

Product Disclosure Statement and EBM RentCover Plus Policy

About This Booklet

This booklet contains 2 separate sections:

Part A and Part B.

Part A – Product Disclosure Statement (PDS)

Part A of this booklet contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. It gives a summary of the significant benefits and risks associated with this product (you should refer to Part B – Terms and Conditions for full details).

The PDS also contains information about costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions and obligations attaching to this product. Please read Parts A and B of this booklet carefully.

Part B – Policy Terms and Conditions

Part B of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It is Part B which forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Financial Services Provider.

About EBM

Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) has entered into an arrangement with QBE to develop financial services products and services that are distributed by EBM and estate agents to EBM's customers.

About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

Date of preparation: 18 June 2007

Date effective: 21 June 2007

Q588-0607

Part A – Product Disclosure Statement (PDS)

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

In arranging and effecting this insurance Policy, Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) ABN 31 009 179 640, AFS Licence No. 246986 and QBE Insurance (Australia) Limited ABN 28 087 142 569, AFS Licence No. 237916 will be acting under authority given to them by the Insurers. They will be acting as agents of the Insurers, not as your agent.

The PDS is issued by QBE Insurance (Australia) Limited.

Note: RentCover Plus is a registered trademark of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM).

Significant benefits and features

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

- (a) your financial investment in your premises and contents on a new for old basis (other than floor, wall or ceiling coverings) if they are lost or damaged due to malicious damage by tenants or accidental damage (but excluding damage caused by events such as fire, storm or earthquake). Where floor, wall or ceiling coverings suffer loss or damage, we will only repair or replace them to a condition the same as the condition they were in when the loss or damage occurred
- (b) you for the rent you lose because
 - the premises have suffered loss or damage and are unable to be lived in, or
 - the tenant has defaulted in the payment of rent.
- (c) you for your legal liability to third parties if they claim against you for compensation or expenses which you become legally liable to pay for:
 - the death of, or bodily injury to, any person
 - the loss of, or damage to, property.
- (d) you against reasonable Professional Fees incurred by you in connection with an audit or investigation conducted by an auditor in respect to any return lodged with the Commissioner of Taxation in respect of the premises. The most we will pay for all claims during any one period of insurance, per audit is \$1,000.00. The maximum amount in the aggregate is limited to \$2,000

The Policy provides:

- (a) cover for your premises and contents at the address shown on your Policy Schedule, during the period of insurance, against:
 - malicious damage by tenants
 - accidental damage (but excluding damage caused by events such as fire, storm or earthquake).

The most we will pay in any one period of insurance is \$50,000
- (b) cover for loss of rent if:
 - the premises suffer loss or damage and are unfit for living in and we have agreed to pay a claim for that loss or damage
 - the premises cannot be occupied due to prevention or denial of access caused by circumstances beyond your control
 - the tenant has defaulted in the payment of rent
 - the tenant vacates the premises without notifying you
- (c) legal liability cover for \$20,000,000 which includes:
 - the death of, or bodily injury to, any person
 - the loss of, or damage to, property

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

The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the EBM RentCover Plus Policy Terms and Conditions which follows this PDS for full details of the terms and conditions of cover and exclusions.

It is a condition precedent to our liability under this Policy that:

- (a) a lease must be in existence at the time of the happening of loss or damage or an event, act or omission giving rise to a claim
- (b) the premises are occupied at the time of the happening of loss or damage or the occurrence of liability. Cover will continue for Sections 1

and 3 for the period between the premises being vacated, re-let and reoccupied, providing the period does not exceed 90 days.

The Policy will not cover loss or damage:

- (a) for the cost of cleaning, decorating or painting, unless structural damage covered under Section 1 of this Policy has occurred to that part of the affected property
- (b) when property is damaged due to neglect or normal wear and tear
- (c) for damage to swimming pool liners
- (d) for loss or damage caused directly or indirectly by the sea, high water, tidal wave or tsunami, flood, erosion, subsidence, earth movement, landslip, atmospheric or climatic conditions, inherent defects, structural defects, faulty workmanship, faulty design or any gradual process.

'Tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement.

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

This Policy will not cover you:

- (a) when rent is in arrears on or before the commencement of the period of insurance. Cover under the Loss of rent and legal expenses section will not apply until rent in arrears is brought up to date.

In respect to periodic tenancies, we will only pay the actual rent lost 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

- (b) when property is damaged due to neglect or normal wear and tear.

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

- (a) any liability which arises out of you being party to a contract or agreement, and liability would not have applied if the contract or agreement was not entered into
- (b) death of or bodily injury to you or to any person who normally lives with you
- (c) death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment
- (d) damage to property belonging to you or any person who normally lives with you or to your or their employees
- (e) any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme
- (f) vibration or the weakening of, removal of or interference with support to land, buildings or other property
- (g) construction or demolition of a building, including the premises if the value of the work exceeds \$50,000
- (h) the ownership of land, buildings or structures other than the premises insured by this Policy
- (i) loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of a member of your family
- (j) the lawful seizure, confiscation, nationalisation or requisition of the property insured
- (k) destruction of or damage to property by any government or public or local authority.

We do not insure you or your family:

- (a) against fines, penalties, or punitive, aggravated, multiple or exemplary damages
- (b) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos.

These are only some of the events that are not covered by this insurance. Please read the EBM RentCover Plus Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

The amount of any claim may be reduced

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

- (a) where an excess applies (any applicable excesses will be shown in your Policy Schedule). The excesses applicable when there has been damage to your premises or contents are:
 - malicious damage and theft by tenants - \$400 per claim
 - accidental damage - \$400 per eventor the amount shown on your Policy Schedule, whichever is greater.

- (b) in relation to loss of rent and legal expenses, by the balance of the bond monies remaining after deducting clean up costs or other expenses you are legally entitled to deduct from the bond

- (c) if you do not comply with any Policy condition

- (d) where depreciation applies to your floor wall or ceiling coverings.

Significant risks

This product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS (Part A of this booklet) and the Policy Terms and Conditions (Part B of this booklet) carefully. Please ask EBM if you are unsure about any aspect of this product.

Overdue premium

You must pay your premium on time otherwise your Policy may not operate.

For more detailed information regarding payment options refer to the section headed 'How you can pay your premium' in Part B (Terms and Conditions).

A claim may be refused

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

The cost of this insurance Policy

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

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

The following factors have a significant impact on the calculation of your premium:

- geographic location of your premises.

Your Property Manager may receive a small administration fee to cover the costs involved in arranging the Policy, collecting and disbursing the premiums and processing claims. This administration fee is paid by EBM. If you would like details of the fee please ask your Property Manager.

You should arrange your method of payment through EBM. A quote for premium may be obtained from EBM.

Duty of Disclosure – What you must tell us

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. The Act requires that before a policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the policy, and on what terms. Your Duty of Disclosure is different, depending on whether this is a new Policy or not.

New business

Where you are entering into this Policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

- **Who needs to tell us**

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

- **If you do not tell us**

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the Policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the Policy as never having worked.

Renewals, variations, extensions and reinstatements

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or

reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**
 - that diminishes the risk
 - that is of common knowledge
 - that we know or should know in the ordinary course of our business as an insurer, or
 - which we indicate we do not want to know.
- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge. For further information about our Privacy Policy or to access or correct your personal information, please contact The Compliance Manager, QBE Insurance (Australia) Limited, GPO Box 82 Sydney NSW 2001. Telephone: (02) 9375-4656, Fax: (02) 8275-9022 or Email: compliance.manager@qbe.com

The General Insurance Code of Practice

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

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

How to make a claim

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

Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Insurance Ombudsman Service (IOS), an ASIC approved external dispute resolution body.

The Insurance Ombudsman Service (the Service) resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE is bound by the determination of the Service but the determination is not binding on you.

We will provide the contact telephone number and address of the IOS office upon request.

Taxation implications

Goods and Services Tax

The Policy has provisions relating to GST. In summary, they are as follows but please read the provisions in full. They can be found in Part B Terms and Conditions, under the heading 'How Goods and Services Tax affects any payments we make'.

- The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.
- The sum insured and other limits of insurance cover shown on your Policy documentation are GST inclusive.
- When we pay a claim, your GST status will determine the maximum amount we pay.

Other taxation implications

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

Cancelling your Policy

How you may cancel this Policy

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

How we may cancel this Policy

- The Insurers may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- The Insurers will give you this notice in person or send it to your address last known to us.

The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

Cooling-off information

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

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

If your Policy is for an event that will start and finish within the 21 day cooling-off period, you can only exercise your right before the event starts or the expiry of the cooling-off period, whichever is the earlier. For example, for travel insurance, the commencement of the journey is the event.

Part B – Policy Terms And Conditions

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

In arranging and effecting this insurance Policy, Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) ABN 31 009 179 640, AFS Licence No. 246986 and QBE Insurance (Australia) Limited ABN 28 087 142 569, AFS Licence No. 237916 will be acting under authority given to them by the Insurer. They will be acting as agents of the Insurer, not as your agent.

Our agreement with you

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The excesses set out in the section headed 'What you must pay if you make a claim – Excess' apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General Conditions' apply to all types of cover.

Your Policy

Your EBM RentCover Plus Policy consists of Part B (Terms and Conditions) of this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or EBM.

The address and telephone number of your EBM branch are on your Policy Schedule.

You should keep your Policy document and Policy Schedule together in a safe and convenient place for future reference.

Providing proof

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

- receipts, valuations, photographs, instruction manuals or guarantees that demonstrate the value and ownership of property.

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

Other party's interests

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

How you can pay your premium

You can pay your premium in one annual payment by cash, cheque, credit card or B-pay.

Paying your annual premium

You must pay your premium by the due date. If we do not receive your premium by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

Preventing our right of recovery

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

How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

The sum insured and other limits of insurance cover shown on your Policy documentation are GST inclusive.

When we pay a claim, your GST status will determine the maximum amount we pay.

When you are:

- not registered for GST, the maximum amount we pay is the sum insured or the other limits of insurance cover including GST
- registered for GST, the maximum amount we pay is the sum insured or the other limits of insurance cover less any Input Tax Credit to which you are entitled or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number & Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit, Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

Words with special meanings

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

If words and terms are only used in just one Section of the Policy, we will describe their special meaning in that Section.

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

Word or Term	Meaning
Accidental damage	Sudden, unforeseen, unexpected and unintended loss or damage, which is not 'malicious damage', and which is not otherwise excluded by this Policy.
Arrears	Any rent that has not been paid by the date it was due.
Audit	Any form of investigation or audit of your financial or taxation affairs that is initiated by an authorised government auditor. An audit does not include anything pertaining to <ul style="list-style-type: none"> • any licence, membership, industry status • compliance with any employee law • the gathering of any data or information not directly part of the audit • superannuation
Auditor	An officer who is authorised under Commonwealth, State or Territory legislation to carry out an Audit of your taxation, financial affairs or a Taxation Liability.

Word or Term	Meaning
Contents	Contents means: <ul style="list-style-type: none"> – built in furniture, cupboards, non-portable stoves, non-portable electrical equipment, water heaters and coolers and space heaters and coolers – blinds, light fittings, curtains, drapes of every description – floor coverings which are contained in the premises.
Event	Each occurrence, loss or damage which entitles you to make a claim under this Policy.
Excess	The first amount of any claim which must be paid by you in relation to each loss or damage or a series of losses or damages arising out of any one event. If an excess is applicable the amount will be shown in the Policy Schedule. Malicious damage by a tenant is treated as one event.
Family	Any member of your family who lives permanently with you, including your partner.
Investigation	Means a detailed in-depth inquiry.
Lease	A written agreement between you and a tenant for occupancy of the premises for a term of at least twenty-one (21) days and for which a bond equivalent to at least four weeks rent has been paid. It also includes a tenancy at will which immediately follows the lease.
Malicious damage	Loss or damage intentionally caused by a tenant, and where the loss or damage has been reported to the police.
Notice Date	When you or your representative first become aware of any actual or potential audit either verbally or in writing.
Period of Insurance	The period shown on the policy schedule.
Policy Schedule	The schedule of insurance, or any endorsement schedule we give you.
Premises	The premises used primarily or entirely for residential purposes (including where part of the premises is used as an office or surgery) at the address shown on the Policy Schedule.
Professional Fees	Any reasonably incurred fees, costs and expenses of a practising accountant or any other professional you need to engage such as a qualified advisor, solicitor, lawyer or another professional and disbursement costs. Professional fees does not include professional fees to complete relevant returns/questionnaires or documents required by a government authority or agency that the insured party would ordinarily be required to complete and supply or costs associated with the reconstruction or rewriting of the insured party's records required for the purpose of the audit.
Rent	Rent applying under the Lease or rental agreement at the time of loss or damage.
Return	A return that is legally required to be lodged with any government or government agency.
Tenant	The person(s) named on the Lease and who occupy the premises, including members of their family residing with them and their invitees.
We, Our, Us	The Insurer, through its agent Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) ABN 31 009 179 640.
You, Your	The person(s), companies or firms named on the current Policy Schedule as the 'Insured'.

Cover under this Policy

This part of the Policy contains the following four sections:

1. Section 1: Cover for the Premises and Contents
2. Section 2: Cover for Rent and Legal Expenses
3. Section 3: Cover for Legal Liability.
4. Section 4: Cover for Taxation Audit.

Section 1 - Cover for the Premises and Contents

What you are insured against

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

What we will pay

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

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

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

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

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

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

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

The most we will pay under this section "What we will pay" during any period of insurance is \$50,000.

What we will NOT pay

We will not pay:

- for the cost of cleaning, decorating or painting, unless structural damage covered under Section 1 of this Policy has occurred to that part of the affected property
- when property is damaged due to neglect or normal wear and tear
- for damage to swimming pool liners
- for loss or damage caused directly or indirectly by the sea, high water, tidal wave or tsunami, flood, erosion, subsidence, earth movement, landslip, atmospheric or climatic conditions, inherent defects, structural defects, faulty workmanship, faulty design or any gradual process.

'Tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement.

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

Section 2 - Cover for Rent and Legal Expenses

What you are insured against

We will indemnify you for loss of rent if:

- (a) the premises suffer loss or damage and are unfit for living in and we have agreed to pay a claim under Section 1 for that loss or damage, and
 - repairs are commenced promptly but at the latest within one week after the damage has occurred (unless we have agreed otherwise in writing), and
 - repairs take at least seven days to complete, providing there are no unreasonable delays
- (b) the premises cannot be occupied due to prevention or denial of access caused by circumstances beyond your control

- (c) the tenant has defaulted in the payment of rent. 'Default' includes termination on the grounds of hardship which has been authorised by a court or tribunal
- (d) the tenant vacates the premises without notifying you.

What we will pay

- (a) For claims occurring under clauses (a) and (b) of 'What you are insured against' in this section, we will pay up to fifty-two (52) weeks rent, limited to a maximum of \$1,000 per week.

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

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

whichever occurs first.

- (b) For claims occurring under clauses (c) and (d) of 'What you are insured against' in this section, we will pay in total an amount up to the equivalent of six (6) weeks rent, up to a maximum of \$1,000 per week.
- (c) All claims under this section will be reduced by the balance of any bond monies remaining after deducting clean up costs or any other expenses that you are legally entitled to deduct from the bond.
- (d) We will also pay legal expenses up to \$5,000 following loss of rent admitted under this section if they have been incurred with our prior written approval for the purpose of minimising a loss under this section.
- (e) Where a tenant is evicted by a Statutory Authority (Bailliff, Sheriff and the like) we will pay for the cost of changing of door and/or window locks to the maximum value of \$250.00, where the Statutory Authority has ordered locks to be changed.

What we will NOT pay

We do not pay:

- when rent is in arrears on or before the commencement of the period of insurance. Cover under this section will not apply until rent in arrears is brought up to date.
In respect to periodic tenancies, we will only pay the actual rent lost 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.
- when property is damaged due to neglect or normal wear and tear.

Section 3 - Cover for Legal Liability

What you are insured against

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

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

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

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

We pay up to \$20,000,000 for any one occurrence.

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

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

What you are NOT insured against

- (a) We do not insure you or your family against liabilities arising from:
 - i) any liability which arises out of you being party to a contract or agreement, and liability would not have applied if the contract or agreement was not entered into

- ii) death of or bodily injury to you or to any person who normally lives with you
- iii) death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment
- iv) damage to property belonging to you or any person who normally lives with you or to your or their employees
- v) any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme
- vi) vibration or the weakening of, removal of or interference with support to land, buildings or other property
- vii) construction or demolition of a building, including the premises if the value of the work exceeds \$50,000
- viii) the ownership of land, buildings or structures other than the premises insured by this Policy
- ix) loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of a member of your family
- x) the lawful seizure, confiscation, nationalisation or requisition of the property insured
- xi) destruction of or damage to property by any government or public or local authority.

- (b) We do not insure you or your family:

- i) against fines, penalties, or punitive, aggravated, multiple or exemplary damages
- ii) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos.

Section 4 – Taxation Audit

What you are insured against

You are insured against reasonable Professional Fees incurred by you in connection with an audit or investigation conducted by an auditor in respect to any return lodged with the Commissioner of Taxation in respect of the Premises insured by this policy.

We pay only if;

1. The Notice Date occurred during a current Period of Insurance and this Section 4 has commenced, and
2. The Audit commenced during a current Period of Insurance, and
3. The Audit was notified to us during the current or previous Period of Insurance
4. The Audit relates to a return lodged no more than 12 months prior to the original commencement date of this Section 4,
5. The Return was lodged no more than four years before the Notice Date.

However, we will pay when this policy is not in force, subject to all the other terms, conditions and exclusions only if you have sold the Premises and not replaced it, or, you have sold the Premises and replaced it, and that replacement Premises is insured by us under this Section 4 when the Audit commences.

What we will pay

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

What we will not pay

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

- (a) Enquires from the Commissioner of Taxation that seek information or raise requisitions, or enquiries of any similar kind.
- (b) Matters arising under customs legislation.
- (c) Audits or Investigation notice of which or information as to their likely conduct was received by You or any person acting on Your behalf prior to the Period of Insurance.
- (d) Any Audits or Investigation concerning income earned or sourced or any Professional Fees payable to persons outside Australia and its external Territories.
- (e) Any dishonest or fraudulent act or omission committed by You or on Your behalf.
- (f) Any oral or written statement by you or on your behalf which you know to be false or misleading in any material particular made recklessly or wilfully.
- (g) The imposition of or the seeking to impose any tax, penalty tax, costs interest, or any fine.
- (h) Audits or Investigations not legally requiring returns or where a required return has not been lodged.
- (i) Any form of activity involving a review relevant to maintaining industry status, licence, membership, any form of occupational healthy and safety type compliance, similar requirements.
- (j) Any form of activity involving a review of how the practising accountant or other professional assisting you undertakes their professional duties.
- (k) Any form of practice or procedural audit of any of your files or those at your professional account or other professional assisting you.
- (l) Any activity involving a government agency gathering information or data that is not part of an audit.
- (m) Any activity involved in the familiarisation education, training, application, implementation, process or operation of any amendments or changes to existing, or the introduction of new, government or industry regulation.
- (n) Any Mass Marketed Tax Avoidance Scheme

General Conditions - Taxation Audit

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

What you must pay if you make a claim – Excess

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

Under Section 1, the excess for:

- malicious damage and theft by tenants is \$400 per claim
- accidental damage is \$400 per event

or the amount shown on your Policy Schedule, whichever is greater.

Under Section 2, claims are reduced by the balance of bond monies remaining after deducting clean up costs or other expenses you are legally entitled to deduct from the bond.

When you are not covered

General exclusions applying to this Policy

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

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
2. Any act(s) of Terrorism

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

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

3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

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

Additional exclusions applying to this Policy

(Applies to Sections 1 and 2)

We will not pay:

- (a) for loss or damage under Sections 1 and 2 of this Policy caused directly or indirectly by:
 - storm, lightning or thunderbolt, wind, rainwater
 - fire or explosion
 - earthquake
 - burglary or theft, unless caused by tenants
 - riot or civil commotion
 - malicious acts, unless caused by the tenant
 - bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind
 - impact caused by vehicles or animals
 - breakage of glass or ceramic material
 - fusion or mechanical or electrical breakdown
 - vermin, insects, wildlife
 - wear, tear, rust, corrosion, depreciation or gradual deterioration
 - mildew, mould or algae
 - renovations, repairs, alterations or additions
 - the lawful seizure, confiscation, nationalisation or requisition of the property insured
 - destruction of or damage to property by any government or public or local authority
 - settling, shrinkage or expansion in buildings, foundations, walls or pavements
 - the removal or weakening of supports or foundations for the purpose of alterations, additions, renovations or repair

- damage to swimming pools or similar structures by hydrostatic pressure
 - any consequential loss other than that specifically provided by this Policy
 - tree roots.
- (b) for loss or damage covered under insurance effected by a strata body corporate covering the same premises or contents.

General conditions

Changing your Policy

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

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

Other interests

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

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

Cancelling your Policy

How you may cancel this Policy

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

How we may cancel this Policy

- The Insurers may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- The Insurers will give you this notice in person or send it to your address last known to us.

The premium

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

Notices

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

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

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

Condition precedent to liability

It is a condition precedent to our liability under this Policy that:

- a lease must be in existence at the time of the happening of loss or damage or an event, act or omission giving rise to a claim
- the premises are occupied at the time of the happening of loss or damage or the occurrence of liability. Cover will continue for Sections 1 and 3 for the period between the premises being vacated, re-let and reoccupied, providing the period does not exceed 90 days.

Reinstatement

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

Contribution

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

Endorsement

The following Endorsement No. 1 applies only when it is noted on the Policy Schedule.

Endorsement No. 1

Section 2, 'What we will pay' is inoperative and replaced by the following:

For claims occurring under clauses (a) and (b) of Section 2 'What you are insured against', we pay up to fifty two (52) weeks rent, limited to a maximum of \$1,000 per week.

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

- the premises are re-let and re-occupied, or
- the premises become suitable for tenants to move in again

whichever occurs first.

For claims occurring under clauses (c) and (d) of Section 2 'What you are insured against', we will pay an amount up to the equivalent of four (4) weeks rent, up to a maximum of \$1,000 per week.

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.

Claims

What you must do

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

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

What we do

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

What can affect a claim

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

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

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

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

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

Product Disclosure Statement and EBM-Ultra Contents Policy for Home or Unit (Insured Events)

About This Booklet

This booklet contains 2 separate sections:
Part A and Part B.

Part A – Product Disclosure Statement (PDS)

Part A of this booklet contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. It gives a summary of the significant benefits and risks associated with this product (you should refer to Part B – Terms and Conditions for full details).

The PDS also contains information about costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions and obligations attaching to this product. Please read Parts A and B of this booklet carefully.

Part B – Policy Terms and Conditions

Part B of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It is Part B which forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

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

About EBM

Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) has entered into an arrangement with QBE Commercial to develop financial services products and services that are distributed by EBM and estate agents to EBM's customers.

About QBE Commercial

QBE Commercial is part of QBE Insurance (Australia) Limited, a member of the QBE Group.

QBE Commercial manages over \$1.5 billion in Total Gross Written Premium and distributes its products through professional general insurance intermediaries. QBE Commercial has built up a strong reputation in the intermediary market and will continue to grow within the QBE Group.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

Date of preparation: 22 October 2004

Date effective: 1 January 2005

QM577 0105

Part A – Product Disclosure Statement (PDS)

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

In arranging and effecting this insurance Policy, Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) ABN 31 009 179 640, AFS Licence No. 246986 will be acting under authority given to them by the Insurer. They will be acting as agents of the Insurer, not as your agent.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS a Supplementary PDS may be provided. In either case the relevant documents will be provided to you with the PDS.

Note:

RentCover Plus is a registered trademark of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM).

Significant benefits and features

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

- (a) your financial investment in your contents on a New for Old basis if they are lost or damaged due to an insured event.

The Policy provides:

Cover for your contents up to the sum insured, while they are in your home at the site, during the period of insurance, caused directly by any of the following insured events:

- fire or explosion
- storm or rainwater (but not flood)
- lightning or thunderbolt
- earthquake
- theft
- malicious acts (but not by you or by tenants or their visitors)
- riot or civil commotion
- bursting, leaking, discharging or overflowing of fixed basins, shower bases or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind
- impact
- breakage of any glass forming part of an item of furniture or domestic telephones
- fusion of an electric motor

This Policy also provides the following additional benefits:

- (a) Removal of debris to the nearest facility, following a loss by an insured event
- (b) Replacement of locks up to \$500 for locks that are damaged or keys that are stolen.
- (c) Change of site. Cover is provided if you are transferring the contents to a new site and the existing site for up to 30 days.
- (d) Loss of rent for up to \$10,000 where your home is so damaged by an insured event that it cannot be let to tenants
- (e) Automatic reinstatement of the sum insured following payment of a claim as long as it is not a total loss.

The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the EBM-ULTRA Contents Policy for Home or Unit Policy Terms and Conditions which follows this PDS for full details of the terms and conditions of cover and exclusions.

The Policy will not cover loss or damage:

- (a) intentionally caused by you or a member of your family or a person acting with your consent or the consent of a member of your family
- (b) resulting from or caused by:
 - inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
 - wear, tear, rust, corrosion, depreciation or gradual deterioration, mildew, mould or algae
 - any consequential loss other than that specifically provided by this Policy
 - erosion, subsidence, landslide or earth movement other than as a direct result of some insured events
 - the action of the sea, high water, tidal wave, tsunami.

These are only some of the events that are not covered by this insurance. Please read the EBM-ULTRA Contents Policy for Home or Unit Policy Terms and Conditions which follows this PDS for full details of all relevant policy exclusions.

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

- (a) where an excess applies (any applicable excess will be shown in your Policy Schedule). A \$200 excess generally applies to earthquake claims. If your home is unoccupied for more than 90 consecutive days, your excess in respect to all insured events except lightning, thunderbolt and earthquake, for the period from 90 consecutive days up to 180 consecutive days will be \$1,000. For any period of unoccupancy exceeding more than 180 consecutive days the excess will be \$2,000.
- (b) where you have not requested the insured value of any item to be specified in the Policy and where the value of that item exceeds any applicable sum insured sub limit.
- (c) where the claim is for fusion and we apply depreciation because of the age of the motor
- (d) where you do not comply with a condition of this Policy and this contributes to any loss or damage.

You should refer to the General Conditions in Part B of this document for full details of all the General Conditions.

Some General Conditions include:

- you must tell us about changes that increase the risk of this insurance
- you must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury
- you must take reasonable care to:
 - protect and maintain the property insured under this Policy
 - prevent damage or injury to others or their property
 - minimise the cost of any claim under this Policy, or
 - comply with all statutory obligations and by-laws or regulations relating to the safety of person or property.

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

Significant risks

This product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS (Part A of this document) and the Policy Terms and Conditions (Part B of this document) carefully. Please ask EBM or your Estate Agent if you are unsure about any aspect of this product.

Your sum insured may not be adequate

The Policy provides replacement or reinstatement conditions for your contents which means that claims are settled without contribution for age, depreciation or wear and tear. It is important that the sums insured you select cover the cost of replacing your contents on a new for old basis. The sums insured that you select must make allowance for GST and any additional benefits that are included in the sum insured (for example; costs of removal of debris).

It is important that you read the sub-limits in the Terms and Conditions for items such as works of art, antiques and collections. If you have an item or a group of items that will cost more than the sub-limit to replace, then you will need to nominate that item to ensure that it is covered for more than the sub-limit.

Over-insurance

If your contents are damaged beyond economic repair, we will pay no more than the reasonable cost of replacement when new even if you have insured for an amount greater than the reasonable cost of replacement when new. Therefore, there is no benefit to you in over-insuring your property.

Overdue premium

You must pay your premium on time otherwise your Policy may not operate.

If you have not paid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

For more detailed information regarding payment options refer to the section headed 'How you can pay your premium' in Part B (Terms and Conditions).

A claim may be refused

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

The cost of this insurance Policy

The total premium is the amount we charge you for this insurance Policy. It includes the amount which we have calculated will cover the risk, and any

taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

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

The following factors have a significant impact on the calculation of your premium:

Contents	<ul style="list-style-type: none">• geographic location
	<ul style="list-style-type: none">• sum(s) insured.

Duty of Disclosure – what you must tell us

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. The Act requires that before a policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the policy, and on what terms. Your Duty of Disclosure is different, depending on whether this is a new Policy or not.

New business

Where you are entering into this Policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

- **Who needs to tell us**

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

- **If you do not tell us**

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the Policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the Policy as never having worked.

Renewals, variations, extensions and reinstatements

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**

- that diminishes the risk
- that is of common knowledge
- that we know or should know in the ordinary course of our business as an insurer, or
- which we indicate we do not want to know.

- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth) and its principles when collecting and handling your personal information. QBE Commercial has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make.

We may need to disclose personal information to our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaus, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of litigation.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

Please contact EBM to obtain a copy of the QBE Commercial Privacy Promise information brochure. A copy of the brochure may also be obtained from any QBE Commercial office or from our website at www.qbecommercial.com

The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. The Code aims to raise standards of practice and service in the insurance industry.

It:

- promotes better communication between insurers and customers which will lead to better public understanding of insurance to allow customers to make informed choices, and
- outlines good standards of practice and service to be met by insurers to enhance their reputation for responding efficiently to their customers' needs.

How to make a claim

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

Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE Commercial office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the General Insurance Enquiries and Complaints Scheme (IEC), an external dispute resolution body.

Access to the Dispute Resolution process is free of any charge to you. In addition, although QBE Commercial is bound by the panel's decision, you are not and you have a right to pursue the matter elsewhere if you disagree.

We will provide the contact telephone number and address of the IEC office upon request.

Part B – Policy Terms and Conditions for EBM-Ultra Contents Policy for Home or Unit (Insured Events)

(This Part does not form part of the Product Disclosure Statement)

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

In arranging and effecting this insurance Policy, Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM) ABN 31 009 179 640, AFS Licence No. 246986 will be acting under authority given to them by the Insurer. They will be acting as agents of the Insurer, not as your agent.

Our agreement with you

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The excesses set out in the section headed 'What you must pay if you make a claim – Excess' apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General Conditions' apply to all types of cover.

Taxation implications

Goods and Services Tax

The Policy has provisions relating to GST. In summary, they are as follows but please read the provisions in full. They can be found in Part B Terms and Conditions, under the heading 'How Goods and Services Tax affects any payments we make'.

- The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.
- The sum insured and other limits of insurance cover shown on your Policy documentation are GST inclusive.
- When we pay a claim, your GST status will determine the maximum amount we pay.

Other Taxation implications

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

Cancelling your Policy

How you may cancel this Policy

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

How we may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

Cooling-off information

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

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

Your Policy

Your EBM-Ultra Contents Policy for Home or Unit (Insured Events) Policy consists of Part B (Terms and Conditions) of this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or EBM.

You should keep your Policy Booklet and Policy Schedule together in a safe and convenient place for future reference.

Providing proof

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

- receipts or other confirmation of purchase, and
- valuations.

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

Other party's interests

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

How you can pay your premium

You can pay your premium in one annual payment by cash, cheque, credit card or B-pay.

Paying your annual premium

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

Preventing our right of recovery

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

How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

The sum insured and other limits of insurance cover shown on your Policy documentation are GST inclusive.

When we pay a claim, your GST status will determine the maximum amount we pay.

When you are:

- not registered for GST, the maximum amount we pay is the sum insured or the other limits of insurance cover including GST.
- registered for GST, the maximum amount we pay is the sum insured or the other limits of insurance cover less any Input Tax Credit to which you are entitled or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number & Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit, Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

Words with special meanings

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

If words and terms are only used in one Section of the Policy, we will describe their special meaning in that Section.

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

Word or Expression	Meaning:
Period of Insurance	The period shown on the Policy Schedule.
Policy Schedule	The schedule of insurance, or any endorsement we give you.
You, your	The person(s), companies or firms named on the current Policy Schedule as the 'Insured'.
Your family	Any member of your family who lives permanently with you, including your partner.
We, our, us	QBE Insurance (Australia) Limited, ABN 78 003 191 035 through it's agent, Elkington Bishop Molineaux Insurance Brokers Pty Ltd.
Site	The address shown on your Policy Schedule where your contents are kept.

Cover for Your Contents

This part of the policy contains the following sections:

- Section 1: What 'Contents' means
- Section 2: Cover for your Contents – Insured Events

Section 1: What 'Contents' means

What 'home' means

Your 'home' is the rental dwelling owned by you and which you normally let to tenants which is used entirely or primarily as a place of residence at the site shown on your Policy Schedule. Your 'home' includes any house, residential strata or non-strata titled units, apartments, flats, townhouses, condominiums, duplexes, triplexes and the like.

What 'home' or unit does not mean

- a hotel, motel, nursing home, boarding house, caravan (whether fixed to the site or not), holiday home or unit
- a home used for business or a trade other than where the home is being used primarily as a place of residence but part of the home is used as an office or surgery.

Contents

Your Policy Schedule indicates your contents sum insured.

What 'contents' means

'Contents' means items (a) and (b) below, while they are in your home at the site, and which belong to you or your family or for whose loss or damage you or your family are legally liable. Contents are:

- All household goods
- If your home is in a strata title building, the internal paintwork, wallpaper and any fixture or structural improvement within or attached to it which the body corporate is not required by law to insure.

What 'contents' does not mean

'Contents' does not include:

- fish, birds or animals of any description.
- trees, shrubs and any other plant life.
- earth or gravel pathways or driveways or other paved or unpaved surfaces.
- any caravan or trailer or motorised vehicle.
- watercraft
- aircraft
- accessories or spare parts of motor vehicles, caravans, trailers, aircraft or watercraft
- photographic and video equipment and musical instruments or musical equipment used for earning income
- any property illegally in your possession
- commercial or retail trade stock
- Items of jewellery, gold or silver articles, unset precious or semi-precious stones, furs, watches, collections of any kind.
- buildings, fences, retaining walls, swimming pools and other structural improvements

Section 2: Cover for your Contents – Insured Events

What you are insured against, and what you are NOT

You are insured for loss or damage to your contents while they are in your home at the site caused directly by any of the 'insured events' set out in the left column of the following table (except to the extent indicated in the right column of the table).

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

<p>You are insured against loss or damage to your contents in your home at the site, caused directly by any of the following events</p>	<p>But Not</p>
(a) Fire or explosion	Loss or damage to any item caused by scorching, melting, or charring
(b) Storm or rainwater	<p>More than \$1,500 for damage to contents in the open air Loss or damage caused by:</p> <ul style="list-style-type: none"> • flood, 'flood' means the inundation of normally dry land by water from any watercourse, lake or canal, dam or reservoir. • the action of the sea, high water, tidal wave, tsunami 'tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement. • water seeping through a wall or floor • mildew, mould or algae • atmospheric or climatic conditions other than storm • water entering the home through an opening made for the purpose of alterations, additions, renovations or repairs
(c) Lightning or thunderbolt	Loss or damage caused by fluctuations in the power supply, unless there is evidence that the damage was caused by a lightning strike
(d) Earthquake All destruction or damage occurring within a period of 48 hours of the earthquake is regarded as the one insured event	The first \$200 for earthquake damage, or the excess amount shown on your Policy Schedule, whichever is greater
(e) Theft	<ul style="list-style-type: none"> • Cash or negotiables • More than \$1,500 for theft of contents in the open air. <p>Loss or damage caused by:</p> <ul style="list-style-type: none"> • theft by any person who is living at the site unless there is evidence that your home has been entered forcibly and violently <p>'forcible and violent entry' does not include:</p> <ul style="list-style-type: none"> – entry through a door or window that has been left open or unlocked – where the home has been entered with the consent of the owner or occupier of the home.
(f) Malicious acts	<p>Loss or damage intentionally caused by:</p> <ul style="list-style-type: none"> • you, your family, or your family's visitors • a tenant, or a tenant's visitors or family except for damage by fire.
(g) Riot or civil commotion	
(h) Bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind	<p>Loss or damage which:</p> <ul style="list-style-type: none"> • occurs gradually over time • results from water escaping from a shower base not fitted with a tray or water proof membrane • is caused by the porous condition of any tiles, grouting or sealant. <p>We will not pay for repair or replacement of the apparatus, tank or pipe itself.</p>
(i) Impact by: <ul style="list-style-type: none"> • a vehicle, an aircraft or a waterborne craft • space debris or debris from an aircraft, rocket or satellite • an animal • a falling tree or part of a tree • a mast or a television or radio aerial that has broken or collapsed. <p>'Impact' means a collision of 2 or more objects.</p>	<p>Loss or damage caused by:</p> <ul style="list-style-type: none"> • an animal kept at the site • felling or lopping trees at the site • rodents, vermin, wildlife, birds or insects gnawing, chewing, pecking, clawing, scratching or in any way polluting or contaminating your home or contents.
(j) Accidental breakage of glass forming part of an item of furniture, or, domestic telephones	<p>Damage to any property other than the broken glass or telephone Any item that is chipped or scratched prior to the breakage Any item where the only damage is chipping or scratching Glass, other than mirrors, in a picture frame or clock Glass in television sets, radios, VDUs (Visual Display Units) or any other computer or electrical equipment Glassware, crystal or ornaments Mobile cellular telephones.</p>
<p>Fusion of an electric motor: Fusion is the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by an electric current. We will pay the cost of rewinding the motor, or at our option, replacing it. You will have to contribute towards the total cost of repair or replacement including labour charges as follows:</p> <ul style="list-style-type: none"> • motors up to 10 years from the date of purchase when new or rewinding - no contribution • for each additional year - 20% per year In no case will your contribution exceed 90% after applying the excess. 	<p>Motors more than 15 years from the date of purchase when new or more than 15 years from the date of rewinding</p> <p>The cost of repair or replacement of additional parts or service items, including worn or broken bearings or switches</p> <p>Leakage of refrigerant gas and maintenance of refrigerant driers</p> <p>Lighting elements (for example, light bulbs or fluorescent tubes) or heating elements, solenoids, fuses or protective devices (for example a fuse or circuit breaker)</p> <p>Electrical contact points where sparking or arcing occurs during ordinary use</p> <p>The cost of removing or replacing motors forming part of a submersible pump, or the replacement of the pump section of pool or pressure pumps</p> <p>Electronic controllers or other electronics.</p>

How we will pay

Contents

(a) At our option we:

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

(b) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we:

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

(c) The maximum we pay on the following contents items is shown below. You may obtain a higher limit for (i) by having any of these items specified on your Policy Schedule. We will pay up to the amount specified for each item.

Contents where a maximum limit applies

- (i) **Works of art, pictures, tapestries, rugs, antiques** – \$5,000 per item and in total 20% of the sum insured for unspecified contents.
- (ii) **Floor coverings, blinds and curtains** – For carpets and other floor coverings, curtains and internal blinds. We pay only for items in the room, hall or passage where the damage occurred.
- (iii) **Open Air – ‘Open air’ is restricted to the site and includes non lockable structures and non lockable parts of the home** – For loss or damage by storm or theft to contents in the open air we pay up to \$1,500.

Note:

If we choose to pay to replace a specified item, we will pay no more than the amount that it would cost us to replace the item with an item substantially the same as, but not better than the item when new, even if you have specified the item for a higher amount, whether or not you have supplied a valuation. We have negotiated special arrangements with various suppliers to purchase items for less than retail cost. Premiums are therefore based upon us replacing items at less than retail cost.

Antiques

Where we pay a claim for an antique item, and the market value of the item exceeds the cost of its replacement with a new item because of its antiquity and rarity, we will treat the market value as though it is the cost to replace the lost or damaged antique with a new item.

For example:

An antique sterling silver claret jug created in 1880 is stolen and we agree to pay the claim. The antique jug has been specified for a value of \$11,000 and a valuation for \$11,000 has been supplied to us. To replace the item with the closest, similar new item would cost \$2,100. At the time of the loss, our inquiries indicate that to replace that antique item at market value would be approximately \$11,000 but there is no equivalent item currently for sale in Australia or overseas. The market value of the item is higher than the new replacement cost due to the item's antiquity and rarity. In this instance, we would pay you \$11,000 for the jug rather than \$2,100. The sum we pay you would be subject to any applicable excess.

(d) Pairs and Sets

A 'pair or set' means 2 or more articles, the collective value of which exceeds the sum of their individual values.

If any item lost or damaged is part of a pair or set, we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.

Additional benefits

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

We pay additional benefits 1 to 3 as part of the sum insured for your contents:

1. Removal of debris

Where your contents are damaged by an insured event, we pay the reasonable costs of removal of debris from the site to the nearest authorised facility.

2. Replacement of locks and keys

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

- locks to your home are damaged, or
- keys to your home are stolen

by someone breaking into your home.

3. Change of site

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

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

We pay additional benefits 4 & 5 over and above your sum insured for your contents.

4. Loss of rent

If your home is so damaged by an event listed in the table of insured events that it cannot be let to tenants:

- we pay up to \$10,000 for loss of rent or rentable value if your home is tenanted or is between tenants at the time the loss or damage occurred.
- we do not pay for:
 - loss of rent if the home or unit has been untenanted for 30 consecutive days immediately before the loss
 - any rent lost outside the period of untenantability
 - any rent lost later than 12 months after the damage occurs.

5. Automatic reinstatement of sum Insured

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

- you request otherwise
- we tell you otherwise.

What you must pay if you make a claim – Excess

'Excess' means the first amount you must contribute to any claim you make under this Policy.

We deduct the excess shown in the Policy or on the current Policy Schedule from the amount of your claim.

For earthquake claims the excess is \$200, or the amount shown on your Policy Schedule, whichever is greater.

All loss, destruction or damage occurring within a period of 48 hours of the earthquake is regarded as the one event.

When your home has been unoccupied for:

- 90 to 180 consecutive days the excess is \$1,000
- exceeding 180 consecutive days the excess is \$2,000.

When you are not covered

General exclusions applying to this Policy

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

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

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

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

3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

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

Additional exclusions applying to this Policy

These additional exclusions apply to cover for your contents and additional benefits.

This policy does not cover:

- loss or damage intentionally caused by you or a member of your family or a person acting with your consent or the consent of any member of your family
- loss or damage resulting from or caused by:
 - the lawful seizure, confiscation, nationalisation or requisition of the property insured
 - destruction of or damage to property by any government or public or local authority
 - inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
 - wear, tear, rust, corrosion, depreciation or gradual deterioration
 - mildew, mould, algae, atmospheric or climatic conditions (other than as described under insured event (b) storm)
 - mechanical, electrical or electronic breakdown with the exception of fusion to electric motors as described under Section 2 insured event (k) or if a claim is payable as the result of a lightning strike under insured event (c)
 - loss of or damage to electronic data caused by electronic or mechanical derangement or malfunction or by a virus, or processing error
 - any consequential loss other than that specifically provided by this Policy
 - any process of cleaning involving the use of chemicals
 - vermin, wildlife or insects
 - tree roots
 - erosion, subsidence, landslide or earth movement other than as a direct result of one of the following insured events
 - storm
 - earthquake
 - escaping liquid
 and occurring no more than 24 hours after the event.
 - the action of the sea, high water, tidal wave, tsunami
 'tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement
- loss or damage to sporting equipment.

General Conditions

Changing your Policy

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

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

Other interests

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

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

Cancelling your Policy

How you may cancel this Policy

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

How we may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

The premium

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

Notices

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

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

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

Changes

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

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

- you are having renovations undertaken
- the home falls into a state of disrepair

Unoccupancy

If your home is unoccupied for more than 90 consecutive days, your excess in respect to all insured events except lightning, thunderbolt and earthquake, for the period from 90 consecutive days up to 180 consecutive days will be \$1,000. For any period after 180 consecutive days this excess will be \$2,000.

The period of unoccupied consecutive days is calculated from the date when the home was last occupied by you or a tenant residing at the premises, regardless of the commencement or renewal date of the Policy.

'Occupied' means that the home is furnished so that it is comfortably habitable and you, your family or someone with your consent has resided in the home overnight.

To be occupied the home must:

- contain at least one usable bed/mattress
- contain at least one dining table or bench, a chair and some other furniture
- contain a functioning refrigerator
- be connected to the electricity, and
- be connected to hot and cold running water.

Salvage

We are entitled to obtain and retain any items or materials that are salvaged or recovered after you make, and we agree, to pay a claim by replacing or paying to replace any items or materials. We may sell the items or materials and keep the proceeds. We may choose to sell the items or materials to you, if you agree to pay the market price for the items or materials.

Care and maintenance

If you do not take reasonable care to:

- protect and maintain the property insured
- prevent damage or injury to others or their property
- minimise the cost of any claim under this Policy, or

- comply with all statutory obligations and by-laws or regulations relating to the safety of person or property

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

Claims

What you must do

If an event happens which may give rise to a claim you must:

- take all reasonable precautions to prevent further loss or damage
- notify the police immediately if any of your property is lost, stolen, or maliciously or intentionally damaged
- tell EBM or your Estate Agent as soon as possible. You will be provided with a claim form and advice on the procedure to follow
- supply us with all information we require to settle or defend the claim
- notify us of any other insurance covering the same loss or damage
- co-operate with us fully in any action we take if we have a right to recover any money payable under this Policy from any other person.

In an emergency outside normal business hours you may ring our emergency service on 1800 023387 for assistance.

If in doubt at any time, ring us or EBM for advice.

What you must not do

You must not:

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

What we do

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

What can affect a claim

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

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

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

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

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