



Supplementary Product Disclosure Statement for Landlords Insurance for Strata



Date of preparation: 14 May 2020
Date effective: 14 May 2020
QM8682-0520

This is a Supplementary Product Disclosure Statement (SPDS) issued by CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070, AFS Licence No: 243261) acting under a binding authority as agent of the insurer QBE Insurance (Australia) Limited (ABN 78 003 191 035, AFS Licence No: 239545). CHU issues this SPDS on behalf of the insurer.

This SPDS applies to new policies issued from 14 May 2020. This SPDS does not apply to renewals or amendments of existing policies that were in place prior to 14 May 2020.

You must read this SPDS together with the appropriate PDS and Policy Wording specified above to enable you to make an informed choice about whether the particular product is suitable for your needs.

The following changes have been made to your policy.

Policy Wording – Page 2

“Policy 5 – Loss of rent (default by tenant)” is deleted in its entirety.

Other policies – Page 8

The entire section of the wording is deleted and replaced with the following:

“We can also cover you against:

- tenants default in payment of rent following their departure without notice (see **Policy 4**);
- legal expenses for minimising claims under Policies 3 and 4 (See **Policy 6**);
- legal liability for accidental death or bodily injury to other persons as well as accidental damage to other person’s property. The event causing the liability must occur during the period of insurance (see **Policy 7**);
- cost of professional fees if you are audited by the Australian Tax Office or another government organisation (see **Policy 8**).”

*Note: “tenants default in payment of rent that requires a court or tribunal eviction order (see **Policy 5**)” has been deleted in its entirety from the above section.*

Monetary limits on the cover – Page 9

The entire section of the wording is deleted and replaced with the following:

“We can insure you up to the amount of the sum insured or other specified limits for your contents. These amounts are specified in the relevant clauses in the Landlords Policy part or on the Schedule.

Covers for building damage, loss of rentable value, loss of rent (departure by tenant), legal expenses, liability to others, and Government audit costs insure you up to a set limit of liability which is shown on the Schedule.

You need to make sure you are happy with the relevant sum(s) insured and limits. If you do not adequately insure yourself you may have to bear the uninsured proportion of any loss yourself.

You should also advise CHU of any changes in the details of the information you have given us, otherwise your insurance may not be sufficient.”

Note: “...loss of rent (default by tenant)...” has been deleted from the above section.

General definitions – the meaning of some words – Page 23

Definition of “Rent” is deleted and replaced with the following:

“means an amount of money calculated on the rental payable by Your Tenant that applied immediately prior to Your Tenant’s departure without notice.

Note: “...or default in payment” has been deleted from the above definition.

Policy 5 – Loss of rent (default by tenant) - Page 37

Policy section is deleted in its entirety.

Policy 6 – Legal expenses - Page 38

The entire section of the wording is deleted and replaced with the following:

What we insure

When a claim is payable under **Policies 3 or 4** We will pay, up to the Sum Insured shown for Policy 6 on the Schedule, for legal expenses provided they are incurred:

- a. with Our prior written approval; and
- b. are for the express purpose of minimising a claim.

Special benefits

Special Benefits are included in addition to Your Sum Insured for **Policy 6**.

1 Property manager costs

When a claim is payable under **Policies 3 or 4** We will pay up to \$500 in any one Period of Insurance for the cost of Your Property Manager’s time in representing You in court or at a tribunal to obtain a court or tribunal order against Your Tenant.

We will not pay unless such expense is specifically included in the Managing Agent Agreement between You and Your Property Manager.

2 Breach of agreement costs

If Your Tenant commences an action against You alleging a breach by You of the Tenancy Agreement We will pay up to \$500 in any one Period of Insurance for the cost of legal or similar type expenses You incur in defending such action.

We will not pay unless You obtain Our written approval prior to incurring such costs.

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