



STRATA TITLE LANDLORD INSURANCE POLICY

Product Disclosure Statement

AAMI



Flexible insurance from AAMI for residential investment property landlords

AAMI Strata Title Landlord Insurance gives you the cover you need for your rental property.

In this booklet

AAMI Strata Title Landlord Insurance

AAMI Strata Title Landlord Insurance removes any doubt about whether your landlord fixtures and fittings are insured. We cover damage or loss to your landlord fixtures and fittings when that damage or loss is caused by an insured event and it is not insurable by your body corporate. See page 7 for details.

When you lease your lot or unit partly or fully furnished, you can insure the contents you provide for your tenant's use for their replacement value with AAMI. See page 9 for details.

AAMI Strata Title Landlord Insurance with Tenant Protection

As well as covering your landlord fixtures and fittings, and, if you choose, your landlord contents, this policy covers:

- tenant rent default,
- theft by your tenant, and
- malicious damage or vandalism by your tenant.

See page 30 for details.

Separately available from AAMI

AAMI Landlord Building and Landlord Contents

AAMI Landlord Building and Landlord Contents insurance provides building insurance for your rental home and, if you lease your rental home furnished, you can also choose to insure your landlord contents.

AAMI Landlord Insurance with Tenant Protection

As well as covering your landlord building, and, if you choose, your landlord contents, this policy covers rent default, theft by your tenant and malicious damage by your tenant.

Call 13 22 44 for full details.

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Important information

Your AAMI Product Disclosure Statement The AAMI Strata Title Landlord Insurance policy

This Product Disclosure Statement provides information about the product we offer - the AAMI Strata Title Landlord Insurance policy. When we agree to insure you, your policy comprises this booklet and your policy schedule which shows the detail of the policy particular to you. See page 48.

This Product Disclosure Statement was completed on 31 July 2006.

Our commitment to you

When you are an AAMI policyholder and you need to claim on your policy, our claims service will take away the stress and hassle. We are here to help you 24 hours a day, every day of the year.

If your insured property has been damaged or stolen or someone is claiming against you, please phone us immediately. Call 13 22 44.

Please read this policy carefully and retain it so you can refer to it if required.

We rely on the accuracy of your information

When we agree to insure you, to renew or vary your policy, or to pay your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we can reduce or deny any claim you may make or cancel your policy. We never want to have to do that, so you must answer honestly, correctly and completely the questions we ask about:

you,

your insured property,

the strata title building insurance policy covering your lot or unit at the insured address,



- the rental agreement between you and your tenant,
- any events involving your insured property that result in a claim on your AAMI policy.

When you receive your renewal notice, please carefully check the information it shows about you. If any of that information is incorrect or incomplete, please call us and we will update our records.

We also require you to:

- observe the conditions contained in your AAMI policy,
- pay or agree to pay us the premium we charge and any excesses that apply.

Some words in this policy have definite meanings

This policy uses words that have definite meanings. To make sure you are aware of these words and their meanings, please read 'What do we mean by that on pages 46 - 49.

This policy does not cover some events, circumstances and situations

As you read through this policy, you will see there are some events, circumstances and situations it does not cover. To make sure you are aware of these exclusions, please read the whole policy carefully including the section 'What we do not cover - general exclusions' beginning on page 18.

See also 'Important general information for you' on pages 39 - 45.

What we cover

What we cover as the landlord fixtures and fittings

When your lot or unit is part of a strata title or similar development, the buildings, structures and common property at the development generally are insurable by the body corporate or similar entity.

That insurance may also cover fixtures and fittings within your lot or unit and loss of rent. In circumstances where it doesn't, AAMI provides the following cover.

When an event insured under AAMI Strata Title Landlord Insurance occurs during the period of cover, and:

- it causes damage or loss to your landlord fixtures and fittings or loss of rent at your lot or unit, and

- that damage or loss **is not insurable** by the body corporate for the strata title development at your insured address,

we cover your landlord fixtures and fittings and loss of rent as set out below.

Any payment we make will be within the amount covered and will include GST.

Protection for your landlord fixtures and fittings

We will pay to repair or replace loss or damage to your landlord fixtures and fittings, including fixed floor coverings, internal blinds and curtains, in your lot or unit that are not insurable by the body corporate.

We will pay up to the amount covered shown on the most recent of your policy schedule and your renewal notice.

We **will not** pay for loss or damage to landlord fixtures and fittings insurable by the body corporate for the strata title development at your insured address.



What we cover – the landlord contents

Protection for loss of rent

We will pay for the loss of rent incurred by you while your insured property is being repaired or replaced if:

- it has been damaged or lost by an insured event, and
- we agree your lot or unit is no longer habitable, and
- your tenant was paying rent due under a current rental agreement for at least four consecutive weeks preceding the date the damage or loss occurred.

We also pay loss of rent if:

- we agree that access to your lot or unit is prevented by accidental damage or loss to other property near your lot or unit, and
- your tenant was paying rent due under a current rental agreement for at least four consecutive weeks preceding the date the damage or loss occurred.

We will pay for loss of rent at the weekly rental provided by the rental agreement:

- for 13 weeks, or
- until your insured property has been repaired or replaced, or access has been restored to your lot or unit and it is otherwise habitable,

whichever comes first.

We **will not** pay for loss of rent insurable by the body corporate for the strata title development at your insured address.

Where and how your landlord contents are covered

Which contents?	Where are they insured?	What are they covered against?	How much are they covered for?	What optional cover is available?
Landlord contents provided for your tenant's use, for domestic or residential purposes.	At your landlord lot or unit.	Damage or loss caused by the insured events listed on pages 12 - 17.	Up to the amount covered except for theft - see page 16.	AAMI Strata Title Landlord Insurance with Tenant Protection provides cover against tenant rent default, malicious damage and theft. See page 30.

Your landlord contents

When you have insured your landlord fixtures and fittings and your landlord contents under this policy, the contents items we cover are those provided for your tenant's use, for domestic or residential purposes, and which are:

- kept at the lot or unit,
- not permanently attached to the land or structure at the lot or unit,
- owned by you or for which you are legally liable.

These are contents such as furniture, loose floor coverings, wall hangings (for example, prints, paintings, framed photographs), sound and vision equipment (but not portable video cameras, cameras and other photographic equipment and not portable music systems), household linen, bedding, kitchen and dining equipment and free-standing appliances, computers and printers and associated equipment (but not their software and files), outdoor garden furniture and free-standing playground-type equipment.

Your landlord contents do not include

Any:

- items that your tenant is liable for under the rental agreement,
- watches, jewellery, earrings; other items containing gold, silver, platinum, gems or precious or semi-precious stones; unset precious and semi-precious stones; bullion,
- cards, coins, medals, stamps (whether or not in a set or collection),
- cash, money orders, gift vouchers, tickets, manuscripts, certificates of title, licences, registration papers, negotiable instruments or documents of any kind,
- clothing, furs; handbags, purses and wallets; travel bags, suitcases and briefcases; toiletries,
- sunglasses and spectacles; binoculars, telescopes, opera glasses,
- portable video cameras, cameras and other photographic equipment, portable music systems,
- baby capsules, children's car seats and prams,
- sporting equipment,
- videotapes, CDs, DVDs and computer game software,
- computer software and files,

contents temporarily removed from your lot or unit,

motorised or other wheelchairs, medical equipment, artificial limbs and artificial body parts, aids and accessories,

hedges (whether or not they form a fence), lawns, trees, shrubs, outdoor plants, flowers, garden beds or any other living material,

houseboats, watercraft, aircraft, caravans, trailers and mobile homes (fixed or free-standing), motor vehicles, motorcycles, minibikes, go-karts and golf carts, motorised vehicles of any other type including wheelchairs and the spare parts and accessories of any of these items,

fish, birds, pets or animals of any type,

tools of trade, professional equipment and home business equipment, sundry equipment normally used or associated with an office; stock in trade or samples, business or trade cash takings or business assets, plant or equipment for any type of business including any type of farming, firearms stored at the lot or unit.





What we cover – insured events

This section describes under the headings:

Yes – the insured events you **are** covered for,

No – the conditions and exclusions that specifically apply to particular insured events.

Yes

You are covered for damage or loss occurring during the period of cover and caused by the following events to:

your insured property while it is in your lot or unit.

Animals and birds – the actions of animals and birds

Earthquake including subsidence and landslide caused by an earthquake.

Explosion

Fire (burning with flames).

No

You are not covered for:

damage or loss to any building, structure or land that comprises or forms part of your lot or unit, or the boundary of it.

Damage or loss caused by:

vermin, rodents, insects (including termites), domestic animals, animals and birds kept in your landlord building or at the lot or unit, scratching, chewing, tearing or soiling the exterior of all buildings and the interior of partially enclosed buildings.

Damage or loss caused by tidal wave, tsunami, high tide or other actions of the sea.

Damage or loss caused by:

any process involving the application of heat where there was no flame, for example, cigarette burn marks or scorch marks are not covered, soot and smoke where your lot or unit has not been damaged by fire, **unless** there was an occurrence within your lot or unit where no flame resulted but soot and smoke damage was caused.



Yes

Flood

Impact - sudden and unexpected impact of any:

- motor vehicle, aircraft, watercraft or space debris,
- object falling from a motor vehicle or aircraft,
- falling tree or part of a tree,
- aerial, mast or satellite dish which breaks or collapses.

Liquid escaping suddenly and unexpectedly from a:

- water main, drain, fixed pipe, gutter, guttering, fixed tank or drain,
- sink, basin, bath, shower, toilet or spa bath,
- dishwasher or washing machine,
- fixed heating or cooling system,
- aquarium.

Malicious acts and vandalism – actual or attempted by persons who are not living at the lot or unit and who enter the lot or unit without your consent or the consent of any person living at the lot or unit.

No

Damage or loss caused by high tide.

Damage or loss caused by:

- a tree or part of a tree being felled or lopped by a contractor engaged by your tenant or anyone living at your lot or unit.

Damage or loss resulting from:

- liquid escaping slowly over a period of time where you could reasonably be expected to be aware of this condition.

The cost of repairing or replacing the item from which the water or liquid escaped.

Damage or loss caused by carelessness, lack of maintenance or poor housekeeping by you or your tenant or anyone living at your lot or unit.

Damage or loss caused by:

- your tenant or anyone living at your lot or unit or anyone who has entered the lot or unit with their consent,

unless you have insured the damaged or lost property under AAMI Strata Title Landlord Insurance with Tenant Protection (see page 30) in which case malicious damage caused by your tenant or your tenant's visitors to your insured property at the lot or unit is covered.

Damage or loss caused by you.



Yes

Riot, civil commotion or labour disturbances

Storm including stormwater runoff from areas surrounding the lot or unit, or water escaping from any water main, drain, pipe, street gutter, guttering or surface.

Storm means violent wind (including a cyclone or tornado), thunderstorm or a heavy fall of rain, snow or hail.

Theft – by persons who are not living at the lot or unit and who enter the building or lot or unit without your consent or the consent of any person living at the lot or unit.

If the damaged or lost landlord contents were in:

- the open air at the lot or unit,
- any buildings or outbuildings that were not fitted with working locks, or
- partially enclosed buildings or areas of buildings such as carports, on-site car parking bays, balconies, courtyards and verandahs,

the amount we will pay is shown on the most recent of your policy schedule and renewal notice.

Thunderbolt and lightning

No

Damage or loss caused if you or your tenant or anyone living at the lot or unit participated in the event.

The cost of cleaning or clearing debris from any pool or spa.

Damage or loss caused by water seeping into or otherwise entering your lot or unit due to:

- a defect or fault in the design, structure or construction of your lot or unit where you could reasonably be expected to be aware of the defect or fault,

- building alterations, renovations or additions.

Damage or loss caused by dust where your lot or unit has not been otherwise damaged by storm.

Damage or loss caused by:

- your tenant or anyone living at the lot or unit or anyone who has entered the lot or unit with their consent,

unless you have insured the damaged or lost property under AAMI Strata Title Landlord Insurance with Tenant Protection (see page 30) in which case damage or loss caused by your tenant or your tenant's visitors is covered.

Damage or loss caused by you.

What we do not cover – general exclusions

You are not covered under any section of the policy for damage, loss, cost or liability caused by or arising from or involving:

an unreasonable failure to properly maintain or repair your insured property, wear and tear, rust, deterioration or corrosion,

mechanical, structural, electrical, electronic or other failure or breakdown, other than as provided for under 'Damage to electric motors' on page 25,

mould, wet or dry rot, rising damp or dampness,

storm surge, being an increase in sea level that usually occurs with a severe storm or cyclone,

tidal wave, tsunami, high tide or other actions of the sea,

erosion or washing away of soil, earth or gravel,

the washing away or movement of the surface of any path or driveway which has a surface consisting of a loose material such as gravel, stone or dirt,

soil movement or settlement,

subsidence or landslide **unless** caused by the insured event of earthquake,

the moving, shifting or dislodging of any swimming pool, spa and their covers and liners, septic tank or other inground structure **unless** caused by the insured events of earthquake or impact,

the actions of trees, plants or their roots,

scratching, chewing, tearing or soiling by animals and birds kept in your lot or unit,

actions of insects (including termites) or vermin,

the lawful taking or repossession of or from your lot or unit, for example, a bank taking possession as a result of a mortgage default,

fraud or fraudulent means or devices used by you or anyone acting on your behalf to obtain benefit under this policy,

deliberate or intentional acts committed by you or someone acting on your behalf or by any person who enters your lot or unit with your consent; this includes your tenant **unless** you have covered your insured property under AAMI Strata Title Landlord Insurance with Tenant Protection. See page 30.

war, warlike activities or revolution including any looting or pillaging,

asbestos, asbestos fibres, or derivatives of asbestos in any form.

You are not covered under any section of the policy for damage, loss, cost or liability:

directly or indirectly caused by, arising from, or connected with: the use, misuse or existence of nuclear weapons; or the use, misuse, escape or existence of nuclear fuel, waste or nuclear materials or ionising radiation or contamination from such fuels, waste or materials; or combustion, detonation, fission and/or fusion of nuclear fuel or nuclear materials,

directly or indirectly caused by, arising from, or connected with actual or threatened chemical or biological pollution or contamination; or action taken by a public authority or any body authorised by a public authority to prevent, limit or remedy such actual or threatened release, pollution or contamination.

Precautions that you need to take

Precautions

You must at all times, and at your expense, take all reasonable precautions:

- for the safety and protection of your insured property,
- to prevent bodily injury or damage to property,
- to prevent damage to your insured property,
- to ensure compliance with all statutory obligations, by-laws or regulations imposed by any public authority, relating to the safety of persons or property.

If you do not, we may reduce or refuse to pay any claim you may make.



What we will pay – new for old

Repairing or replacing your insured property

When an insured event causes damage or loss to your insured property during the period of cover, we will pay up to the amount covered shown on the most recent of your policy schedule and your renewal notice.

We will decide either to repair or replace your insured property or to pay the cost of repairing or replacing it.

If we decide to repair or replace your insured property:

it will be with new materials or new items.

We will make reasonable endeavours to match materials. Where this does not achieve an exact match, materials and contents that in our opinion match the damaged or lost materials and contents as near as reasonably practicable will be used.

If we decide to pay the cost of repairing or replacing your insured property:

our payment will not exceed any limits detailed in this policy and it will not exceed the amount covered, except as provided for under 'We also cover – additional benefits' on page 25 of this policy,

our payment will be the current retail price or the discounted price we may obtain, whichever is lower.

When we decide to pay you the total amount covered for your insured property and you are paying your premium in instalments, we will require you to pay the total unpaid balance of your premium before your claim can proceed.

Damage to fixed wall or floor coverings

When we repair or replace damage to fixed wall, ceiling or floor coverings:

we also repair or replace undamaged coverings if this is reasonably required to achieve a match with the repair or replacement of the damaged area,

the repair or replacement is limited to the room, passageway, stairwell or functional area where the damage occurred.

Fixed wall and floor coverings are items such as tiles, floating floors, fixed cupboards and shelving.

The AAMI Repair Guarantee

The quality of workmanship and the materials used in any repair or replacement of your landlord fixtures and fittings and landlord contents that we arrange and authorise will be guaranteed for the life of the property.

If you are concerned about the quality of the repair or replacement of your property, you must call us on 13 22 44. We will arrange with you to inspect the repair or replacement and we will arrange any necessary rectification work. You must not authorise any rectification work without our written authority.

We do not pay for

We do not pay for:

the repair or replacement of undamaged insured property or undamaged part of it to match property we have repaired or replaced,

any decrease in the value of a pair, set or collection when the damaged or lost contents forms part of the pair, set or collection. We pay only for the repair or replacement of the item which was damaged or lost,

damage or loss on a 'new for old' basis for old contents which have passed their 'use by' date and are stored away. We pay the reasonable market value for these contents based on their age and condition at the time of the loss.

Maintaining your insured property; compliance with statutory requirements

We insure your property on the condition that it has been and will continue to be properly maintained and repaired, and that it complies and will continue to comply with local government or other statutory requirements.

When you claim for damage or loss to your insured property, and your insured property:

has not been properly maintained and repaired, or

does not comply with local government or other statutory requirements,

we may reduce our payment or refuse to pay your claim.





Other costs

Our payment will include, where applicable, the following costs and any payment we make will be included within the amount covered. Where we decide to reimburse a cost you have incurred, our payment will not be more than the actual cost you incur.

Removal of debris

If necessary, we will pay the reasonable cost of, and, at our option, arrange for the removal from your lot or unit of damaged or destroyed insured property.

When your insured property is removed by us for storage or repair

If your lot or unit is damaged or destroyed by an insured event, we will pay:

- the reasonable cost of any necessary removal and storage of your insured property during the reasonable period up to 12 months required to repair or rebuild your lot or unit,

- for any additional loss or damage to your insured property caused by an insured event while it is at the place of storage or repair, provided the amount covered is not exceeded.

What we cover – additional benefits

Any payment we make under the following benefits will be additional to the amount covered and will include GST.

When your landlord fixtures and fittings are insured

Accidental breakage

We will either replace or pay the reasonable cost of replacing the following when they are part of your landlord fixtures and fittings and they are accidentally broken:

- any area of glass forming part of your landlord fixtures and fittings, fixed basins, sinks, baths, shower bases, lavatory pans or cisterns.

We will not replace or pay for:

- any glass in a glasshouse or conservatory,
- any part of a fixed cooking or heating appliance (for example, the glass top of a stove is not covered),
- any area of glass or item which is already damaged or in an imperfect condition.

Damage to electric motors

We will pay the full cost of damage caused by electric current to an electric motor if the motor is less than 10 years old, and:

- the motor is in a piece of fixed domestic equipment forming part of your landlord fixtures and fittings,

We will not pay if the damage to the motor or the equipment is covered by a new product guarantee or warranty.



When your landlord contents are insured together with your landlord fixtures and fittings

Accidental breakage

We will either replace or pay the reasonable cost of replacing, when it is accidentally broken:

- any area of glass forming part of your landlord contents (including table tops, wall mirrors and free-standing lights).

We will not replace or pay for:

- any accidental breakage which has occurred while the item is outside your lot or unit,

- any area of glass or item which is already damaged or in an imperfect condition,

- the picture tube or screen of any computer, television set or other type of visual display unit,

- any glass in a picture or photo frame, clock, radio, stereo or CD, video or DVD player,

- glass vases, ornaments or light globes.

Damage to electric motors

We will pay the full cost of damage caused by electric current to an electric motor if the motor is less than 10 years old, and the motor is in a domestic appliance which forms part of your insured property.

We will not pay if the damage to the motor or the equipment is covered by a new product guarantee or warranty.

What we cover – your \$10 million legal liability cover

When we will pay

We will cover your legal liability arising from accidents that happen within your lot or unit.

We will cover you against your legal liability for all claims arising from an accident or a series of accidents arising from any one occurrence occurring during the period of cover, causing:

- bodily injury or death to any person other than you or your family,

- damage to or loss of property, other than property which you or your family own or for which you or they are legally liable.

Our payment will not exceed \$10 million in total (including all legal and defence costs and GST).

When we will not pay

We do not provide cover for your legal liability arising from or involving:

- any of the causes listed under 'What we do not cover' on pages 18 to 19 of this booklet,

- your occupancy or ownership of any residence, building or land other than your lot or unit,

- a legal liability which arises only because you have agreed to take that liability upon yourself,

- a liability which arises only because you have admitted liability,

- an event that you have organised or are legally responsible for, **except** where the event takes place at your lot or unit,

- things done intentionally or left undone intentionally by you, or any person acting on your behalf, with reckless disregard for the consequences,

lifts, cars, motorbikes, minibikes, vehicles, watercraft (including sail boats) or aircraft (including gliders),

Vehicles **do not** include bicycles, motorised wheelchairs, golf carts or garden appliances which do not have to be registered.

an animal other than a domestic dog or cat,

vibration, or the removal of, or interference with the support of land, buildings or other property,

alterations, additions, repairs or redecorations of your lot or unit where the total value of the works exceed \$20,000,

the transmission of any disease, contaminated body fluid or body product,

the consumption of alcohol or drugs, if your consumption of them caused or contributed to the accident,

employees or workers who are covered or should have been covered by Workers' Compensation or similar legislation and who, at the time of the accident, were employed by you or your tenant or anyone living at the lot or unit,

the use of any part of your lot or unit for business, trade, professional services, farming of any type, **but not:**

the use of that part of the lot or unit used for performing office work,

any business, trade, profession or occupation conducted or operated or undertaken:

by you or on your behalf, **unless** the business is landlord of the insured property covered by this policy,

by or on behalf of your tenant or anyone living at the lot or unit,

by or on behalf of any company, trust or other legal entity in which you or your tenant or anyone living at the lot or unit has an interest (legal, beneficial or otherwise).

civil or criminal penalties or fines or aggravated, exemplary, punitive or multiple damages however described.





AAMI Strata Title Landlord Insurance with Tenant Protection

AAMI Strata Title Landlord Insurance with Tenant Protection provides all the protection and benefits of AAMI Strata Title Landlord Insurance plus cover for:

- rent default,
- theft of your insured property by your tenant,
- malicious damage to your insured property by your tenant.

What we pay

Any payment we make will be:

- within the amount covered for your insured property and will include GST,
- subject to the same terms, conditions and exclusions as apply to AAMI Strata Title Landlord Insurance, other than as set out below in this AAMI Strata Title Landlord Insurance with Tenant Protection section.

When we will not pay

Once we have paid a claim arising during the period of cover against any of these benefits and:

- you make a further claim for a separate event, and
- your tenant is the same tenant whose actions resulted in the first claim,

we will not pay the further claim regardless of which benefit is claimed against.

Our payment is reduced by the equivalent of the tenant's bond.

Our payment for rent default claims does not cover the first four weeks your tenant is in default. Claims for theft or malicious damage by your tenant are reduced by the equivalent of four weeks rent.

Four weeks rent ordinarily is the amount of the security bond paid by tenants and retained by landlords when the rental agreement is sufficiently breached by the tenant.

Rent default

We will reimburse you for your loss of rent when your tenant stops paying and you stop receiving rent due under the current rental agreement and your tenant:

- remains in default after you have issued any required notices, or
- vacates your lot or unit permanently without providing the notice required under the current rental agreement.

We will pay the weekly equivalent of the rent provided by the rental agreement, commencing from

- the fifth consecutive week your tenant is in default,

and continuing:

- for 13 weeks, or
- until your lot or unit is re-tenanted, or
- until payment re-commences,

whichever comes first.

We will not pay for the first four consecutive weeks your tenant is in default.

We will not pay at all, unless your tenant has actually paid rent due under the current rental agreement for at least four consecutive weeks from the later of:

- the commencement of that agreement, or
- the commencement of this policy.



What to do if you need to claim on your AAMI policy

Malicious damage by your tenant

We will pay to repair or replace damage or loss maliciously caused by your tenant or your tenant's visitors to your insured property at your lot or unit.

Our payment will be reduced by an amount equivalent to four weeks rent at the rate payable under the current rental agreement.

We will not pay for loss or damage caused by carelessness, lack of maintenance or poor housekeeping by you or your tenant or anyone normally living at the lot or unit.

Theft by your tenant

We will pay to repair or replace damage or loss caused by theft of your insured property from your lot or unit by your tenant, or your tenant's visitors.

Our payment will be reduced by an amount equivalent to four weeks rent at the rate payable under the current rental agreement.



If your insured property has been damaged or lost or someone is claiming against you, please phone us immediately. We may require you to report the matter to the police.

You can call AAMI at any time on 13 22 44.

Our claims service will take away the stress and hassle by taking care of everything for you.

Helping us to pay your claim

When you can provide us with information such as documents, booklets and photographs showing and/or valuing your insured property, you help us make speedy and accurate decisions regarding your claim and the repair or the replacement of your insured property. This information helps establish ownership of property and its value and condition.

This information includes:

receipts, bank and credit card statements, agreements and reports, valuations and photographs (photographs do not have to be specifically of your insured property; it may be easily identifiable in photos taken, for example, of personal events).

We may require this type of information. If you are unable to provide information of this type, that establishes ownership and value of the property in question and the value of your claim, then we may reduce or refuse to pay your claim.

When you claim against the cover we provide for landlord fixtures and fittings and loss of rent (see pages 7 - 8), you will need to provide us with a copy of the Strata Title Building Insurance policy covering your lot or unit so we can establish if the cover we provide applies to your claim.



What happens when you claim on your AAMI policy

When you tell us about the damage or loss to your insured property, where necessary and as soon as possible, we arrange:

for our assessor to meet with you, inspect your insured property and confirm the full details of the loss or damage,

temporary repairs to and the securing of your insured property.

We discuss with you what is necessary to make good the loss or damage and then we will decide either to repair or replace your insured property or pay the cost of repairing or replacing the insured property up to the amount covered.

Repairing and/or replacing your insured property

We ordinarily obtain independent, competitive quotes from repairers and suppliers recommended by AAMI. If you want, you can choose a repairer and/or supplier to provide one of the quotes. We review the quotes, including any quote from a repairer and/or supplier you choose, and what is necessary to properly repair or replace your insured property. We choose the repairer and/or supplier who submitted the more competitive and complete quote and that will be the repairer and/or supplier who repairs or replaces your insured property.

We will enter into any contract with the selected repairer and/or supplier on your behalf. We will oversee the repairs and/or replacement and keep you informed of their progress.

What happens to your policy when you claim?

When we establish that...	What happens to your policy
the damage or loss can be repaired, we decide either to...	<p>repair or replace your property. Your policy continues for the remainder of the period of cover.</p> <p>or to pay the cost of repairing or replacing your property. Your policy continues for the remainder of the period of cover.</p>
the damage or loss is likely to be greater than your amount covered, we decide to...	Your policy, including the legal liability cover it provides, comes to an end. We also pay, where relevant, any outstanding additional benefits. Because our payment meets all our obligations to you in full, there is no refund of any portion of the premium.

Your responsibilities include

Preventing further damage or loss

Following an event that is likely to result in a claim, you must take all reasonable precautions to prevent any further damage, loss, cost or liability.

Allowing us access

You must provide us with access to your insured property to inspect damage or loss, arrange quotations, repair or rebuilding, and undertake progress inspections if required.

Obtaining our written authority for the repair of your insured property

You must not authorise the repair of your insured property, apart from emergency repairs, without our written permission.

Obtaining our written consent

You must not make any admissions or settle any claims without our prior written consent.

Giving assistance – information, notices, negotiating, defending and settling claims

You must give us the information and assistance we reasonably request in evaluating the cause, extent and value of any claim. This may include:

- providing us with full details of the claim in writing,
- providing valuations, receipts or other evidence of ownership,
- providing written statements,
- undergoing an interview or interviews about the circumstances of the claim,
- appearing in court and giving evidence.

You must assist us to recover any part of the claim from the person responsible for the accident or event which results in a claim.

You must promptly deliver to us any relevant letters and notices that come into your possession.

We shall be entitled, but not obliged, to defend or represent you in any legal proceedings relating to an accident or occurrence which may give rise to a claim against us and to control, settle and deal with those proceedings as we see fit.

We will pay the legal and other reasonable related costs of defending any claim made against you, provided we appoint the solicitors who will defend the claim and we have told you in writing that we will pay their costs.

You must assist us in all our endeavours to negotiate, defend or settle any claim made under this policy and to exercise for our benefit your legal right of recovery against any other party (including a party involved in making good any damage or loss).

If you fail to assist us, or do not abide by any of these terms, we may reduce or refuse to pay your claim.



Excesses

Excesses

An excess on your policy is the amount that you must first contribute towards each claim. If your claim is for more than one occurrence, the excess applicable to each occurrence will be payable.

The excesses that apply to your policy will be shown on the most recent of your insurance schedule and your renewal notice. When you make a claim we may require you to pay the excess or we may deduct the excess from any payment we make. We will tell you when and how the excess is to be paid or deducted.

When an unoccupied excess is payable, it will be additional to any other excesses that apply to your claim.

Unoccupied excess

Your insured property is at greater risk of damage or loss when it is unoccupied for a lengthy period.

Because of this extra risk, if you claim for damage or loss to your insured property:

which occurs after your lot or unit has not been occupied for 60 continuous days,

an additional compulsory excess is payable.

AAMI Flexi-Premiums™

With AAMI Flexi-Premiums™, the higher the excess you choose, the bigger the discount on your premium. Please call 13 22 44 for full details.

Important general information for you

You can contact us:

By phone: Call 13 22 44 (24 hours a day, every day of the year).

Via the internet: aami.com.au

By mail: PO Box 14180, Melbourne City Mail Centre, Victoria 8001.

In person: Call 13 22 44 for the address of the closest AAMI branch or customer service centre.

Value your insured property for its current replacement cost

Because this policy provides for replacing or repairing your damaged or destroyed insured property at current cost, it is your responsibility to value your insured property for the current cost of replacing it if it was completely destroyed.

The value you decide upon will be the amount your insured property will be covered for under this policy. Therefore, it is in your own best interests to make sure that this value is accurate when you first insure your property and that you update the value when you renew your policy.


To help you do this, AAMI provides an insured property value calculator. You can access it at the AAMI website aami.com.au or by calling AAMI on 13 22 44.

Inflation protection

AAMI automatically adjusts the amount covered for your contents at the end of each period of cover to account for inflationary trends.

When we quote you a premium

When we quote you a premium for AAMI Strata Title Landlord Insurance, the factors we take into account include:



the value of your landlord fixtures and fittings,
the value, when you wish to insure them, of your landlord contents,
our experience of the incidence and cost of landlord fixtures and fittings and contents claims,
the value of the benefits we include within your cover,
your insurance history,
the insured address (the address where your lot or unit is located),
the cost of providing legal liability cover,
our costs of providing and administering this policy,
whether you pay your premium in instalments,
any discounts that apply because of your particular circumstances.

Government taxes and charges are included in the premium we quote.

An excess may be payable on any claim you make on this policy.
See page 38 for further details.

Secure contents

When your landlord contents are insured under this policy and they are protected by additional security at your lot or unit, we reward this with a lower premium.

The security measures we take into account in deciding your premium discount are:

- deadlocked external doors,
- keyed locks on all accessible windows,
- a local burglar alarm,
- a back-to-base burglar alarm,

- only electronic access (key pad or card) to the lot or unit or the building,
- video surveillance of access to the lot or unit or the building,
- doorman, security guard or security patrol.

Premium discounts may also apply according to:

- your claims history as an AAMI Landlord Strata Title Insurance policyholder,
- the number of AAMI insurance policies you hold.

Please call AAMI on 13 22 44 for further details.

Paying your premium

You can pay your premium annually by cheque, credit card, BPAY, online through AAMI e-PAY, or in cash at AAMI branches or Australia Post offices. Further details are provided on the payment notice we issue at the commencement and each renewal of your policy.

Paying by instalments


You may also be eligible to pay in regular instalments by direct debit.

When you pay this way, the total premium is higher than we charge for one annual payment, reflecting the higher costs we experience. Any premium discounts we may provide are applied before these additional costs are calculated.

Your responsibilities when paying by instalments

When paying by instalments:

- you must be an authorised signatory on the account nominated for your direct debit payments,
- you must ensure that your nominated account can accept direct debits and has sufficient funds to meet each payment at each due date,



your financial institution may also apply its own fees (including dishonour fees). Those fees are your responsibility.

What happens if your instalment remains unpaid?

AAMI may cancel your policy without notice if an instalment payment remains unpaid for one month or more.

Any claims arising after the due date may be refused.

Changing your instalment payments

If you wish to change or cancel your direct debit arrangements, you need to contact us at least seven days before the debit day.

If you cancel the debit completely, you will need to arrange for another way to pay us your premium, to ensure you remain covered.

Important things to remember when paying by instalments

When you first commence your direct debit payments, or when you change your account details, it may take up to 14 days for us to first debit your account.

If you believe that we may have incorrectly debited your account, please contact us on 13 22 44.

When you claim on your policy and we establish that the damage or loss to:

your insured property is so extensive that we decide to pay the amount covered,

we will require you to pay the total unpaid balance of your premium before your claim can proceed.

Government taxes and charges

AAMI shows on receipts any government taxes and charges such as GST, Stamp Duty and Fire Services Levy allocation included in insurance premiums.

GST

Any amounts we pay under this policy include GST.

Renewing your policy

When we offer to renew your policy:

we will send you a notice before the policy expiry date,

we will tell you in writing if there are any changes to the policy. Changes that benefit you apply from their introduction. Changes introducing limitations apply from the policy's renewal,

we may require an additional premium if you make a claim in the short period between the time we calculated the renewal premium and the expiry of your policy. If the additional premium is not paid, we may reduce the period of cover to match the reduced amount paid.

Cooling off period and cancellation

Federal law provides that you can cancel this policy within 14 days of its purchase. AAMI allows you to cancel your policy at any time.

In both cases, we will refund you the unexpired portion of the premium less any cancellation processing charge to cover the reasonable administrative and transactions costs incurred by AAMI.

To cancel your policy, please call us on 13 22 44.

We can only cancel your policy by giving you written notice in accordance with the Insurance Contracts Act 1984.

Joint policyholders

When you insure your property in the names of more than one person, each person is a joint policyholder and is able to make changes that we agree with to the policy.



The privacy of your personal information

We are committed to protecting the privacy of your personal information. That commitment is reflected in the AAMI Customer Charter and in our compliance with the National Privacy Principles. For further information, please visit our website aami.com.au or call us on 13 22 44 for a copy of our 'AAMI and Your Personal Information' brochure.

AAMI's Customer Charter

We are committed to always provide you with the highest standard of service. The AAMI Customer Charter is a written document containing service and reporting promises which we are bound to deliver. In fact, we impose a penalty on ourselves if we fail to do so.

This unique Charter was drawn up through consultation with our staff, our customers and industry regulators, and is reviewed annually. Compliance with our promises is independently audited every year and the results are reported publicly.

The AAMI Customer Charter, introduced in 1996 was Australia's first general insurance customer charter, and indeed, first retail customer charter. The Charter is your guarantee that we're always striving to deliver the best in customer service.

The AAMI Consumer Appeals Service

If you are unhappy with anything we have told you or done for you, we want you to tell us about it. If we cannot resolve the matter to your satisfaction, other appeal services are available to you. See page 50 for full details.

The General Insurance Code of Practice

AAMI is a signatory to the General Insurance Code of Practice which sets out a commitment by the general insurance industry to raise standards of service and to promote better relations between customers and insurers.

The Code describes standards in areas such as buying insurance, claims handling, responding to catastrophes and disasters, information and education and dispute resolution. Introduced in 1995 with the backing of consumer groups, the federal government, insurers and the Insurance Council of Australia, it was revised in 2005.

More information on the Code, or a copy of the Code, can be obtained from the Financial Ombudsman Service (FOS). You can contact the FOS on 1300 780 808, toll free, or you can access the Code at www.codeofpractice.com.au



What do we mean by that?

AAMI, we, us, our mean Australian Associated Motor Insurers Limited (ABN 92 004 791 744).

Accident means an accident or a series of accidents resulting from any one occurrence.

Amount covered is the most we will pay, less any excesses and payments we require for claims under AAMI Strata Title Landlord Insurance with Tenant Protection, for any accidental damage and loss covered by your AAMI policy occurring during the period of cover. The amount covered includes GST. The current amount covered is shown on the most recent of your insurance schedule and your renewal notice.

Collection or **set** means a group of items of sufficiently common type, appearance or nature that they reasonably belong together and that is devalued if one or more of the group is damaged or lost.

Cover and **covers** mean the protection provided by your policy.

Damage and loss.

Damage means actual physical damage to your insured property.

Loss or **lost** means your insured property or a part of your insured property being destroyed, stolen or damaged beyond economical repair.

Loss does not mean items being accidentally misplaced.

Endorsement means a special condition that applies to your policy. Any endorsements to your policy are shown on your insurance schedule.

Excess. An excess on your policy is the amount that you must first contribute towards each claim.

Fire means burning with flames.

Insured address means the address at which your lot or unit is located.

Insured event. The occurrences we have listed on pages 12 - 17 which cause damage and loss to your insured property.

Insured property means:

the landlord fixtures and fittings, and

when you have insured them under this policy,

the landlord contents.

Landlord means the person named in the insurance schedule as the insured property owner and whose lot or unit is being rented for domestic or residential purposes.

Landlord contents means the contents covered under this policy. See pages 9 - 11 for the contents that **are** covered and **are not** covered.

Landlord fixtures and **fittings** mean items provided for your tenant's use for domestic or residential purposes, which you own and which are fixed to the land or building at the lot or unit. The fixtures and fittings that we cover **do not include** anything that is:

insurable by the body corporate, or

covered under 'What we cover - as landlord contents' – see pages 9 - 11.

Living with your tenant. Any person normally living or staying with your tenant in your lot or unit.

Lot and **unit** mean an area which is used for domestic or residential purposes that is shown on the plan for the Strata Titles Act or similar legislation applying where the lot or unit is located.

Occupied means your tenant or another person is living or staying in the lot or unit with your consent.

Period of cover means the current period for which we have agreed to provide you with insurance cover. The current period is shown on the most



recent of your insurance schedule and renewal notice and any receipt we may send to you.

Policy means this booklet and your **policy schedule**.

Your **policy schedule** comprises the notices we give you which show the particular details and the current status of your policy. These notices are the most recent of your **insurance schedule** and **renewal notice**, and any **receipt** we may send you.

Your **insurance schedule** sets out the information you have given us on which we have based our decision to insure you as well as the individual details of your policy. We will send you an updated insurance schedule whenever you advise us of a change in this information or these details.

Rental agreement means the agreement between your tenant and you or your agent which sets out the terms and conditions of the tenancy including the tenancy period and the amount of rent payable to you.

Storm means violent wind (including a cyclone or tornado), thunderstorm or a heavy fall of rain, snow or hail.

Theft means actual or attempted theft and burglary.

You and **your** mean the person, persons or entity named as the insured on the most recent of your insurance schedule and renewal notice and members of your family.

Your family means the following people who normally live with you:

your spouse or partner;

your children, parents, grandparents, grandchildren, brothers and sisters;

the children, parents, grandparents, grandchildren, brothers and sisters of your spouse or partner.

Your tenant means all persons named in the rental agreement provided that they are normally living in the lot or unit, and their family.

Your tenant's family means the following people who normally live with your tenant:

your tenant's spouse or partner,

your tenant's children, parents, grandparents, grandchildren, brothers and sisters,

the children, parents, grandparents, grandchildren, brothers and sisters of your tenant's spouse or partner.



The AAMI Consumer Appeals Service

What to do if you are not satisfied with us

Here is how the AAMI Consumer Appeals Service helps you if you are dissatisfied with the results of your dealings with AAMI.

1. Who do you talk to?

If you are unhappy with anything:

we have told you or done for you, or

that has been provided on our behalf,

please tell us. You can phone us on 13 22 44 or call in to an AAMI branch. Most times we will be able to sort the matter out to your satisfaction.

2. The AAMI Customer Ombudsman

However, if you are not satisfied with our response, you can ring, write to or email the AAMI Customer Ombudsman with the details. The AAMI Customer Ombudsman will respond to you within five working days of receiving your letter or email.

3. Appealing to the independent dispute resolution scheme

If you disagree with the AAMI Customer Ombudsman's decision, you can appeal to the Financial Ombudsman Service. We will help you do this.

The Financial Ombudsman Service is an independent industry dispute resolution scheme. You can contact the service on 1300 780 808 toll free or by email to info@fos.org.au You can also visit the FOS website at www.fos.org.au There is no charge for this service.

4. Are any decisions binding on you?

You do not have to accept any decision AAMI or the FOS makes. You always have the option of seeking remedies elsewhere.

Any decision the AAMI Customer Ombudsman, or the FOS makes is binding on AAMI, provided you also accept the decision.

How to contact AAMI

Telephone: 13 22 44 (24 hours a day, every day of the year).

How to contact AAMI Consumer Appeals

Telephone: 1300 130 794 (local call costs apply).

9am to 5pm EST Monday to Friday.

Fax: (03) 9529 1214.

Write to: The AAMI Customer Ombudsman, AAMI Limited,

PO Box 14180, Melbourne City Mail Centre, Victoria 8001.

Email: consumerappeals@aami.com.au

How to contact the Financial Ombudsman Service

Telephone: 1300 780 808 toll free.

Email: info@fos.org.au

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24 hours a day
7 days a week

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