Landlord Protection Insurance

POLICY WORDING & PRODUCT DISCLOSURE STATEMENT (PDS)

CHUBB

Lockton Companies Australia Landlords Insurance Policy.

This product is issued by Lockton Companies Australia (ABN 85 114 565 785, AFSL 294 954) (LCA) as agent on behalf of Chubb. This product is also distributed by agents of LCA who do not act as Your agent.

LCA welcome the opportunity to discuss the benefits of this policy.

If You require further information, please contact Lockton Companies Australia on 1800 832 832.

www.locktonaustralia.com.au

About Chubb

Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London and other locations, and employs approximately 31,000 people worldwide.

Chubb, via acquisitions by its predecessor companies, has been present in Australia for over 50 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages, including Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities, as well as Accident & Health insurance, to a broad client base. Chubb is a major insurer of many of the country's largest companies. With five branches and over 500 staff in Australia, it has a wealth of local expertise backed by its global reach and breadth of resources.

More information can be found at www.chubb.com/au

Summary of Landlord Protection Insurance

The following provides a summary of the main covers available under the Policy only; it does not form part of the Policy and cannot be relied on as a full description of the cover provided.

Please refer to the relevant Sections of the Policy and the Schedule for full benefit details and applicable terms, limitations, conditions and exclusions. The Policy also defines certain terms used in this summary under General Definitions or as definitions specific to certain Sections.

Section 1A Building & Section 1B Damage by Tenant – Cover against Accidental Loss or Accidental Damage to Your Building occurring during the Policy Period up to the Limit of Liability applicable to Section 1. Section 1 also provides the following Additional Benefits. Cover for:

i. Accidental Loss or Accidental Damage caused by the burning out of an electric motor forming part of the Contents which is less than 3.7 kilowatts and 10 years old;
ii. loss or damage to Your Building, caused directly by:
    a. Malicious Damage;
    b. Theft; or
    c. Riot and Civil Commotion.

Each of these Additional Benefits are subject to certain limitations and maximum claim limits specified in Section 1.

Contents include household goods and appliances, carpets, internal blinds and curtains, furniture and furnishings that are not built in plus Above Ground Swimming Pools that:

i. are owned by You (or for which You are legally responsible); and
ii. You provide to the Tenant for use at the Situation and are listed in a property condition report signed by the Tenant at the beginning of the Lease.

Section 2: Loss of Rent and Legal Expenses - Cover against loss of Rent as result of:

iii. loss or damage covered by Section 1A & B – Building Cover;
iv. prevention of access to the Property;
v. loss or damage covered by Section 3 – Contents Cover;
vi. a Tenant absconding and not complying with Lease obligations;
vii. a Tenant breaking their lease and not complying with Lease obligations;
viii. default of Rent payment including when a court has issued an eviction order against the Tenant;
ix. death of a sole Tenant; or
x. a court awarding a Tenant a release of Lease obligations due to hardship.

The amounts payable for a loss of Rent claim are subject to maximum periods of claim and a maximum weekly recoverable Rent.

This Section also provides an Additional Benefit of up to $10,000 for legal expenses incurred with Our written consent for the purpose of evicting the Tenant or recovering amounts payable by the Tenant for damage caused by the Tenant or rental default by the Tenant.

Section 3: Contents Cover – Cover against Accidental Loss or Accidental Damage to Your Contents occurring during the Policy Period up to the Limit of Liability applicable to Section 3. Section 3 also provides the following Additional Benefits. Cover for:

i. Accidental Loss or Accidental Damage caused by the burning out of an electric motor forming part of the Contents which is less than 3.7 kilowatts and 15 years old;
ii. loss or damage to Your Contents, caused directly by:
    a. Malicious Damage;
    b. Theft; or
    c. Riot and Civil Commotion.

Each of these Additional Benefits are subject to certain limitations and maximum claim limits specified in Section 3.

Contents include household goods and appliances, carpets, internal blinds and curtains, furniture and furnishings that are not built in plus Above Ground Swimming Pools that are owned by You (or for which You are legally responsible); and You provide to the Tenant for use at the Situation and are listed in a property condition report signed by the Tenant at the beginning of the Lease.

Section 4: Liability Cover – Covers You up to the Limit of Liability applicable to Section 4 for legal liability to pay Compensation in respect of Personal Injury of others or Property Damage of others occurring during the Policy Period as a result of an Occurrence happening in connection with Your ownership of the Property.

About this Landlord Protection Insurance Product Disclosure Statement 4
General Advice 4
The Insurer 4
The Agent 4
General Insurance Code Of Practice 4
Your Records 4
Receiving Your Policy Documents 4
Cooling Off and Cancellation Rights 4
Renewal Procedure 5
Privacy Statement 5
Complaints and Dispute Resolution 5
Premium 6
Financial Claims Scheme 6
Updating this PDS 6
How to Contact Us 6
Duty of Disclosure 7
DEFINITIONS AND WORDS WITH SPECIAL MEANINGS 8
SECTION 1A BUILDING AND SECTION 1B DAMAGE BY TENANT TO BUILDING 11
Section 1A : Building 11
Section 1B: Damage by Tenant to Building 11
Additional Benefits 12
How Chubb Will Pay a Building Claim 13
SECTION 2- LOSS OF RENT AND LEGAL EXPENSES 14
A - Loss of Rent Following Loss or Damage Covered by Section 1A or 1B – Building Cover 14
B - Loss of Rent Due to Prevention of Access 14
C - Loss of Rent Following Loss or Damage Covered by Section 3 – Contents Cover 14
D - Loss of Rent Due to Tenant Absconding and/or Rent Default 14
E - Loss of Rent Due to Eviction and/or Death of the Tenant 14
F - Loss of Rent due to a Court Awarding the Tenant Release from Lease Obligations Due to Hardship 14
Additional Benefit 14
How Chubb will pay a Rent and Legal Expenses claim 15
Special Conditions Applicable for Rent and Legal Expenses 15
SECTION 3 CONTENTS COVER 16
What is Not Covered 16
Additional Benefits 16
How We will pay a Contents claim 17
Limit of Liability and Excess applicable 17
SECTION 4 - LIABILITY COVER 18
What is Covered 18
What is Not Covered 18
Limit of Liability and Excess applicable 19
Specific Conditions Applicable to Liability 19
EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY 20
CONDITIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY 21
CLAIMS CONDITIONS APPLICABLE TO ALL SECTIONS 22

About this Landlord Protection Insurance Product Disclosure Statement
This booklet is the Product Disclosure Statement (PDS) for Chubb's Landlord Insurance policy. It will assist You to make an informed decision about Your insurance. It contains important information about the Policy, its features, benefits, risks and costs. Please read it carefully.

If we accept Your application You will receive a Schedule that summarises the insurance cover You have selected.

This PDS was prepared on 30th November 2016. Other documents may form part of Our PDS and if they do, We will tell You in the relevant document.

General Advice
Any general advice that may be contained within this PDS or accompanying material does not take into account Your individual objectives, financial situation or needs nor those for whom You are effecting the Policy. Such matters should be considered in determining the appropriateness of this product. Consideration also needs to be given to whether the limits, type and level of cover are appropriate.

The Insurer
The insurer of this policy is Chubb Insurance Australia Limited (ABN 23 001 642 020, AFSL 239687) (Chubb).

You can contact Chubb at:

Head Office:	Grosvenor Place, Level 38, 225 George Street SYDNEY NSW 2000
Postal address:	GPO Box 4907 SYDNEY NSW 2001
Telephone:	1800 815 675
Facsimile:	+61 2 9335 3467
E-mail:	CustomerService.AUNZ@chubb.com

The Agent
Lockton Companies Australia Pty Ltd (ABN 85 114 565 785, AFSL 294 954) (LCA) arranges policies for and on behalf of the insurer. LCA acts under a binding authority given to it by the insurer to administer and issue policies, alternations and renewals. In all aspects of arranging this policy, LCA acts as an agent for the insurer and not for You.

You can contact LCA at:

Head Office:	Level 1, 297 Vincent Street LEEDERVILLE WA 6007
Postal address:	PO Box 270 LEEDERVILLE WA 6902
Telephone:	08 9217 0800
E-mail:	Sharon.payne@au.lockton.com

General Insurance Code Of Practice
We are a signatory to the General Insurance Code of Practice (the Code). The objectives of the Code are to further raise standards of service and promote consumer confidence in the general insurance industry. Further information about the Code and Your rights under it is available at www.codeofpractice.com.au and on request.

Your Records
This PDS and Your policy schedule are a record of Your cover. They are important documents containing the terms and conditions which apply to this agreement. You may need to refer to them periodically, particularly when Your policy is due for renewal or at the time of a claim. Please keep them in a safe place.

In the event of a claim we may require You to produce evidence of ownership and/or value of the items lost, stolen or damaged. You may also need to provide a copy of Your lease or rental agreement. Please keep such documents in a safe place.

Receiving Your Policy Documents
You may choose to receive Your policy documents:
- electronically, including but not limited to email; or
- by post.

If You tell LCA to send Your policy documents electronically, LCA will send them to the email address that You have provided. This will continue until You tell LCA otherwise or until LCA advises that this method is no longer suitable. Each electronic communication will be deemed to be received by You 24 hours after it leaves LCA's information system. If You do not tell LCA to send Your policy documents electronically, the policy documents will be sent to the mailing address that You have provided.
You are responsible for ensuring that the email and mailing address that LCA has is up to date. Please contact LCA to change Your email or mailing address.

Cooling Off and Cancellation Rights
You have fourteen (14) days after entry into the Policy (including renewals) to decide whether to return it. If the request is made to Us in writing within those fourteen (14) days, We will cancel the Policy, provided You have not exercised a right or power under the terms of the Policy in that period (e.g. a claim has been made or benefit paid). We will provide a full refund of Premium, less charges or taxes which We are unable to recover. Even after the cooling off period ends You have cancellation rights (See page 21 Cancellation clause).

Renewal Procedure
Before the Policy expires, We will advise You whether We intend to offer renewal and if so on what terms. It is important to check the terms of any renewal before renewing to ensure that the details are correct.

Privacy Statement

Chubb Insurance Australia Limited (Chubb) is committed to protecting your privacy. This document provides you with an overview of how we handle your personal information. Our Privacy Policy can be accessed on our website at www.chubb.com/au.

Personal Information Handling Practices

Collection, Use and Disclosure

We collect your personal information (which may include sensitive information) when you are applying for, changing or renewing an insurance policy with us or when we are processing a claim in order to help us properly administrate your insurance proposal, policy or claim.

Personal information may be obtained by us directly from you or via a third party such as your insurance intermediary or employer (e.g. in the case of a group insurance policy).

When information is provided to us via a third party we use that information on the basis that you have consented or would reasonably expect us to collect your personal information in this way and we take reasonable steps to ensure that you have been made aware of how we handle your personal information.

The primary purpose for our collection and use of your personal information is to enable us to provide insurance services to you. Sometimes, we may use your personal information for our marketing campaigns, in relation to new products, services or information that may be of interest to you.

We may disclose the information we collect to third parties, including service providers engaged by us to carry out certain business activities on our behalf (such as assessors and call centres in Australia). In some circumstances, in order to provide our services to you, we may need to transfer personal information to other entities within the Chubb Group of companies (such as the regional head offices of Chubb located in Singapore, UK or USA), or third parties with whom we or those other Chubb Group entities have sub-contracted to provide a specific service for us, which may be located outside of Australia (such as in the Philippines or USA). Please note that no personal information is disclosed by us to any overseas entity for marketing purposes.

In all instances where personal information may be disclosed overseas, in addition to any local data privacy laws, we have measures in place to ensure that those parties hold and use that information in accordance with the consent you have provided and in accordance with our obligations to you under the Privacy Act 1988 (Cth).

Your Choices

In dealing with us, you agree to us using and disclosing your personal information as set out in this statement and our Privacy Policy. This consent remains valid unless you alter or revoke it by giving written notice to our Privacy Officer. However, should you choose to withdraw your consent it is important for you to understand that this may mean we may not be able to provide you or your organisation with insurance or to respond to any claim.

How to Contact Us

If you would like a copy of your personal information, or to correct or update it, please contact our customer relations team on 1800 815 675 or email CustomerService.AUNZ@chubb.com.

If you have a complaint or would like more information about how we manage your personal information, please review our Privacy Policy for more details or contact the Privacy Officer, Chubb Insurance Australia Limited, GPO Box 4907, Sydney NSW 2001, Tel: +61 2 9335 3200 or email Privacy.AU@chubb.com.

Complaints and Dispute Resolution
We take the concerns of our customers very seriously and have detailed complaint handling and internal dispute resolution procedures that you can access. Please note that if we have resolved your initial complaint to your satisfaction by the end of the 5th business day after we have received it, and you have not requested that we provide you a response in writing, the following complaint handling and internal dispute resolution process does not apply. This exemption to the complaints process does not apply to complaints regarding a declined claim, the value of a claim, or about financial hardship.

Stage 1 – Complaint Handling Procedure
If you are dissatisfied with any aspect of your relationship with Chubb including our products or services and wish to make a complaint, please contact us at:
The Complaints Officer
Chubb Insurance Australia Limited
GPO Box 4065
Sydney NSW 2001
O 1800 815 675
E Complaints.AU@chubb.com
The members of our complaint handling team are trained to handle complaints fairly and efficiently.
Please provide us with your claim or policy number (if applicable) and as much information as you can about the reason for your complaint.
We will investigate your complaint and keep you informed of the progress of our investigation. We will respond to your complaint in writing within fifteen (15) business days provided we have all necessary information and have completed any investigation required. In cases where further information or investigation is required, we will work with you to agree reasonable alternative time frames and, if We cannot agree, you may request that your complaint is taken to Stage 2 and referred to Our internal dispute resolution team. We will otherwise keep you informed about the progress of our response at least every ten (10) business days, unless you agree otherwise.
Please note if your complaint relates to Wholesale Insurance (as defined in the General Insurance Code of Practice), we may elect to refer it straight to Stage 2 for review by our Internal Dispute Resolution team.

Stage 2 – Internal Dispute Resolution Procedure
If you advise us that you wish to take your complaint to Stage 2, your complaint will be reviewed by members of our internal dispute resolution team, who are independent to our complaint handling team and are committed to reviewing disputes objectively, fairly and efficiently.
You may contact our internal dispute resolution team by phone, fax or post (as below), or email at:
Internal Dispute Resolution Service
Chubb Insurance Australia Limited
GPO Box 4065
Sydney NSW 2001
O +61 2 9335 3200

F +61 2 9335 3411
E DisputeResolution.AU@chubb.com
Please provide us with your claim or policy number (if applicable) and as much information as you can about the reason for your dispute.
We will keep you informed of the progress of our review of your dispute at least every ten (10) business days and will respond to your dispute in writing within fifteen (15) business days, provided we have all necessary information and have completed any investigation required. In cases where further information or investigation is required, we will work with you to agree reasonable alternative time frames. If we cannot agree, you may refer your dispute to the Financial Ombudsman Service Australia (FOS) as detailed under Stage 3 below, subject to its Terms of Reference.
If your complaint or dispute falls outside the FOS Terms of Reference, you can seek independent legal advice or access any other external dispute resolution options that may be available to you.

Stage 3 – External Dispute Resolution
If you are dissatisfied with our internal dispute determination, or we are unable to resolve your complaint or dispute to your satisfaction within forty-five (45) days, you may refer your complaint or dispute to FOS, subject to its Terms of Reference.
FOS is an independent external dispute resolution scheme approved by the Australian Securities and Investments Commission. We are a member of this scheme and we agree to be bound by its determinations about a dispute. Where a dispute is covered by the FOS Terms of Reference, the General Insurance Division of FOS offers a free and accessible dispute resolution service to consumers.
You may contact FOS at any time at:
Financial Ombudsman Service Australia
GPO Box 3
Melbourne VIC 3001
O 1800 367 287
F +61 3 9613 6399
E info@fos.org.au
www.fos.org.au
If you would like to refer your dispute to FOS you must do so within 2 years of the date of our internal dispute determination. FOS may still consider a dispute lodged after this time if FOS considers that exceptional circumstances apply.

Premium
All cover is subject to the payment of premium and the terms, conditions, exclusions and provisions of the Policy. When calculating the premium for the Policy, We take a range of factors into account, including:

i. the effective periods of the Rental Agreements; and
ii. the value of the Rented Items.

It is important for You to know that the premium varies depending on the information We receive from You about the risk to be covered by Us. Based on Our experience, We decide what factors increase Our risk and how they should impact on the premium.

The premium also includes amounts that take into account Our obligation to pay any relevant compulsory government charges or taxes (e.g. stamp duty) in relation to the Policy. These amounts will be set out separately in the Schedule as part of the total premium payable.

When You apply for this insurance, You will be advised of the total premium amount, when it needs to be paid and how it can be paid.

We may change the premium from the renewal date of the Policy if We notify You of the change in writing prior to that date.

Non payment of Premium
If You fail to pay the premium on time, and the premium remains unpaid for at least ninety (90) days, We may cancel the Policy.

Financial Claims Scheme
We are an insurance company authorised under the Insurance Act 1973 (Cth) (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act.

The Insurance Act is designed to ensure that, under all reasonable circumstances, financial promises made by Us are met within a stable, efficient and competitive financial system.

Because of this We are exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act 2001 (Cth). We have compensation arrangements in place that are in accordance with the Insurance Act.

In the unlikely event that We were to become insolvent and were unable to meet Our 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. Please refer to https://www.fcs.gov.au for more information.

Updating this PDS
We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue You with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases.

Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes. A paper copy of any updated information is available to You at no cost by contacting Us.

How to Contact Us
To contact Us, ask any questions or request any further information regarding the Policy, refer to Our contact details under the heading "The Insurer".

Duty of Disclosure

Your Duty of Disclosure

Before You enter into this contract of insurance, You have a duty of disclosure under the *Insurance Contracts Act 1984*.
The duty applies until We first agree to insure You, and where relevant, until We agree to any subsequent variation, extension, reinstatement or renewal (as applicable).

Answering our questions

In all cases, if We ask You questions that are relevant to Our decision to insure You and on what terms, You must tell Us anything that You know and that a reasonable person in the circumstances would include in answering 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.

Variations, extensions and reinstatements

For variations, extensions and reinstatements, You have a broader duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

Renewal

Where We offer renewal, We may, in addition to or instead of asking specific questions, give You a copy of anything You have previously told Us and ask You to tell Us if it has changed. If We do this, You must tell Us about any change or tell Us that there is no change.

If You do not tell Us about a change to something You have previously told Us, You will be taken to have told Us that there is no change.

What You do not need to tell Us

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to tell Us, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

DEFINITIONS AND WORDS WITH SPECIAL MEANINGS
In this Policy there are words that have a special meaning. These words begin with a capital letter. Those words that have a special meaning that apply to all Sections of the Policy are set out and defined below:

Above Ground Swimming Pool - a swimming pool that has most of its water volume above ground level.

Accidental Loss or Accident Damage - an unintended and unforeseen Event from the standpoint of the Insured and includes a series of accidents arising out of one Event.

Act of Terrorism - any act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Aircraft - any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.

Bond Money - money paid by the Tenant and held as security against damage to the Property or outstanding Rent or other costs.

Breakage - as regards Glass, a fracture extending through the entire thickness of the Glass. Broken has a corresponding meaning to Breakage.

Building - the residential dwelling house or Strata Plan owned by You at the Situation that is described in the Schedule and includes:
- i. domestic outbuildings located at the Situation;
- ii. domestic fixtures and fittings, such as wired-in air conditioners and heaters, plumbed-in dishwashers, vacuum systems, cook tops, ovens and garbage disposal units; built in cabinetry, doors, walls, windows including Glass, tapware, hot water, built in screens, grey and black water treatment systems, pumps;
- iii. domestic structural improvements, such as: paths, driveways, masts, aerials, exterior blinds, awnings, pergolas, fixed rainwater tanks, solar panels, swimming pools, spas, saunas and tennis courts including their attachments; wired in light fittings;
- iv. fixed or temporary floor coverings, and
- v. services owned by You, such as: electricity, water, sewerage and gas.

But Building does not include:
- i. any building or part of a building used for commercial purposes other than as a home office or surgery;
- ii. Above Ground Swimming Pools;
- iii. common property if the Building is part of a Strata plan or similar title;
- iv. property of Tenants;
- v. carpets, internal blinds and curtains supplied by the Tenant; and
- vi. building materials.

Combined Limit of Liability - the combined limit of Our total liability applicable to more than one Section of the Policy as specified in the Schedule.

Computer Equipment - computer hardware, operating system, computer network and other equipment containing or comprising any computer technology.

Contents - items a - e below that are owned by You (or for which You are legally responsible) and which:
- i. You provide to the Tenant for use at the Situation; and
- ii. are listed in a property condition report or inventory signed by the Tenant at the beginning of the Lease.
  - a. household goods and appliances;
  - b. carpets, internal blinds and curtains;
  - c. furniture and furnishings that are not built in;
  - d. portable domestic appliances that are not built in; and
  - e. Above Ground Swimming Pools.

But "Contents" does not include:
- i. any Building as defined under the definition of Building;
- ii. any property of Tenants;
- iii. computer equipment or any other form of Electronic Data;
- iv. photographic and video equipment including photographs, images on film, video tape, computer disc or any form of data storage medium other than security devices permanently installed to the Building;
- v. any electronic equipment including monitors, visual display units, projectors, home theatre systems, CD, DVD, MP3, tape, cassette or record players and/or recorders other than devices permanently installed to the Building;
- vi. mobile telephones or personal data organisers;
- vii. clothing, jewellery, furs, watches or other personal effects;
- viii. cash, coins, transaction cards or any negotiable instruments;
- ix. wills, share certificates, manuscripts, plans and documents of any kind;
- x. stamps, precious stones, collectable coins and medals;
- xi. firearms;
- xii. antiques;
- xiii. hand woven rugs;
- xiv. works of art valued at greater than $500 any one article;
- xv. fish, birds or animals of any description;
- xvi. trees, shrubs, grass and any other plant life;
- xvii. gravel, shale, stones on paths, driveways or tennis courts;
- xviii. building materials;
- xix. tools or equipment of trade or profession;
- xx. commercial or retail stock;
- xxi. sporting and fishing goods or equipment including bicycles;
- xxii. Vehicles, caravans and trailers of any description;

xxiii. Watercraft;
xxiv. Aircraft;
xxv. accessories or spare parts of Vehicles, caravans, trailers, Watercraft or Aircraft;
xxvi. any common property under a strata plan or similar title; or
xxvii. any property which is illegally in Your possession.

Covered Person - the person named in the schedule as the insured.

Electronic Data - facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for such equipment.

Event - an incident or situation, which occurs in a particular place during a particular interval of time.

Excess - the amount that You contribute towards each claim. We will reduce the amount We pay to You for Your claim by the Excess. The Excesses that are applicable to each Section of the Policy are specified in the Schedule.

Flood - the inundation of normally dry land by water from any watercourse, lake, reservoir, canal or dam.

Glass –

i. as regards Section 1A and 1B – Building: fixed glass, Perspex and plastic material in a window, door, skylight or partition and any porcelain, marble, granite or fibreglass whilst in a fixed shower base, basin, sink, lavatory pan or cistern.
ii. As regards Section 3 - Contents: fixed mirrors and glass when forming part of an item of furniture including fixed and unfixed glass table tops.

Indemnity Value - the Replacement Value less an allowance for depreciation, wear and tear based on the age and condition of the Building and/or Contents at the time of the loss or damage.

Lease - the written and enforceable rental agreement between You and the Tenant that provides for:

i. the term of the rental period for a period of at least three months;
ii. the amount of Rent payable; and
iii. the amount of Bond Money payable which shall be equivalent to at least 4 weeks Rent.

Limit of Liability - the limit of Chubb's total liability applicable to a Section of the Policy as specified in the Schedule.

Malicious Damage - damage caused by wrongful and/or a deliberate act motivated by malice, vindictiveness or spite; it does not mean Theft, burglary or housebreaking.

Open Air - an area of the Situation which is not fully enclosed by walls and a roof or not capable of complete closure and includes but is not limited to the following areas:

i. a veranda, porch, gazebo or carport; or
ii. any open area within the land boundaries of the Situation.

Policy - the contract of insurance between You and Chubb which comprises this Product Disclosure Statement, the Proposal, this wording, the Schedule and any document issued by Chubb varying the Policy coverage.

Policy Period - the period stated in the Schedule during which the insurance covers provided by this Policy are in place.

Pollutants - any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Premium - the premium specified in the Schedule or in any endorsement to the Policy.

Property - the Building and Contents at the Situation.

Property Manager - the licensed real estate agent or on-site property manager named in the Schedule.

Proposal - the application to enter into this Policy completed by You or on Your behalf (together with all accompanying information) relied upon by Chubb.

Rent - the amount paid or payable under the Lease in respect of rental at the time of the loss or damage.

Replacement Value - the reasonable and necessary cost of replacing, rebuilding or repairing (at Our option) the Building and / or Contents to a condition substantially the same as when new but not more extensive than when new.

Where the Building and/or Contents are damaged in part only, then the expression "Replacement Value" means the reasonable and necessary cost of replacing, rebuilding, or repairing the damaged portion of the Building and/or Contents only to a condition substantially the same as when new but not more extensive than when new.

Where the Building has heritage or architectural features or structural materials of a particular ornamental, antique or historical character, or where the original materials are not readily available, the expression "Replacement Value" means the reasonable and necessary cost of replacing, rebuilding, or repairing the Building only to a reasonably equivalent appearance and utility using the nearest equivalent and readily available building materials.

Schedule - the Schedule issued with this Policy wording containing specific insurance details and which forms part of Your Policy.

Sea - any ocean, sea, harbour or tidal water.

Section - a section of this Policy.

Situation - the residential address shown in the Schedule where the Property is located.

Storm - violent disturbance of the atmosphere, including strong winds that may be accompanied by lighting, rain, snow, hail or sleet.

Strata Plan - a system of title that allows the owner of a unit, in a block of units, to have a separate title for that unit.

Subrogation: an insurer's rights at law to take over the insured's rights, following a claim payment to recover the payment from a third party responsible for the loss. Usually, this will be a negligent party who has breached his or her duty of care, but subrogation can also arise under contract, such as a lease or "hold harmless" agreement. The Insurance Contracts Act (1984) places some limits on recovery from family members

Tenant - the person or persons named in the Lease, including any other person who permanently resides at the Situation.

Theft – theft without forcible entry.

Total Loss - where We pay the full Combined Limit of Liability applicable to Sections 1 or 2 of this Policy.

Tsunami - a sea wave caused by an earthquake, earth tremor or other seismological disturbance under the Sea.

You and **Your** - the person(s), companies or firms named as the "Insured" in the Schedule.

Vehicle - any type of machine on wheels or on caterpillar tracks made or intended to be self-propelled by mechanical power.

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

We, Us, Our - Chubb Insurance Australia Limited, (ABN 23 001 642 020, AFSL 239687) (Chubb) who is the insurer/issuer of the policy.

SECTION 1A BUILDING AND SECTION 1B DAMAGE BY TENANT TO BUILDING

Cover is provided for the benefits set out below in Sections 1A and 1B subject to the terms, conditions and exclusions of the Policy.

Section 1A : Building

Where Building is stated in the Schedule, You are covered against Accidental Loss or Accidental Damage to Your Building caused by the following events:

i. Breakage of Glass forming part of the Building, but excluding any loss or damage to:
   a. glassware, crystal, crockery or china;
   b. ornaments, vases or lamps;
   c. the picture tube or screen in a television, computer monitor or any other electronic visual display unit;
   d. glass in a picture frame, painting, clock or radio set;
   e. any item of travertine or similar material when unfixed;
   f. glass in any glasshouse;
   g. any items that are wholly or partly in a defective state at the time of Breakage; or
   h. any glass not falling within the definition of Glass in this Policy.

ii. Bursting, leaking, discharging or overflowing of fixed guttering, fixed tanks, fixed pipes or other fixed apparatus used to hold or carry liquid of any kind, but excluding:
   a. the cost of repair or replacement of any defective part or apparatus; or
   b. the cost of repair of structural defects, faulty workmanship or design.

iii. Earthquake or Tsunami but excluding loss or damage to Your Building occurring after 48 hours of the earthquake unless such damage is directly attributable to such Earthquake.

iv. Fire, explosion, lightning or thunderbolt, but excluding loss or damage caused by:
   a. arcing, sparking, scorching, melting or charring where there is no flame; or
   b. irregularities in the power supply unless there is evidence that such loss or damage was caused by lightning strike.

v. Impact by:
   a. Vehicles or Watercraft;
   b. Aircraft;
   c. Falling trees and branches; or
   d. TV antennas, TV dishes or radio masts

vi. Storm but excluding loss or damage caused:
   a. by action of the Sea;
   b. by wind, hail or wind entering the Building as a result of an opening made for the purpose of construction, demolition, alteration or repair of the Building or any part of the Building;
   c. by erosion, subsidence, landslide or any other earth movement;
   d. by settling or shrinkage;
   e. by structural defects, faulty workmanship or design;
   f. by any failure to adequately maintain the Property;
   g. by rust, corrosion, wear, tear or gradual deterioration;
   h. by a defect of which You or the Property Manager was aware or should have reasonably been aware prior to the Policy Period;
   i. to swimming pool or spa covers or linings; or
   j. to a glasshouse or of any type or form of construction.

vii. Malicious or Deliberate Damage but excluding any Malicious Damage or deliberate damage involving Your participation.

viii. Theft committed by any person (including a Tenant), but excluding:
   a. Theft involving Your participation; or
   b. Theft of property in Open Air.

ix. Riot and Civil Commotion but excluding any loss or damage involving Your participation.

x. for the Additional Benefits 1 – 12 defined further in this section,

Section 1B: Damage by Tenant to Building

Where Damage by Tenant to Building is stated in the Schedule, You are covered against Accidental Loss or Accidental Damage to Your Building including that caused by the Events below except to the extent excluded below:

i. Accidental Loss or Accidental Damage caused by:-
   a. Your Tenant;
   b. Your Tenant's family;
   c. Your Tenant's invited guests;

   but excluding any loss or damage to the Property when it is occupied or damaged by You, Your family or Your invited guests.

ii. Malicious Damage caused by:-
   a. Your Tenant;
   b. Your Tenant's family;
   c. Your Tenant's invited guests;

   but excluding loss or damage to the Property when it is occupied or damaged by You, Your family or Your invited guests.

iii. Theft or damage due to Theft caused by:-
   a. Your Tenant;
   b. Your Tenant's family;
   c. Your Tenant's invited guests;

   but excluding any loss or damage to the Property when it is occupied or damaged by You, Your family or Your invited guests.

You are covered up to the Limit of Liability applicable to Section 1B for:

i. Accidental Loss or Accidental Damage to Your Building listed below occurring during the Policy Period; and

for the Additional Benefits 1 – 13 defined further in this Section, in accordance with How Chubb Will Pay a Building Claim applicable to Section 1.

Additional Benefits

Where you have purchased cover for Section 1A and/or 1B as shown on Your Schedule, the following additional benefits apply during the Policy Period. We will pay the Additional Benefits 1 to 13 when the Limit of Liability applicable to Section 1 is not otherwise exhausted (unless otherwise specified). The costs or losses covered by Additional Benefits 1, 2, 4, 5, 6, 10, 12 and 13 will only be paid when they result from Accidental Loss or Accidental Damage to Your Building covered during the Policy Period and Your claim is accepted by Us under Section 1A and / or 1B.

Additional Benefit 1 - Authority Fees

Fees, contributions or imposts payable by You to any government or local authority to obtain a building or construction consent to repair, replace or rebuild any damaged portion of the Building, provided that We will not pay:

i. any fines or penalties imposed by such authority; or
ii. any costs imposed by any government or local authority that would have applied to the Building prior to the loss or damage.

The maximum that We will pay in respect of Additional Benefit 1 in any one Policy Period is 10% of the Limit of Liability applying to Section 1A or 1B.

Additional Benefit 2 – Fumigation Costs

The reasonable and necessary costs of cleaning up and fumigating a Building following the death or arising from the occupancy of a Tenant at the Situation during the Policy Period rendering the Building unfit for occupation.
Our liability for all claims under this Additional Benefit 2 in any one Policy Period shall not exceed $30,000.

Additional Benefit 3 – Fusion

Notwithstanding Exclusions xvi and xvii of the 'Exclusions Applicable to All Sections of the Policy', where you have purchased cover under Section 1A Building in the Schedule, We will pay for Accidental Loss or Accidental Damage occurring during the Policy Period caused directly by the burning out of an electric motor forming part of the Building that has a capacity less than 3.7 kilowatts and is less than 15 years old at the time of loss. Under this Additional Benefit 3, We will, pay the reasonable cost to repair or replace the electric motor or any sealed compressor unit containing a motor, provided that We shall not be liable for:

i. the repair or replacement of any part not forming part of the motor unless damaged as a direct consequence of the burning out of the electric motor;
ii. the cost of repair or replacement of rectifiers and transformers unless damaged as a direct consequence of the burning out of the electric motor; any motor under any manufacturer's, seller's or distributor's warranty or guarantee; or
iii. any motor used for a business, trade or profession. Our liability for all claims under this Additional Benefit 3 in any one Policy Period shall not exceed $5,000.

Additional Benefit 4 – Mortgage Discharge Legal Fees

When You have Section 1A Building Cover and Your claim under Section 1A is for Total Loss we will pay the reasonable and necessary legal costs for discharging Your mortgage on the Building provided that You discharge Your mortgage from the amount We pay under Section 1A in accordance with the Section below called How Chubb Will Pay a Building Claim applicable to Section 1..

Additional Benefit 5 – Professional Fees

We will pay fees and incidental costs of architects, surveyors, consulting engineers and lawyers for:

i. estimates;
ii. plans and specifications;
iii. applications for building or construction consents;
iv. quantities;
v. tenders; and
vi. supervision;

necessarily and reasonably incurred by You, with Our written consent, in the process of repairing, replacing or rebuilding the damaged portion of the Building, provided that We will not be liable for the costs of preparing any claim under this Policy or any other policy.
The maximum that We will pay in respect of Additional Benefit 5 in any one Policy Period is 10% of the Limit of Liability applying to Section 1A or 1B.

Additional Benefit 6 – Removal of Debris

We will pay for costs reasonably and necessarily incurred by You in removing and disposing of any debris that is necessary to repair, replace or rebuild any damaged portion of the Building.
The maximum that We will pay in respect of Additional Benefit 6 is 10% of the Limit of Liability applicable to Section 1A or 1B, whichever the higher.

Additional Benefit 7 - Pets

We will pay for loss or damage to Your Building caused directly by a pet. The maximum We will pay in respect to Additional Benefit 7 is $5,000, for any one Lease during the Policy Period.

Additional Benefit 8 – Landscaping

We will pay for Accidental Loss or Accidental Damage to Your landscaping, permanent trees, shrubs grass, or other plant life caused by:-

1. bursting, leaking or discharging or overflowing of fixed guttering, fixed tanks, fixed pipes and the like;
2. earthquake or tsunami;
3. fire, explosion, lightning or thunderbolt;
4. impact by Vehicles or Watercraft, Aircraft, falling trees, and branches, television antennas, television dishes or radio masts; and
5. Storm.

The maximum that We will pay in respect of Additional Benefit 8 for any one loss is $5,000.

Additional Benefit 9 – Scorching

We will pay for Accidental Loss or Accidental Damage, caused by cigarettes, irons or cooking pots / pans. This cover applies to:-

i. carpet – but only in the room where loss or damage occurs; and
ii. bench / vanity tops,

The maximum amount We will pay for under this Additional Benefit 9 for any one loss is $2,500.

Additional Benefit 10 – Exploratory Costs – Liquids
Where Accidental Loss or Accidental Damage covered under Section 1A or 1B has occurred, We will pay the additional costs for the exploration to locate the source of escaping liquids and repair any damage caused in identifying the source. The maximum amount We will pay under this Additional Benefit 10 for any one loss is $2,000.

Additional Benefit 11 – Replacement of Locks
We will pay for the replacement of external locks operated by a key which is stolen as a result of burglary, Theft or housebreaking of the Building. The maximum amount We will pay under this Additional Benefit 11 for any one loss is $1,000.

Additional Benefit 12 – Temporary Accommodation
Where Accidental Loss or Accidental Damage covered under Section 1A or 1B has occurred, We will pay up to $10,000 or 20% of the Sum Insured (in addition to that shown in the Schedule) if the Property cannot be lived in and You have a fixed date (as recorded by the Property Manager) that You were due to occupy the Property as owner/ occupier.

Additional Benefit 13 – Loss of Water
Where Accidental Loss or Accidental Damage covered under Section 1A or 1B has occurred to the plumbing, water systems, pipes and the like from Accidental Loss, Impact or Theft , We will pay the costs or charges incurred by the appropriate water supplier / regulator up to a maximum of $1,000 any one loss for the costs incurred by You as a result of water escaping from such devices and such costs or charges are not waived for Your benefit by the supplier or regulator.

How Chubb Will Pay a Building Claim
In respect of a claim for loss or damage to the Building, We will at our option:

i. repair, replace or rebuild the damaged portion of the Building up to its Replacement Value;
ii. pay You the reasonable cost of repairing, replacing or rebuilding the damaged portion of the Building up to its Replacement Value; or
iii. pay to You the Limit of Liability applicable to Section 1A or 1B.

However, if:

i. You do not commence work to repair, replace or rebuild the damaged portion of the Building within 6 months of the loss or damage occurring; or
ii. You ask Us to pay cash in lieu of the amount it would cost to repair, replace or rebuild the damaged portion of the Building,

then We will pay You no more than the reasonable cost of repairing, replacing or rebuilding the damaged portion of the Building up to its Indemnity Value.

With respect to loss or damage as Insured under Section 1A - Building or 1B – Damage by Tenant to Building to dividing fences, the settlement to You will be in accordance with any regulations regarding diving fences.

Excess
You will be responsible for the amount stated in the Schedule as the Excess payable in respect of Section 1A - Building or 1B – Damage by Tenant to Building. The Excess applies to each loss or series of losses arising from one Event.

Limit of Liability
The maximum that We will pay in respect of all claims made under Section 1A - Building or 1B - Damage by Tenant to Building in any one Policy Period shall be the Limit of Liability applicable to those Sections as relevant.

SECTION 2- LOSS OF RENT AND LEGAL EXPENSES
This cover only applies when you have purchased Section 2 – Rent and Legal Expenses Cover as shown in the Schedule.

Subject to the maximum period of payment of any claim applicable to Events A – F below, We agree to cover Your loss of Rent occurring during the Policy Period due to any of the Events A – F below in accordance with the Section called How Chubb Will Pay a Rent and Legal Expenses Claim applicable to Section 2.

A - Loss of Rent Following Loss or Damage Covered by Section 1A or 1B – Building Cover
We will pay Your loss of Rent from the Property becoming uninhabitable following the occurrence of loss or damage to the Building that is covered and accepted by Us under Section 1A or 1B, provided that for the purposes of this Section 2 only, the Property was tenanted and Rent was payable under the Lease at the time of the loss or damage.

The maximum period that We will pay for loss of Rent in respect of Event A is:
i. 52 weeks;
ii. 3 weeks after the Property is fit for habitation; or,
iii. until the date that the Property is re-let,
whichever is the lesser.

B - Loss of Rent Due to Prevention of Access
We will pay Your loss of Rent due to prevention of access to the Property following the occurrence of loss or damage to the Building or other property or as directed by a public authority in its immediate vicinity that is caused by an Event covered by Section 1A.

The maximum period that We will pay for loss of Rent in respect of Event B is:
i. 52 weeks; or
ii. until access to the Property is re-established,
whichever is the lesser.

C - Loss of Rent Following Loss or Damage Covered by Section 3 – Contents Cover
We will pay Your loss of Rent from the Property becoming uninhabitable following the occurrence of loss or damage to Contents only that is covered and accepted by Us under Section 3, provided that for the purposes of this Section 3 only the Property was tenanted and Rent was payable under the Lease at the time of the loss or damage.
The maximum period that We will pay for loss of Rent in respect of Event C is:
i. 52 weeks;
ii. 3 weeks after the Property is fit for habitation; or
iii. until the date that the Property is re-let,
whichever is the lesser.

D - Loss of Rent Due to Tenant Absconding, Breaking their Lease or Rent Default
We will pay Your loss of Rent due to the Tenant vacating the Property before expiration of the Lease, breaking their Lease, or a default in payment of Rent by the Tenant under the terms of the Lease provided that We will pay no more than You would be legally entitled to recover from the Tenant under the Lease due to non-compliance with the covenant to pay Rent.

The maximum period that We will pay for loss of Rent in respect of Event D is:
i. 18 weeks; or
ii. until the date on which the Property is re-tenanted,
whichever is the lesser.

E - Loss of Rent Due to Eviction and/or Death of the Tenant
We will pay Your loss of Rent due to default in payment of Rent by the Tenant and the Tenant's refusal to vacate the Property following service of an order for possession or eviction issued by a competent Court or Tribunal or due to the death of the Tenant under a sole tenancy, provided that We will pay no more than You would be legally entitled to recover from the Tenant under the Lease due to non-compliance with the Covenant to pay Rent.

The maximum that We will pay for loss of Rent in respect of Event E is:
i. 52 weeks; or
ii. until the date on which the Property is re-tenanted,
whichever is the lesser.

F - Loss of Rent due to a Court Awarding the Tenant Release from Lease Obligations Due to Hardship
We will pay Your loss of Rent due to a court awarding a Tenant a release from Lease obligations due to hardship.

The maximum We will pay for loss of Rent in respect of Event F is:
i. 18 weeks; or
ii. until the date on which the Property is re-tenanted,
whichever is the lesser.

Additional Benefit
If We have accepted a claim for any Events under Section 2 of this Policy, We will pay to You the reasonable and necessary legal costs and expenses incurred by You, with Our prior written consent, for the purpose of:
i. evicting the Tenant;
ii. recovering any amount payable by the Tenant for damage caused by the Tenant and/or rental default by the Tenant;
iii. replacing the locks at the Property following the successful eviction of the Tenant;
iv. Your Property Manager representing You in court or a tribunal for the purpose of obtaining a court order against the Tenant;
v. the cost of engaging a bailiff / sheriff for the purpose of evicting Your Tenant;

vi. The cost of removing and / or storing (but only for the duration as required by the Tenancy Act or equivalent) the tenants contents or belongings, where they have vacated the Property but left their possessions at the Property;
vii. The costs of collecting, removing and disposing of any rubbish or other items which were bought onto the Property and are required to be removed; and/or
viii. The reasonable costs to clean up damage, replace trees, shrubs, plants and lawn as a direct consequence of damage to the garden by the Tenant or their pets.

The maximum that We will pay under these Additional Benefits is $10,000 in the aggregate any one Tenant during the Policy Period.

How Chubb will pay a Rent and Legal Expenses claim

The Maximum Weekly Rent Recoverable For a Loss of Rent Claim

The weekly Rent recoverable due to any of Events A – F above is the lesser of the following:

i. the amount of Rent payable under the Lease at the time of the loss;
ii. $1,500; or
iii. the amount (if any) stated in the Schedule as the maximum weekly Rent recoverable under Section 2.

How We Will Pay a Loss Of Rent Claim

In respect of a claim for loss of Rent, We will only pay where there is a Lease between You and the Tenant which states the term of the rental period, the amount of Rent payable, and the amount of Bond Money the Tenant is required to pay.
Where a claim is possible under one or more of Events A – F above, You may only claim under one Event and We shall only be liable for the maximum period under one of those Events.

We will only pay a claim for Events A or C above where You or Your Property Manager has taken all reasonable steps to repair the Property as soon as possible after the loss or damage occurred. If You fail to do so, We shall be entitled to treat the loss of Rent claim as finishing on the date it would have been reasonable for You or Your Property Manager to have repaired any loss or damage and have the Property fit for habitation.

We will only pay a claim for Event B where You or Your Property Manager has taken all reasonable steps to have access to the Property reinstated after the loss or damage occurred. If You fail to do so, We shall be entitled to treat the loss of Rent claim as finishing on the date it would have been reasonable for You or Your Property Manager to have access to the Property reinstated.

We will only pay a claim for Events D or F above where You or Your Property Manager has taken all reasonable steps legally available to You to remedy the rental default and/or evict the Tenant. If You fail to do so, We shall be entitled to treat the loss of Rent claim as finishing on the date it would have been reasonable to have terminated the Lease and re-tenanted the Property.

Re-Letting Expenses

When a claim is paid for loss of Rent and/or legal expenses for any of Event covered by this Section of the Policy, We will pay up to $500 during the period of insurance for reletting expenses. Re-letting expenses will only be paid if there was a Bond equal to 4 weeks Rent which was collected from the Tenant and the Bond Money has been fully exhausted.

Application of Bond Monies or Similar

Payment of any claim in relation to loss of rent or legal expenses, will be reduced by the balance of the Bond Monies remaining after deducting clean-up costs or other expenses You are legally entitled to deduct from the Bond Monies. A claim for any loss or damage caused by the Tenant is only payable once any Bond Monies are first applied.

What is Not Covered

1) in respect to periodic tenancies, we will only pay the actual Rent loss and not the Rent You could have charged for any further period where there is no ongoing liability for payment of rent by the Tenant or ex- Tenant;
2) when Rent is in arrears on or before the commencement of the Policy Period. Cover will not apply until Rent in arrears is brought up to date.

Special Conditions Applicable for Rent and Legal Expenses

Where Your premises are managed by Your Property Manager, we will pay any loss of Rent claims directly to Your Property Manager.

Where Your premises were managed by Your Property Manager at the time of loss and that management agreement has since ceased, we will pay Your Property Manager any commissions or other costs Your Property Manager is legally entitled to from the loss of Rent claim and pay the balance to You, provided that Our legal liability is not hereby increased.

All claims under this section will be reduced by the balance of any Bond Monies remaining after deducting clean-up costs or any other expenses that You are legally entitled to deduct from the bond.

SECTION 3 CONTENTS COVER

You are covered against Accidental Loss or Accidental Damage to Your Contents including that caused by the Events listed below:

i. Breakage of Glass - but excluding any loss or damage to:
   a. the picture tube or screen in a television, monitor or any other electronic visual display unit, unless caused by impact from whatsoever cause;
   b. glass in a picture frame, painting, clock or radio set unless caused by impact from whatsoever cause;
   c. any item of travertine or similar material when unfixed;
   d. glass in any glasshouse;
   e. any items that are wholly or partly in a defective state at the time of Breakage; or
   f. any glass not falling within the definition of Glass appearing at page 10 in this Policy.

ii. Bursting, leaking, discharging or overflowing of fixed guttering, fixed tanks, fixed pipes or other fixed apparatus used to hold or carry liquid of any kind – but excluding:
   a. the cost of repair or replacement of any defective part or apparatus;
   b. any additional cost of repair or replacement that is necessary to match the repaired or replaced item to a particular style; or
   c. the cost of repair of structural defects, faulty workmanship or design.

iii. Earthquake - but excluding loss or damage to Your Contents occurring after 48 hours of the earthquake unless such damage is directly attributable to such earthquake.

iv. Fire, explosion, lightning or thunderbolt - but excluding loss or damage caused by:
   a. arcing, sparking, scorching, melting or charring where there is no flame; or
   b. irregularities in the power supply,

v. Impact by:
   a. Vehicles or Watercraft;
   b. Aircraft;
   c. falling trees and branches;
   d. television antennas, television dishes or radio masts;
   e. pets or animals.

vi. Storm - but excluding loss or damage caused:
   a. by action of the Sea;
   b. by wind, hail or rain entering the Building as a result of an opening made for the purpose of construction, demolition, alteration or repair of the Building or any part of the Building;
   c. by erosion, subsidence, landslide or any other earth movement;
   d. by settling or shrinkage;
   e. by structural defects, faulty workmanship or design;
   f. by any failure to adequately maintain the Property;
   g. by rust, corrosion, wear, tear or gradual deterioration;
   h. to a defect of which You or the Property Manager was aware or should have reasonably been aware prior to the Policy Period;
   i. to swimming pool or spa covers or linings; or
   j. to a glasshouse or of any type or form of construction.

vii. Malicious Damage - We will pay for loss or damage to Your Contents caused directly by Malicious Damage by any person (including a Tenant) but excluding any Malicious Damage involving Your participation.

viii. Theft - We will pay for loss or damage to Your Contents caused directly by theft committed by any person (including a Tenant) but excluding any theft involving Your participation

We agree to cover You up to the Limit of Liability applicable to Section 3:

i. against Accidental Loss or Accidental Damage to Your Contents (including that caused by any of the Events listed below except to the extent excluded below) occurring during the Policy Period; and
ii. for the Additional Benefits 1 and 2

in accordance with the Section How We Will Pay a Contents Claim applicable to Section 3.

What is Not Covered

We will not cover Your Contents for any loss or damage specified or excluded in the 'Exclusions Applicable to All Sections of this Policy'.

Additional Benefits

We will pay the Additional Benefits 1 and 2 when the Limit of Liability applicable to Section 3 is not otherwise exhausted.

Additional Benefit 1 – Fusion

We will pay for Accidental Loss or Accidental Damage occurring during the Policy Period caused directly by the burning out of an electric motor forming part of the Contents that has a capacity less than 3.7 kilowatts and is less than 15 years old at the time of loss. Under this Additional Benefit 1 We will, at Our option, pay the reasonable cost to repair or replace the electric motor or any sealed compressor unit containing a motor, provided that:

i. We shall not be liable for:
   a. the repair or replacement of any part not forming part of the motor unless damaged as a direct consequence of the burning out of an electric motor;
   b. the cost of repair or replacement of rectifiers and transformers unless damaged as a direct consequence of the burning out of an electric motor;
   c. any motor under any manufacturer's, seller's or distributor's warranty or guarantee; or
   d. any motor used for a business, trade or profession,

Our liability for all claims under this Additional Benefit 1 in any one Policy Period shall not exceed $5,000.

Additional Benefit 2 – Contents in the Open Air

We will pay for loss or damage by Storm or Theft to Contents in the Open Air. Our liability for all claims under this Additional Benefit 2 shall not exceed $2,000 any one Event.

How We will pay a Contents claim

In respect of a claim for Accidental Loss or Accidental Damage to Contents, We will at our option:

i. replace Your Contents with new items of the same Replacement Value;
ii. repair Your Contents using new materials;
iii. pay You the reasonable cost of repairing or replacing Your Contents up to its Replacement Value; or
iv. pay to You the Limit of Liability applicable to Section 3.

The following conditions and limitations also apply to the Contents listed below:

Carpets, wall, floor and ceiling coverings - We will only pay for repair or replacement of any damaged carpet, wall, floor or ceiling covering in any room, hallway or passageway where the loss or damage occurs provided such repairs or replacement reasonably match the undamaged portion of carpet, wall, floor or ceiling covering.

Furniture coverings –

i. When more than 25% of the covering of an item of furniture is damaged and the item is not repaired or restored by Us, We will pay its Replacement Value provided the item is less than 20 years old.
ii. When less than 25% of the covering of an item of furniture is damaged and the item is not repaired or restored by Us, We will pay the Indemnity Value of the item.

Manchester and linen We will pay You their Indemnity Value, if the item is not repaired or restored by Us.

Contents greater than 20 years old - We will pay You their Indemnity Value, if the item is not repaired or restored by Us.

Pairs, sets and parts - We will only pay for the reasonable cost of repairing or replacing the item itself as a proportion of the reasonable cost of repairing or replacing the whole set, notwithstanding that the set is less valuable by reason of it being incomplete.

Limit of Liability and Excess applicable

Limit of Liability

Subject to any relevant limits that apply to particular Contents, as specified in the Schedule, the definition of Contents or the above, the maximum combined amount that We will pay in respect of all claims made under Section 3 - Contents Cover in any one Policy Period shall be the Limit of Liability applicable to Section 3.

Excess

You must pay the amount stated in the Schedule as the Excess payable in respect of Section 3 – Contents Cover. The Excess applies to each loss or series of losses arising from one Event.

SECTION 4 - LIABILITY COVER

What is Covered

This cover applies when you have purchased cover under Section 1A or 1B – Building Cover or Section 3 – Contents Cover as shown on Your Schedule.

We agree to indemnify You, up to the Limit of Liability applicable to Section 4, against all sums which You become legally liable to pay as Compensation in respect of:

i. Personal Injury; or
ii. Property Damage

occurring as a result of an Occurrence happening during the Policy Period in connection with Your ownership of the Property.

For the purposes of this Section 4 – Liability Cover, the following definitions apply:

i. Compensation which includes:
   monies paid or payable by You for Personal Injury or Property Damage pursuant to:
   a. court judgment; or
   b. settlement of a claim made against You with Our consent,
   including any Defence Costs in respect of an Occurrence to which this Policy applies.
   "Compensation" does not include:
   a. aggravated, punitive or exemplary damages;
   b. fines or penalties imposed by law (including civil penalties); or
   c. any matters which are deemed uninsurable under the law.
ii. Defence Costs means:
   legal costs and disbursements and related expenses expended in:
   a. defending any proceedings;
   b. conducting any claim for contribution or recovery; or
   c. investigating, avoiding or reducing or settling any claim, incurred by:
      1. You with Our written consent; or
      2. Us after We have assumed conduct of any proceedings.
   "Defence Costs" does not include any of Your internal or overhead expenses or the cost of Your time.
iii. 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 from Your standpoint. All Events of a series consequent on or attributable to one source or original cause are deemed one Occurrence.
iv. Personal Injury means bodily injury, death, illness, disability, mental anguish or mental injury.
v. Property Damage
   a. physical damage to, destruction of or loss of tangible property including the loss of use thereof at any time resulting therefrom; or
   b. loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by physical damage of other tangible property.

What is Not Covered

In addition to the 'EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY' We will not cover any legal liability directly or indirectly arising out of or in any way connected with the following:

i. assault and/or battery committed by You or at Your direction. This Exclusion will not apply when such assault and/or battery is committed for the purpose of preventing Personal Injury or eliminating danger of Personal injury or defending Yourself against Personal Injury.
ii. where any actions or claims brought in a court or tribunal outside Australia then this Section 4 of the policy is limited to the costs, expenses and awards that would have been incurred or made had the claim been within Australia.
iii. the construction, erection, alteration, addition, renovation or demolition of the Building by You or on Your behalf where the contract value of the work exceeds $50,000.
iv. the conduct of any business or profession (unless stated in the Lease) or the provision of any services by You other than as owner of the Property.
v. any obligation assumed under a contract except where that liability would otherwise exist at law in the absence of the contract.
vi. arising from demolition, vibration, or interference with support of land, buildings or other property.
vii. any liability:
   a. in respect of which You are or would be entitled to indemnity under any fund, scheme, policy of insurance or self-insurance pursuant to or required by any legislation relating to workers' compensation whether or not such insurance has been effected;
   b. imposed by the provisions of any industrial award or agreement or determination where such liability would not have been imposed in the absence of such industrial award or agreement or determination; or
   c. relating to Employment Practices.
viii. fines, penalties, punitive, exemplary, liquidated or aggravated damages.
ix. any good manufactured, installed, treated, assembled, processed, sold or supplied by You or by anyone on Your behalf.
x. any act of libel or slander.
xi. the ownership of land, any building or structure other than the Building shown on the Schedule.
xii. any Personal Injury to You, any member of Your family or any other person who normally lives with You.
xiii. the rendering of or failure to render professional advice or service by You or by anyone on Your behalf.
xiv. any Property Damage to such property:
   a. owned by You, any member of Your Family or any other person who normally lives with You; or
   b. under Your legal control or under the legal control of any member of Your family or other person who normally lives with You.
xv. tobacco, tobacco smoke, or any ingredient or additive present in or used with tobacco;
xvi. the ownership, operation or maintenance of any:
   a. Vehicle;
   b. caravan or trailer;
   c. Aircraft or hovercraft;
   d. Watercraft;

e. drones

However this exclusion will not apply to any motorised garden appliance that is not required by law to be insured under a compulsory third party insurance policy or scheme at the time of the Occurrence.

See also 'Exclusions Applicable to All Sections'.

Limit of Liability and Excess applicable

Limit of Liability

Our liability to indemnify You in respect of Compensation (including Defence Costs) arising from any one Occurrence shall not exceed the Limit of Liability applicable to Section 4.

Our liability to indemnify You in respect of Compensation (including Defence Costs) arising from all Occurrences in the Policy Period shall also not exceed the Limit of Liability applicable to Section 4.

Excess

You must pay the amount stated in the Schedule as the Excess payable in respect of Section 4 - Liability.
The Excess applies to each Occurrence and Our liability to indemnify You under Section 4 is over and above the Excess.

Specific Conditions Applicable to Liability

In addition to the 'Conditions Applicable to All Sections of this Policy' the following conditions apply to Section 4:

Conduct of Defence of Claim

We have the right to negotiate, defend or settle in Your name and on Your behalf any claim brought against You and will have full discretion in the conduct of any proceedings or in the settlement of any claim.

EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

None of the Sections of the Policy cover any claim, loss, damage, destruction, compensation, liability, cost or expense of any nature arising out of or in any way connected with the following, regardless of any other cause or Event contributing concurrently or in any sequence to such claim, loss, damage, destruction, compensation, liability, cost or expense:

i. any Act of Terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism. This exclusion operates to the extent permitted by the Terrorism Insurance Act 2003 (Cth).

ii. asbestos or asbestos products or any materials containing asbestos in whatever form or quantity which results in asbestosis, mesothelioma or other asbestos related disease.

iii. any Computer Equipment which fails to perform or function in the manner for which it was designed.

iv. any consequential loss other than that specifically provided by this Policy. Consequential loss means any indirect, consequential or special loss, damage, cost or expense of any kind including but limited to loss of savings and profit.

v. any actual or alleged:
   a. dishonest, fraudulent, criminal or malicious act;
   b. wilful or reckless breach of any statute, contract or duty;
   c. conduct intended to cause loss, damage, destruction, liability, cost or expense or with reckless disregard for the consequences;
   d. deliberate or intentional damage;

   by You, any member of Your family or any other person acting with Your knowledge, consent or participation.

vi. loss of Electronic Data.

vii. faults and defects in the Property known by You or which ought reasonably to have been known by You and not disclosed to Us at the time this Policy was entered to.

viii. the lawful seizure, detention, confiscation, nationalisation or requisition of any Property.

ix. mildew, mould, algae or other atmospheric or climatic conditions, unless arising from an Event covered by Sections 1A, 1B or 3.

x. the discharge, disposal, release, seepage, migration or escape of Pollutants or the cost of preventing the escape of pollutants.

xi. any ionising radiation or contamination by radioactivity from any nuclear fuel, weapon, waste or other material whether occurring naturally or otherwise; the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or the storage, transport, assembly, disassembly, maintenance or operation of any nuclear weapon or nuclear component thereof.

xii. the vibration, removal or weakening or interference with support to land, buildings or other property.

xiii. the Property being left unoccupied for a period of 120 consecutive days in circumstances where You have not informed Us of this fact and obtained Our written agreement for the cover of this Policy to continue beyond that period.

xiv. any war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular uprising, military uprising, insurrection, rebellion, revolution, military or usurped power, or any act of any person acting on behalf of or in connection with any organisation the objects of which are to include the overthrowing or influencing of any de jure or de facto government by terrorism or by any violent means.

xv. high water or high tide, Storm surge, tidal wave;

xvi. fusion except to the extent covered under Additional Benefit 3 of Section 1 or Additional Benefit 1 of Section 3;

xvii. mechanical, electrical or electronic breakdown including when caused by the actual burning out of an electric motor except to the extent covered under Additional Benefit 3 of Section 1 or Additional Benefit 1 of Section 3;

xviii. soil or earth movement including erosion, subsidence, landslide or mudslide unless the loss or damage directly arises out of an earthquake;

xix. settlement, shrinkage, vibration or expansion in buildings, walls, slabs, pavements or driveways;

xx. erosion;

xxi. water seeping or percolating through a wall, floor or roof;

xxii. vermin, wildlife or insects;

xxiii. wear, tear, rust, corrosion, depreciation or gradual deterioration;

xxiv. inherent defects, structural defects, faulty workmanship or faulty design;

xxv. any process of cleaning, restoring, repairing, retouching or maintenance;

xxvi. any failure on Your part or Your agents to use all reasonable means to protect and maintain the Building and/or Contents at any time;

xxvii. renovations, repairs, alterations or additions;

xxviii. scratching, denting, chipping, rubbing or scuffing any surface.

CONDITIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

i. any alteration to the risk after commencement of the Policy must be notified by You to Us in writing immediately after such change in risk comes to Your notice or to the notice of Your authorised representative, including Your Property Manager. Alterations that You must notify to Us include:
   a. alteration of the Building;
   b. the Building being left unoccupied for a period of more than 120 consecutive days;
   c. Your interest in any Property ceasing;
   d. where the nature of the occupation of or other circumstances affecting the Property are changed in such a way to increase any risk insured under this Policy; or
   e. You being placed into bankruptcy, receivership, administration or liquidation.

   If We accept the altered risk, You must pay Us any additional premium We require.

ii. this Policy is governed by the law of Australia and its States and Territories. Should any dispute arise concerning this Policy, the dispute will be determined in accordance with the law of Australia and its States and Territories. In relation to any such dispute the parties agree to submit to the jurisdiction of any competent court in a State or Territory of Australia.

iii. You must not assign this Policy or any of Your rights under this Policy, without the prior written consent of Us.

iv. You agree that the person representing You when completing the Proposal (which may include the Property Manager) is authorised to give and receive information on Your behalf. Any action taken or that should have been taken by Your authorised representative is considered to be an act or omission by You.

v. cancellation –
   a. You may cancel this Policy by giving notice in writing to Us. If such notice is given, the cancellation will take effect on the day the notice is received by Us.
   b. We may cancel this Policy in any of the circumstances and in the manner set out in the *Insurance Contracts Act 1984* (Cth).
   c. after cancellation, a refund of Premium will be allowed pro rata of the Premium for the unexpired Policy Period less reasonable administration costs related to the Policy as well as any government taxes or duties that cannot be recovered. In the event that a claim has been paid under any Section of this Policy then there will be no return of Premium.
   d. after cancellation by Us, a refund of Premium will be allowed pro rata for the unexpired Policy Period as above. In the event that a claim has been paid under any Section of this Policy then there will be no return of Premium.

vi. no changes in this Policy will be valid unless agreed to in writing by Us. The requirements of any Section of the Policy may not be deemed to be waived unless We agree to waive them in writing.

vii. no changes in this Policy will be valid unless agreed to in writing by Us. The requirements of any Section of the Policy may not be deemed to be waived unless We agree to waive them in writing.

viii. You must pay the amount of any applicable Excess shown in the Schedule or in this Policy in respect of each claim or series of claims You make under the Policy arising out of one Event. The Excess is payable by You at such time required by Us. If any Event leads to a claim under more than one Section of the Policy, You must pay the highest applicable Excess.

ix. if You make a claim, We may inspect the Property or item. While We have no obligation to take possession of any damaged Property or item, We reserve the right to do so. We are entitled to obtain and retain any Property or items that are salvaged or recovered after We pay a claim by replacing or paying to replace such Property or items. We may sell the Property or items and keep the proceeds.

x. nothing contained in this Policy is to be construed to reduce or waive either Your or Our privileges, rights or remedies available under the *Insurance Contracts Act 1984* (Cth).

xi. to the extent permitted under the *Insurance Contracts Act 1984* (Cth), when other insurance or insurances apply to a covered loss, We will only pay in excess of other insurance or insurances, limited to the indemnity provided by this Policy, unless such other insurance or insurances are specifically written to be excess over the indemnity provided by this Policy. You shall give written notice to Us, when requested, of any other insurance or insurances effected covering any of the risks that are the subject of this Policy.

xii. You must:
   a. take all reasonable measures to maintain all property insured under this Policy in sound condition;
   b. take all reasonable precautions to prevent or minimise loss, damage, destruction, liability, compensation, cost or expense covered by this Policy; and
   c. comply with all obligations and regulations imposed by any authority.

xiii. it is a condition precedent to Our liability under each of the Sections of the Policy that:
   a. there is an enforceable Lease in existence during the Policy Period complying with and conforming to the requirements of the *Residential Tenancies Act 2010* or similar legislation in the applicable State or Territory in which the Property is situated.

   However, cover under the Policy will continue for Section 1A - Building Cover, Section 3 - Contents Cover, and Section 4 - Liability Cover for the period between the Property being vacated, re-let and reoccupied provided that such period does not exceed 120 days.

xiv. if We make a payment under this Policy, We will subrogate to all Your rights of contribution, indemnity or recovery. You must not surrender any right to, or settle any claim for, contribution, indemnity or recovery without Our prior written consent. You must do all things and execute all documents to enable Us to sue in Your name for such contribution, indemnity or recovery.

xv. the cover provided by this Policy shall cease if Your Property is left unoccupied for a period exceeding 120 consecutive days, unless You have informed Us of this fact and obtained Our written agreement for this Policy to continue beyond that period.

xvi. if You have entered into a contract to sell the Property, this Policy insures the purchaser from:
   a. when they become liable for any damage to the premises until the contract is settled or terminated, or
   b. until the purchaser insures the premises,

   whichever happens first.

xvi. You are not required to pay an Excess if We agree to pay a claim as a result of loss or damage that renders Your Building beyond economical repair.

xvi Your Sum Insured for Section 1A will include an automatic increase as per the Consumer Price Index (CPI). When the Policy is renewed the Sum Insured and the Premium will automatically increase to reflect the CPI as determined by Us.

CLAIMS CONDITIONS APPLICABLE TO ALL SECTIONS

On the happening of any Event, loss, damage or injury which could lead to a claim, You must, at Your own expense:

i. take all reasonable precautions to prevent further loss or damage or injury;
ii. immediately inform Us, by telephone on 1800 040 132 (free call) and in writing, of any loss or damage, injury or receipt of notice of any claim and/or of the institution of any proceedings against You;
iii. immediately inform the police if any Property insured under this Policy is lost, stolen or subject to Malicious Damage;
iv. take all reasonable precautions to recover lost or stolen Property and mitigate Your loss;
v. not dispose of any damaged Property without Our consent;
vi. not arrange for the repair or replacement of any Property insured under this Policy, in connection with any claim, without Our consent;
vii. when requested by Us to do so, complete and lodge a claim form within twenty one (21) days with all necessary supporting documentation that We may reasonably require for the investigation and verification of the claim including but not limited to:
    a. full written details of the loss or damage or injury;
    b. any relevant receipts, certificates and other proofs of ownership;
    c. all valuations relating to lost or damaged Property;
    d. all court issued documents including any statement of claim, summons, initiating process, cross claim, or third party notice;
    e. all documents evidencing the Tenant's rental history if the claim involves loss of Rent;
    f. all documents relating to any Bond Money taken from the Tenant if the claim involves loss of Rent;
    g. all property inspection reports and inventories if the claim involves Malicious Damage or theft.
viii. Do not admit liability for, or offer to agree to settle, any claim brought against You without Our prior written consent; and assist Chubb in the defence of any claim brought against You.