls naturally from the sky. It includes Rainwater run-off over the surface of the land, but not Flood.

Reasonable Cost

If We arrange the repair, rebuild, replacement or work for which a cost is incurred: the actual cost that We incur.

If You arrange the repair, rebuild, replacement or work for which a cost is incurred with Our prior consent: the actual cost as set out in a valid tax invoice.

If You arrange the repair, rebuild, replacement or work for which a cost is incurred without Our prior consent because of an emergency and You act reasonably in:

- making arrangements by engaging reputable service providers or sourcing replacement property at market rates; or
- arranging repairs, rebuild or replacements at market rates that are necessary to restore Your property to a condition no better than when new; or
- taking proportionate steps to protect Your property from further Damage:

the actual cost as set out in a valid tax invoice.

If You arrange the repair, rebuild or replacement or work for which a cost is incurred without Our prior consent because of an emergency and You do not act reasonably: the cost that You would have incurred if You had acted reasonably.

If You arrange the repair, rebuild, replacement or work for which a cost is incurred without Our prior consent and there is no emergency: the cost We would have incurred if You had obtained Our prior consent and We had made the arrangements.

In this definition, when We say ‘act reasonably’ this means acting prudently, as if You did not have insurance.

Rent

means an amount of money calculated on the rental payable by Your Tenant that applied immediately prior to Your Tenant’s departure without notice or default in payment.

Rentable Value

means an amount of money calculated on the basis of the annual amount of money payable by a Tenant or lessee (including

any ‘outgoings’ payable) that applied immediately prior to the happening of loss or Damage to Your Lot/Unit.

Schedule

means one of the following:

- a. the Policy Schedule;
- b. the renewal notice You have paid;
- c. the Endorsement sent to You.

Site

means the place shown on the Schedule where:

- a. the Lot/Unit containing Your Contents is located; or
- b. if You sell Your Lot/Unit and purchase a replacement property the place where such replacement property is located provided You notify Us within 30 days of such purchase.

Storm

means a violent wind sometimes combined with thunder, heavy falls of rain, hail or snow.

Storm Surge

means the covering of normally dry coastal land by water as a result of wind and low atmospheric pressure caused by a Storm.

Sum Insured / Limit of Liability

means the amount shown on the Schedule for the Policies We have agreed to cover. This is the maximum amount We will pay, inclusive of claimant’s costs and expenses recoverable from You, for all claims under each of the Policies during the Period of Insurance, unless otherwise stated in a Policy.

Tenancy Agreement

means a written agreement between You and Your Tenant to occupy Your premises that complies with the Residential Tenancy Act or similar legislation applying where Your Lot/Unit is situated.

Tenant

means a person or persons renting or occupying Your Lot/Unit in terms of a Tenancy Agreement.

Total loss

Your property is a Total loss when:

- We pay the total Sum Insured or item limit; or
- Your insured Contents items are lost or destroyed.

Tsunami

means a sea or ocean wave caused by an earthquake, earth tremor or seismological disturbance under the sea.



Unliveable

the property is Unliveable if, due to an Event:

- it is unsafe to live in; or
- it does not have functional bathroom facilities; or
- it is not connected to the electricity supply; or
- it is not connected to hot and cold running water; or
- if it's rented out on a fully furnished basis:
 - it is not furnished such that it is comfortably habitable; or
 - it does not contain a functioning refrigerator and cooking appliance.

Unoccupied

a property is Unoccupied in a period of 90 consecutive days if, during that period, the following did not happen:

- You, Your Family, or someone with Your consent slept and ate there for at least two consecutive nights in that 90 day period, and
- on those two nights the property:
 - was furnished such that it was comfortably habitable; and
 - contained at least one usable bed/mattress; and
 - contained at least one table or bench and a chair; and
 - contained a functioning refrigerator and cooking appliance; and
 - was connected to the electricity supply; and
 - was connected to hot and cold running water.

You may be asked to prove the occupancy of the property in the event of a claim. This may be supported by the usage of the utilities that are connected to the property. Sometimes We might ask for other evidence of occupancy.

Vandalism, Malicious Acts

means vandalistic or wilful acts motivated by malice, vindictiveness or spite that are intended to cause loss, Damage or harm for the sake of doing harm.

Such acts do not mean Damage caused by or associated with:

- a. maintenance or repair operations;
- b. unclean, unhygienic or untidy living habits;
- c. lack of care;
- d. failure to control children or domestic pets;
- e. scratching, denting or chipping.

Vehicle, Vehicles

means:

- a. any type of machine on wheels or self-laid tracks made or intended to be propelled by other than manual or animal power and any trailers or other attachments made or intended to be drawn by any of those machines; and
- b. which is or should be registered and/or insured under

legislation in the State or Territory of Australia in which it is being used.

Vehicle or Vehicles does not mean wheelchairs, domestic garden appliances or golf buggies.

Watercraft

means any vessel, craft or thing made or intended to float on or in or travel through water.

Wear, Tear

means Damage or a reduction in value through age, ordinary use or lack of maintenance.

We, Our, Us

means QBE Insurance (Australia) Ltd ABN 78 003 191 035.

You, Your

means:

- a. the person or persons; or
- b. company, firm or other entity acting as Property Manager for Your Lot/Unit; named on the Schedule.

General conditions – which apply to all policies

1 Alteration of risk

You must promptly advise Us of any changes in the details of the information You have given Us, or if the nature of the occupation of Your Lot/Unit is changed in such a way as to increase the risk of loss or Damage or the likelihood of liability losses.

If You do not do so We may not be liable for any loss, Damage or liability caused or contributed to by any such change or alteration.

2 Excess

You must pay or contribute the amount of any Excess shown in this Policy or on the Schedule for each claim made. Payment of the Excess may be requested when the claim is lodged, or may be deducted from Our payment.

Should more than one Excess be payable for any claim arising from the one Event, such Excesses will not be aggregated and the highest single level of Excess only will apply.

3 Reinstatement of Sum Insured

After We have admitted liability for a claim We will automatically reinstate the Sum Insured to its pre-loss amount without any additional Premium having to be paid, unless You request otherwise.

This condition does not apply:

- a. when We pay a Total loss;
- b. when We pay the full Sum Insured;
- c. to **Special Benefits 1 and 2 of Policy 6**;
- d. to Policy 8.



4 Tenancy Agreement

Cover under this Policy only applies when there is a current Tenancy Agreement in place between You and Your Tenant.

General Condition 4 does not apply to **Policies 1, 2, 7, and 8**.

5 Unoccupancy

Cover under this Policy is suspended if Your Lot/Unit is Unoccupied for more than 90 consecutive days, unless You notify Us and We otherwise agree in writing.

General Condition 5 does not apply to **Policies 7 and 8**.

General exclusions - what We do not insure under any Policy

We will not pay for any loss, Damage, benefit, legal liability, compensation, or any other loss, costs, fees, charges or expenses of whatsoever kind, arising directly or indirectly from or in any way connected with:

1 Act of Terrorism

Any Act of Terrorism where such act is directly or indirectly caused by, contributed to, resulting from, or arising out of or in connection with biological, chemical, or nuclear weapons, pollution or contamination.

2 Asbestos

Liability to pay for personal injury or property Damage caused by or arising directly or indirectly out of or in connection with the actual or alleged use or presence of asbestos.

3 Consequential loss

Consequential loss, loss of use or Depreciation unless otherwise specifically provided by this Policy.

Consequential loss means any loss not directly related to Your claim, such as but not limited to:

- a. delay;
- b. interruption in Your business;
- c. loss of contract;
- d. lack of performance;
- e. loss of use of any property;
- f. Depreciation in value;
- g. loss or earning capacity; or
- h. an increase in costs and expenses;

unless specifically covered.

4 Electronic Data

- an unauthorised or malicious act, software, coding or instructions
- a threat, hoax, scam or fraud
- programming or operator error; or
- outage

affecting the use, integrity, security, operation, storage of, or access to, data, information, a computer, system, device, appliance, equipment, software, hardware, back-up facility or a component of or attachment to any of these, regardless of

time or place.

Examples of what are not covered under Your Policy:

- loss, Damage, destruction, distortion, erasure, corruption or alteration of, or loss of access to, or interference with, data on a computer or access to an internet service, due to malicious software or a cyber-attack, including but not limited to viruses, worms, Trojan Horses, back doors, logic bombs, trap doors, denials of service, ransomware or any computer hacking;
- unauthorised access to or copying of personal information via the internet or mobile phone network;
- unauthorised access to, or interference with the operation of, an appliance or device via the internet, Wi-Fi or Bluetooth;
- unauthorised access to Your computer or device provided by means of a scam, or connection of a storage or other device affected by malicious software.

However, You will still have cover for physical Damage to Your property insured under Your Policy caused by an Event such as fire.

5 Intentional, reckless or fraudulent acts

Any deliberate, intentional, reckless or fraudulent acts or liability or omissions by You, Your Family or by any person acting with Your or their express or implied consent.

6 Nuclear materials

Ionising radiation from, or contamination by radio-activity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

7 War, expropriation

War or warlike activities including invasion, act of a foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, looting, sacking or pillage following any of these, or the expropriation of property.

8 Illegal activity

Any illegal activity You are involved in, including but not limited to:

- You illegally keeping explosives, flammable or combustible substances at the Site;
- hazardous materials if they are not stored, used or disposed of legally and in accordance with the manufacturer's directions;
- weapons, firearms and ammunition if they are not stored and used legally; or
- the illegal supply of drugs or alcohol.

9 Reasonable actions and precautions

There is no cover under any section of Your Policy for any claim, loss, cost, Damage, injury, death or legal liability, to the extent that it is caused by or arises from You:

- not taking reasonable care to protect and maintain



the insured property;

- not taking reasonable steps to minimise the cost of any claim under Your Policy; or
- not complying with all laws relating to the safety of a person or property.

10 Commercially operated properties

We do not cover properties managed by or used as hotels, motels, resorts, inns, commercially operated serviced apartments or similar venues for accommodation..

11 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.

12 Laws impacting cover

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is illegal for Us to do so.

13 Multiple causes

Where loss, Damage, injury or death has two or more causes and at least one of those causes is excluded by this Policy, We will not provide any cover, pay any claim or provide any benefit under this Policy.

GST

If You are a business You must tell Us if You're registered, or are required to be registered, for GST. When You do this, We need You to give Us:

- a. Your ABN
- b. The percentage of any input tax credit You will claim, or will be entitled to claim, on Your Premium.

When We pay a claim, Your GST status will determine the amount We pay You. Your claim settlement amount will be adjusted to allow for any ITC entitlement.

Unless We say otherwise, all amounts in Your Policy are inclusive of GST. There may be other taxation implications affecting You,

depending upon Your own circumstances. We recommend You seek professional advice.

Claims information

1 What You must do

As soon as You discover that an Event likely to result in a claim has occurred, You must:

- a. take all reasonable steps to reduce the loss or Damage and to prevent any further loss or Damage;
- b. inform the police as soon as possible following theft, Vandalism or Malicious Damage and provide details of the report to Us. We may need the police report number to process Your claim or Our recovery action if there is a third party who is liable for Your loss.

2 What You must not do

Whatever the circumstances You must not:

- a. admit guilt or fault (except in court or to the Police);
- b. offer or negotiate to pay a claim;
- c. admit liability;
- d. dispose of any Damaged items without first seeking Our approval.

3 How to make a claim

When You make a claim You must:

- a. promptly inform CHU Underwriting Agencies Pty Ltd by telephone, in writing or in person. You may have to contribute towards Your claim if Your notification is unreasonably late and results in higher costs for Us or harms Our investigation opportunities;
- b. provide details of the Event and when requested complete and return Our claim form promptly together with all letters, documents, valuations, receipts or evidence of ownership that You have been asked to provide;
- c. provide written statements under oath if We require it;
- d. be interviewed about the circumstances of the claim, if We require this;
- e. allow Us to inspect Your Contents and take possession of any Damaged item to deal with it in a reasonable way;
- f. provide Us as soon as possible with every notice or communication received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the Event.

4 Our approval needed for repairs

Except for emergency temporary repairs You are not authorised to commence repairs without Our approval.

5 Repairs or replacement

We have the right to nominate the repairer or supplier to be used.

6 You must assist Us

You must:

- a. comply with all the requirements of this Policy; and
- b. give Us all information and assistance which We reasonably require in relation to the claim and any proceedings.

If You do not, We may be unable to progress Your claim.

7 False or misleading information

We may deny part or all of Your claim if You are not truthful and frank in any statement You make in connection with a claim or if a claim is fraudulent or false in any respect.

We may also report any suspected fraudulent act to the Police for further investigation.

8 Claim administration and legal proceedings

If You suffer loss or Damage due to an incident for which someone else is responsible, You may have a legal right to recover some or all of the loss or Damage from that person,

including by taking legal action against them. When We pay a claim under Your Policy, We have the right to exercise Your legal rights in Your name against the person responsible for the loss or Damage.

We'll take full control of the administration, conduct or settlement of the recovery, including any legal defence. When We do any of these things in Your name, it will be at Our expense, however You'll need to give Us reasonable assistance. This may include following Our directions in relation to the conduct of any legal proceedings even after a claim has been paid. You must not enter into any agreement with anyone else which could limit the amount that could be recovered, including joining class action proceedings, without Our permission.

When We pay a claim and some of Your loss isn't covered by Your Policy, We may offer to try to recover that loss for You when We take any steps to recover the covered loss. We can only do so if You agree to give Us documents and statements that support Your loss and agree with Us on how We'll handle that recovery. You may also need to contribute to the associated costs if, to recover the loss for You, We need to take additional steps that We wouldn't otherwise need to take. We will talk to You about these steps before We take them.

If We successfully recover more than We paid for Your claim under Your Policy, We will first keep the amount We paid for Your claim and the amounts We paid in administrative and legal costs spent towards making the recovery. If there is any amount remaining after this, We will pay You the remainder to compensate You for loss that was not insured. Finally, We will keep any remaining amounts.

If You've received a benefit under Your Policy that You were not entitled to, We reserve the right to recover from You the amount We have paid. If We decline a claim for fraud, We reserve the right to recover any amounts We paid to You under the Policy as well as Our reasonable administration, investigation and legal costs from anyone at fault in relation to the fraud.

When We cover You for a legal liability claim, We may:

- a. arrange for a lawyer to represent You or We may act on Your behalf;
- b. attempt to settle the claim; and/or
- c. defend the claim.

We will decide whether to defend or settle the claim and how much to pay to settle the claim.

9 Salvage

If We pay a claim by replacing or paying to replace any items or materials, We're entitled to obtain and retain any items or materials salvaged or recovered. We may sell the items or materials and keep the proceeds. If You ask Us, We may agree to sell the items or materials to You, provided You agree to pay the fair market value. This is the price We could get if We sold the items or materials to someone else who is willing and able to buy them. If there is no market

for the items or materials, then We will base the amount on enquiries made to appropriately experienced or qualified third party professionals.

10 Contribution and other insurance

When making a claim, You must notify Us of any other insurance that You're aware will or may, whether in whole or in part, cover any loss insured under Your Policy.

If at the time of any loss, Damage or liability there's any other insurance (whether issued to You or any other person) which covers the same loss, Damage or liability You must provide Us with any reasonable assistance We require to make a claim for contribution from any other insurer(s).

11 Preventing Our right of recovery

If You've agreed with or told someone who caused You loss, Damage or liability covered by Your Policy that You won't hold them responsible then, to the extent We've been prejudiced by this act, We won't cover You for that loss, Damage or liability.

12 Providing proof of ownership and value

In some cases We will ask You for proof that You owned the items You're claiming for and for documents or other information to assist Us in assessing their value. Whether We ask for proof and, if We do, the types of documents We ask for may depend on the situation. So that Your claim can be assessed, make sure You keep things like:

- receipts or tax invoices;
- credit card or bank statements;
- guarantee or warranty certificates;
- valuation certificates for pictures, works of art and Antiques; and
- photographs or video film of the item/s in Your rental property.

If, after reviewing all the evidence about Your claim that has been provided to Us, We're not satisfied that You actually owned the items, We may refuse to pay Your claim.

Other information We may need to process Your claim

Make sure You keep things like:

- any cleaning or repair quotes or receipts;
- receipts for expenses deducted from the Bond Monies;
- records of commissions payable to Your Property Manager;
- Tenancy Agreements and payments received;
- Bond Monies receipts; and
- Rent receipt records.

When there is more than one insured

When there is more than one insured on Your Policy, We may treat what any one of them says or does in relation to Your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel Your Policy or tell Us where a claim payment should be paid.



Cancelling Your Policy

You can cancel Your Policy at any time by telling Us. If there are other people named as insured on Your Policy, We may rely on a request from one insured to cancel Your Policy.

We may cancel Your Policy in any of the circumstances permitted by law (e.g. failure to pay the Premium by the due date or if You told Us something that You knew to be incorrect or untrue during Your application for cover) by informing You in writing. We can also cancel Your Policy if Your circumstances change and no longer fall within Our underwriting rules.

We will give You notice in person or send it to Your address (including an electronic address) last known to Us.

If You have paid Your Premium in advance and Your Policy is cancelled, We'll refund You the proportion of the Premium for the remaining Period of Insurance, less any non-refundable government fees, duties or charges.

References to legislation

Legislation referenced in this Policy includes subsequent legislation. Any term used in this Policy and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation.

'Subsequent legislation' means:

- an act or regulation as amended, replaced or re-enacted;
- where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

Policy 1 – Contents

What We insure

We insure You up to the Sum Insured shown for Policy 1 on the Schedule, against:

- accidental loss or Damage to Your Contents which occurs during the Period of Insurance.

Special benefits

Special Benefits are included in addition to Your Sum Insured for Policy 1.

1 Contents in the open air

We will pay up to \$3,000 for loss or Damage to Your Contents in the open air at Your Site, from any Event claimable under Policy 1.

For the purpose of Special Benefit 1 'open air' means any part of the building containing Your Lot/Unit not fully enclosed by walls and roofing (such as a carport or balcony).

2 Debris removal

We will pay up to 10% of the Sum Insured for Policy 1 for the Reasonable Cost of removal and disposal of the residue of Your Damaged Contents.

3 Fusion of electric motors

We will pay up to \$2,000 for the cost of repairing or replacing an electric motor forming part of Your Contents which has been burnt out by electric current.

If the motor forms part of a sealed unit We will also pay for the cost of replacing gas.

If the motor in a sealed unit cannot be repaired or replaced because of the unit's inability to use a different type of refrigerant (a new gas as required by regulation) or parts are no longer available, then We will treat the item as a Total loss.

We will not pay for:

- motors under a guarantee, warranty or maintenance agreement;
- loss or Damage to other parts of any electrical appliance, computer software or data stored on a computer;
- lighting or heating elements, fuses, protective devices or switches;
- contact at which sparking or arcing occurs in ordinary working;
- transformers.

Exclusions - what We do not insure

We will not pay for loss or Damage caused by or resulting from:

- lack of maintenance, rust, oxidation, corrosion, Wear, Tear, Depreciation, any gradual process; or
- Your failure to maintain Your Lot/Unit in a reasonably

good state of repair; or

- Your failure to have fixed existing Damage, a building defect, a structural fault, a design fault or faulty workmanship;

that:

- You were aware of or should reasonably have been aware of, and
- You were aware of or should reasonably have been aware may result in Damage or further Damage.
- overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.

However, We will pay if the loss or Damage is due to:

- Fusion of electric motors as covered under **Special Benefit 3**;
- lightning;
- Power Surge when such Event is confirmed by an appropriately qualified contractor; or
- if fire Damage results.
- any Action of the sea.

However, We will pay if the loss or Damage is due to Tsunami.

- accidental breakage of:
- glass forming part of windows, doors, fixtures, built-in furniture, stoves or ovens, TV sets, VCR's, radio, computer or other electrical equipment;
- toilet cisterns, pans, baths, sinks, and hand basins;
- items such as glassware, drinking glasses or ornaments.
- Erosion, subsidence, landslide, mudslide, shrinkage, or any other Earth Movement or collapse.

However, We will pay if the loss or Damage is due to:

- earthquake or seismological disturbance, explosion, physical impact by aircraft;
- bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus.
- underground (hydrostatic) water.

However, We will pay if the loss or Damage is due to bursting, leaking or overflowing of water tanks, pipes, or drains.

- inherent vice or latent defect,
- vermin, mice, rats, termites, insects, fungus, mould, mildew, rot, rising damp, seepage, or by pecking, biting, chewing or scratching by birds or animals.

However, We will pay if any of these causes directly result in loss or Damage from any other Event claimable under Policy 1 such as fire or glass breakage.

- roots of trees, plants or shrubs.

However, We will pay if this cause directly results in loss or Damage from an Event claimable under **Policy 1** such



as escape of water and/or other liquids.

- Damage to glass that is designed to be exposed to heat, in the ordinary course of its use including glass in:
 - fireplaces and heaters; or
 - oven doors, stove tops or other cooking surfaces.
- Damage to an item designed to be exposed to or generate heat, caused in the ordinary course of its use, such as a fireplace, a clothes iron or a cooking or heating appliance, where that's the only Damage that occurs.
- any neglect, poor housekeeping or untidy, unclean or unhygienic living habits such as:
 - odours including from pets, cigarettes or other smoking items;
 - liquid or food stains that have gradually built up over time; or
 - water Damage to carpets, flooring or cabinets due to splashing from baths, showers or sinks.

However, We will cover Your legal liability caused by any of the above 3 points.

- a process of cleaning by You:
 - using any chemicals other than domestic household chemicals. (Domestic household chemicals include products that can be purchased from a supermarket or department store); or
 - where domestic household chemicals have been used but not in accordance with the manufacturer's directions for use.
- or in connection with any contagious or communicable disease.
- water, rain, wind, hail or debris entering Your Lot/Unit through an opening in any part of Your home made for the purpose of alterations, additions, renovations or repairs.
- water escaping from a shower recess or shower base.
- staining, fading or fraying.

However, We will pay if such loss or Damage directly results from any other Event claimable under **Policy 1**.

Claims - how We will settle Your claim

The amount We pay under Policy 1 will be the Reasonable Cost of replacing or repairing lost or Damaged Contents to a condition which is equivalent to or substantially the same as but not better nor more extensive than when they were new, subject to the following provisions:

- replacement or repair of Damaged carpets and curtains is limited to the room, hallway or passageway where the Damage occurs;
- when it is practicable to replace or repair and You do not want this to occur We will only pay Indemnity Value.

We will not pay for the cost to replace undamaged Contents.

For each and every claim You have to pay the amount of Excess shown on the Schedule for **Policy 1**.

Excesses

Earthquake

You have to pay or contribute in relation to earthquake or seismological disturbance the first \$500, or any higher Excess amount that is noted on Your Schedule, of the cost of loss or Damage which occurs during any one period of 7 days.

Other Excesses

Whenever an Excess and amount is shown on the Schedule, You have to pay or contribute the stated amount for each loss arising out of or consequent upon that numbered Event.

Excess Waiver

No Excess is payable if a claim is made by Your strata building owner for the same event on a CHU Policy.

You will not have to pay an Excess on Your claim if:

- You make a claim that is for an amount that is more than Your \$500 Excess amount, AND the Body Corporate, Corporation, Owners Corporation or Plan that owns Your building also claims on a CHU Residential Strata Insurance Plan for the same Insured Event.

For example; You have a standard \$500 Excess. A pipe bursts and Damages the strata building and does \$2000 Damage to Your Contents. The Body Corporate makes a claim on their CHU

Residential Strata Insurance Plan. You will not have to pay the \$500 Excess and We will pay \$2000 for Your claim. (If You did not have this benefit, We would have only paid \$1500 and You would have had to pay a \$500 Excess.)

If You incur Damage that is less than \$500, You will not be able to claim even if Your Body Corporate, Corporation, Owners Corporation or Plan makes a claim for building Damage on their CHU policy.

If Your strata building is not insured by CHU, then You will have to pay Your Excess for any claim.

This benefit will not apply in the event of an Earthquake or Tsunami.

Policy 2 – Building Damage – malicious Damage

What We insure

We insure You up to the Sum Insured shown for **Policy 2** on the Schedule, against loss or Damage caused:

- by Vandalism or Malicious Acts; or
- by theft (including Damage caused by theft);

by Your Tenants or their invitees to the walls, windows, doors, floors, ceilings or fixtures of Your Lot/Unit which occurs during the Period of Insurance.

Claims - how We will settle Your claim

We will pay the cost of repairing the Damaged walls, windows, doors, floors, ceilings or fixtures of Your Lot/Unit.

We will not pay if such Damage is covered by any insurance Policy effected by the Body Corporate on the building containing Your Lot/Unit.

Policy 3 – Loss of Rentable Value

What We insure

We insure You for loss of Rentable Value if during the Period of Insurance Your Lot/Unit becomes unfit to be occupied for its intended purpose due to:

- loss or Damage for which a claim is accepted under **Policy 1** or **Policy 2** and the Lot/Unit is Unliveable; or
- loss or Damage to Your Lot/Unit for which a claim is accepted under any insurance Policy effected by the Body Corporate in the case of a Lot/Unit; or
- murder or suicide occurring at Your Site; or
- Damage to other property at Your Site or in the immediate vicinity by an Event claimable under **Policy 1** or **Policy 2** and reasonable access to Your Lot/Unit is prevented as a consequence of such Damage.

Claims - how We will settle Your claim

The amount We pay is limited to the earlier of:

- a. a period ending not more than six weeks following repair or replacement of Your Contents or Lot/Unit; or
- b. the date from which Your Lot/Unit is re-tenanted; or
- c. the period shown for Policy 3 on the Schedule. Any amount so payable will be reduced by:
 - i. the amount You are entitled to recover or is recovered under any insurance Policy effected by the Body Corporate in the case of a Lot/Unit; or
 - ii. any Rent paid by Your Tenant during the period in which Your Lot/Unit is unfit to be occupied for its intended purpose.



Policy 4 – Loss of Rent (departure by Tenant)

What We insure

We insure You for loss of Rent up to the lesser of:

- the period shown for **Policy 4** on the Schedule; or
- until Your property is re-let;

if during the Period of Insurance Your Tenant suddenly departs without notice from Your Lot/Unit.

However, We will not pay for loss of Rent unless it is legally due to be paid by Your Tenant in conformity with the terms of the Tenancy Agreement.

Any amount so payable will be reduced by the amount of Bond Monies remaining after the deduction of Allowable Reletting Expenses, unless contrary to Law in Your State.

Special condition

You or Your Property Manager must take reasonable steps to re-let the property as soon as the departure of the Tenant is discovered. If You or Your Property Manager fail to do so We will not pay for any additional loss of Rent caused by such unreasonable delay.

Policy 5 – Loss of Rent (default by Tenant)

What We insure

We insure You for loss of Rent up to the lesser of:

- the period shown for **Policy 5** on the Schedule; or
- until Your property is re-let;

if during the Period of Insurance Your Tenant:

- a. defaults in the payment of Rent that requires the issue of a court or tribunal order for termination or eviction;
- b. defaults in the payment of Rent following the issue of a termination notice to vacate the premises by You or Your Property Manager;
- c. does not depart following the service of a court or tribunal order for termination or eviction and resists all reasonable attempts by You or Your Property Manager to gain vacant possession;
- d. dies while occupying Your Lot/Unit under a sole person Tenancy Agreement;
- e. is released from the requirements of the Tenancy Agreement by a court or tribunal on the grounds of hardship.

We will not pay for loss of Rent unless it is legally due to be paid by Your Tenant in conformity with the terms of the Tenancy

Agreement, other than under Clause e above when relief is granted by a court or tribunal.

Any amount so payable will be reduced by the amount of Bond Monies remaining after the deduction of Allowable Reletting Expenses, unless contrary to Law in Your State.

Special benefit

1. We will pay up to \$250 for the cost of changing door and/or window locks if Your Tenant is:
 - a. evicted by an officer of the court or tribunal; and
 - b. the court or tribunal has issued an order that the locks be changed.

Special condition

If You or Your Property Manager fail to issue and act on a court or tribunal termination or eviction order We will not pay for arrears that accrue from the date such action should reasonably have been taken until the time the Tenant subsequently departs.

Policy 6 – Legal expenses

What We insure

When a claim is payable under **Policies 3, 4 or 5** We will pay, up to the Sum Insured shown for Policy 6 on the Schedule, for legal expenses provided they are incurred:

- a. with Our prior written approval; and
- b. are for the express purpose of minimising a claim.

Special benefits

Special Benefits are included in addition to Your Sum Insured for **Policy 6**.

1 Property Manager costs

When a claim is payable under **Policies 3, 4 or 5** We will pay up to \$500 in any one Period of Insurance for the cost of Your Property Manager's time in representing You in court or at a tribunal to obtain a court or tribunal order against Your Tenant.

We will not pay unless such expense is specifically included in the Managing Agent Agreement between You and Your Property Manager.

2 Breach of agreement costs

If Your Tenant commences an action against You alleging a breach by You of the Tenancy Agreement We will pay up to \$500 in any one Period of Insurance for the cost of legal or similar type expenses You incur in defending such action.

We will not pay unless You obtain Our written approval prior to incurring such costs.

Policy 7 – Liability to others

What We insure

We insure You, up to the Limit of Liability shown for **Policy 7** on the Schedule, should You become legally responsible to pay compensation for:

- Personal Injury; or
- Property Damage;

resulting from an Occurrence in connection with the ownership of Your Lot/Unit and Contents.

Additional benefit

This Additional Benefit is included provided the Limit of Liability for Policy 7 is not otherwise expended in respect of any one Event.

1 Cost of defending a claim

We will pay:

- a. all legal costs and expenses incurred by Us;
- b. Reasonable Cost of legal representation You necessarily incur with Our written consent at a coronial inquest or inquiry into any death which may be the subject of a claim for compensation under **Policy 7**;
- c. other reasonable expenses You necessarily incur that We have agreed to reimburse; and
- d. all interest accruing after judgment has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following judgment.

We will not unreasonably withhold Our consent to costs and expenses in b. and c.

Exclusions – what We do not insure

1 We will not pay for any claim:

- a. in respect of Personal Injury to You or Your Family.
- b. in respect of claims that could be made under any workers' compensation legislation, industrial award or agreement, or statutory accident compensation scheme.
- c. for any liability to pay benefits under any workers' compensation, accident compensation or similar legislation applying where Your Lot/Unit is situated.
- d. in respect of Damage to property:
 - i. belonging to, rented by or leased by You, Your Family or in Your or their physical or legal control;
 - ii. belonging to any person who is deemed a worker or employee within the provisions of any workers' compensation, accident compensation or similar legislation applying where Your Lot/Unit is situated.
- e. arising out of Your trade, business, profession, occupation or any other activity that earns money or income other than the ownership of Your Lot/Unit at Your Site.



- f. arising out of the ownership of Your Investment Home other than its Contents.
 - g. arising out of:
 - i. alteration or renovations to Your Lot/Unit where the cost of such work, including labour and materials, exceeds \$50,000;
 - ii. the ownership of land or buildings at Your Site unless liability attaches to You as an owner of Your Lot/Unit by virtue of the Strata Titles Act or Community Titles Act or similar legislation applying where Your Lot/Unit is situated, or by the Articles or By-laws of Your Body Corporate.
 - h. caused by or arising out of the ownership, possession, or use by You of any Vehicle, Watercraft, aircraft or aircraft landing areas.
 - i. arising from vibration or from the removal or weakening of or interference with the support of land or buildings or any other property.
 - j. arising out of any terms of a contract or agreement You enter into (including any Lease Agreement). However, We will cover Your legal liability if You would have been liable at law without the contract or agreement;
 - k. arising out of the discharge, dispersal, release or escape into or upon property, land, the atmosphere or any water course or body of water or any costs and expenses incurred in the prevention or remediation of such contamination or pollution.
 - l. in respect of Personal Injury to any person arising out of pregnancy or the transmission of any communicable disease by You or Your Family.
 - m. arising from loss, Damage or injury intentionally caused by You or Your Family or a person acting with Your consent or the consent of Your Family, unless the action was reasonable and to prevent or reduce loss, Damage or injury to property or persons.
 - n. arising from destruction of or Damage to property by any government or public or local authority.
 - o. arising from any act or omission that is knowingly illegal, dishonest, fraudulent, wilful, malicious or done with reckless disregard for their consequences by You, Your Family or a person acting with the consent of You or Your Family.
- 2 We will not pay any fine, penalty or punitive, exemplary, aggravated, multiple or similar additional compensatory damages imposed against You.

Special definitions

The words listed below have been given a specific meaning and apply to Policy 7 when they begin with a capital letter.

Occurrence

means an Event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor

intended to happen by You.

Personal Injury

means:

- a. bodily injury (including death and illness), disability, fright, shock, mental anguish or mental injury;
- b. false arrest, wrongful detention, false imprisonment or malicious prosecution;
- c. wrongful entry or eviction or other invasion of the right of privacy;
- d. a publication or utterance of defamatory or disparaging material;
- e. assault and battery not committed by You or at Your direction unless committed for the purpose of preventing or eliminating danger to person or property;

which happens at Your Site during the Period of Insurance.

'Personal Injury' does not include the publication or utterance of a libel or slander:

- made prior to the commencement of the Period of Insurance; or
- made by or at the direction of You with knowledge of its falsity; or
- relating to advertising, broadcasting or telecasting activities by or on behalf of You.

Property Damage

means:

- a. physical Damage to or destruction of tangible property including its loss of use following such physical Damage or destruction; or
- b. loss of use of tangible property which has not been physically Damaged or destroyed provided that the loss of use has been caused by an Occurrence;

which happens at Your Site during the Period of Insurance.

Policy 8 – Government Audit costs

What We insure

We insure You, up to the Sum Insured shown for **Policy 8** on the Schedule, for Professional Fees You reasonably incur with Our written consent (which We will not unreasonably withhold) arising from an Audit first notified to You verbally or in writing during the Period of Insurance, or within 30 days thereafter, in connection with Your Lot/Unit or Investment Home at the Site.

We will not pay more than the Sum Insured for Policy 8 in any one Period of Insurance.

Special benefit

This Special Benefit is included in addition to Your Sum Insured for **Policy 8**.

1 Record Keeping Audit

We will pay up to \$1,000 in any one Period of Insurance for Professional Fees You reasonably incur with Our written consent in connection with a Record Keeping Audit.

Exclusions - what We do not insure

1 We will not pay for Professional Fees:

- a. if prior to the commencement of the Period of Insurance You, or any person acting on Your behalf:
 - i. received any notice of a proposed Audit;
 - ii. had information that an Audit was likely to take place;
 - iii. had information that would indicate to a reasonable person that an Audit was likely to take place.
- b. if a return, or a document required to be lodged in relation to an Audit, has not been lodged:
 - i. at all;
 - ii. properly;
 - iii. by the due date.
- c. for any Audit that is conducted specifically for the purposes of determining if a fine, penalty or prosecution should be imposed in connection with:
 - i. any act or omission by You; or
 - ii. any failure, act or omission arising from or in connection with Your statutory obligations.
- d. charged by someone other than a Professional Adviser unless We have given Our prior written consent.
- e. relating to the Audit of Your taxation and financial affairs unless the return is first lodged:
 - i. during the Period of Insurance; or
 - ii. not more than 12 months prior to the original inception date of Policy 8;
- f. relating to a return for a financial year not more than three years prior to the date You receive notification of an Audit.
- g. relating to an Audit if You fail to comply with any

requirement or obligation imposed upon You by any relevant legislation if a return in relation to the Audit was not prepared or reviewed by Your Professional Adviser prior to dispatch.

- h. if You breach any conditions in this Policy, including failing to comply with any requirement imposed by any relevant legislation or failing to do what You must do if You intend to make a claim or You make a claim.
- 2 **We will not under any circumstances pay for the cost of:**
- a. any fines, penalties, interest or adjustment of tax, additional tax, duty, government impost or similar charges.
 - b. any review pertaining to You maintaining any industry status, licence, membership or compliance with any employee related legislation or regulations.
 - c. the gathering of data or information by any government, statutory body, authority or agency that is not directly part of an Audit.

Special conditions

1 You must:

- a. make all efforts to comply with the relevant legislation, procedures and guidelines issued by the Australian Taxation Office, or Commonwealth, State or Territory Department, Statutory Body or Agency in relation to the maintenance of records, books and documents;
- b. lodge taxation and other statutory returns within the prescribed time limits or if an extension is granted within the further period granted;
- c. upon becoming notified of an Audit or impending Audit promptly inform CHU Underwriting Agencies Pty Ltd by telephone, in writing or in person;
- d. obtain CHU Underwriting Agencies Pty Ltd written approval before engaging a Professional Adviser, other than Your accountant, and notify them of all Professional Fees Your accountant proposes to charge.

2 An Audit commences:

- a. at the time You first receive notice that an Auditor proposes to conduct an Audit; and
- b. is completed when:
 - i. the Auditor has given written notice to that effect; or
 - ii. the Auditor notifies You that it has made a Final Decision of a Designated Liability; or
 - iii. the Auditor has issued an assessment or amended assessment of a Designated Liability.

Special definitions

The words listed below have been given a specific meaning and apply to Policy 8 when they begin with a capital letter.

Audit

means an audit or investigation of Your taxation and financial affairs by the Australian Taxation Office, or by a Commonwealth, State or Territory Department, Statutory Body or Agency in relation to and following the lodgement of Your return(s), including but not limited to Business Activity



Statement (BAS), Capital Gains Tax, Fringe Benefits Tax, Income Tax, Prescribed Payment and Group Tax Returns, Payroll Tax, Stamp Duty, Compliance with Superannuation Industry Supervision Act 1993 and Workers Compensation Returns.

Auditor

means an officer who is authorised under Commonwealth, State or Territory legislation to carry out an Audit of Your taxation or financial affairs.

Designated Liability

means Your obligation to pay an amount under Commonwealth, State or Territory Legislation.

Final Decision

means a written notification of the Auditors' completed views in connection with a Designated Liability and includes any written statement which is intended by the Auditor to be its findings or the basis upon which it proposes to act in connection with a Designated Liability.

Professional Adviser

means:

- a. an accountant who is a member of a nationally recognised accounting body, registered tax agent or tax consultant;
- b. any other professional person or consultant engaged by or at the recommendation of the accountant with Our prior written approval (which We will not unreasonably withhold), but does not mean You or any person working for You under a contract of employment.

Professional Fees

means the reasonable and necessary fees, costs and disbursements incurred in connection with an Audit that would be payable by You to Your Professional Adviser for work undertaken in connection with an Audit, but does not mean or include fees, costs and disbursements that:

- a. form part of an annual or fixed fee or cost arrangement; or
- b. relate to any subsequent objection or appeal or request for review in respect of the Audit, or any assessment, amended assessment or Final Decision of the Auditor; or
- c. were rendered by a third party in relation to which Our written consent was not obtained before those fees were incurred; or
- d. relate to or are associated with the preparation of any accounts, financial statements or documents or to any attendance or service which would have been or would or should ordinarily or prudently have been prepared prior to or at the time that the lodgement of any return or document was required to be lodged in connection with a Designated Liability.

Record Keeping Audit

means any enquiry or investigation to determine the extent of Your compliance with the record keeping requirements of

relevant legislation that You have to comply with.



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Landlords Insurance for Strata Product Disclosure Statement and Policy Wording

Enquiries for customers who have purchased insurance directly through CHU:

Email:

sales@chu.com.au

Claims email:

directclaims@chu.com.au

Make a claim online:

<https://claims.chu.com.au>

Phone:

1300 289 248 (9am-7pm AEST)

After Hours Emergency Hotline:

1800 022 444

Postal address:

PO BOX 500, North Sydney NSW 2059

National Office Street Address:

Level 33/101 Miller St, North Sydney NSW 2060

www.chu.com.au/contact-us

www.chu.com.au



CHU Underwriting Agencies Pty Ltd ABN 18 001 580 070 (AFS Licence No: 243261) is an underwriting agency acting on behalf of the insurer: QBE Insurance (Australia) Limited ABN 78 003 191 035 (AFS Licence No: 239545)

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