



Landlords Plus

*Policy Wording and
Product Disclosure Statement*

hbf

Why HBF?

Perth based claims team

Deal directly with our local Perth based call centre and claims team. We'll have your claim processed and settled with a minimum of fuss.

Full flood & fire cover as standard policy inclusion

We've included flood and fire cover as a standard feature giving you piece of mind.

Optional Fixtures & Fittings Cover

Take advantage of our optional Fixtures & Fittings Cover to protect the carpets & floor coverings, light fittings and curtains.

Enjoy big discounts and the convenience of having all your insurance in the one place

We offer a range of home and car insurance options. You can enjoy the convenience of having your insurance in the one place, and save with our multi-product discounts.

The information above is general advice only and does not take into account your objectives, financial situation or needs. Before making decisions about this product you should consider the information contained in this Product Disclosure Statement.

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*Everything you
need to know*

Key Policy Features

Landlords Plus
<ul style="list-style-type: none"> • Flood • Fire • Theft, Burglary and Malicious Acts • Storm or Rain • Earthquake • Accidental Breakage of Fixed Glass • Burnt-out Electric Motors • Bursting, Leaking, Discharging or Overflowing • Impact • Lightning or Thunder • Riot or Civil Commotion • Explosion • Leakage of Oil
Trees, shrubs and plants up to \$500
Legal liability to \$20 million
Locks and Keys replacement, if stolen (up to \$1,000)
Strata Title Mortgage Protection
Loss of Rent
Rent Default
Malicious Damage or Theft by Your Tenant
Optional varying levels of Fixtures and fittings cover

Conditions apply. Please refer to the Policy terms from pages 14 to 35 for full details

Extra Benefits

Strata Title Mortgagee Protection Cover

If Your investment home is part of a strata plan and You have a mortgage over Your part of the building then We will Cover that part of the building under this Policy.

Legal Liability

Legal liability Covers You up to \$20,000,000 for claims arising from accidents causing bodily injury, death or illness, Loss or damage to property.

When You have Landlords Plus Cover We will Cover You for legal liability as the owner of the Site.

For further information about legal liability please see page 23 of this brochure.

Benefits

Discounts

- HBF Health Insurance members receive a discount (automatically included in the premium).
- 50 Plus Advantage (discounts automatically included in the premium).

Added benefits

- Flexible Voluntary Excess options \$50 - \$500.
- Choice of payment method and frequency.
- Easy claims service.
- 21 day “Free Look”.

Product Disclosure Statement

The HBF Landlords Plus Policy is issued by HBF Insurance Pty Ltd (ACN 009268 277) '(HBF)'. HBF is the holder of an Australian Financial Services Licence (229190) issued by the Australian Securities and Investments Commission (ASIC) and is authorised to arrange and enter into contracts of general insurance.

This PDS is comprised of this brochure and Your Policy Schedule.

This PDS has been designed to provide You with the information You might need to make a decision as to whether to purchase an HBF Landlords Plus Policy. It provides information about Your entitlements, the calculation of the premiums and what to do if You have any concerns regarding the insurance Cover. The Policy terms are set out in full from pages 14 to 35.

If You cancel Your Policy before the expiry date shown on Your Policy Schedule, depending on the reason for the cancellation, We may charge an administration fee. If after charging this administration fee, the refund due to You is less than \$10 then no refund will be given.

This PDS was prepared on 1 July 2009 and its contents come into effect from 24 August 2009. If You do have any questions about the Cover

available, or would like a premium estimate, please call 133 423, or visit one of Our Service Centres. Contact details are set out on the back page of this brochure.

Key Words

Certain words in this Policy have specific meanings. These meanings are explained on pages 33 to 35. Wherever these key words appear they will always begin with a capital letter.

Cost of Policy

The cost of Your insurance is shown in Your Policy Schedule.

When the cost of Your Policy is calculated, many factors are considered, the significant ones of which are: the location of Your investment home, because this may influence the risk of Loss or damage from theft, malicious damage and/or storm, and the value of Your property because this may influence the severity of claims.

Your premium may be increased if Your investment home is located in a high risk area for theft or storm or if You elect a high sum insured.

Your premium may be reduced if You are an HBF Member, if Your investment home is in a low risk area for theft and storm and the age of the Policy holder is over 50 years.

Insured events

Cover is for Your investment home Building (as defined on page 19) depending on what Cover You request. Your Cover will be set out in Your Policy Schedule and in the Policy terms on pages 14 to 35 of this brochure. Cover also includes Your Legal Liability (as detailed on page 23).

We will Cover You for Loss or damage from the following insured events as defined on pages 15 to 19:

1. Accidental Breakage (limited to fixed glass, sanitary ware, bathroom fixtures and glass that forms part of furniture).
2. Burnt-out Electrical Motors.
3. Bursting, Leaking, Discharging or Overflowing.
4. Earthquake.
5. Explosion.
6. Fire.
7. Flood.
8. Impact.
9. Leakage of Oil.
10. Lightning or Thunder.
11. Riot or Civil Commotion.
12. Storm or Rain.
13. Theft, Burglary and Malicious Acts.

Key Policy Benefits

Your Landlords Plus Policy outlines the protection We provide for Your investment home Building.

Some of the key benefits We provide are:

1. Up to \$1,000 for the replacement of Your locks and keys in the event that the keys are stolen so that Your security and peace of mind is never compromised.
2. Cover for Fences, sheds and garden gates.
3. The option to reduce Your premium by applying a higher Voluntary Excess.
4. Landlords protection providing Cover for damage, theft or default of Rent by a Tenant.
5. A 21 day cooling off period to give You time to ensure that You have chosen the Policy that best suits Your needs.
6. Loss of Rent as a result of an insured event.

For full details on the extent of Your Cover and the conditions that apply, please read the following Policy document carefully.

If You require further clarification, please contact a Member Service Advisor on 133 423 or visit Your local Service Centre.

Significant risks

The Cover provided under the Policy is subject to certain exclusions, which may prevent the insurance Policy from providing Cover in certain circumstances, for example, where Loss arises from acts of Terrorism. Unless You take the opportunity to familiarise Yourself with the Cover provided by reading the Policy terms commencing on page 14 and select the appropriate options, the Cover may not meet Your particular needs.

Waiting periods

We will not pay for Loss that occurs within 48 hours of the commencement of the Policy caused by or in direct consequence of bush fire, storm or Flood, unless You have a current written premium estimate issued by Us more than 72 hours prior to the commencement of the Policy, or You settled an existing offer to purchase Your investment home, or had an existing Policy with Us for the same risk.

Non-disclosure

If You do not comply with Your duty of disclosure, which is highlighted in this PDS, We may be entitled to:

1. Reduce Our liability for any claim.
2. Cancel the contract.
3. Void the contract from its beginning if Your non-disclosure is fraudulent.

Adequate sum insured

In the case of a fire or another insured event Covered by the Policy, it is important that You are insured for the full replacement value of Your Building. If Your investment home is under insured You may not have sufficient Cover to rebuild to the same standards in the event of a total Loss.

Excess

An Excess is the amount which You will have to pay when You make a claim under Your Policy. Any Excesses which may apply to Your Policy will be deducted from any payments We make on Your claim. Please check Your Policy Schedule for full details of the Excesses that have to be paid.

Dispute resolution procedure

Full details of HBF's dispute resolution procedure are set out on page 29.

For further information on insuring Your investment home with HBF please call 133 423, visit one of Our Service Centres or log onto hbf.com.au. Full contact details are set out on the back page of this brochure.

Policy Introduction

Our agreement with You

The agreement between You and Us consists of:

1. This Policy; and
2. Your Policy Schedule; and
3. Any Variation or Endorsement.

Our liability is limited to the following:

1. Period of Cover shown on Your Policy Schedule; and
2. Extent of Cover set out on Your Policy Schedule; and
3. Sum(s) insured set out on Your Policy Schedule unless We have agreed to pay more as an additional benefit.

With Our agreement You are able to make a Variation to this Policy. We may introduce extra conditions to the Policy by way of Variation or Endorsement.

Any Endorsements to Your Policy are shown on Your Policy Schedule, or on a separate notice that We may send You.

You or any other person entitled to Cover under this Policy are bound by the terms, conditions, exclusions, Variations and any Endorsements.

Money back guarantee

Please ensure You read Your Policy brochure and Your Policy Schedule carefully to make sure that the Cover is adequate and meets Your requirements.

If You are not satisfied with Your Policy please contact Us. We may agree in writing to change the Policy to meet Your needs. If You advise Us within 21 days of receiving Your Policy that You are not satisfied with it, and You have not made a claim, **We will** refund Your premium in full.

Your Duty of Disclosure

What You must tell Us

When answering Our questions, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the circumstances, would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

Who needs to tell Us

It is important that You understand You are answering Our questions in this way for Yourself and anyone else whom You want to be Covered by the Policy.

If You do not tell Us

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

If You do not understand

If You do not understand Your duty of disclosure, please contact Us.

Important information

Your records

The Policy and Your Policy Schedule, Variation or Endorsement are a record of Your Cover. They are important documents containing the terms and conditions which apply to Our agreement. You may need them from time to time and particularly when Your Policy is due for renewal or You need to make a claim. Please retain these documents and keep them in a safe place.

Insured Events

We will Cover You for Loss to Your investment home as shown in Your Policy Schedule.

The insured events You are Covered for under Your Landlords Plus policy are listed below. Please read these insured events in conjunction with the general exclusions detailed on page 24.

Accidental Breakage

We will pay for Loss suffered by You that is caused by the accidental breakage resulting in a fracture extending through the entire thickness of any:

1. Fixed glass.
2. Glass that forms part of Your furniture.
3. Fixed shower base, basin, sink or bath.
4. Fixed lavatory pan or cistern.

We will not pay for accidental breakage of:

1. Glass that forms part of a glasshouse or greenhouse.
2. Glass that forms part of any cooking surface.
3. Oven door glass.

Burnt-out Electrical Motors

We will pay for either the repair or replacement, whichever is the lesser, of any domestic electric motor that is damaged by the actual burning out of the motor provided that the motor is less than ten years old.

If the burnt-out motor is Covered by a warranty or guarantee You must claim on the warranty or guarantee before claiming with Us. You must disclose to Us details of any warranty or guarantee claim that You make.

We will not pay for:

1. The replacement of worn and/or broken bearings or switch gear or any mechanical damage.
2. Flushing and recharging with refrigerant.
3. Hire of loan motors.
4. Destruction or damage to:
 - (a) lighting or heating elements, fuses or protective devices; or
 - (b) electrical contacts at which sparking or arcing occurs in ordinary working; or
 - (c) rectifiers, radio, television, amplifying or electronic equipment of any description.

Bursting, Leaking, Discharging or Overflowing

We will pay for Loss caused by the escape of water from any:

1. Water or sewerage main or pipes.

2. Guttering.
3. Fixed water tank.
4. Bath, basin or sink.
5. Fixed heating or cooling system.
6. Washing machine, dishwasher, toilet or cistern.

We will pay the reasonable costs of locating the source of water escape within the Site and restoring the damage, but only if the escape of water is causing damage to Your Building and/or Contents.

We will not pay for the damage caused by the escape of water from any shower recess unless the escape of that water was caused by a bursting or leaking water pipe.

We will not pay for repairing or replacing any item or part that caused the escape of water.

Earthquake

We will pay for Loss resulting from any earthquake or series of earthquakes occurring in a 72 hour period, less the applicable Earthquake Excess noted on Your Policy Schedule.

Explosion

We will pay for Loss from any explosion.

We will not pay for the item that exploded.

Fire

We will pay for Loss caused by fire.

We will not pay for:

1. The actual item undergoing an application involving heating, drying, cleaning or similar.
2. Heat damage that is not the result of fire (for example scorch marks caused by ironing or cigarette burns).
3. Heat or smoke that is generated by a fire that has not escaped the normal bounds of a heater, stove, fireplace, oven, or similar device.
4. Any Loss occurring within 48 hours after the commencement of this Policy caused by or in direct consequence of a bush fire, except where:
 - (a) You have a current written premium estimate issued by Us more than 72 hours prior to the requested commencement of Cover; or
 - (b) You settle an existing offer to purchase an investment home; or
 - (c) You had a policy with Us for the same risk immediately prior to the commencement of this Policy:
 - (i) at the Site; or
 - (ii) at another site when the Policy has been transferred to the Site as a result of Your purchase of an investment home.

Flood

We will pay for Loss caused by Flood:

1. All Loss happening within a 72 hour period after that Flood will be regarded as a result of one event. Less the applicable Flood Excess noted on Your Policy Schedule.

We will not pay for:

1. Any Loss occurring within 48 hours after the commencement of this Policy caused by or in direct consequence of Flood, except where:
 - (a) You have a current written premium estimate issued by Us more than 72 hours prior to the requested commencement of Cover; or
 - (b) You settle an existing offer to purchase an investment home; or
 - (c) You had a policy with Us for the same risk immediately prior to the commencement of this Policy:
 - (i) at the site; or
 - (ii) at another site when the Policy has been transferred to the Site as a result of Your purchase of an investment home.

Impact

We will pay for Loss resulting from impact by:

1. Vehicle, aircraft or watercraft.
2. Anything dropped from an aircraft, spacecraft or satellite.
3. Falling trees or branches.
4. Animals, other than animals kept at the Site or domestic animals.
5. Any television, radio or other aerial or antenna that has broken or collapsed.

We will also pay to remove any branch or tree from the Site, but only so the Loss to the home can be repaired.

We will not pay for:

1. Removing or lopping fallen or potentially dangerous trees or branches that have not damaged the Building.
2. Any Loss caused by tree lopping or tree felling done at the Site.
3. The actual television, radio or other aerial or antenna that has broken or collapsed.

Leakage of Oil

We will pay for Loss from leakage of oil from any oil heating system.

We will not pay for the repair of the oil heating system.

Lightning or thunder

We will pay for Loss caused by lightning or thunder.

Riot or Civil Commotion

We will pay for Loss caused by riot or civil commotion.

Storm or Rain

We will pay for Loss from storm or rain, or both.

We will not pay for Loss if the Loss is:

1. From wind, rain, hail or snow entering Your investment home unless it enters as a result of structural damage made by the storm or rain, or as a direct consequence of it.
2. To the external paintwork or other exterior coatings of Your investment home or other buildings.
3. From wind, rain, hail or snow entering, seeping, percolating or otherwise penetrating into Your investment home or other buildings as a result of.
 - (a) structural defects; or
 - (b) faulty design or workmanship; or
 - (c) lack of maintenance; or
 - (d) building work, alterations or additions to Your investment home.
4. To external blinds, paths, driveways, terraces, tennis courts,

boat jetties, swimming pool or spa covers, or plastic liners of swimming pools.

5. Caused by storm and occurs within 48 hours after the commencement of this Policy, except where:
 - (a) You have a current written premium estimate issued by Us more than 72 hours prior to the requested commencement of Cover; or
 - (b) You settle an existing offer to purchase an investment home; or
 - (c) You had a policy with Us for the same risk immediately prior to the commencement of this Policy:
 - (i) at the Site; or
 - (ii) at another Site when the Policy has been transferred to the Site as a result of Your purchase of an investment home.

Theft, Burglary and Malicious Acts

We will pay for Loss caused by theft, burglary, attempted theft or Malicious Acts.

If the Malicious Damage or theft is caused by Your Tenant or Your Tenants visitor(s) We will pay up to a maximum of \$10,000 less the applicable Excess(es).

Unoccupancy

If You leave Your investment home unoccupied or uninhabited for a continuous period of more than 90 consecutive days and You have not told Us and received Our written agreement, Cover for the following insured events is suspended:

1. Explosion.
2. Fire.
3. Bursting, leaking, discharging or overflowing.
4. Storm or rain.
5. Theft, burglary or malicious acts.

Investment Home Building

Landlords Plus Building Cover is for the structure at the Site that is used primarily as a place of residence for domestic purposes. Also included are outbuildings, fixtures and structural improvements at the Site including but not limited to:

1. Pipes, ducts, wires, cables, meters and switches which deliver services for which You are liable and responsible.
2. Retaining walls, fences and gates.
3. Fixed wall, ceiling and floor coverings other than carpets. Cover is limited to the room, passageway or stairway where the damage has occurred.

4. Exterior blinds and awnings.
5. Fixed aerials, their masts and fittings.
6. Built-in furniture.
7. In-ground or permanently fixed above ground swimming pools, spas, saunas, barbecues, air-conditioners, fans, light fittings, hot water services, water tanks and stands, sun decks, patios and pergolas.
8. Fixed satellite dishes.
9. If Your investment home is strata titled: out-buildings, fixtures and structural improvements that form part of the common property of the strata scheme are also Covered to the extent of Your proportion of ownership only.

Landlords Plus Building Cover does not include:

1. A building that is in the course of construction.
2. Trees, shrubs, plants, lawns, earth or any landscaping except as set out under the heading 'Additional Benefits'.
3. Carpets, internal blinds or curtains, except as set out under the heading 'Optional Benefits'.
4. Above ground swimming pools, saunas, spas and pool covers which are able to be moved from the Site.
5. Re-locatable home, mobile home or caravan.

6. A structure used only for business.
7. A boat jetty.
8. A boundary Fence.
9. A hotel, motel, nursing home or boarding house.

Strata Title Mortgagee Protection

If Your investment home is part of a strata plan and You have a mortgage over Your part of the building then **We will** Cover that part of the building under this Policy.

The maximum **We will** pay in the event of a Loss is the amount You owe on Your mortgage or the sum insured shown in Your Policy Schedule, whichever is the less. **We will** pay this amount to Your mortgagee but We will only pay after it has been established that the body corporate has not insured the buildings or has not insured the buildings for an insured event claimable under this Policy.

Additional Benefits

We will pay You as part of Your Landlords Plus sum insured (only to the extent that the sum insured is not otherwise exhausted) the following related costs and expenses resulting directly from Loss by an insured event as set out in pages 15 to 19 of this brochure.

Locks and keys

We will pay up to a maximum of \$1,000 toward the cost of replacing locks or cylinders on external doors or windows at the home if the keys designed to operate the locks or cylinders are stolen.

Loss of Rent

If We have accepted a claim and agreed Your investment home has become uninhabitable as a result of an insured event, **We will** pay You the Rent that You lose if Your investment home was let to a Tenant at the time of the Loss.

The maximum **We will** pay under this section is up to:

1. 12 months lost Rent; or
 2. 10% of Your sum insured.
- Which ever is the lesser.

We will not pay for longer than the time it would normally take to repair or rebuild the home at the Site (including a reasonable time for any relevant statutory approvals).

Related rebuilding expenses

We will pay the reasonable costs of:

1. Demolition and removal of debris from the Site.
2. Architects', engineers' and other consultants' fees.
3. Complying with the building requirements of any statutory authority relating to repairing or

rebuilding that part of the Building that was damaged.

We will not pay Your costs:

1. Of complying with any requirements imposed by a statutory authority before the Loss occurred.
2. Of complying with any building requirements relating to cyclone, earthquake, or any other standards if the Building did not comply with those standards before the insured event occurred.

Rent Default

We will pay You up to 12 weeks Loss of Rent if Your Tenant absconds, is declared bankrupt or is legally evicted. This benefit will commence on the 5th week from the time Your Tenant defaulted up to a maximum of 12 weeks in total providing:

1. You retain a bond equivalent to at least 4 weeks gross rental; and
2. You have a written current and properly executed Lease Agreement with the Tenant.

We will also pay legal costs that You incur in:

1. Legally evicting a Tenant
2. Recovering amounts owed to You by a Tenant
3. Recovering items stolen by a Tenant

If We agree to pay Your legal costs the most **We will** pay is \$5,000 in any one period of insurance.

We will not pay any legal costs or a claim for Rent Default under this section:

1. Associated with the recovery of any Excesses applicable under this Policy; or
2. Incurred without Our prior consent.
3. Unless You have taken all reasonable steps available to You legally under the Residential Tenancies Act 1987 or other relevant legislation to remedy non payment and to evict the Tenant.
4. If the Rent is in arrears at the commencement date of this Policy. The Cover will not commence until the Rent arrears have been paid and the Tenant has paid Rent in accordance with the Lease Agreement for a consecutive 4 week period.

Trees, shrubs and plants

We will pay the reasonable costs of Loss to Your trees, shrubs and plants directly caused by the insured events under the headings:

1. Explosion.
 2. Fire.
 3. Impact, or
 4. Lightning or thunder.
- to a maximum of \$500 for any one claim.

If Your investment home is strata titled, this Cover extends to trees, shrubs and plants on common property which is part of the strata plan, in the same proportion as Your ownership of the common property, but still limited to a maximum of \$500 for one claim.

Optional Benefits

Fixtures and Fittings Cover

You can choose to Cover Loss or damage to Your Fixtures and fittings as a result of an insured event Covered by this Policy.

If You have selected and paid for this option the level of Cover provided will be shown on Your Policy Schedule.

Payment of Building claims

When Loss occurs to the Building as a result of an insured event, **We will** at Our option:

1. Reinstate, replace or repair the Building to a condition equal to but not better than its condition when new; or
2. Pay the reasonable costs of reinstating, repairing or replacing the damaged portions of the Building to a condition equal to but not better than its condition when new; or

3. Pay You the amount that it would cost Us to reinstate, repair or replace the Building.

Maximum payment

The most **We will** pay is the Building sum insured as specified on Your Policy Schedule.

You may change the choice of materials used in reinstatement, repair or replacement, the size of the investment home or rebuild at another site. However, if as a result the cost of rebuilding or repair is increased You will have to pay the extra amount.

Legal Liability

When You have Landlords Plus Cover **We will** Cover Your legal liability as owner of the Site for claims arising from any accident or series of accidents which results from any one event during the period of insurance causing:

- death or bodily injury to other people;
- Loss or damage to another person's property.

Limits of Cover

The most **We will** pay under this section of the Policy for all claims made against You as a result of any

accident, or series of accidents which result from any one event is \$20,000,000. This includes legal costs and expenses incurred with Our consent for which You are legally liable.

Exclusions

The following exclusions are to be read in conjunction with the general exclusions detailed on page 24.

We will not pay for claims arising from or in connection with:

1. Bodily injury, death or illness to You, Your partner (legal or de facto) or other family member usually residing with You or any employees in the course of employment with You.
2. Loss to property belonging to You or in Your custody or control belonging to Your partner (legal or de facto) or other family member usually residing with You or any employees in the course of employment with You.
3. Penalties, fines, punitive, exemplary or liquidated damages payable by You.
4. Vibration or interference with the support of any land or buildings.
5. An accident involving any animal.
6. Bodily injury, illness or death of anyone or Loss to property arising from, or connected with asbestos

- or asbestos material including its location and removal.
7. Your business, profession or occupation other than that of a property owner.
 8. (a) the ownership, possession or use of a mechanically propelled vehicle, caravan, trailer, go-kart, motor cycle, motorised cycle or scooter, aircraft or aerial devices other than an unregistered motorised golf buggy, ride on mower or wheelchair.
(b) watercraft (including surfboards, sail boards, surf skis, wave skis or hovercraft).
 9. Any acquired immune deficiency syndrome, sexually transmitted disease or other communicable disease or infection.
 10. Any action brought against You in a court outside Australia or in a court in Australia if it applies other than Australian law.
 11. The use of any firearms or ammunition.
 12. The supply of drugs or alcohol.
 13. Tree lopping or tree-felling by You or any person with Your consent.
 14. Your failure to insure against Loss to property where You are required to do so by any law.
 15. Any act or omission by You that:
 - (a) is reckless and disregards the safety of others; or
 - (b) breaches any statutory provision.

16. A liability which arises because You:
 - (a) are liable in contract; or
 - (b) accept liability without Us agreeing to it.

General Exclusions

These general exclusions apply to ALL sections of each Policy as follows.

We will not pay for Loss or legal liability arising from or caused by:

1. (a) a reckless, unlawful or illegal act or omission by You, or by a person (other than a Tenant) who has entered the Site with express or implied consent of the Landlord; or
(b) You intentionally.
2. Radioactivity or the use or existence or escape of any nuclear materials.
3. The lack of maintenance or repair.
4. Depreciation, wear and tear, rust or corrosion, erosion, fading, shrinkage, scratching, mildew or mould, gradual deterioration, wet or dry rot.
5. Moths, rodents, vermin, termites, white ants and insects.
6. The lawful seizure, confiscation or requisition of Your investment home.
7. Power failures or surges unless caused by an insured event.
8. Structural and inherent defects or faulty workmanship.
9. The contamination or pollution of air, water or soil unless the Loss, damage or legal liability is due to a sudden unexpected or unintended accident.
10. Action of the sea, high tides, tidal wave, high water or tsunami or any earth erosion, movement, landslip or subsidence.
11. War or warlike activities.
12. Consequential Loss of any kind except as provided by Your Policy.
13. The undergoing of a process necessarily involving the application of heat.
14. Settling, seepage, shrinkage or expansion in buildings, walls, roofs, floors, ceilings, foundations, pavements or roads.
15. The failure of any computer, data processing equipment, microchip or integrated circuit to recognise a date change (including leap year calculations).
16. As a result or in consequence of, either directly or indirectly, asbestos in whatever form or quantity.
17. Rent Default, Malicious Damage, theft or attempted theft involving the Tenant when there is no Lease Agreement between the Landlord and the Tenant.
18. Tenant neglect or poor housekeeping or unhygienic living habits.

19. You or Your Tenants not keeping the Building/Contents in good repair and condition. This means the Building and Contents should be watertight, structurally sound, secure and well maintained.
20. You do not complete a regular internal and external property inspection at least every 6 months.
21. As a result or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the Loss.

Terms and Conditions

You must comply with all these general conditions. If You do not, We may refuse to pay a claim, reduce the amount You are entitled to receive or cancel this Policy.

Your duties to Us

You must assist Us by taking all reasonable steps:

1. For the safety and protection of any property insured.
2. To secure and lock Your investment home when unoccupied.
3. To prevent bodily injury, death or illness to other persons or damage to their property.

4. To recover any property insured that is lost or stolen.
5. To obey any statutory obligations, by-laws or regulations that safeguard people or their property.

Alteration of risk

You must notify Us as soon as possible of any change which may affect the state, condition or use of the property insured which increases the risk of Loss, damage or liability.

Unless and until We agree in writing to Cover the alteration of risk and You pay any additional premium required, We shall not be liable for the Loss or liability caused by or contributed to by such alteration.

If You change Your investment home address, **We will** provide temporary Cover for Your property at the new site on the same terms that apply to Your existing Cover, providing You notify Us giving full details of the investment home, including occupancy, seven days prior to the date You settle on the purchase of Your new investment home. Once the new details are provided a premium adjustment may be required.

Cancellation

By You

You may cancel this Policy at any time. We may retain a portion of premium which relates to the period for which You have been insured and We shall refund the balance, less an administration fee for the unexpired period provided that no event has occurred for which any liability arises under the Policy. If after charging this administration fee, the refund due to You is less than \$10 then no refund will be given.

By Us

We may cancel this Policy at any time as allowed by law by notifying You in writing of the date from which cancellation is to take effect. Notification will be delivered to the address last notified to Us and cancellation will take effect no earlier than 4.00 pm on the date set out in the cancellation notice. We will retain a portion of the premium which relates to the period for which You have been insured and We shall refund the balance for the unexpired period.

Transfer of interest

No interest in this Policy may be transferred without Our written consent.

Automatic increase in sum insured

We will upon each renewal of Your Policy automatically adjust the sum insured for Your investment home by an increase in the percentage shown in the relevant part of the Consumer Price Index and the Cost of Construction Index. If there is no increase or a fall, **We will not** make any adjustments. You may at any stage amend Your sum insured.

Joint insured

If more than one person is named as the insured in Your Policy Schedule, **We will** treat any statement, act, omission or claim made by one of those persons as a statement, act, omission or claim made by all of those persons.

Claims Procedure

As soon as possible after an incident occurs which may result in a claim under this Policy You must:

1. Take all reasonable precautions to prevent or minimise further Loss or liability.
2. Take all reasonable steps to recover any lost or stolen property.
3. Notify Us and the Police immediately if any of Your

property is stolen, maliciously or intentionally damaged.

4. Notify Us immediately if Your stolen property is recovered.
5. Complete and submit a claim form for Our consideration within 30 days with full particulars of Your Loss including details of any party who may be responsible.
6. Assist Us to recover in Your name any amount paid by Us to You from the person who caused You to suffer Loss.
7. Submit to Us without delay any letters, notices or court documents that You receive in relation to any claim under this Policy.
8. Assist with any investigation or examination of the circumstances of any Loss.
9. Provide Us with an opportunity to inspect any Loss before You carry out any repairs.
10. Keep any damaged or recovered stolen property and allow Us to inspect it if necessary.
11. Provide all receipts, invoices, quotes, evidence of ownership and/or information We may require to process Your claim.
12. Not admit, deny or negotiate any claim with any person without Our prior consent or approval.

Proof of ownership and value

In the event of a claim **We will** require You to produce evidence of ownership and/or value of the items lost, stolen, damaged or destroyed.

If You are unable to provide evidence of ownership and/or value for Your items We can reduce or refuse Your claim.

Subrogation

We may take over conduct in Your name the defence or settlement of any claim. Furthermore, subject to the provisions of the Insurance Contracts Act 1984, We may prosecute in Your name any claim for indemnity or damages.

We have full and absolute discretion in the conduct of any legal proceedings or in the settlement of any claims.

Fraudulent claims

If You or anyone acting on Your behalf or with Your knowledge or involvement make a claim knowing or reasonably suspecting it to be false or fraudulent, payment of the claim may be refused and Your Policy may be cancelled. Making a fraudulent claim is a criminal offence and may be referred to the Police for further investigation.

Other insurances

You must:

1. Tell Us if You can make a claim under any policy of insurance with another insurer that Covers You for the same Loss caused by or for legal liability arising from the insured event the subject of Your claim.
2. Provide Us with all documents, information and assistance which We may need to recover a proportion from that other insurer.

Total Loss

When We make payment to You of a total sum insured shown in Your current Policy Schedule:

For the reinstatement, repair or replacement of Your investment home, Cover will be terminated for Your investment home.

If any such payment is made and You pay Us the premium by instalments, any unpaid instalments (either overdue or not yet due) will be deducted from Your claim settlement.

Claims settlement under GST legislation

If You are registered for GST and are claiming an Input Tax Credit Entitlement (ITCE) in respect of this Policy, it is Your obligation to inform Us of Your ITCE no later than the time

settlement of any claim under this Policy. Where settlement of any claim is made in cash, Your ITCE will be taken into account in determining the settlement amount payable. Where You have failed to inform Us of Your ITCE or have understated Your ITCE, You may have a GST liability in respect of any settlement made under this Policy.

General Insurance Code of Practice

We have adopted the General Insurance Code of Practice which is aimed at improving standards within the insurance industry. The Insurance Council of Australia, insurance companies, consumer groups and the Federal Government jointly developed the Code. The Code deals with Your right as a consumer to receive communications from Us promptly and in plain language. In addition the Code aims to improve claims handling and dispute resolution; the quality, comprehension and accuracy of policy documents and other information provided to consumers.

What to do should You have any concerns

HBF is continually looking for ways to serve You better. We are happy to assist You with any information You require or hear from You about any concerns You may have. Should You have any concerns We encourage You to discuss the matter with the employee who handled Your application or claim. If Our employee is not able to resolve Your concerns, You can contact the Claims Manager (in the case of a claim) or the Underwriting Manager (in the case of a concern with Your application or existing Policy). This review will be conducted within 15 working days. If Your concerns have not been resolved to Your satisfaction, We encourage You to request that the matter be referred to Our Internal Disputes Resolution process, where a Senior Manager with delegated authority will review the original decision. This process will normally be completed, and a final decision made, within 15 working days and will involve no cost to You.

All correspondence should be addressed to:
 Manager - Dispute Resolution
 HBF
 GPO Box C101 PERTH WA 6809
 or by facsimile on 9265 8895.

We would like to advise You that the Financial Ombudsman Service is available to resolve disputes relating to claims and non-claim matters, where You remain dissatisfied. This organisation provides a free service to all policyholders and will be able to resolve most complaints regarding Your dispute, through the Review Panel of the Financial Ombudsman Service. They can be contacted toll free on 1300 780 808 or via www.fos.org.au. Alternatively You may wish to seek Your own advice on this matter.

Privacy Policy Overview

Ensuring Your Privacy

At HBF We respect the privacy of Your personal information and are committed to ensuring that its security remains protected. We are bound by the National Privacy Principles (NPPs) set out in the Privacy Act 1988.

HBF's collection of personal information

We collect Your information when We accept an application for an HBF product, and We may collect further personal information whilst You hold an HBF product. We will generally collect Your personal information

during a face-to-face interview, over the telephone, through an online form or by way of a paper based form (including application forms). Some personal information is deemed to be sensitive information. We will treat sensitive information with particular care.

Consent

By applying for a product including a cover note or quote with HBF, You are taken to agree:

- To the collection by HBF of Your personal information in connection with Your product.
- That Your personal information can be used or disclosed by Us as contemplated in this Privacy Statement.
- To Us transmitting Your personal information overseas where the transmission is directly related to Your product.

The information We may collect

Usually We will collect details of Your name, address, age, telephone number, facsimile number, or email address. We often hold information, which relates to how You choose to pay for products and services (particularly where We have a regular direct debit arrangement), which may include bank account details and credit card details. If payments are

made under a payroll deduction scheme, We may hold information about Your employer. We also keep information about payment history. HBF may collect and hold information and details about Your driving record, prior insurance claims, medical history, criminal history, and whether You have been refused insurance or had an application accepted on special terms. If You make a claim in relation to Your insurance, We may need to collect sensitive information from third parties about the matter. When You make the claim, You consent to Us collecting related sensitive information directly from those third parties or, if the information relates to someone other than You covered by the insurance, You give consent on behalf of that person and You confirm that You have authority to do so.

How HBF will use and disclose Your information

HBF uses personal information to provide You with comprehensive service in relation to its products and services. We may use, and if necessary disclose, Your personal information:

- In connection with arrangements You make to pay Your premium (for example with Your employer or a financial institution);

- To a hospital or medical practitioner when You are or have been a patient of that hospital or medical practitioner;
- To decide whether to issue a general insurance policy, and if so, on what terms, and to assist Us in managing any claim made by You;
- When providing a certificate of currency to financial institutions (at Your request or with Your consent); To an external consultant dealing with the assessment or investigation of claims and the Insurance Reference Bureau;
- In relation to travel insurance applications to medical assessors; and
- In relation to travel insurance, to a travel agent or overseas travel helpline.

When You make a claim, You also give Your consent to the relevant member of the HBF Group of Companies (HBF Group) sharing Your personal information (including sensitive information) with other members of the HBF Group for the purpose of preventing and detecting fraudulent or invalid claims or misrepresentation, which would cause loss to the HBF Group.

Members of the HBF Group may also share and use this information for the purpose of providing You with material, such as articles and information about other products and services that may be of interest to You. You may request not to receive such information by contacting Us. Please allow five working days for Your request to be actioned. HBF has a range of obligations under the Insurance Act 1973 and related regulations that impact on its collection and disclosure of personal information. In effect, these require HBF to maintain records, report to regulatory authorities, and to meet various requirements in relation to providing general insurance. We are obliged to maintain certain transaction records and make those records available for inspection by the Australian Prudential Regulation Authority (APRA). HBF may also need to make certain information and records available to other regulatory bodies, auditors, actuaries, the Financial Ombudsman Service and Our agents, representatives, services providers and contractors. We will disclose this and any other information as required by law.

If You do not wish to provide information

We may not be able to meet Your insurance needs if You do not provide

Us with personal information, which We require. There are requirements under the Insurance Contracts Act 1984 that You disclose to HBF all material information, and information which a reasonable person in the circumstances, would consider material. This may require You to provide personal information in relation to an insurance product You hold with HBF, which may have consequences in relation to any insurance policy You hold or claims under it.

Accessing Your information

In most circumstances You have a right to access any personal information, which We collect and hold about You. Please contact Us if You wish to access Your personal information. We may deny Your request in some circumstances and if We do this, We will tell You why. Further details on the way We handle personal information are in Our Privacy Policy, which is available at hbf.com.au or on request by calling a Member Service Advisor on 133 423.

Privacy Complaints

If You wish to complain about any breach or potential breach of this Privacy Statement, Our privacy policy or the NPP's, You should contact Us.

Contact Details

HBF Privacy Officer
GPO Box C 101, Perth WA 6809
Phone: 133 423

Your complaint will be responded to within seven days. We will use Our best endeavours to resolve any complaint to Your satisfaction, however, if You are unhappy with Our response, You may contact the Office of the Privacy Commissioner.

Contact Details

Office of the Privacy Commissioner
GPO Box 5218, Sydney NSW 2001
Phone: 1300 363 992

Key Words

Certain words in this Policy have specific meanings. These meanings are explained below. Wherever these Key Words appear they will always begin with a capital letter.

Agent

Someone who acts on Your behalf to arrange and manage the Lease of the investment home, including the collection of Rent.

Bond

An amount of money paid by a Tenant held as security against damage to Your investment home, Fixtures and fittings, Loss of Rent or

re-letting costs or any other expenses incurred as a result of a breach of the current Lease Agreement.

Building

Means the structure at the Site that is used primarily as a place of residence for domestic purposes as detailed on page 19 of this brochure.

Consequential Loss

Any additional expense arising from or as a consequence of Loss or damage caused by an insured event. For example, any additional expense in replacing undamaged property, so as to create a uniform appearance, is not Covered by this Policy.

Contents

Means those items that You either own or for which You are legally responsible that are located at the Site.

Cover(ed)

The protection provided by this Policy.

Endorsement

Any written alteration or addition to this Policy.

Excess(es)

The amount You have to pay towards the amount of any claim under this Policy. The types of Excesses are detailed on Your Policy Schedule.

Fence

Any fence, the primary purpose of which is to enclose Your domestic home and or Your domestic swimming pool, but excludes all other fences including boundary fences whose purpose may be to separate the Site from the land of other owners, or for purposes other than enclosing Your domestic home. If You are entitled to claim any contribution from any person under any law, by-law, regulation or otherwise towards the cost of repairing or replacing any Fence, We will only pay for a maximum of 50% of the cost of repairs or replacement subject always to the sum insured.

Fixtures and fittings

Carpets (whether fixed or unfixed), curtains, blinds and light fittings.

Flood

The inundation of normally dry land by water overflowing or escaping from the normal confines of any natural watercourse or lake whether or not altered or modified or of any reservoir, canal or dam.

Landlord

A person with a financial interest in the investment home who has the authority to allow a Tenant the right to occupy the investment home under a current valid Lease Agreement and is the named policy holder on the Policy Schedule.

Lease Agreement

A current valid written agreement between the Landlord and the Tenant that details the terms and conditions of the tenancy including the rental period, the amount of Rent payable, and the amount of Bond that a Tenant is required to pay. Once the fixed term of the tenancy ends, the Lease Agreement becomes a continuing agreement with the same terms and conditions.

Loss

Loss, damage or destruction to Your property insured under this Policy. For Building Cover, this means property which is stolen, damaged or destroyed, but not lost.

Loss of Rent

The Rent that You lose as a result of the investment home not being able to be lived in whilst being repaired/ rebuilt as a result of an insured event.

Malicious Acts/Damage

Physical harm with intent to cause damage but does not include wear and tear or general living standards of the Tenant.

Open Air

Any place at the Site which does not have walls, a roof and door(s) and is incapable of being locked or secured or any motor vehicle, trailer, aircraft or watercraft.

Policy

The contract of insurance between You and Us. It consists of the terms set out in pages 14 to 35 of this brochure and Your Policy Schedule.

Re-let

When the investment home is rented out again after a previous Lease Agreement has ceased.

Rent

The amount of money payable to rent Your investment home as agreed in the Lease Agreement.

Rent Default

When Your Tenant fails to pay Rent as agreed upon in their current Lease Agreement, including when a Tenant absconds without giving notice as required under the Lease Agreement or is declared bankrupt.

Schedule

The Schedule of Insurance issued by Us that forms part of Your insurance contract and shows Your Policy number together with details of Your Cover and premium.

Site

The Site specified on the Policy Schedule where Your investment home is located.

If Your investment home is strata titled for the purposes of Landlords Plus Cover, Site is limited to Your own strata lot.

Tenant

Applies where You have let Your investment home under a properly executed, written Lease Agreement and means any party who entered into that agreement with You as tenant and includes the partner (legal or defacto) or other family member of such a person normally residing at the Site.

Terrorism

Means any threat or use of force by any person or group of people which is done for, or in connection with, political, religious, ideological or similar purposes to influence any government and/or put any section of the public in fear.

Variations

Any Variations to this Policy that We have agreed to.

Visitor

Means a person who visits or attends the Site with Your or the Tenants consent, but who does not reside at the Site permanently or temporarily.

We, Us or Our

HBF Insurance Pty Ltd
ABN 11 009 268 277.

You or Your

The insured(s) named on the Policy Schedule and includes Your partner (legal or de facto).



Telephone Enquiries

133 423

Monday to Friday: 8am to 6pm

Saturday: 9am to 12pm

hbf.com.au

Head Office

GPO Box C101 Perth 6809

HBF Branch Hours

Monday to Friday: 9am to 5pm

*Saturday: 9am to 12.30pm

Regional Branches

Albany

21 Albany Highway
Telephone 9845 7000

Bunbury

12 Arthur Street
Telephone 9722 6300

Busselton

2/90-92 Queen Street
Telephone 9781 1800

Geraldton

Northgate Shopping Centre
Telephone 9920 8200

Metropolitan Branches

Perth

96 William Street

Belmont

Belmont Forum Shopping Centre

Booragoon

Garden City Shopping Centre*

Cannington

Carousel Shopping Centre*

Fremantle

82 High Street

Hillarys

Whitford City Shopping Centre

Innaloo

Innaloo Shopping Centre

Joondalup

115 Grand Boulevard

Karrinyup

Karrinyup Shopping Centre*

Mandurah

32 Pinjarra Road

Midland

18/53 The Crescent

Morley

Galleria Shopping Centre*

Rockingham

Rockingham Shopping Centre

Subiaco

513 Hay Street

Success

Cockburn Gateway Shopping Centre

HBF Insurance Pty Limited: Supplementary Product Disclosure Statement



This Supplementary Product Disclosure Statement (Supplementary PDS) is dated 1 July 2011 and applies to new policies or policies with a renewal effective date on or after 1 July 2011

The information in this Supplementary PDS updates and should be read with the last Product Disclosure Statement (PDS) you received for the policy and any other applicable Supplementary PDS.

CHANGES TO YOUR PDS

The Corporations Act 2001 now requires the terms and conditions of an insurance policy (that are not part of the policy schedule) to be in the PDS for that policy. This Supplementary PDS amends your PDS to meet this requirement.

Your PDS booklet contains your policy terms and conditions or policy wording in a separate section or part or under a separate heading. The PDS is amended, and should now be read so that the policy terms and conditions or policy wording, that is included in your PDS booklet, is part of the PDS.

Any statement in your PDS to the effect that the policy terms or conditions, or policy wording, is not part of the PDS, is deleted.

If you have any questions, or would like another copy of the PDS, please contact HBF on 133 423 or visit any HBF branch.

FINANCIAL CLAIMS SCHEME

You may be entitled to payment under the financial claims scheme in the event that HBF Insurance Pty Ltd becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from the Australian Prudential Regulation Authority (APRA) website at <http://www.apra.gov.au> and the APRA hotline on 1300 13 10 60.

PDS UPDATES

Information in this PDS may need to be updated from time to time where required and permitted by law. You can obtain a paper copy of any updated information without charge by calling us on 133 423 or visiting any branch. If the update is to correct a misleading or deceptive statement or an omission that is materially adverse from the point of view of a reasonable person deciding whether to acquire the Policy, we will provide you with a new PDS or a Supplementary PDS.

PRIVACY STATEMENT

The Privacy Statement or Privacy Policy Overview in your PDS is deleted and replaced with the following:

How we handle your personal information

We are committed to handling your personal information in accordance with the Privacy Act.

PLEASE TURN OVER

We need to collect, use and disclose your personal information in order to consider your application and to provide the cover you have chosen. You can choose not to give us some or all of your personal information, but this may affect our ability to provide you with cover.

When you provide your personal information to us

You acknowledge and consent to us collecting and using your information to:

- consider your insurance application and any subsequent application for insurance
- underwrite and price any policy issued by us
- calculate and offer discounts
- issue you with a policy
- administer the policy, and
- investigate, assess and pay any claim made by or against you.

For these purposes, you acknowledge and consent to us collecting your personal information from, and disclosing it on a confidential basis to other insurers, insurance reference bureaus, law enforcement agencies, investigators and recovery agents, lawyers, any credit provider that has security over your property, assessors, repairers, our related companies, suppliers retained by us to supply goods or services to us, advisers, and/or the agents of any of these.

When you provide personal information to us about another person

You must be authorised to do so, and you must inform that person, unless informing them would pose a serious threat to the life or health of any individual:

- who we are
- how we use and disclose their information, and
- that they can gain access to that information.

Privacy of your personal information – for marketing purposes

In order to enhance our relationship with you, we may use your personal information that you have provided us to offer you other products and services, which may be of benefit to you.

When you provide your personal information to us – for marketing purposes

You acknowledge and consent to your personal information being used on a confidential basis by us to contact you by mail, phone, or email to provide you information on offers, products and services or for planning, market research and product development. In using your personal information for these marketing purposes, we may use and disclose your personal information to offer you our products and services, or the products and services of others, directly or to any other organisation to carry out the above marketing purposes on our behalf. However:

- we will not use your information in this way if you have already told us not to
- you must inform us if you do not want your personal information disclosed or used for these marketing purposes

OUR GENERAL INSURANCE HEAD OFFICE ADDRESS HAS CHANGED

As of 1 July 2011, our General Insurance head office has moved. The new head office address and our new contact details are:

HBF Insurance Pty Ltd

181 William Street
Melbourne VIC 3000
Phone: 133 423 or visit www.hbf.com.au

Insurer

HBF Insurance Pty Ltd
ABN 11 009 268 277
AFSL 229190