

# Landlord Insurance

## Supplementary Product Disclosure Statement (SPDS)

Preparation Date: 11/02/2015

## Important changes to your Allianz Landlord Insurance Product Disclosure Statement and Policy Document

This document is an SPDS that updates and amends the Allianz Landlord Insurance Product Disclosure Statement and Policy Document ("PDS"). It is issued by the insurer Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 of 2 Market Street Sydney NSW 2000. This SPDS must be read together with the PDS and any other SPDS that you are given which updates or amends the PDS.

This SPDS is made up of three Parts (which operate in different situations):

- Part 1 replaces the definition of flood in the PDS with the new Government prescribed definition in the circumstances specified in Part 1 below;
- Part 2 only applies if your home/situation/risk address to be insured is one we offer the flood cover option for. We will advise you if the option is offered before or during your application for this insurance or in any renewal invitation; and
- Part 3 applied to you in all cases.

### Part 1 – Change to what we mean by “flood”

From 19 June 2014 all insurers must apply a new Government prescribed definition of flood to all householders insurance policies, which includes this product. The prescribed definition change, which is set out below, will apply to the PDS from the earliest of the following dates:

- the date we renew/issue you with cover after providing this SPDS to you, or
- 19 June 2014.

However, if you have an existing policy when you receive this SPDS, the change applies to it from 19 June 2014, but only in relation to events which occur from that date. For example, if a flood event occurs on 21 June 2014 the prescribed definition applies. If the event occurs on or before 18 June 2014 the current flood definition in your policy will continue to apply, not the prescribed definition.

*Prescribed definition change* – In the “**Words with special meanings**” section, the definition of flood (and any accompanying note) is deleted and replaced with:

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

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

## Part 2 – Flood cover

This Part 2 only applies if your home/situation/risk address to be insured is one for which we offer flood cover as an option.

We will advise you if the flood cover option is offered in relation to your home/situation/risk address:

- prior to or during the application for this insurance; or
- in any invitation to renew cover. If the optional flood cover is offered, we will automatically include it in the renewal terms offered (see the renewal schedule), unless you have previously opted out.

When we issue your policy, your schedule (including any renewal schedule) will specify if flood cover is included in relation to that home/situation/risk address.

Where Part 2 applies, the PDS is amended as follows:

*The following changes only apply in relation to the relevant home/situation/risk address if your current schedule states flood cover is included in relation to that home/situation/risk address. For any home/situation/risk address where flood cover is not included these changes do not apply.*

### “Insured events we will pay” section changes

The “**Insured events we will pay**” section is amended by including a new insured event “**Flood**” as follows:

#### **Flood**

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

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

We will not pay for:

- loss or damage caused by storm, rainwater or run-off (except where the run-off and/or rainwater is combined with flood water)  
**Note: You may be covered for storm, rainwater or run-off under the insured event “Storm, rainwater or run-off”;**
- loss or damage caused by action of the sea, high water, tidal wave or storm surge;
- loss or damage caused by:
  - soil movement including erosion, landslide, mudslide or subsidence, unless it is directly caused by and occurs within 72 hours of the flood;
  - shrinkage or expansion of earth or land; or
  - hydrostatic pressure;
- loss or damage to gates or fences if they are not well maintained and are not in good order and repair;
- loss or damage to retaining walls;
- loss or damage to swimming pool and spa covers, their liners or their solar domes;
- loss or damage to pontoons, jetties or bridges; or
- the cost of cleaning mud or debris out of tanks, swimming pools or spas.

### “Optional additional covers” section changes

The “**Strata Title Mortgage Protection**” section is amended to include cover for the insured event “**Flood**”.

Please note that discounts relevant to the policy premium may not be applied to the flood component of the premium.

## Part 3 – Other benefits we will provide

This Part 3 amends and updates the PDS as follows:

In the "Other benefits we will provide" section, benefit 7. Legal liability – cover for injury to other people or their property is deleted and replaced with:

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

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

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

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

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

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

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

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

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

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

What you are not covered for:

1. We will not cover your legal liability for:

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

- k. claims arising out of the discharge, dispersal, release or escape of pollutants defined as, smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. This exclusion will not apply if such a discharge, dispersal, release or escape is caused by sudden accidental unexpected and unintended happening. We will not pay expenses for the prevention of such contamination or pollution;
  - l. claims for:
    - pregnancy; or
    - the transmission of disease;
  - m. which arises from your failure to take all reasonable precautions to comply with all statutory obligations and regulations imposed by any authority;
  - n. which arises out of your ownership or possession of any building except for your buildings located at the risk address shown in the current schedule; or
  - o. claims arising directly or indirectly from or in any way connected with, the existence, use, operation or maintenance, at any time, of electronic mail, a computer virus, an internet site or other internet based service, intranet or any website;
2. We will not:
- a. cover your legal liability arising out of breach of copyright or an act of libel, slander or assault caused by you;
  - b. cover you for any legal liability arising from any:
    - statutory, compulsory scheme or fund;
    - accident compensation scheme or workers compensation policy of insurance; or
    - industrial award,even if the amount recoverable is nil,
  - c. cover you for any legal liability which is over that recoverable under any:
    - statutory compulsory scheme or fund;
    - accident compensation scheme or workers compensation policy of insurance; or
    - industrial award; or
  - d. pay for any aggravated, exemplary or punitive damages, fines or penalties.

**Special condition applying to legal liability:**

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

No excess applies to this benefit.

You can contact us if you have any questions regarding your premium, the applicable discounts or the cover outlined in this SPDS.