

Changes to the Hollard Personal Insurance Landlord Accidental Damage Insurance Product Disclosure Statement (PDS)

We have made some changes to the wording of our Landlord Accidental Damage Insurance Product. The new wording is in the new Hollard Personal Insurance Landlord Accidental Damage Insurance PDS dated 1 September 2021, which replaces any previous versions.

The new PDS will apply to:

- new Landlord Accidental Damage Insurance policies effective on or after 1 October 2021; and
- existing Landlord Accidental Damage Insurance policies renewed with an effective date on or after 1 October 2021.

Below is a brief overview of the changes, with page references from the new PDS where more details can be found.

New exclusions for certain types of properties and tenancies

Subject to the Policy terms, cover applies to a residential property that You own and rent out:

- under a written residential lease of at least three months duration; or
- for short term tenancies arranged through a professional agent or an intermediary like Airbnb or Stayz.

Rent default claims are excluded for tenancies of less than three months duration.

For short term rentals not arranged through a professional agent or intermediary, or where the property is let to more than three unrelated groups of people at a time:

- all rent and/or tenant-related Claims are excluded; and
- cover is still provided for other types of claims (subject to the Policy terms).

The exclusions under Buildings and/or Contents cover that apply if Your Buildings are unoccupied for more than 90 days at a time now apply to all properties, including those used for holiday letting. For further information refer to:

- 'Optional benefit – Rent Default' on page 27 of the PDS.
- 'Words with special meanings' on pages 15-19 of the PDS.

Unless We agree to in writing, all cover is excluded if:

- Your rental property is (or is part of) a hotel, resort, serviced apartment complex, caravan park or holiday park; or
- Your rental property has more than one unit or other space that is usually separately available for rent for periods of less than three months;
- You permit your Tenants to sub-let your rental property; or
- You permit your Tenants to use your rental property for commercial purposes (other than a home office).

For further information refer to:

- 'Words with special meanings' on pages 15-19 of the PDS.
- 'General exclusions applying to all Sections of this Policy' on pages 31-32 of the PDS.

General terms

Who is this product for?

We have introduced a new section into the PDS (refer to pages 4-5) which outlines who our products are designed for (our target market). You can also view full details of our Target Market Determination by visiting hollardinsurance.com.au

Your duty to answer honestly

We have replaced the Duty of Disclosure with 'Your duty to answer honestly'. This applies when you purchase, renew or vary Your Policy. It is very important that You comply with this duty as failure to do so could result in Claims being denied or Your Policy being cancelled. For further information refer to 'Your duty to answer honestly' on page 6 of the PDS.

You must tell Us about changes in Your Buildings, Contents or other circumstances

You must tell us about changes that affect your insurance as soon as possible after they occur. This obligation is not new, but we have added examples of the kinds of changes we need to know about. The examples are:

- changes to your buildings, including any proposed alterations or additions or any significant damage or deterioration;
- changes to use and/or ownership; and
- changes or corrections to any other information You have provided to Us or Your broker.

This applies throughout Your period of insurance, not just when You purchase, renew, vary or claim. It is very important that You comply with this obligation as failure to do so could result in Claims being denied or Your Policy being cancelled. For further information refer to 'What You are required to do for Us' on page 33 of the PDS.

Complaints process

We have updated our complaints process. For further information refer to 'Dispute resolution' on page 10 of the PDS.

Broker's authority to act as your agent

Your Broker is authorised to send and receive notices about Your Policy on Your behalf. For further information refer to 'Notices' on page 14 of the PDS.

Sums insured now inclusive of GST

Sums insured and sub-limits are now inclusive of GST. Consider whether you need to increase your sums insured to include an additional amount for GST. For further information refer to 'Goods and Services Tax (GST)' on page 8 of the PDS.

Building and Contents cover

Excess

We have clarified how excesses operate, particularly where more than one event or type of event occurs and/or is claimed for at the same time. For further information refer to 'Paying Claims' on page 24 of the PDS.

Earthquakes

We will only cover earthquakes if the damage occurs within 168 hours of the earthquake. Any subsequent damage from the earthquake after the first 168 hours of an earthquake will be considered as a separate event. For further information refer to 'What is insured' on page 20 of the PDS.

Drug manufacturing

New limits and exclusions apply for Claims for contamination resulting from the manufacture, storage or distribution of narcotics and certain other drugs. For further information refer to 'What is insured' on page 21 of the PDS.

Buildings cover

There must be a compliant residential dwelling at Your Situation

The definition of Buildings has been clarified so that the Policy only covers your buildings if there is a private residential dwelling at the Situation that has a domestic certificate of occupancy.

The Policy only covers other domestic improvements if Your Tenants are entitled to use them.

Private jetties, moorings etc

If you have a private jetty, wharf, pontoon or mooring, it is not covered unless you take reasonable steps to prevent public use and access.

Caravan parks and holiday parks

Buildings are now excluded if they are in a caravan park or holiday park.

Strata properties

We have clarified that land or areas that are owned by a strata body corporate are Common Property and therefore not covered by the Policy. For further information refer to 'Words with special meanings' on page 15 of the PDS.

Environmental upgrade after total loss

We will no longer pay \$5,000 towards environmental upgrades after a total loss. We will pay up to \$50,000 to cover environmental and other upgrades if required for repairs or rebuilding to comply with planning laws.

Contents cover

Cover limited to items normally kept at Your Situation

Cover is limited to items normally kept at Your Situation and provided by You specifically for the use of your Tenants. For further information refer to 'Words with special meanings' on page 16 of the PDS.

Exclusions and limitations

There must be a compliant residential dwelling at Your Situation

No cover is provided unless there is a private residential dwelling at the Situation that has a domestic certificate of occupancy.

Corruption to any electronic data, files or software

No cover is provided for any damage or loss caused by corruption to any electronic data, files or software.

Infectious diseases

We have introduced a new exclusion relating to infectious diseases and their control.

Drug use and smoking

We have excluded loss, damage, destruction or liability resulting from smoking and/or the use of narcotics and certain other drugs. For further information refer to 'General Exclusions' on pages 31-32 of the PDS.

Strata Title Mortgage Protection

This cover is no longer offered.

Defamation

The policy will not cover liability for defamation.

Asbestos

Under legal liability cover, We have expanded the exclusion relating to asbestos.

For further information refer to 'When We will not pay' on pages 30 of the PDS.

Please note that this notice is not part of your insurance contract with us and does not take your personal circumstances into account. For full terms and conditions, limits, and exclusions and to see if the insurance is right for you, please read the new PDS and your Policy Schedule.

You can view our Target Market Determination (TMD) by visiting hollardinsurance.com.au

If you have any questions regarding the changes, or if you would like a copy of the PDS, please speak with your Steadfast Broker.