



LANDLORD INSURANCE

NRMADE BETTER

NSW, ACT & TAS

**PRODUCT DISCLOSURE
STATEMENT AND POLICY
BOOKLET (PDS)**

Thank you for choosing NRMA Insurance.

At NRMA Insurance, we have been protecting Australians and the things they value for over 85 years. Over that time we've built a wealth of invaluable knowledge and experience. This helps us provide you with great customer service and quality cover, to better protect the things you value.

We're always there when you need us. Our 24 hour Claims line offers a simpler way to make a claim, so that you're back on your feet as quickly as possible.

This booklet contains information you need to know about your insurance policy. If you have any questions, or if there's anything we can help with, get in touch today.

 **132 132**

 **Visit your local office**

 **Visit nrma.com.au**

Table of contents

If you can't find what you are looking for, please use the index on page 60.

1. Key details about your policy	5	3. What you're covered for	15
Who's covered by your policy	6	The events we cover	16
Your insurance cover	6	– Rent default	17
– Type of policy	6	– Theft or attempted theft – by a tenant or their guest	17
– Listed events	7	– Theft or attempted theft – by someone else	18
– Sum insured	7	– Vandalism or a malicious or intentional act – by a tenant or their guest	18
– Contents replacement value – new for old	7	– Vandalism or a malicious act – by someone else	19
– What we pay for your rental property or contents	8	– Burn out of electric motors – fusion	19
Our agreement with you	9	– Storm	19
		– Flood	20
2. Buildings and contents we insure	10	– Water and oil leaks	20
The buildings we insure	11	– Lightning	21
– Buildings we don't insure	11	– Fire	21
The contents we insure	12	– Earthquake	21
– What are contents?	12	– Broken glass and sanitary fixtures	22
– Contents we don't insure	12	– Broken glass	22
Maximum amount we pay for some contents	13	– Impact damage	22
Where we insure your contents	14	– Animal damage	23
– At your rental property – inside	14	– Explosion	23
– At your rental property – in the open air	14	– Riots or civil commotion	23
		Other cover – Buildings Insurance	24
		– Building materials	26
		– Furniture and furnishings – non strata scheme	26

– Loss of rent during repairs	26	– How we settle your buildings claim	38
– Keys and locks	27	– Lifetime guarantee	39
– Demolishing and removing debris	27	– Credit provider’s rights	39
– Locating the cause of damage	27	What we pay for – Contents Insurance	40
– Rebuilding fees	28	– The most we pay	40
– Meeting building regulations	28	– How we settle your contents claim	40
– Mortgagee discharge costs	28	– What happens after we pay the contents sum insured	40
Liability cover – claims made against you	29	How we settle certain things	41
– What is liability cover?	29	– Deducting '4 times weekly rent' amount	41
– What we cover	29	– Rent default	41
– When we provide liability cover	30	– Matching materials	41
– When you lodge a claim with us	30	– Carpet, vinyl or floorboards	41
– Liability cover – what we don’t cover	30	– Pairs, sets or collections	41
		– Damaged property	41
4. General exclusions that apply to your policy	32	Businesses registered for GST	42
General exclusions	33	Recovery actions	42
		– Recovery action by us	42
5. Claims and what we pay	34	– Recovery action by you	43
What happens when you make a claim	35	How we pay claims – some examples	44
– Your responsibilities	35	– Claim 1 – Repairing your rental property	44
– Excesses	36	– Claim 2 – Replacing your contents	44
Working out what we pay for your claim	37	– Claim 3 – Your rental property and contents are totally destroyed	45
What we pay for – Buildings Insurance	38	– Claim 4 – Rent default	45
– The most we pay	38	– Claim 5 – Repairing your rental property – loss of rent	45
		– Claim 6 – Liability claim at your rental property	46

6. Changes to your policy	47	8. Other information you need to know	53
<hr/>		<hr/>	
Changes you can make	48	How to resolve a complaint or dispute	54
– Additional premium or Refund less than \$15	48	Privacy of your personal information	55
– Change your policy	48	– How we use your personal information	55
– You want to cancel your policy	48	– Further information	55
Changes we can make	49	– Your consent	55
– Cancel your policy	49	General Insurance Code of Practice	56
– Give you written notice	49	Financial Claims Scheme	56
		Helpline 132 900	56
7. Your premium	50	Definitions	57
<hr/>		<hr/>	
How we work out your premium	51	Index	60
– Discounts you may be eligible for	51	<hr/>	
Paying your premium	52		
– Payment options	52		
– What happens if you don't pay on time	52		

1. Key details about your policy

This section provides key details about your policy. You should read this section first to understand how your policy works:

- ▶ Who's covered by your policy
- ▶ Your insurance cover
- ▶ Our agreement with you

Words with special meaning

Some words in this Product Disclosure Statement (PDS) have special meaning — see the Definitions on pages 57 – 59.

Who's covered by your policy

Your policy covers:

- ▶ You — which means all of the people named as 'the insured' on your current Certificate of Insurance.

More than one person insured

If more than one person is named as the insured, then we will treat a statement, act, omission or claim by any one of these people as a statement, act, omission or claim by all of these people.

Your insurance cover

Landlord insurance is made up of cover for your rental property and cover for your contents.

The cover we provide under your policy depends on:

- ▶ the type of policy you have chosen
- ▶ the listed events you're covered for and any extra cover we provide, and
- ▶ the amount of insurance you choose.

Type of policy

You can choose from one of these policies:

- ▶ Buildings and Contents Insurance – covers your rental property, your contents and loss of rental income.
- ▶ Buildings Insurance – covers your rental property and loss of rental income.
- ▶ Contents Insurance – covers your contents and loss of rental income.

Your current Certificate of Insurance shows the cover you have chosen.

Listed events

We cover your rental property or contents when certain things happen. These are known as 'listed events'. You can make a claim if a listed event you are covered for takes place and causes loss or damage to your rental property or contents.

The events we cover under your policy are shown in Table 3.1 on page 16.

Under Buildings Insurance, we provide cover for some other things, such as 'loss of rent' – see pages 25 to 28 for 'other cover'.

Sum insured

Your current Certificate of Insurance shows the amount of insurance you have under your policy as the:

- ▶ buildings sum insured, and/or
- ▶ contents sum insured.

Make sure you insure your buildings and contents for their replacement value.

To help you estimate your replacement value, visit our website at nrma.com.au and use our Landlord buildings calculator.

Buildings sum insured

The buildings sum insured is the amount of insurance you purchase for your rental property.

We insure certain types of buildings – see page 11.

Contents sum insured

The contents sum insured is the amount of insurance you purchase for your contents.

We insure certain types of contents – see page 12.

Contents replacement value – new for old

If we replace an item that is part of your contents, we will replace it with a new one. This is known as 'new for old'.

What we pay for your rental property or contents

Various things affect what we pay for your rental property or contents. These include:

- ▶ where your contents are when the loss or damage takes place
- ▶ what causes the loss or damage – that is, was it caused by a listed event that is covered under your policy
- ▶ the amount you have insured your rental property or contents for, and
- ▶ any limits that apply to what we pay.

Table 1.1 summarises what we pay and also refers you to any limits that affect what we pay.

This table is only a summary. We provide more detailed information in Section 5 – 'Claims and what we pay' including:

- ▶ what happens when you make a claim
- ▶ working out what we pay for your claim
- ▶ what we pay under your policy
- ▶ how we settle certain things – for example, when we need to match materials or replace items that are part of a set
- ▶ examples of how we pay claims.

Table 1.1 – What we pay for your rental property or contents

Type of policy	What we pay	\$ Limits that apply
Buildings Insurance	<ul style="list-style-type: none"> ▶ cost to repair or rebuild the part of your rental property that was damaged ▶ other things we cover under 'other cover' – see page 25 to 28. 	<p>Costs we limit under 'other cover' – see pages 25 to 28.</p> <p>The most we pay is the buildings sum insured. We may also pay some costs on top of the buildings sum insured – see Table 5.1 on page 38.</p>
Contents Insurance	<ul style="list-style-type: none"> ▶ cost to repair or replace your contents 	<p>Maximum amount we pay for some contents – see Table 2.1 on page 13.</p> <p>We limit cover at certain locations – see page 14</p> <p>The most we pay is the contents sum insured.</p>

Our agreement with you

Your contract

Your policy is a contract between you and us and is made up of:

- ▶ your current Certificate of Insurance, and
- ▶ this Product Disclosure Statement (PDS), and
- ▶ any applicable Supplementary PDS.

Certificate of Insurance

Your current Certificate of Insurance shows the insurance cover you have chosen under your policy. It also shows the period your policy covers – we only cover you for incidents that happen during this time.

Exclusions and conditions

Exclusions and conditions may apply to the cover you have chosen:

- ▶ We set out the general exclusions that apply to your policy separately in Section 4 of this PDS.
- ▶ We set out any specific exclusions and conditions as they apply to the cover described in this PDS.
- ▶ We set out your responsibilities when you are insured with us and make a claim on page 35.

Special conditions

We may impose special conditions on your policy that may exclude, restrict or extend cover for a person or a particular matter. Your current Certificate of Insurance shows any special conditions that apply to your policy.

Embargo for listed events

When your policy starts or when you vary your current policy, we may not cover you for some events if they cause loss or damage during a certain period – for example, bushfire or flood.

Your current Certificate of Insurance shows under 'special conditions' any embargo event and period that applies to your policy.

Paying your premium

In return for paying your premium, we provide the cover you have chosen.

You can pay your premium annually or by monthly instalments — for details about how to pay your premium and what happens if you don't pay, see Section 7.

21 day cooling-off period

You can tell us to cancel your policy within 21 days from when it was issued. If you choose to cancel your policy, we'll refund the premium you paid us in full (as long as you haven't made a claim on your policy).

GST

All dollar values described in this PDS include GST.

2. Buildings and contents we insure

We insure certain types of buildings and contents. We describe what we insure in:

- ▶ The buildings we insure
- ▶ The contents we insure
- ▶ Maximum amount we pay for some contents
- ▶ Where we insure your contents

The buildings we insure

Under Buildings Insurance, we insure certain types of buildings.

Your rental property includes:

- ▶ domestic residential buildings at your site that can be locked up
- ▶ home improvements at your site – for example, garage, carport, in-ground pool
- ▶ fixtures permanently attached or fixed to your rental property – for example, light fixtures, built in wardrobes and kitchen cupboards.

Words with special meanings

Some words in this PDS have special meaning – for the Definitions of 'rental property', 'home improvements' and 'fixtures' see pages 57 and 59.

Buildings we don't insure

We don't insure:

- ▶ boarding houses or hostels
- ▶ hotels or motels
- ▶ commercial buildings
- ▶ exhibition or display homes
- ▶ commercial farm buildings.

You must tell us if your rental property becomes any of these things.

The contents we insure

Under Contents Insurance, we insure items that are not permanently attached or fixed to the structure of your rental property that you:

- ▶ own, or
- ▶ are responsible for as part of a hire or lease agreement or written employment contract.

What are contents?

Contents are the items you leave at your rental property for your tenants' use and include:

- ▶ furniture and furnishings
- ▶ carpets
- ▶ electrical items not permanently attached to your rental property.

Rental property under strata scheme

If your rental property is part of a strata scheme, then under Contents Insurance we also cover your fixtures that are permanently attached to your rental property.

However we only cover these fixtures when they are not insured by the Owners Corporation.

We limit the amount we pay for some of your contents. Make sure you review the maximum amount we pay – see Table 2.1 on page 13.

Contents we don't insure

We don't insure any of these items under contents insurance:

- ▶ plants, trees or shrubs growing in the ground
- ▶ animals
- ▶ computers and their equipment
- ▶ clothes and personal effects
- ▶ collections of any kind
- ▶ gold or silver items
- ▶ jewellery and watches
- ▶ money
- ▶ negotiable documents
- ▶ photographic equipment
- ▶ personal handheld electronic devices – for example, mobile phones and PDAs
- ▶ sporting equipment
- ▶ tools of trade
- ▶ works of art
- ▶ goods kept for sale, distribution, on display, exhibition or on consignment
- ▶ stock used in any trade, business or profession
- ▶ watercraft or sailboards
- ▶ trailers, caravans, aircraft or aerial devices
- ▶ vehicles including:
 - motor vehicles
 - motorcycles
 - ride-on vehicles except for ride on lawn mowers that your tenant uses to mow the lawn.

Maximum amounts we pay for some contents

When certain items are part of your contents, we limit how much we pay for them.

For example, if a fire in your rental property damages your television that is valued at \$2,500, we will only pay you \$2,000.

Table 2.1 – Maximum amount we pay for some contents

This table shows the maximum amount we'll pay for some contents.

Items we limit	The most we pay
Lawnmower	\$500 in total
Television	\$2,000 in total
Stereo and entertainment systems including game consoles	\$2,000 in total
Other electrical items excluding whitegoods	\$2,000 in total

Where we insure your contents

One of the things that affects what we pay for your contents is where your contents are when the loss or damage takes place.

We insure your contents when they are:

- ▶ at your rental property – inside
- ▶ at your rental property – in the open air.

At your rental property – inside

We cover your contents when they are inside your rental property.

Covered

- ▶ contents inside your rental property.

At your rental property – in the open air

We cover your contents when they are in the open air at your site.

Covered

- ▶ contents in the open air at your site.

The most we pay is 20% of the contents sum insured.

3. What you're covered for

We cover you in certain situations. We describe what you're covered for in:

- ▶ The events we cover
- ▶ Other cover – Buildings Insurance
- ▶ Liability cover – claims made against you

The events we cover

We cover your rental property or contents when certain things happen. These are known as 'listed events'. You can make a claim if a listed event takes place and causes loss or damage to your rental property or contents in the period of insurance.

In this section, we tell you what events you're covered for and any specific exclusions and conditions that apply to the event. General exclusions may also apply — see Section 4. Also, if you don't meet your responsibilities when you make a claim you may put your claim or cover at risk — see page 35.

How we settle a claim is set out in Section 5.

Table 3.1 – Listed events

This table shows the listed events we cover under Buildings Insurance or Contents Insurance.

Listed events	Buildings Insurance	Contents Insurance
Rent default	✓	✓
Theft or attempted theft – by a tenant or their guest	✓	✓
Theft or attempted theft – by someone else	✓	✓
Vandalism or a malicious or intentional act – by a tenant or their guest	✓	✓
Vandalism or a malicious act – by someone else	✓	✓
Burn out of electric motors – fusion	✓	✓
Storm	✓	✓
Flood	✓	✓
Water and oil leaks	✓	✓
Lightning	✓	✓
Fire	✓	✓
Earthquake	✓	✓
Broken glass and sanitary fixtures	✓	✗
Broken glass	✗	✓
Impact damage	✓	✓
Animal damage	✓	✓
Explosion	✓	✓
Riots or civil commotion	✓	✓

Rent default

If your tenant defaults on their rent payments during the term of the rental agreement. That is, when your tenant:

- ▶ stops paying rent, or
- ▶ leaves without giving you notice.

Covered

- ▶ the amount of rent in default less these deductions:
 - 4 times the weekly rent amount that is shown in your written rental agreement, and
 - the rent default excess
- ▶ legal costs directly related to recovering the rent owed to you.

The most we pay for each rental agreement is \$5,000 for rent default and \$5,000 for legal costs.

For one incident, you can only claim rent default under Buildings Insurance or Contents Insurance – you can't claim under both.

Not covered

- ▶ if we previously paid a claim under the same rental agreement for:
 - rent default
 - theft or attempted theft by a tenant or their guest, or
 - vandalism or a malicious or intentional act by a tenant or their guest
- ▶ if your tenant is behind in rent payments before your policy starts.

Conditions

- ▶ you must have a written rental agreement that states the:
 - term of the rental period, and
 - amount of rent and bond your tenant needs to pay.

The 4 weeks rent amount we deduct from your claim is designed to equal an average bond.

Theft or attempted theft – by a tenant or their guest

If loss or damage is caused by a theft or attempted theft by a tenant or their guest.

Covered

- ▶ theft or attempted theft by a tenant or their guest
- ▶ the loss or damage caused less:
 - 4 times the weekly rent amount that is shown in your written rental agreement.

Not covered

- ▶ theft or attempted theft by a tenant or their guest if we previously paid a claim under the same rental agreement for:
 - rent default
 - theft or attempted theft by a tenant or their guest, or
 - vandalism or a malicious or intentional act by a tenant or their guest.

Conditions

- ▶ you must have a written rental agreement that states the:
 - term of the rental period, and
 - amount of rent and bond your tenant needs to pay.

Theft or attempted theft – by someone else

If loss or damage is caused by a theft or attempted theft by someone other than a tenant or their guest.

Covered

- ▶ theft or attempted theft by someone other than a tenant or their guest.

Not covered

- ▶ theft or attempted theft by someone who enters your rental property or site with your or your tenant's consent.

Vandalism or a malicious or intentional act – by a tenant or their guest

If loss or damage is caused by vandalism or a malicious or intentional act by a tenant or their guest.

Covered

- ▶ vandalism or a malicious act by a tenant or their guest
- ▶ intentional and deliberate damage by a tenant or their guest
- ▶ the loss or damage caused less:
 - 4 times the weekly rent amount that is shown in your written rental agreement.

Not covered

- ▶ vandalism or a malicious or intentional act by a tenant or their guest if we previously paid a claim under the same rental agreement for:
 - rent default
 - theft or attempted theft by a tenant or their guest, or
 - vandalism or a malicious or intentional act by a tenant or their guest.

Conditions

- ▶ you must have a written rental agreement that states the:
 - term of the rental period, and
 - amount of rent and bond your tenant needs to pay.

Vandalism or a malicious act – by someone else

If loss or damage is caused by vandalism or a malicious act by someone other than a tenant or their guest.

Covered

- ▶ vandalism or a malicious act by someone other than a tenant or their guest.

Not covered

- ▶ vandalism or a malicious act by someone who enters the rental property or site with your or your tenant's consent.

Burn out of electric motors – fusion

If an electric motor burns out at your rental property.

We cover your electric motors for up to 15 years from when they were made.

Covered under Buildings Insurance

- ▶ an electric motor that burns out and is part of your rental property — for example, in a ducted air conditioning unit
- ▶ costs for the service call, parts and labour charges.

Covered under Contents Insurance

- ▶ an electric motor that burns out and is part of your contents — for example, in a washing machine or fridge
- ▶ costs for the service call, parts and labour charges.

Not covered

- ▶ an electric motor that:
 - is covered by a warranty, or
 - is used for a business, trade or profession, or
 - you don't keep at the site
- ▶ we don't pay to remove or re-install submerged or underground motors.

Storm

If loss or damage is caused by storm.

For example, hail damages your roof.

Covered

- ▶ violent wind, cyclone or tornado
- ▶ rain, thunderstorm, hail or snow
- ▶ sudden, excessive run-off of water as a direct result of a storm in your local area
- ▶ landslide or subsidence that happens immediately as a direct result of a storm.

Not covered

- ▶ loss or damage to:
 - retaining walls
 - gates, fences or free standing walls if they are not structurally sound or well maintained
 - pontoons, jetties or bridges
 - gravel driveways
 - swimming pool/spa covers that are more than 5 years old
- ▶ loss or damage caused by water which enters your rental property through any tarpaulins or fixings set up while you're renovating or altering your rental property
- ▶ loss or damage caused by flood – see under Flood in this Supplementary PDS for details of cover
- ▶ loss or damage caused by storm surge – see page 59 of the PDS for the storm surge definition.

Flood

If loss or damage is caused by flood.

For example, damage is caused when heavy or sustained rainfall upriver causes a river or creek near you to overflow.

Covered

- ▶ flood
- ▶ landslide or subsidence that happens immediately as a direct result of a flood.

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

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

If we have identified that your rental property is prone to flooding, then:

- ▶ we need to charge you a higher premium, or
- ▶ you can choose to vary your policy by removing flood cover.

We will tell you if you are eligible to remove flood cover on your current Certificate of Insurance.

Not covered

- ▶ loss or damage to:
 - retaining walls
 - gates, fences or free standing walls if they are not structurally sound or well maintained
 - pontoons, jetties or bridges
 - gravel driveways
 - swimming pool/spa covers that are more than 5 years old
- ▶ loss or damage caused by storm surge unless it takes place at the same time as a flood which causes the same loss or damage to your rental property or contents – see page 59 of the PDS for the storm surge definition
- ▶ loss or damage caused by flood, if your current Certificate of Insurance shows that you have chosen to remove flood cover.

We also cover other types of water damage under 'Storm' – see page 19 or 'Water and oil leaks' – see this page.

Water and oil leaks

If loss or damage is caused by water or oil leaking or escaping from an item shown in this section.

Covered

- ▶ water leaking or escaping from:
 - house gutters, drainpipes or pipes
 - sanitary fixtures – for example, baths or toilets
 - appliances – for example, washing machines or dishwashers
 - waterbeds
 - aquariums
 - water tanks
 - swimming pools
- ▶ oil leaking from a fixed heating system or sealed portable heater
- ▶ costs to locate the cause of damage (if we agree to pay these costs before you make any arrangements).

Not covered

- ▶ water leaking or escaping from a:
 - shower recess or shower base
 - stormwater channel or canal
 - stormwater pipe off the site
- ▶ costs to repair or replace the item that the water or oil leaked or escaped from
- ▶ loss or damage caused by flood – see this page
- ▶ loss or damage caused by or storm surge – see page 59 for the storm surge definition.

Lightning

If loss or damage is caused by lightning.

Covered

- ▶ lightning
- ▶ power surge only as a result of lightning.

Fire

If loss or damage is caused by a fire.

Covered

- ▶ fire.

Not covered

- ▶ if the fire was started with the intention to cause damage by:
 - you, or
 - someone who enters your rental property or site with your consent (this does not include a tenant or their guest)
- ▶ damage which results from scorching or melting when your rental property or contents did not catch fire.

Earthquake

If loss or damage is caused by an earthquake.

Covered

- ▶ earthquake
- ▶ tsunami that happens as a result of an earthquake
- ▶ landslide or subsidence that happens immediately as a result of an earthquake.

Broken glass and sanitary fixtures

If any item shown here is unintentionally broken and has a fracture that extends through its entire thickness.

Covered under Building Insurance

- ▶ glass panels in fixtures
- ▶ cooktop or oven door
- ▶ vitreous china or acrylic or fibreglass fixed shower base, bath, spa bath, basin, sink, toilet, bidet or sanitary fixtures
- ▶ the reasonable cost to reconnect any electrical components to the item.

Not covered

- ▶ an item that broke because heat was directly applied to it
- ▶ glass in a greenhouse or glasshouse
- ▶ water or sewerage pipes
- ▶ any damage caused by the broken item.

Broken glass

If fixed glass in an item shown here is unintentionally broken and has a fracture that extends through its entire thickness.

Covered under Contents Insurance

- ▶ fixed glass in:
 - your furniture, including outdoor furniture
 - a light fitting
 - a mirror or picture
- ▶ damage that is also caused to the frame of a broken mirror or picture
- ▶ the reasonable cost to reconnect any electrical components to the item.

Not covered

- ▶ glass that is in a TV or radio
- ▶ any damage caused by the broken item.

Impact damage

If loss or damage is caused by an item shown in this section.

Covered under Buildings Insurance and Contents Insurance

- ▶ loss or damage caused by the impact of:
 - external aerials, masts, flagpoles or satellite dishes
 - aircrafts, vehicles or watercrafts
 - debris from space, aircrafts, rockets or satellites
 - trees or branches.

Covered under Buildings Insurance

- ▶ if a tree on your site causes loss or damage to your rental property and we agree it needs to be removed, then we pay the costs to:
 - cut down and remove the tree
 - treat the stump so it doesn't grow.

Not covered

- ▶ loss or damage caused by tree cutting, lopping or felling on your site
- ▶ costs to remove the stump
- ▶ costs to cut down or remove a tree if it didn't cause any damage to your rental property or contents.

Animal damage

If loss or damage is caused by an animal not kept at your site.

Covered

- ▶ loss or damage caused by animals not kept at your site.

Not covered

- ▶ loss or damage caused by:
 - vermin and insects
 - birds pecking, scratching or biting.

Explosion

If loss or damage is caused by an explosion and there is physical evidence of the explosion.

Covered

- ▶ explosion
- ▶ landslide or subsidence that happens immediately as a result of an explosion.

Not covered

- ▶ the item that exploded.

Riots or civil commotion

If loss or damage is caused by a riot or civil commotion.

Covered

- ▶ riot, civil commotion, industrial or political disturbance.

Other cover – Buildings Insurance

If one of the listed events shown on pages 16 to 24 causes loss or damage to your rental property, then we also cover some other things.

Under the 'other cover' shown in this section, we tell you what additional things we cover and any specific exclusions and conditions that apply to the cover. General exclusions may also apply – see Section 4. Also, if you don't meet your responsibilities when you make a claim you may put your claim or cover at risk – see page 35.

How we settle a claim is set out in Section 5.

For most of this other cover, we pay the costs that are covered as part of the buildings sum insured. However for some types of cover, we pay costs on top of the buildings sum insured – see Table 3.2 on page 25.

Table 3.2 – Other cover

This table shows other cover we give you.

For the first 2 covers shown in this table, you can make a claim **anytime** – that is, whenever a listed event that is covered takes place and causes loss or damage to these things on their own in the period of insurance.

Example

A storm damages roof tiles that are due to be fitted to your rental property – nothing else is damaged. We will:

- ▶ under 'building materials', pay up to \$1,000 for your roof tiles.

For the remaining covers, you can only claim for these things **with other damage** – that is, when:

- ▶ the listed event causes loss or damage to your rental property, and
- ▶ we agree to pay for that loss or damage.

Example

A fire damages your rental property and we agree your tenants cannot live in it while it is being repaired. We will:

- ▶ repair your rental property, and
- ▶ under 'loss of rent', pay the rent you lose for up to 12 months.

Table 3.2 – Other cover

Other cover	When you can claim for cover	Costs paid as part of sum insured?	Buildings Insurance	Contents Insurance
Building materials	Anytime	Yes	✓	✗
Furniture and furnishings — non-strata scheme	Anytime	Yes	✓	✗
Loss of rent during repairs	With other damage	On top of buildings sum Insured	✓	✗
Keys and locks	With other damage	Yes	✓	✗
Demolishing and removing debris	With other damage	Yes	✓	✗
Locating the cause of damage	With other damage	Yes	✓	✗
Rebuilding fees	With other damage	Yes	✓	✗
Meeting building regulations	With other damage	Yes	✓	✗
Mortgagee discharge costs	With other damage	On top of buildings sum Insured	✓	✗

Building materials

If you're renovating or altering your rental property and a listed event causes loss or damage to your building materials at your site.

Covered under Buildings Insurance

- ▶ building materials you have purchased that are due to be fitted – for example, bricks, tiles or timber
- ▶ items you have purchased that are due to be fitted to your rental property – for example an oven or dishwasher.

The most we pay for these items is \$1,000 during the 12 month period that is covered by your current policy.

Not covered

- ▶ sand, gravel or soil (we don't classify them as building materials).

Furniture and furnishings – non strata scheme

If a listed event causes loss or damage to the items shown below in your rental property that is not under a strata or similar scheme.

Covered under Buildings Insurance

- ▶ your furniture, furnishings or carpets in your rental property for tenants' use.

The most we pay is 10% of the buildings sum insured.

Not covered

- ▶ loss or damage caused intentionally by:
 - you, or
 - someone (other than your tenant) who enters your rental property or site with your consent
- ▶ electrical items – for example, TVs and stereos (we don't classify them as furniture).

Loss of rent during repairs

If a listed event causes loss or damage to your rental property and we agree your tenants cannot live in it and need to move out while it is being repaired or rebuilt.

Covered under Buildings Insurance

- ▶ the rent you lose during the reasonable time it should take to repair or rebuild your rental property.

We pay these costs for up to 12 months. We pay this on top of the buildings sum insured.

Not covered

- ▶ loss of rent during any time you live in the building
- ▶ if you also make a claim for rent default and we pay your claim
- ▶ loss of rent as a direct result of a claim under these listed events:
 - theft or attempted theft by a tenant or their guest, or
 - vandalism or a malicious or intentional act by a tenant or their guest.

Conditions

- ▶ you must have a rental agreement that states the:
 - term of the rental period, and
 - amount of rent and bond your tenant needs to pay.

Keys and locks

If a key for an external lock to your rental property is stolen during a theft at your site and we have agreed to pay your claim for theft.

Covered under Buildings Insurance

- ▶ up to \$800 to replace the key and the lock barrels it operates.

Not covered

- ▶ if we previously paid a claim under the same rental agreement for:
 - rent default
 - theft or attempted theft by a tenant or their guest, or
 - vandalism or a malicious or intentional act by a tenant or their guest
- ▶ when keys are the only things that are stolen during a theft.

Demolishing and removing debris

If a listed event causes loss or damage to your rental property and we agree you need to demolish part of your rental property or remove any debris.

Covered under Buildings Insurance

- ▶ costs to demolish and remove debris.
- ▶ costs to make your site safe – for example, the costs to install a temporary fence around the damaged area.

Conditions

- ▶ we must agree to pay the costs before you make any arrangements.

Locating the cause of damage

If a listed event causes loss or damage to your rental property and you need to confirm that it was caused by a listed event.

Covered under Buildings Insurance

- ▶ the reasonable costs you have paid to find the cause of damage if we agree the loss or damage was caused by a listed event.

Conditions

- ▶ the costs must relate directly to the part of your rental property that suffered the loss or damage
- ▶ we must agree to pay the costs before you make any arrangements.

Rebuilding fees

If a listed event causes loss or damage to your rental property and you need to pay certain fees to rebuild or repair your rental property.

Covered under Buildings Insurance

- ▶ the reasonable fees for architects, engineers or surveyors
- ▶ any fees we agree you need to pay to meet the requirements of a statutory authority.

Not covered

- ▶ fees to rebuild any part of your rental property which was an illegal construction
- ▶ if a statutory authority served a notice on you before the listed event took place.

Conditions

- ▶ we must agree to pay the rebuilding fees before you make any arrangements.

Meeting building regulations

If a listed event causes loss or damage to your rental property and you need to meet current building regulations to rebuild or repair the part of your rental property that was damaged.

Covered under Buildings Insurance

- ▶ the costs to meet current building regulations to repair or rebuild the part of your rental property that was damaged.

Not covered

- ▶ costs to meet building regulations:
 - that were already in place when your rental property was built, renovated or altered
 - for undamaged parts of your rental property – for example, installing insulation in ceilings that were not damaged.

Conditions

- ▶ We must agree to pay the costs before you make any arrangements.

Mortgagee discharge costs

If we agree to pay the buildings sum insured and you need to discharge any mortgage over your rental property.

Covered under Buildings Insurance

- ▶ the administrative costs to discharge any mortgage over your rental property.

We pay these costs on top of the buildings sum insured.

Liability cover – claims made against you

Your policy provides cover for claims that are made against you. This is known as liability cover.

In this section, we describe the liability cover you have under your policy. We also outline the exclusions and conditions that apply to this cover.

General exclusions also apply to liability cover — see Section 4.

You have certain responsibilities under this liability cover — see ‘Your responsibilities’ on page 35 — in Section 5.

What is liability cover?

Liability cover protects you for claims that may be made against you for an incident which causes:

- ▶ death or bodily injury to someone else, or
- ▶ loss or damage to someone else’s property.

The most we pay for any one incident is \$20 million. This includes legal costs when our lawyers handle the claim.

What we cover

Covered under Buildings Insurance

We cover your legal liability for:

- ▶ death or bodily injury to someone else, or
- ▶ loss or damage to someone else’s property in an incident that takes place in your rental property or at the site for which you are responsible as owner of the rental property or site.

For example, you may be liable if your tenant is injured at the rental property.

Covered under Contents Insurance

If your rental property is in a strata or similar scheme, we cover your legal liability for:

- ▶ death or bodily injury to someone else, or
- ▶ loss or damage to someone else’s property in an incident that takes place in your rental property or on any part of the site for which you are responsible as an owner.

For example, you may be liable if your tenant’s visitor is injured in a car park that you own.

When we provide liability cover

To be entitled to liability cover:

- ▶ the claim must result from an incident which takes place during the term of your policy as shown in your current Certificate of Insurance
- ▶ someone must make a claim against you for the incident
- ▶ you must lodge a claim with us for liability cover.

When you lodge a claim with us

When a claim is lodged with us, if you are entitled to liability cover, we will:

- ▶ act for you or arrange for a lawyer to represent you
- ▶ attempt to resolve the claim if we consider that you are liable for the incident
- ▶ defend the claim in a court or tribunal if we consider that you are not liable for the incident.

We can decide whether to defend or resolve a claim and how much to pay to resolve a claim.

We provide examples of how we calculate claims under liability cover – see page 46.

Liability cover – what we don't cover

It's important for you to read these specific exclusions and conditions that apply to the liability cover we provide under your policy.

Death or bodily injury

We don't cover death or bodily injury to you.

Loss or damage to property

We don't cover loss or damage to property that:

- ▶ you, own or have in your custody, control or possession
- ▶ is owned by any person employed by you under a contract of service.

Other liability exclusions

We will not cover:

- ▶ your legal liability as owner of any other property except the rental property on the site shown in your current Certificate of Insurance
- ▶ any exemplary or punitive damages, fines or penalties claimed, ordered or awarded against you
- ▶ fines or court costs if you are charged or convicted under a law.

We will not cover you if liability arises or results from:

- ▶ an incident that occurs outside the site
- ▶ you agreeing to accept liability for the claim
- ▶ death or bodily injury to any person employed by you under a contract of service
- ▶ any act or omission by you, or a person acting with your consent, which shows a reckless disregard for the consequences of that act or omission
- ▶ a deliberate and unlawful act by you, or a person acting with your consent
- ▶ any business, trade or profession other than the renting of your rental property for domestic use
- ▶ any professional sporting activity
- ▶ the transmission of a disease by you
- ▶ using or owning a vehicle, aircraft or watercraft
- ▶ subsidence or landslide
- ▶ your rental property or the site being used for farming
- ▶ asbestos in your rental property or on the site
- ▶ removing, containing, stopping or cleaning up pollution
- ▶ building work to your rental property or on the site which costs more than \$50,000
- ▶ an incident caused by an animal.

4. General exclusions that apply to your policy

There are certain situations when we won't provide cover under your policy. This section outlines the general exclusions that apply to all cover we provide under your policy including liability cover.

Other exclusions and conditions

There are specific exclusions, conditions and limits that apply to some parts of your cover. These are described throughout this PDS with the information they relate to.

The specific exclusions that apply to your liability cover are shown on page 30.

Your responsibilities when you are insured with us and make a claim are shown on page 35. You may put your insurance claim or cover at risk if you do not meet your obligations to us.

General exclusions

The exclusions shown in this section apply to all cover under your policy.

What we don't cover

Loss, damage, injury or death arising from:

- ▶ tenant neglect, carelessness, poor housekeeping, or unhygienic living habits.
- ▶ wear, tear, rust, corrosion or deterioration
- ▶ erosion
- ▶ mould
- ▶ depreciation
- ▶ the sea, high water or tidal wave – unless the loss or damage is the result of a tsunami
- ▶ landslide or subsidence unless it happens immediately as a result of:
 - an earthquake or explosion
 - a storm or flood.
- ▶ atmospheric conditions or extreme temperature
- ▶ vermin or insects
- ▶ birds pecking, scratching or biting
- ▶ tree lopping or felling on your site
- ▶ tree roots
- ▶ radioactivity, or the use or escape of any nuclear fuel, material or waste
- ▶ any war – whether it is formally declared or not – or hostilities or rebellion
- ▶ the lawful seizure, confiscation, nationalisation, or requisition of your rental property, contents or anything else covered by this policy

- ▶ pollutants or contaminants that discharge or escape
- ▶ any act of terrorism that involves any biological, chemical, or nuclear pollution, contamination or explosion
- ▶ any intentional act or omission by:
 - you
 - someone who acts with your consent
- ▶ hydrostatic pressure including loss or damage to swimming pools or similar structures.

What we don't cover

- ▶ mechanical, structural or electrical failure of an item
- ▶ costs arising from any business interruption
- ▶ the cost of reinstalling or replacing electronically stored files
- ▶ the intellectual or sentimental value of an item
- ▶ the settling, shrinkage or expansion in buildings, foundations, walls or pavements
- ▶ items owned by you that are in storage at the site
- ▶ claims arising from incidents that occur outside the period of insurance listed on your current Certificate of Insurance
- ▶ financial loss or cost arising from:
 - you breaching the rental agreement or breaching tenancy laws, or
 - an incident involving your tenant where there is no rental agreement

- ▶ loss or damage to buildings or contents that are:
 - covered by other insurance policies, or
 - part of common property.

Maintaining and occupying your rental property

We don't cover loss, damage, injury or death arising from:

- ▶ you not maintaining your rental property in good repair and condition. This means it must be watertight, structurally sound, secure and well maintained
- ▶ you leaving your rental property unoccupied for 30 consecutive days or more and not maintaining it in a lived-in state by:
 - keeping lawns mowed and gardens tidy
 - stopping regular mail and newspaper deliveries, and
 - organising someone to check inside and outside it at least once a week
- ▶ faulty design or workmanship that you knew about or should have reasonably known about
- ▶ you illegally keeping explosives, flammable or combustible substances or liquids in your rental property or at the site
- ▶ maintenance operations
- ▶ repairs or attempted repairs carried out by the tenant or anyone acting on their behalf.

5. Claims and what we pay

This section provides information about our claims process and what we pay when you make a claim:

- ▶ What happens when you make a claim
- ▶ Working out what we pay for your claim
- ▶ What we pay for – Buildings Insurance
- ▶ What we pay for – Contents Insurance
- ▶ How we settle certain things
- ▶ Businesses registered for GST
- ▶ Recovery actions
- ▶ How we pay claims – some examples

When you need to make a claim, we want to help you as much as we can.
We're available 24 hours a day, 7 days a week on 131 123 or visit our website nrma.com.au.

What happens when you make a claim

When you make a claim, we will:

- ▶ ask you some questions over the phone
- ▶ tell you if you need to pay any excess and how to pay it.

We may organise help through our preferred repairers and suppliers.

Your responsibilities

When you make a claim, you have certain responsibilities. These responsibilities also apply to any person that is covered by your policy.

If you don't meet these responsibilities, then we may not pay a claim in full, or we may decide not to pay it at all.

Co-operate

You must co-operate fully with us, even if we have already paid your claim. This may include:

- ▶ providing us with all the information, documents and help we need to deal with your claim
- ▶ immediately sending us any letters, notices or court documents that you receive about any incident which has resulted, or may result in a claim against you
- ▶ being interviewed by us
- ▶ attending court to give evidence.

You must be truthful and frank in any statement you make to us.

Settle claims and make admissions

You must not:

- ▶ attempt to settle a claim that is made against you without our permission, or
- ▶ make any admissions to anyone about any incident covered by your policy
- ▶ limit by agreement our rights to recover money from someone else.

Prevent further loss or damage

You must:

- ▶ do everything reasonable to prevent further loss or damage to your rental property or contents
- ▶ take all reasonable steps that are available to relet your property, and/or legally terminate the rental agreement and evict your tenant when you become aware that your tenant's behaviour may cause you to make a claim under:
 - rent default
 - theft or attempted theft – by a tenant or their guest
 - vandalism or a malicious or intentional act – by a tenant or their guest.

Proof of tenancy, loss and ownership

If we ask you to, then you must provide proof of loss, ownership and tenancy. This may include providing the following information:

- ▶ a rental agreement
- ▶ rent ledger or receipts
- ▶ property inspection reports
- ▶ copies of the notices issued to the tenant about the termination of the rental agreement
- ▶ proof of ownership for any item that is part of your claim
- ▶ receipts, valuations or model and serial numbers
- ▶ proof of the value of any item that is part of your claim.

Report to the Police

You must:

- ▶ immediately report to the Police any theft, attempted theft, or vandalism or malicious act, and
- ▶ give us any incident report number they give you.

Inspections and quotes

If we ask you, you must:

- ▶ let us or our representative inspect your rental property or contents
- ▶ allow us to obtain quotations from any repairer or supplier.

ABN and input tax credit claimed

If you are a business registered or required to be registered for GST purposes, then you must provide us with:

- ▶ your Australian Business Number (ABN), and
- ▶ the percentage of any input tax credit you have claimed or are entitled to claim on the premium you paid.

Excesses

An excess is the amount you contribute towards the cost of your claim. You don't need to pay an excess for a liability claim.

There are 4 types of excesses:

- ▶ basic
- ▶ earthquake
- ▶ rent default
- ▶ special

The type of excess you need to pay depends on what your claim relates to. Also, you may need to pay more than one excess.

Your current Certificate of Insurance shows the types of excesses that apply to your policy.

Paying your excess

When you make a claim, you must pay any excess that applies to:

- ▶ us, or
- ▶ the repairer or supplier.

We will tell you who to pay your excess to. We can only finalise your claim after you have paid any excess that applies.

If you want more details about excesses and how we calculate them, then see our NRMA Landlord Insurance Premium, Excess, Discounts and Benefits Guide. You can get a copy by visiting nrma.com.au/landlordped or by calling us on 132 132.

Working out what we pay for your claim

In this section, we outline the things that help us work out what we pay for your claim.

Step 1. Your insurance cover

Do you have:

- ▶ Buildings and Contents Insurance?
- ▶ Buildings Insurance?
- ▶ Contents Insurance?

Step 2. Your rental property and contents

- ▶ Do we insure the things that suffered the loss or damage? pages 11 to 12
- ▶ Are some things covered under 'other cover'? pages 25 to 28

Step 3. The incident

- ▶ Is it a listed event? pages 16 to 23
- ▶ Is it covered under 'other cover'? pages 25 and 28

Step 4. Exclusions and conditions

Is your claim affected by:

- ▶ any general exclusions? page 34
- ▶ any specific exclusions and conditions shown throughout this PDS?
- ▶ not meeting your responsibilities? page 35

Step 5. Sum insured

How much is:

- ▶ your buildings sum insured? page 7
- ▶ your contents sum insured? page 7

Step 6. Limits to cover

- ▶ Do maximum limits apply to your contents? page 13
- ▶ Do we limit cover based on the location of your contents? page 14
- ▶ Do other limits apply?

Step 7. Excess

- ▶ What type of excess applies to your claim? page 36
- ▶ How much is your excess?

What we pay for – Buildings Insurance

If we agree to cover your claim under Buildings Insurance, then we will:

- ▶ pay the cost to repair or rebuild the part of your rental property that was damaged – we pay the lower of the cost to repair or rebuild your rental property
- ▶ pay for other things we cover under 'other cover' – see pages 25 to 28.

The most we pay

The most we pay is the buildings sum insured. We may also pay some costs on top of the buildings sum insured – see 'other cover' in Table 5.1.

Table 5.1 – Costs paid on top of the buildings sum insured.

Other cover
Loss of rent during repairs – see page 26
Mortgagee discharge costs – see page 28

How we settle your buildings claim

We will choose to settle your claim for loss or damage to your rental property or 'other cover' in one of the following ways:

1. Arrange for repairers, builders and suppliers to repair or rebuild your rental property.

If you agree, we can arrange for our preferred repairers, suppliers or builders to repair or rebuild your rental property. We may enter into any contract with the selected repairer, builder and/or supplier on your behalf.

2. Pay you the reasonable cost to repair or rebuild your rental property.

We can choose to:

- ▶ pay you
- ▶ pay your nominated repairer, supplier or builder, or
- ▶ provide you with store credits from one of our nominated suppliers.

For example, we may pay you directly when:

- ▶ you decide not to repair or rebuild your rental property, or
- ▶ you don't start repairing or rebuilding your rental property within 6 months from when the damage takes place, or within any longer period we agreed to in writing.

3. Pay you the buildings sum insured

We may do this when we consider your rental property to be a total loss or when we choose to do so.

If we pay you the buildings sum insured, then your policy ends and you don't get a refund of your premium.

We will continue your liability cover (as described on pages 29 to 30) for up to 6 months from when the listed event took place. However, liability cover will end during this period if:

- ▶ construction starts at your site, or
- ▶ you sell the land, or
- ▶ you take out a new buildings insurance policy for your site.

4. Paying for 'other cover'

If we agree to pay you for other cover, we will choose the method of settlement.

We provide examples of how we calculate claims under Buildings Insurance – see pages 44 and 45.

Lifetime guarantee

We provide a 'lifetime guarantee' when your rental property is repaired or rebuilt by one of our preferred repairers or builders.

This means:

- ▶ we guarantee the workmanship of repairs that we authorised for the lifetime of your rental property
- ▶ we will fix any defect caused by poor workmanship.

We will decide on what needs to be done to fix any defect.

When you're not covered by this guarantee

This guarantee does not apply to:

- ▶ repairs you authorised yourself
- ▶ loss, damage or failure of any electrical or mechanical appliance or machine
- ▶ wear and tear that is consistent with normal gradual deterioration of your rental property.

Credit provider's rights

You may have used all or part of your rental property as security for a loan with a credit provider. Your credit provider may be a bank, credit union or other type of lender.

When you have Buildings Insurance, we note any credit provider you tell us about on your current Certificate of Insurance.

When you have noted a credit provider:

- ▶ we treat the rental property as being under mortgage
- ▶ we treat any statement, act, omission or claim by you as a statement, act, omission or claim by the credit provider
- ▶ we may recover any payment either in your name or the credit provider's name.

When you have Contents Insurance, we don't note any credit provider on your current Certificate of Insurance. But, you need to give us their name when you make a claim for a contents item.

Payments to the credit provider

- ▶ if we decide to pay you cash for a claim on the mortgaged property that is insured, we will first pay the credit provider the lower of the following amounts after deducting any excess and unpaid premium:
 - the buildings sum insured, or
 - the reasonable cost of repairing or replacing your rental property, or
 - the balance then owing to the credit provider under the mortgage
- ▶ if the amount we have agreed to pay you is less than \$20,000, we can choose to pay you or the credit provider
- ▶ if we make a payment to a credit provider, then the payment discharges our obligation to you under your policy for the amount paid
- ▶ if the credit provider doesn't give us any help we ask for, then we won't pay the credit provider
- ▶ we will only pay a credit provider if they are noted on your current Certificate of Insurance.

What we pay for – Contents Insurance

If we agree to cover your claim under Contents Insurance, then we pay the cost to repair or replace your contents – we pay the lower of the cost to repair or replace your contents.

The most we pay

The most we pay is the contents sum insured.

How we settle your contents claim

If we agree to cover your claim under Contents Insurance, then we can choose to pay your claim through any of these ways:

- ▶ repair an item, or
- ▶ replace an item with the same or similar type and quality, or
- ▶ pay you the reasonable cost to repair or replace the item, or
- ▶ provide you with store credits to replace an item from one of our nominated suppliers, or
- ▶ pay you the sum insured or provide you with store credits from one of our nominated suppliers to the value of the sum insured.

Conditions

- ▶ we can nominate the repairer or supplier and claims settlement method
- ▶ we may enter into any contract with the repairer or supplier on your behalf
- ▶ if you don't agree with the method of settlement we choose, we will pay you what it would cost us to repair or replace the item.

What happens after we pay the contents sum insured

If we pay the contents sum insured, then:

- ▶ your contents cover ends and you don't get a refund of any premium.

We provide examples of how we calculate claims under Contents Insurance – see pages 44 and 45.

How we settle certain things

When we pay your claim, we settle certain things in line with the information shown in this section.

Deducting '4 times weekly rent' amount

When an incident takes place, you may need to make a claim under more than one of these listed events at the same time:

- ▶ rent default
- ▶ theft or attempted theft – by a tenant or their guest
- ▶ vandalism or a malicious or intentional act – by a tenant or their guest.

When we settle your claim, we will only deduct the '4 times weekly rent' amount once.

Rent default

If we agree to pay your claim for rent default we pay you direct.

For how we calculate your claim – see page 17.

Matching materials

Under Buildings Insurance

- ▶ we only repair the damaged parts of your rental property. We don't pay for materials to match the undamaged parts of your rental property to create a uniform appearance.

Carpet, vinyl or floorboards

Under Buildings Insurance and Contents Insurance

- ▶ we only repair or replace the carpet, vinyl or floorboards in the part of your rental property that was damaged
- ▶ we don't pay for any adjoining rooms, or your entire rental property.

Pairs, sets or collections

Under Contents Insurance

- ▶ if there is loss or damage to a pair, set or collection, then we only cover the part that was affected.

Damaged property

Under Buildings Insurance and Contents Insurance

If any damaged property remains after we settle your claim, then:

- ▶ it becomes our property, unless we let you keep it.

If we let you keep the damaged property, then:

- ▶ you are free to do whatever you like with it, and
- ▶ you are responsible for it and can't abandon it to us.

Businesses registered for GST

Before we make a payment, we deduct an amount equal to your input tax credit entitlement. This applies to any amount we pay, including where we state that an amount will include GST.

Any payment we make to settle your claim will be considered to be made in full even if we have reduced the amount we pay as described above.

Recovery actions

You agree that the following provisions, which appear under the headings **Recovery action by us** and **Recovery action by you**, apply where we cover you under the policy for some or all of the loss or damage you suffer in connection with an incident.

Recovery action by us

You agree we may, if we choose to, take steps to recover from someone else we consider responsible for the incident:

- ▶ some or all of the loss or damage we cover; and/or
- ▶ some or all of the loss or damage which we do not cover, whether or not it is covered by another insurer or you do not have cover for it.

You agree we may take such recovery action:

- ▶ without your consent;
- ▶ using your name; and
- ▶ whether or not you have been, or have a right to be, fully compensated for all of your loss or damage by us or anybody else.

Examples of recovery action we may take include:

- ▶ conducting legal proceedings using your name, including as an applicant or plaintiff in representative or group proceedings (commonly known as class actions);

- ▶ conducting legal proceedings on your behalf as a member of representative or group proceedings;
- ▶ taking over the conduct of legal proceedings started by you or on your behalf, including as an applicant or plaintiff in representative or group proceedings;
- ▶ exercising any statutory or contractual rights, including rights to opt-out, that you have in or in connection with representative or group proceedings; and/or
- ▶ entering into contracts in your name in relation to litigation funding or legal representation, including where entry into those agreements causes you to become a group member of representative or group proceedings.

We have in our discretion the right to decide upon the conduct and any settlement of any recovery action we take.

You agree we may exercise all the rights you have in connection with the loss or damage you have suffered in connection with the incident. If we take recovery action in respect of some or all of the loss or damage which we do not cover, we may in our discretion, and to the extent permitted by law, require you to contribute to the costs we incur.

Of any amount recovered in recovery action we take, you agree we first keep the amount we have paid, or must pay, you under the policy plus any interest recovered on that amount and any administrative, recovery agent, funding and legal costs we have incurred in taking the recovery action. We then pay you the amount of loss or damage you have suffered in connection with the incident and for which you do not have any cover with us plus any interest recovered on that amount and costs you may have been required by us to contribute. Finally, we keep any remaining balance.

You must give us all the information and co-operation that we require to take the recovery action.

You must not do anything which prejudices us in taking any recovery action. For example, you must not:

- ▶ assign your rights to anyone else; or
- ▶ opt-out of any representative or group proceedings taken by us.

Recovery action by you

You may only take recovery action with our prior written consent and on conditions which we in our discretion impose.

You must have proper regard for our interests in respect of loss or damage that we cover.

You must seek to recover the loss or damage we cover in addition to any other loss or damage you have suffered in connection with the incident.

Of any amount recovered in recovery action you take, you may first keep the amount of loss or damage you have suffered in connection with the incident and for which you do not have any cover with us plus any interest recovered on that amount and any administrative and legal costs you have incurred in taking the recovery action. You then pay us the amount we have paid, or must pay, you under the policy plus interest recovered on that amount. Finally, you keep or pay any remaining balance in accordance with any other obligations you have.

You agree we may:

- ▶ take over the conduct of legal proceedings started by you or on your behalf, including where you are an applicant or plaintiff, or a group member, in representative or group proceedings; and
- ▶ require you to cease recovery action that you have commenced.

How we pay claims – some examples

In this section, we outline examples of how we may pay some claims.

These claims are based on certain scenarios. Any amount we pay for your claim depends on the details that apply to your situation.

Claim 1 – Repairing your rental property

Policy type:

Buildings Insurance

Buildings sum insured:

\$360,000

Basic excess:

\$500

Loss or damage:

A storm damages the roof of your rental property.

How we settle your claim

We arrange for a builder to repair your roof for \$3,500.

We pay the builder \$3,000.

We ask you to pay the builder the \$500 basic excess.

Claim 2 – Replacing your contents

Policy type:

Contents Insurance

Contents sum insured:

\$15,000

Basic excess:

\$300

Loss or damage:

Someone steals your washing machine and lawn mower from your rental property.

How we settle your claim

We pay the supplier \$1,500 to replace the washing machine and lawn mower.

We ask you to pay the supplier the \$300 basic excess.

Claim 3 – Your rental property and contents are totally destroyed

Policy type:

Buildings and Contents Insurance

Buildings sum insured:

\$250,000

Contents sum insured:

\$25,000

Basic excess:

\$1,000

Loss or damage:

Your rental property and contents are insured for their correct replacement value and are destroyed by fire.

How we settle your claim

We choose to pay you directly for the damage.

We pay you \$274,000 as follows:

Buildings sum insured	\$250,000
Contents sum insured	\$25,000
Less basic excess	\$1,000
Total	\$274,000

Claim 4 – Rent default

Policy type:

Buildings and Contents Insurance

Buildings sum insured:

\$360,000

Contents sum insured:

\$30,000

Weekly rent:

\$500

Rent default excess:

\$300

Loss or damage:

Your tenant leaves without giving notice and owes you 16 weeks rent.

How we settle your claim

We pay you \$5,000 as follows:

16 weeks rent	\$8,000
Less 4 weeks rent	\$2,000
Less rent default excess	\$300
Total	\$5,700

However, we pay you \$5,000 as this is the maximum amount we pay for rent default.

Claim 5 – Repairing your rental property – loss of rent

Policy type:

Buildings Insurance

Buildings sum insured:

\$250,000

Weekly rent:

\$400

Basic excess:

\$500

Loss or damage:

A fire damages your kitchen and living areas. We agree your tenants need to move out for 6 weeks while the damage is repaired.

How we settle your claim

We arrange for a builder to repair your rental property. You claim for loss of rent.

We pay the builder \$25,000.

We pay you \$2,400 for loss of rent less your basic excess of \$500. This means we pay you \$1,900.

Claim 6 – Liability claim at your rental property

Policy type:

Buildings Insurance

Liability cover:

\$20 million

Basic excess:

\$500

Loss or damage:

A visitor falls over a loose tile in the kitchen at your rental property and sprains their ankle.

We or a court decide that you are liable to pay \$3,000 for the claim made against you by the visitor.

How we settle your claim

We pay the visitor \$3,000.

We pay our lawyers \$500 to defend the claim on your behalf.

You don't need to pay us the basic excess – it doesn't apply to Liability claims.

6. Changes to your policy

This section describes the changes that can be made to your policy:

- ▶ Changes you can make
- ▶ Changes we can make

Changes you can make

You may need to make changes to your policy.

Additional premium or Refund less than \$15

When a change is made to your policy, you may need to pay us an additional premium, or we may need to refund part of your premium. If the additional premium we need to charge you is less than \$15, then we'll waive it – that is, you don't need to pay it. However, if the amount we need to refund is less than \$15, then we'll donate it to charity.

Change your policy

You may want to make certain changes to your policy. For example, you may choose to increase your basic excess so you pay a lower premium.

You need to:

- ▶ contact us first, and
- ▶ pay us any additional premium that may apply to the change (or we won't make the change).

We will:

- ▶ make the change only if we agree
- ▶ issue you with a current Certificate of Insurance
- ▶ refund any amount we owe you.

You want to cancel your policy

You need to:

- ▶ contact us

We will:

- ▶ deduct from the premium you paid:
 - an amount that covers the period that you have been insured for
 - a cancellation fee of \$30 (plus GST and Government charges)
- ▶ then pay you what is left of the premium.

However, if you currently pay your premium by monthly instalments, you must pay us any monthly instalments that are due but unpaid and a cancellation fee of \$30 (plus GST and Government charges).

You authorise us to deduct these amounts by direct debit from the account or credit card you previously nominated for monthly instalment deductions.

If you tell us to cancel your policy within the 21 day cooling off period, we'll give you a full refund – see page 9 for further details.

Changes we can make

We may need to cancel your policy or give you written notice about your policy.

Cancel your policy

There may be cases when we need to cancel your policy.

We will:

- ▶ give you written notice, if required
- ▶ refund your unused premium after we deduct an amount that covers the period that you've been insured for.

However, if you're currently paying your premium by monthly instalments, then you must pay us any monthly instalments that are due but unpaid.

You authorise us to deduct these amounts by direct debit from the account or credit card you previously nominated for monthly instalment deductions.

Give you written notice

We may need to provide you with written notice about your policy.

We will:

- ▶ deliver it personally
- ▶ mail it to your last known address
- ▶ deliver it by fax or electronically (where allowed by law) or
- ▶ send you an electronic link so you can access the notice (where allowed by law).

When you change your postal or email address, it's important that you tell us straight away.

7. Your premium

This section provides information about your premium:

- ▶ How we work out your premium
- ▶ Paying your premium

How we work out your premium

Your premium is based on the level of risk we need to take to insure you. If you have a low risk of making a claim, then we charge you a lower premium than someone who has a high risk of making a claim.

To assess your risk level, we use rating factors based on our claims experience.

For more details on how we work out your premium and the discounts you may be eligible for, refer to our NRMA Landlord Insurance Premium, Excess, Discounts and Benefits Guide. You can get a copy by visiting nrma.com.au/landlordped or contacting us on 132 132.

Discounts you may be eligible for

When you take out insurance with us, you may be eligible for one or both of these discounts:

- ▶ Loyalty Discount
- ▶ No Claim Bonus

Your current Certificate of Insurance shows the discounts we give you. It is important for you to check your Certificate of Insurance to make sure you are getting the discounts you're entitled to and that your personal information is accurate, complete and up-to-date. We may change the discounts or introduce more discounts from time to time.

Loyalty Discount

Your Loyalty Discount is based on how long you have had a relationship with us and how many eligible policies you have. The longer you maintain your continuous relationship with us and the more policies you hold, the higher the discount you could receive.

No Claim Bonus

We give you a No Claim Bonus to reward you for having a good claims record. We calculate your No Claim Bonus based on your insurance and claims history.

Paying your premium

It's important to pay your premium on time. This section outlines how you can pay your premium and what happens if you don't pay it.

Payment options

You can pay your premium:

- ▶ annually in one lump sum, or
- ▶ by monthly instalments by direct debit from an account or credit card you nominate (if we offer this option to you).

Your current Certificate of Insurance shows the amount you need to pay and the due date for your annual premium or for each monthly instalment.

What happens if you don't pay on time

Unpaid annual premium

If you don't pay your annual premium by the due date, then we will give you written notice to cancel your policy.

Unpaid monthly instalments

An instalment is unpaid if it is dishonoured, rejected, not received or we are otherwise unable to deduct it from the nominated credit card or account.

When you take out insurance, if you don't pay the first monthly instalment by the due date, then we will give you written notice to cancel your policy.

If any other monthly instalment is unpaid:

- ▶ for one month after its due date, your policy is automatically cancelled without notice to you at the end of that one month period
- ▶ for 14 days or more after its due date, we will refuse a claim for incidents that occur 14 days or more after the due date.

8. Other information you need to know

When you take out insurance with us, you need to know some other things that are outlined in this section:

- ▶ Helpline 132 900
- ▶ How to resolve a complaint or dispute
- ▶ Privacy of your personal information
- ▶ General Insurance Code of Practice
- ▶ Financial Claims Scheme

How to resolve a complaint or dispute

We want to resolve any complaint or dispute and we aim to resolve your complaint or dispute as quickly as possible. These steps are part of our complaint and dispute resolution procedures. If you want more details, call us on 132 132.

Step 1

Talk to us first

The first thing you should do is talk to one of our Consultants about your concerns. Call us on 132 132. The Consultant may be able to resolve the complaint for you. If not, they will refer you to, or you may request to speak to a Manager.

The Consultant or Manager will attempt to respond to your complaint as soon as possible. If they require more information they will aim to respond within 15 business days of receipt of your complaint.

Step 2

Contact Customer Relations

If the Manager cannot resolve your complaint, you may request the matter be referred to our Customer Relations area or you can choose to contact them by phoning or writing to:

Free Call: 1800 045 517

Free Fax: 1800 649 290

Email: Customer.Relations@iag.com.au

Mail: Customer Relations

Reply Paid 62759

Sydney NSW 2000

Free post (no stamp required)

Customer Relations will treat your complaint as a dispute and assign one of their staff members to conduct an independent review of the matter. Customer Relations will contact you with a decision usually within 15 business days of receiving your dispute.

Step 3

Seek an external review of the decision

If you are unhappy with the decision, or your complaint or dispute remains unresolved after 45 days, you may wish to seek an external review. Customer Relations will provide you with information on external review options, such as referring you to the Financial Ombudsman Service Australia (FOS). The FOS is contactable on 1800 367 287.

Privacy of your personal information

We value the privacy of personal information we collect about you.

We collect your personal information directly from you or through others including entities listed in our Privacy Policy. They include our related entities, agents and distributors.

How we use your personal information

We and the parties listed in our Privacy Policy will use your personal information for the purposes it was collected for. That usually includes to provide you with assistance, a product or service you requested and to deal with claims. Your personal information may also be used for other purposes that are set out in our Privacy Policy. You may choose to not give us your personal information. However, not giving us your personal information may affect our ability to provide you with a product or service, including processing a claim.

to get a free copy of our Privacy Policy:

- ▶ visit nrma.com.au
- ▶ call 132 132

Further information

We may disclose your personal information to:

- ▶ our related entities
- ▶ our service providers – which includes some service providers that may be based overseas, and
- ▶ other parties as set out in our Privacy Policy.

Our Privacy Policy provides more information about how we collect, from whom we collect and how we hold, use and disclose your personal information. Our Privacy Policy also provides information about how you can:

- ▶ access your personal information
- ▶ ask us to correct your personal information, and
- ▶ complain about a breach of the privacy principles set out in the Privacy Act 1988 (Cth) and how we will deal with your complaint.

Your consent

You agree to us collecting, holding, using and disclosing your personal information as set out in our Privacy Policy when you:

- ▶ provide us with your personal information, or
- ▶ apply for, use or renew any of our products or services.

General Insurance Code of Practice

We support and comply with the General Insurance Code of Practice.

The objectives of the Code are to:

- ▶ promote better, 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 on to higher standards of customer service.

You can get a copy of the Code from the Insurance Council of Australia by visiting www.codeofpractice.com.au.

Financial Claims Scheme

If we become insolvent, this policy may be protected under the Federal Government's Financial Claims Scheme administered by APRA. This means that if you meet certain eligibility criteria you may receive payment under the scheme. For more information please see www.fcs.gov.au.

Helpline 132 900

Our Helpline telephone service provides you with help and advice 24 hours a day, 7 days a week.

For example, something may happen to you in Australia. If we agree you need trauma counseling, we will arrange it and pay up to \$1,000.

For more details on Helpline 132 900 refer to our NRMA Landlord Insurance Premium, Excess, Discounts and Benefits Guide. You can get a copy by visiting nrma.com.au/landlordped or contacting us on 132 132.

Definitions

The following words have special meaning.

Bond

an amount of money paid by a tenant as security for the landlord against any future breaches of the rental agreement.

Buildings sum insured

is the amount of insurance you purchase for your rental property. This amount is shown on your current Certificate of Insurance.

Common property

property owned by the owners corporation or similar body.

Condition Report

a report completed by the tenant and/or agent on the condition of the property

Contents

are those items that are not permanently attached or fixed to the structure of your rental property that you:

- ▶ own
- ▶ are responsible for as part of a hire or lease agreement or written employment contract, and
- ▶ leave at your rental property for your tenants' use.

Contents sum insured

is the amount of insurance you purchase for your contents. The amount is shown on your current Certificate of Insurance.

Excess

is the amount you pay when you make a claim on your policy. The amount and type of excess that applies to your policy is shown on your current Certificate of Insurance.

Fittings

are any items that can be removed from your rental property without causing damage to it.

Fixtures

are any items that are permanently attached or fixed to the structure of your rental property that cannot be removed without causing damage to it.

Flood

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

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

Fusion

is the burning out of an electric motor or its wiring as a result of the electric current in it.

Home improvements

are any permanent additions at your site that add to the cost of rebuilding or repairing your rental property, such as a garage, in-ground pool, above ground pool (when enclosed by decking), carport, pontoon, boat jetty and permanent landscaping features. We do not consider soil or bushland to be home improvements.

Intentional and deliberate damage

is damage resulting from an act deliberately performed by your tenant or their guest, with the full knowledge that the act will alter the state of the rental property, and done without the owners' permission.

Incident

is a single occurrence, or a series of occurrences arising out of the one event.

Listed event

is an event we cover under your policy shown in Table 3.1 – page 16.

Owners' corporation

also known as the body corporate. The body that controls the administration of common property in a strata title or subdivided building or land. The members of the body corporate are the owners of each unit in the building.

Period of insurance

is the period shown on your current Certificate of Insurance.

Premium

is the total amount you pay for your insurance that includes applicable government taxes such as GST, duties or charges payable by you. It is shown on your current Certificate of Insurance. If you pay by monthly instalments, the premium means the total of the instalments you must pay for the full policy period.

Rent

is the amount of money payable on a regular basis by the tenant to lease or rent your rental property, as set out in a current valid written rental agreement.

Rental agreement

is a current valid written agreement between you and a tenant that details the terms and conditions of the tenancy including the rental period, the amount of rent payable to you and the amount of bond that a tenant is required to pay. Once the fixed term period of the tenancy ends, the rental agreement becomes a continuing agreement with the same terms and conditions.

Rental property

is any enclosed building at your site that has walls and a roof that can be locked up which you use mainly for domestic purposes:

- ▶ for buildings insurance, your rental property includes any home improvements or fixtures
- ▶ for contents insurance, if your rental property is a flat or unit, it is your flat or unit and includes any lockable storage compartment that is reserved for you in another section of the building or complex that your flat or unit is part of.

Set

is a pair or group of items that belong together, are similar in appearance and are related by a common size, shape, colour, pattern or material.

Site

is the land where your rental property is located and the yard or garden surrounding it, that are used primarily for domestic residential purposes, at the address shown on your current Certificate of Insurance. The site also includes any land or other area that touches your site and for which any authority has made you responsible, but it does not include the nature strip outside your site.

Storm

- ▶ a violent wind, cyclone or tornado
- ▶ a thunderstorm, hail, rain or snow
- ▶ sudden, excessive run-off of water as a direct result of a storm in your local area.

Storm surge

is the increase in sea level that usually happens when there is an intense storm or cyclone.

Strata

any form of land title which allows for multiple titles to exist in or on a building or land where the common property is held under a single separate title.

Tenant

any person named in a rental agreement who has been granted the right to occupy the property and any other person who permanently resides at the property.

Us, we and our

is Insurance Australia Limited trading as NRMA Insurance.

You

all the people named as the insured on your current Certificate of Insurance. If more than one person is named as the insured, we will treat a statement, act, omission or claim by any one of those people as a statement, act, omission or claim by all those people.

Index

a

agreement	
with you	9
animal damage	23
asbestos	31
atmospheric conditions	33
attempted theft	
by a tenant or guest	17, 18, 26, 27, 35, 41
by someone else	18

b

basic excess	36
birds	23, 33
boarding houses	11
bodily injury	29-30
bond,	17, 18, 26
definition	57
broken glass	22
broken sanitary fixtures	22
building materials	26
buildings	
we insure	11
we don't insure	11
your rental property	11
buildings insurance	6
what we pay	8, 38-39

buildings sum insured	7, 8
definition	57
building regulations	28
building work	30
burn out of electric motors – fusion	19
definition	57

c

cancelling your policy	48, 49
you want to cancel	48
we want to cancel	49
caravans	12
carpets	12, 26, 41
cash	39
certificate of insurance	9
changes to your policy	47-49
civil commotion	23
claims	34-46
businesses registered for GST	42
carpet, vinyl or floorboards	41
credit provider's rights	39
damaged property	41
examples	44-46
excess	36
settlement	38, 40, 41
lifetime guarantee	39
making a claim	35
matching materials	41
pairs, sets or collections	41
recovery actions	42
what we pay for – buildings insurance	8, 38

working out what to pay	37
your responsibilities	35
code of practice	56
commercial buildings	11
common property	33, 57
definition	57
complaints process	54
conditions	9
general	9, 33
liability cover	29, 30
special	9
contents	
definition	57
maximum amounts we pay	8, 13
replacement value	7
we insure	12
we don't insure	12
what are they	12
where we insure them	14
contents insurance	6
what we pay	8, 13, 40
contents sum insured	7, 8
definition	57
contract	9
cooling-off period	9
co-operation	35
cover	
events we cover	7, 16-23
liability cover	29, 30
other cover – buildings insurance	28
sum insured	7

type of policy	6	flood	20	fixtures	12
who's covered by policy	6	impact damage	22	definition	58
credit provider's rights	39	intentional act	18	fixtures	11, 12
computers (including software)	12	lightning	21	definition	58
collections	12, 41	malicious act	18, 19	flood	19, 20, 21
cyclone, see storm		oil leaks	20	definition	58
d		rent default	17	furniture and furnishings	12, 26
death	28, 30	riots	23	fusion	19
definitions	5, 11, 57-59	storm	19	definition	58
demolishing costs	27	theft	17, 18	g	
depreciation	33	vandalism	18, 19	general exclusions	9, 16, 25, 33
discounts	51	water leaks	20	GST	9
display homes	11	excess	36	glass	22, 23
dispute process	54	basic	36	gold items	12
e		definition	57	good repair	33
earthquake	21	earthquake	21	goods for sale	12
excess	36	rent default	17, 36, 45	greenhouse	22
embargo	9	special	37	h	
erosion	33	exclusions	9, 16, 30, 33	handheld electronic devices	12
events we cover	6, 16-23	general	9, 33	helpline	56
animal damage	23	specific	9, 33	hire or lease agreement	12, 58
attempted theft	17, 18	liability cover	30	home improvements	11
broken glass	22	exhibition homes	11	definition	58
broken sanitary fixtures	22	explosion	23, 33	hostels	11
burn out of electric motors – fusion	19	explosives	33	hotels	11
civil commotion	23	extreme temperature	33	i	
earthquake	21	f		impact damage	22
explosion	23	faulty design or workmanship	33, 39	incident	58
fire	21	fences	19, 20	definition	58
		fire	21		

premium	9, 51-52	responsibilities	
definition	58	when you make a claim	35
discounts	51	riots	23
how we work it out	51	rodents see vermin	
if you don't pay it	52		
paying it	52	S	
payment options	52	sanitary fixtures	22
privacy	55	set	41
product disclosure statement	9	definition	58
proof of tenancy, loss and ownership	35	silver items	12
		shower recess/screens	21
		shrubs	12
		site	11
		definition	58
		making your site safe	27
		special excess	36
		sporting activity	28
		sporting equipment	27
		stock	12
		storage	12, 33, 59
		storm	19
		definition	59
		storm surge	19, 20
		definition	59
		strata or similar scheme	12, 26, 29
		definition	59
		subsidence	19, 20, 21, 23, 31, 33
		sum insured	7
		buildings sum insured	7
		contents sum insured	7
		supplementary product disclosure statement	9
		swimming pools	20, 33
		t	
		tenant	
		definition	59
		intentional act	18
		malicious act	18
		rent default	17
		theft	17
		vandalism	18
		terrorism	33
		theft	
		by a tenant or guest	17
		by someone else	18
		tools of trade	12
		trees	12
		tsunami	21, 33
		u	
		unoccupied	33
		unpaid premium	52
		us	59
		v	
		vandalism	
		by a tenant or guest	18
		by someone else	19
		vehicles	12, 22
		vermin	23, 33
		w	
		watches	12
		water damage	19, 20
		water leaks	20

watercraft 12, 22, 31
we 59
wear and tear 39
works of art 12
written employment contract 12, 57
written notice 49

y

you 6
 definition 59

NRMADE BETTER



CONTACT

ENQUIRIES AND NEW BUSINESS **132 132**

CLAIMS **131 123**

HELPLINE **132 900**

REPORT INSURANCE FRAUD **1800 237 283**

[NRMA.COM.AU](https://www.nrma.com.au)

This Product Disclosure Statement and Policy Booklet (PDS) is issued by Insurance Australia Limited
ABN 11 000 016 722 AFS Licence No. 227681 trading as NRMA Insurance
388 George Street Sydney NSW 2000 G018227 03/17