



**ARAG Landlord  
Legal Expense Insurance**



# ARAG Landlord Legal Expense Insurance

This document has been prepared to help You understand the ARAG Landlord Legal Expense Insurance Policy and make an informed decision about Your insurance requirements.

Please read this document carefully and in full to determine if the cover is appropriate for You and to familiarise yourself with the terms and conditions of Your insurance.

This document also contains information about the:

- ✓ ARAG Legal information helpline
- ✓ ARAG Legal Document Centre
- ✓ Claims procedures
- ✓ Complaint procedures

If You are unsure about anything in this document, please contact ARAG.

Terms that are capitalised have special meanings. For more information please read the section 'Meaning of words & terms' contained at the back of this document.

## Main benefits of Landlord Legal Expense Insurance

Landlord Legal Expense Insurance allows You to pursue or defend Your legal rights arising from an Insured Event during the Period of Insurance. We provide cover for Legal Costs & Expenses arising from:

- Property damage
- Repossession of property
- Recovery of rent arrears
- Tax protection
- Prosecution defence
- Consumer contract disputes

## About the Insurer

This ARAG Landlord Legal Expense Insurance is underwritten by HDI Global Specialty SE – Australia (ABN 58 129 395 544, AFS Licence number 458776) (**HDI Global Specialty**) with its registered address at Tower 1, Level 33, 100 Barangaroo Avenue, Sydney NSW 2000.

HDI Global Specialty is authorised to carry out insurance business in Australia by the Australian Prudential Regulation Authority in accordance with the *Insurance Act 1973* (Cth).

HDI Global Specialty SE is registered in Germany, with its registered office Podbielskistrasse 396, 30659 Hannover, Germany with registration number HRB211924 authorised by Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin"). It is authorised to carry on insurance Business in Germany under the German Insurance Supervisory Act ("Versicherungsaufsichtsgesetz").



## About ARAG

ARAG Services Australia Pty Ltd (ABN 14 627 823 198) (**ARAG**) is part of the ARAG Group, a global leader in legal expense insurance and the largest family owned enterprise in the German insurance industry. It was founded in 1935 on the principle that every citizen should be able to assert their legal rights.

ARAG is committed to providing its customers with access to general legal information and representation. ARAG recognises that it will only grow by ensuring it provides value added products and an outstanding service to its customers.

ARAG has been granted delegated authority by HDI Global Specialty to enter into, vary or cancel Policies and handle Claims for ARAG Private Legal Expense insurance on their behalf. In providing these services, ARAG acts on behalf of the Insurer and not as Your agent. ARAG is authorised to provide financial services in accordance with its Australian Financial Services Licence (AFS Licence number 513547). Any advice provided by ARAG in relation to this product is general in nature and does not take into account Your individual circumstances.

Any enquiries You may have regarding this insurance should be directed to ARAG.

Liability within the terms and conditions of this Policy remains at all times with the Insurer, HDI Global Specialty.

## Premium

The Premium for this Policy is payable to HDI Global Specialty as the Insurer.

In order to calculate the Premium, various factors may be considered by us, including the coverage, limit, Excess and commission.

Your Premium also includes any relevant compulsory government charges, taxes or levies (e.g. GST and Stamp Duty). The Premium and these amounts where applicable will be set out separately in the Policy Schedule.

### Other costs, fees and charges

Other costs, fees and charges which may be applicable to the purchase of Your Policy will be shown on the Policy Schedule.

## Contact Us

ARAG's contact details are:

**Address:** Level 2, 2 Bulletin Place,  
Sydney NSW 2000

**Email:** [contact@arag.com.au](mailto:contact@arag.com.au)

**Phone:** (02) 8066 0162

# Important information

## Duty to take reasonable care not to make misrepresentation

This is a consumer insurance contract under the *Insurance Contracts Act 1984*. Under the *Insurance Contracts Act 1984* You have a duty to take reasonable care not to make a misrepresentation to Us. This duty applies when You enter into, renew, extend or vary this contract of insurance.

Before You enter into, renew, extend or vary this contract of insurance We will ask You questions that are relevant to Our decision to insure You and on what terms. When You answer the questions You must not give a false or misleading account of matters. Your response should tell Us everything that You know about the question. Your response is relevant to whether We offer you insurance and the terms that are offered.

A misrepresentation made fraudulently is made in breach of the duty to take reasonable care not to make a misrepresentation.

## Consequences of failure to take reasonable care not to make misrepresentation

If You do not take reasonable care not to make a misrepresentation to Us, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If your failure to take reasonable care not to make a misrepresentation to Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

## Circumstances relevant to your duty

Whether or not You have taken reasonable care not to make a misrepresentation is to be determined with regard to all the relevant circumstances. If We know, or ought to know about Your particular characteristics or circumstances, these characteristics or circumstances are taken into account in determining whether You have taken reasonable care not to make a misrepresentation to Us. Under the *Insurance Contracts Act 1984* the following matters may be taken into account in determining whether You have taken reasonable care not to make a misrepresentation:

- a) the type of consumer insurance contract in question, and its target market;
- b) explanatory material or publicity produced or authorised by Us;
- c) how clear, and how specific, the questions We asked were;
- d) how clearly We communicated to You the importance of answering those questions and the possible consequences of failing to do so;
- e) whether or not an agent/insurance broker was acting for You;
- f) whether the contract was a new contract or was being renewed, extended, varied or reinstated.

You are not to be taken to have made a misrepresentation merely because You:

- a) failed to answer a question; or
- b) gave an obviously incomplete or irrelevant answer to a question.



## Privacy statement

For the purpose of this section We, Our or Us means both ARAG and the Insurer. This is a summary of how We collect, use, share and store personal information. To view Our full privacy statement, please see Our respective websites at [www.arag.com.au](http://www.arag.com.au) and at [www.hdi-specialty.com/int/en/legals/privacy](http://www.hdi-specialty.com/int/en/legals/privacy).

### Collecting personal information

We may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. We will hold and process this information in accordance with the Privacy Act. Should We ask for personal or sensitive information, it shall only be used in accordance with Our privacy statement.

We may also collect information for other parties such as suppliers We appoint to process the handling of a Claim.

### Using personal or sensitive information

The reason We collect personal or sensitive information is to fulfil Our contractual and regulatory obligations in providing this insurance product, for example to process Premium, to administer this Policy, resolve complaints, process renewals, for internal business purposes or handle a Claim. To fulfil these obligations, We may need to share personal or sensitive information with other organisations, including overseas in countries such as the UK and Germany as set out in Our privacy policy.

We will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected. Please refer to Our full privacy policy for full details.

### Keeping personal information

We shall not keep personal information for any longer than necessary.

### Your rights

Any person Insured by this Policy has a number of rights in relation to how We hold personal information including; the right to a copy of the personal information We hold; the right to object to the use of personal information or the withdrawal of previously given consent.

HDI Global Specialty and ARAG have each established a Data Breach Notification Scheme, to ensure that

affected individuals are notified about serious data breaches in accordance with their respective obligations at law.

For a full list of privacy rights and when We may refuse to provide You access to Your personal information, please refer to Our full Privacy Policy.

## Important-Statutory Notice – Section 40 Insurance Contracts Act 1984 (Cth)

This notice is provided in connection with but does not form part of this Policy.

This Policy is a 'Claims Made' liability insurance policy. It only provides cover if:

- 1) a Claim is made against You, by some other person, during the Period of Insurance when this Policy is in force; and
- 2) the Claim arises out of circumstances committed, attempted or alleged to have been committed or attempted after the Retroactive Date stipulated in the Policy Schedule.

Section 40(3) of the *Insurance Contracts Act 1984* (Cth) applies to this type of Policy. That subsection provides that if the Insured becomes aware, during the period when this Policy is in force (Period of Insurance), of any occurrence or fact which might give rise to a Claim against the Insured by another person, then provided that the Insured notifies Us of the matter before this Policy expires, We may not refuse to indemnify merely because a Claim resulting from the matter is not made against the Insured while this Policy is in force.

If the Insured, inadvertently or otherwise, does not notify the relevant occurrence or facts to Us before the expiry of this Policy, the Insured will not have the benefit of section 40(3) and We may refuse to pay any subsequent Claim, notwithstanding that the events giving rise to it or the circumstances alleged in it may have taken place during the Period of Insurance.

If a Claim is actually made against the Insured by another person during the Period of Insurance but is not notified to Us until after this Policy has expired, We may refuse to pay or may reduce Our payment under this Policy if We have suffered any financial prejudice as a result of the late notification.

## Dispute resolution

### Our commitment to You

We treat complaints very seriously and believe you have the right to a fair, swift and courteous service at all times. If you are dissatisfied with the service you have received and wish to make a complaint, please contact us and we will endeavour to resolve the issue as quickly as possible.

This Policy provides you with an overview of the process you can expect ARAG and the insurer to undertake in order to resolve any complaint that you may have.

### Step 1: The first time you raise your concerns or complaint

If you have any concerns or complaints about how your claim has been handled, you should in the first instance contact us via the following.

You can contact us directly:

**Phone:** (02) 8066 0162

**Address:** Level 2, 2 Bulletin Place,  
Sydney NSW 2000, or

**Email:** [complaints@arag.com.au](mailto:complaints@arag.com.au)

We, as agent for the insurer, aim to resolve the complaint at the time of initial contact. If this is not possible we will commit to responding to your complaint within fifteen (15) working days of first being notified of the complaint.

To enable us to consider your complaint fully and quickly, you will need to provide the following information:

- ✔ an explanation of the situation that led to the complaint;
- ✔ any new information not currently in our possession that may have a bearing on our understanding of the complaint; and
- ✔ a statement of any action that you would like us to take to resolve the complaint

Upon final consideration of your complaint we will inform you of the proposed resolution and the timeframe we will take to implement such a resolution.

### Step 2: Internal Dispute Resolution

If you are not satisfied with our response to your complaint, we will escalate it as a dispute and the insurer's internal dispute resolution committee will review the matter. The committee will be independent of the person who initially considered your complaint.

The insurer requests that you state the dispute in writing to:

Internal Dispute Resolution Committee

HDI Global Specialty SE

GPO Box 3973

NSW 2001

**Email:** [HGABdisputes@hdi-specialty.com](mailto:HGABdisputes@hdi-specialty.com)

The internal dispute resolution committee will respond to your queries or complaints within fifteen (15) working days.

The response will outline any reason for the decision and will inform you of any action the insurer intends to take in resolution of the dispute.

### Step 3: External Dispute Resolution scheme

If you are still not satisfied with the insurer's response, you can seek an external review via the Australian Financial Complaints Authority (AFCA), an ASIC approved external dispute resolution body.

This national body is for consumers and resolves certain insurance disputes between consumers and insurers at no cost to you.

The Australian Financial Complaints Authority contact details are:

**Online:** [www.afca.org.au](http://www.afca.org.au)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Phone:** 1800 931 678

**Mail:** Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

The insurer is bound by the independent review and determination of the AFCA.

You should note that use of the AFCA scheme does not

preclude You from subsequently exercising any legal rights, which You may have if You are still unhappy with the outcome. Before doing so however, We strongly recommend that You obtain independent legal advice.

If Your complaint does not fall within the Australian Financial Complaints Authority's terms of reference, We will advise You to seek independent legal advice or give You information about any other external dispute resolution options (if any) that may be available to You.



## Cooling-off period

If You are not satisfied with the cover provided by this Policy, You may cancel it within 14 days of receiving it and obtain a full refund less any non-refundable government charges and taxes that We have paid. You may notify Us by post or electronically. If You make a Claim for any incident within the 14-day period, You must pay Your annual Premium in full.



## Legal information helpline

If You have a legal problem relating to Your personal affairs, You can call the confidential legal information helpline on (02) 8066 0162 for general information about Australian legal personal matters. Your call will be referred to a legal service provider who will be responsible for the information provided to You. There will be no cost to You for an initial 15 minute consultation. The legal information helpline is available between 9am and 5pm AEST on weekdays (except public holidays).

The helpline is subject to fair and reasonable use and does not constitute reporting of a Claim. Information will be provided verbally and will not be put in writing. This helpline cannot provide advice in respect of a dispute You have with ARAG or the Insurer.



## Document centre

As a client of ARAG You will have access to many helpful legal documents via ARAG's Document Centre to assist You with Your legal needs. All legal documents have been drafted by third party lawyers, not by ARAG and can be easily customised. These documents contain general information or are in the form of examples and templates drafted by lawyers and You should get Your legal adviser to review and customise them to meet Your specific circumstances before You make use of them. The use or completion of these documents is solely at Your risk.

To the extent permitted by law, neither ARAG nor the Insurer makes any representations or warranties in respect of the accuracy, quality, standard or legal effect of any of its documents in the Document Centre or their suitability for Your use. The documents in the Document Centre do not and are not intended to constitute legal, financial, taxation or any form of business or professional advice. No lawyer-client, advisory or fiduciary relationship is formed between You and ARAG, the Insurer or any persons involved in the preparation of any of these documents by virtue of the provision of these documents to You.

A review service is available for the most complex documents at a separate additional fee to You. You will need to order the review service before You start building Your document if You require it. The review service is provided by a legal services provider and You would need to retain their services directly for a fee.

ARAG makes no representation or warranties in respect of the accuracy, quality, standard or legal efficacy of any of its documents in the Document Centre or their suitability for Your use. The documents in the Document Centre do not and are not intended to constitute legal, financial, taxation or any form of business or professional advice. No lawyer-client, advisory or fiduciary relationship is formed between You and ARAG or any persons involved in the preparation of any of these documents by virtue of the provision of these documents to You.

# Your Policy cover

This Policy is evidence of the contract between You and the Insurer. This Policy and Policy Schedule shall be read together as one document.

Terms that are capitalised have special meanings. For more information please read the section 'Meaning of words & terms' contained at the back of this document.

To the extent permitted by law, the Insurer will pay Legal Costs & Expenses in respect of an Insured Event up to the Limit of Indemnity for all Claims related by time or originated cause, subject to all of the following requirements being met:

1. You have paid the Premium specified in the Policy Schedule.
2. You comply with the terms, provisions and conditions of this Policy and cooperate fully with Us.
3. The Insured Event arises in connection with Your personal affairs and occurs within the territorial limit of Australia.
4. The Claim:
  - a) has Reasonable Prospects at all material times; and
  - b) is reported to us:
    - i. during the Period of Insurance; and
    - ii. as soon as You first become aware of circumstances which could give rise to a Claim.
5. Unless there is a conflict of interest, You always agree to use the Appointed Advisor chosen by Us.
6. Any Claim will be dealt with through negotiation, mediation or by a court, tribunal, arbitration, alternative dispute resolution or an investigation, audit or hearing by a relevant regulatory or professional body within Australia or the provision of legal advice.
7. The most the Insurer will pay for all Claims notified to Us during any one Period of Insurance is shown as the maximum Limit of Indemnity in the Policy Schedule.
8. You understand that the Policy Excess is payable by You and must be paid after Legal Costs & Expenses have been incurred which exceed the Excess.

## Excess

The Insurer's liability under this Policy shall apply only to that part of the amount, up to the available Limit of Indemnity, required to dispose of a Claim, which exceeds the Excess. Such Excess will be borne by You and shall remain uninsured. The Excess applies to each Claim covered by this Policy.

However, where more than one Claim arises from or is attributable to the same act, error or omission or a series of related acts, errors or omissions, only one Excess is payable under this Policy. Where the Insurer makes a payment in respect of a Claim which includes payment of part or all of the Excess, You shall within thirty (30) days of being notified by the Insurer reimburse the Insurer for the amount of the Excess paid by the Insurer on Your behalf.



# Insured Events covered

The following are the Insured Events in respect of which Legal Costs & Expenses are covered by this Policy in accordance with the package(s) selected by You and as set out in the Policy Schedule. The Insured Events themselves do not trigger the Insurer's liability under this Policy, the Insurer's liability is for Legal Costs & Expenses for Claims in respect of Insured Events.

To the extent permitted by law, the Insurer will indemnify You in respect of any Legal Costs & Expenses resulting from any of the Insured Events, subject to the terms and conditions of this Policy, up to but not exceeding the Limit of Indemnity and provided the Excess has been paid to Us.

## Insured Event 1: Property damage

What is covered	What is not covered under Insured Event 1: Property damage
<p>A dispute relating to Your Property owned by You or for which You are responsible for arising from:</p> <ul style="list-style-type: none"> <li>a) an event which causes visible damage to Your Property and/or anything owned by You at Your Property provided that in respect of a claim against your Tenant for damage you have prepared, prior to the granting of the tenancy, a detailed inventory of the contents and condition of the property which the Tenant has signed and acknowledged;</li> <li>b) nuisance or trespass causing damage to or interference with Your Property;</li> <li>c) actual action or an indicated intention by a neighbour to erect or remove a dividing fence; or</li> <li>d) claims for abatement or lease or licence termination in any legal proceedings.</li> </ul>	<p>Any Claim arising from or relating to:</p> <ul style="list-style-type: none"> <li>1) a contract entered into by You other than the Tenancy Agreement;</li> <li>2) Acquisition or resumption of Your Property, or the imposition of controls on the use of land or requirements to demolish or rectify property by any Commonwealth, State, Territory or Local Government Authority;</li> <li>3) Defending any disputes under Insured Event 1a (except We will cover bringing a counter-claim in respect of damage to or interference with Your Property);</li> <li>4) a dispute with any party other than the party who caused the damage, nuisance or trespass;</li> <li>5) the title to Your Property;</li> <li>6) damage to Your Property before you acquired an interest in or assumed responsibility for Your Property;</li> <li>7) the construction of Your Property; or</li> <li>8) alterations, additions, repairs and improvements to Your Property where the value of work exceeded \$10,000 including GST.</li> </ul>

## Insured Event 2: Repossession

What is covered	What is not covered under Insured Event 2: Repossession
<p>Cover to pursue Your legal rights to take possession of your legal property that you have let under a tenancy agreement provide.</p> <p>a) Have demanded rent in writing from Your Tenant as soon as it is overdue and can provide evidence of this;</p> <p>b) Have given the Tenant the correct notices for You to take possession of Your legal Property.</p> <p>Provided that:</p> <p>You have a legal right to take possession of property that has been let.</p>	<p>Any claim where You are seeking a right of possession where the court may find that the names ground of possession applies.</p>

## Insured Event 3: Recovery of rent arrears

What is covered	What is not covered under Insured Event 3: Recovery of rent arrears
<p>Pursuit of Your legal right to recover rent due under a Tenancy Agreement for Your Property.</p>	

## Insured Event 4: Tax protection

What is covered	What is not covered under Insured Event 4: Tax Protection
<p>An audit or Investigation consequent to a notice issued by the ATO to You relating to Your personal tax affairs.</p> <p>Provided that:</p> <p>a) proper, complete, accurate and up to date records are available;</p> <p>b) all taxation returns have been lodged by the statutory due date; and</p> <p>c) all the information that the ATO reasonably requires, has been provided.</p>	<p>Any Claim arising from or relating to:</p> <ol style="list-style-type: none"><li>1) the submission of taxation returns or accounts which contain deliberate or negligent misstatements or false representations;</li><li>2) a penalty or interest imposed by the ATO;</li><li>3) a tax avoidance scheme;</li><li>4) Your personal superannuation, self-managed superannuation fund, business or any venture for gain carried on by You;</li><li>5) any legal proceedings commenced against You relating to, arising from or in connection with Your liability to pay tax;</li><li>6) the costs of routine preparation of documents for the purpose of calculating and submitting taxes; or</li><li>7) a business or venture for Your gain other than a claim that arises from You letting Your Property.</li></ol>

## Insured Event 5: Prosecution defence

What is covered	What is not covered under Insured Event 5: Prosecution defence
<p>A prosecution against You that arises from You letting out Your Property.</p>	

## Insured Event 6: Contracts

What is covered	What is not covered under Insured Event 6: Contracts
<p>A dispute arising out of or relating to a written agreement which has been entered into by You to buy goods or services for the benefit of and or use in Your Property.</p>	<p>Any Claim arising from or relating to:</p> <ol style="list-style-type: none"><li>1) a dispute between You and Your Tenant;</li><li>2) loans, mortgages, pay day loans, pensions or any other banking, life or long-term insurance, savings or investments;</li><li>3) the sale or purchase of land or buildings;</li><li>4) Your business activities, trade, venture for gain, profession or employment other than an agreement that you have entered into because you are a landlord;</li><li>5) a contract involving a vehicle, aircraft or watercraft or the transportation of goods;</li><li>6) cover under an insurance policy;</li><li>7) construction work, or designing, converting or extending any building where the contract value exceeds \$10,000 including GST;</li><li>8) a disputed amount which is less than \$3,000 including GST;</li><li>9) debt recovery; or</li><li>10) where the breach of contract occurred before the Retroactive Date.</li></ol>

# What is not covered under this Policy

## (applicable to the whole Policy)

### Events excluded from this Policy

You are not covered for any Legal Costs & Expenses in respect of any Claim arising from or relating to:

1. Legal Costs & Expenses that are specified as excluded from cover in each of the tables for an Insured Event;
2. an Event Covered by Another Insurance Policy;
3. any deliberate, wilful, reckless or fraudulent acts or omissions;
4. a dishonest or malicious act or omission;
5. any false, fraudulent or exaggerated Claim;
6. any actual or alleged act, omission or dispute which took place before, or existed at the start of this Policy and which You knew or ought reasonably to have known could lead to a Claim;
7. any act or omission occurring during the first 90 days of the Period of Insurance where the Tenancy Agreement commenced before the start of this policy (except where you had equivalent insurance cover in force immediately prior to the start of this policy ) but not in respect of claims arising under Event 1 (Property damage) and Event 6 (Contracts)
8. an allegation against You involving:
  - a) molestation, sexual assault, assault, violence,
  - b) indecent or obscene materials,
  - c) dishonesty, malicious falsehood or defamation; or;
  - d) the unlicensed manufacture sale, supply, dealing in or use of illegal drugs;
  - e) the illegal manufacture, sale, supply, dealing in or use of drugs;
  - f) racist, pornographic, extremist or otherwise indiscriminate offers, statements or representations; or
  - g) money laundering or bribery offences, corruption, breaches of international sanctions, or any other financial crime activities;
9. Short Term Holiday Letting;
10. defending a Claim in respect of damages for personal injury;
11. patents, copyright, passing-off, trade or service marks, registered designs and confidential information;
12. a dispute with any Related Entity or Related Bodies Corporate;
13. a dispute between a company and its shareholders or between shareholders in a company;
14. a dispute between partners in a partnership;
15. a class action or representative action (including Legal Costs & Expenses payable pursuant to a court order in any class action or representative proceeding);
16. a dispute with Us, the Insurer or the party who arranged this cover;
17. motor vehicle, aircraft and watercraft ownership, hire, use or related activities including without limitation the loading/unloading or transportation of goods and parking related offences;
18. an Insolvency Event, where You are the insolvent party;
19. Your business activities, trade or venture for gain or any professional advice or professional activities;
20. franchise or agency agreements;
21. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel or an event which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Brokers Association of Australia, or any other group or pool of Insurers;
22. radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
23. war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
24. pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed;
25. terrorist action. If We allege that by reason of this exclusion any liability or loss is not covered by this Policy, You will bear the burden of proving the contrary;

26. pollution, seepage, discharge, dispersal, release or escape of any solid, liquid (other than water from a property that adjoins Your Business Premises), gaseous or thermal irritant or contaminant including, but not limited to, smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including but not limited to material to be recycled, reconditioned or reclaimed) or contamination of any kind;
27. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or radioactive, toxic, explosive or other hazardous properties of any explosive;
27. Construction Services;
28. an order of any government, public or local Authority to carry out work;
29. planning or environmental Laws;
30. subsidence, land heave, land slip, mining, quarrying or the movement of land;
31. damage to property arising directly or indirectly out of or in any way connected with:
  - i. asbestos, asbestos fibres or derivatives of asbestos;
  - ii. cost and expense for cleaning up or removal of any asbestos, asbestos fibres or any derivatives of asbestos; or
  - iii. asbestos used or removed during or as part of construction, additions, alterations and repairs to residential, commercial and industrial properties;
32. personal injury arising directly or indirectly out of or in any way connected with the inhalation of, or fears of the consequences of exposure to or inhalation of, asbestos, asbestos fibres or derivatives of asbestos;
33. any software, stored program, computer, device or system failing (or partly failing) resulting in loss of, alteration to, corruption of or unauthorised disclosure of any data;
34. confiscation, nationalisation, compulsory purchase, requisition, destruction of or restrictions or controls placed on or damage to property by or under the order of any government or public or local Authority;
35. a Human Listed Disease;
36. a Biosecurity Emergency;
37. any direction or requirement made under Biosecurity Legislation;
38. loss, damage or expense caused by action taken in consequence of a Human Listed Disease or its effect on any employee, business or property; or
39. gambling and gambling activities.

## Liabilities excluded from this Policy

You are not covered for liabilities arising from or relating to:

1. patents, copyright, passing-off, trade or service marks, registered designs and confidential information;
2. compensation for loss or damage arising from injury or damage to goods, property or persons;
3. taxes, levies, duties, fines, penalties, damages, aggravated damages, exemplary damages interest;
4. the payment of any money claimed for goods, loans or other property or any financial loss;
5. economic loss of any type including consequential loss or other benefit obtained as a result of Your identity being stolen;
6. the cost of repair, reinstatement or replacement of property;
7. product recall costs;
8. You entering into any form of litigation funding;
9. You acting against or differently from the reasonable advice of the Appointed Advisor;
10. Any payment pursuant to an order for security of costs that is in excess of \$25,000 per claim;
11. Legal Costs & Expenses of the other party to any proceedings brought or defended by You where You abandon the pursuit or defence of the Claim or refuse or decline to retain the Appointed Advisor to pursue or defend the Claim;
12. legal fees and disbursements paid or payable by an insurer under an insurance policy other than this Policy shall not be drawn into contribution with such other insurance; and
13. Legal Costs & Expenses incurred by You:
  - a) where You refuse or decline to retain the Appointed Advisor; and
  - b) after You terminate Your engagement of the Appointed Advisor.

# Policy conditions

Where the Insurer's risk is affected by Your failure to comply with the Policy conditions, We can cancel this Policy, refuse a Claim, reduce the amount of the Claim payment or withdraw from an ongoing Claim. The Insurer also reserves the right to claim back Legal Costs & Expenses from You if this happens.

## 1. Your responsibilities

You must:

- a) tell Us immediately of any change in circumstances concerning Your claim that may make it more costly or difficult for the Appointed Advisor to resolve the Claim in Your favour;
- b) cooperate fully with Us and the Appointed Advisor in the investigation and management of Your Claim, give the Appointed Advisor any instructions We require, and keep them updated with progress of the Claim and not hinder them;
- c) take reasonable steps to claim back Legal Costs & Expenses and, where recovered, pay them to the Insurer;
- d) keep Legal Costs & Expenses as low as possible including by using all reasonable efforts to settle any Claim outside of court; and
- e) allow the Insurer at any time to take over and conduct, in Your name, the handling of any Claim.

## 2. Our right to choose an Appointed Advisor

- a) We shall choose and specify an Appointed Advisor, who shall be retained by You for Your Claim.
- b) Where there is a conflict of interest between You and Our interests identified by an Appointed Advisor, We will offer to appoint an alternative representative from Our panel of Lawyers to act as the Appointed Advisor.
- c) If you dismiss the appointed advisor without good reason, or withdrawn from the claim without our written consent, or if the appointed advisor refuses to continue acting for you, cover for the claim will end at the time the Claim is withdrawn or the engagement of the Appointed Advisor is terminated as the case may be.

## 3. Access to information

- a) You must agree to Us and/or Our agent having access to the Appointed Advisor's file relating to Your Claim for auditing, quality, policy coverage and cost control purposes.
- b) You will authorise and direct the Appointed Advisor to:
  - i. provide Us, as soon as reasonably possible, with their opinion on the merits of the Claim, their strategies and expected timeline to resolve the Claim and their detailed estimate of Your Legal Costs & Expenses and opponent's costs of the Claim; and
  - ii. keep Us fully updated during the Claim:
    - A. on the progress of the Claim, including any offers to settle;
    - B. of any change in their views on the Reasonable Prospects of the Claim;
    - C. of any change to their estimate of Your Legal Costs & Expenses;
    - D. estimated costs potentially recoverable from an opponent at the time of a settlement; and
    - E. estimated costs potentially payable from an opponent at the time of a settlement; and
    - F. At our request provide us with a Claim Value Determination at Our cost.

## 4. Settlement

- a) Where the Legal Costs & Expenses for the Claim are likely to exceed the Claim Value Determination the Insurer can settle Your Claim by paying You the reasonable value of the Claim Value Determination subject to the Limit of Indemnity.
- b) You must **not** negotiate, settle a Claim, or agree to pay Legal Costs & Expenses without Our prior written consent which shall not be unreasonably withheld.
- c) If You refuse to settle the Claim following advice to do so from the Appointed Advisor the Insurer reserves the right to refuse to pay further Legal Costs & Expenses associated with this Claim.

## 5. Lawyer's opinion

If at any time We determine that Your Claim does not have, or no longer has Reasonable Prospects based on the opinion of the Appointed Advisor You may request Us to obtain, at Your cost, an opinion from a lawyer of at least 10 years standing selected by You from Our legal panel and that lawyer shall be engaged to provide an opinion on the merits of Your Claim. If the lawyer determines the Claim has Reasonable Prospects We will reimburse You the legal costs for that opinion and agree to the appointment of that lawyer as Your new Appointed Advisor to conduct the Claim and incur reasonable Legal Costs & Expenses in the Claim.

## 6. Other insurance

- a) The Insurer will not pay more than their fair share for any Claim covered by another policy, or any Claim that would have been covered by any other policy if this Policy did not exist.
- b) It is an inherent requirement for any Claim under this Policy that You have not arranged insurance cover for legal liability in respect of the Insured Events. If You have legal liability insurance cover for an Insured Event You are not entitled to make a Claim for Legal Costs & Expenses under this Policy in respect of the event and You will not be entitled to cover for Legal Costs & Expenses incurred in connection with a Claim arising out of the event or loss or damage caused by the event.
- c) You may be entitled to cover for Your claim under an insurance which has been arranged for You by other persons (**Other insurance**). In the event You are Insured under such Other insurance Your cover under this Policy shall be excess to that Other insurance over the applicable limit of indemnity of that Other insurance but subject always to the terms and conditions of this Policy.

## 7. Your obligations to be truthful and honest

You must at all times be entirely truthful and open in any evidence, disclosure or statement You give to the Appointed Advisor and/or Us and shall act with complete honesty and integrity when making and pursuing or defending Your Claim.



## 8. Cancellation

- a) This Policy may be cancelled by You giving written notice to Us at any time.
- b) This Policy may be cancelled by the Insurer in accordance with the *Insurance Contracts Act 1984 (Cth)*.
- c) Upon cancellation by You a refund of Premium will be allowed, pro-rata for the unexpired portion of the Period of Insurance and less an administration fee equal to 10% of the total Premium and less any taxes and duties We cannot recover. There will be no pro-rata refund if there has been any notification of a circumstance or Claim.
- d) It is a condition of this contract of insurance that You pay the Premium and the Insurer may take steps to cancel the contract of insurance for non-payment of the Premium.

## 9. Change in circumstances

You must give written notice as soon as possible to Us of any change in any of the facts or circumstances existing at the commencement of this Policy which materially changes the nature or extent of the risk insured by this Policy.

## 10. Legislation and choice of law

This contract is governed by the Laws of the Commonwealth of Australia. Any disputes arising out of this Policy will be subject to determination by any court of competent jurisdiction within Australia according to the Laws applicable to jurisdiction.

## **11. Preventing our right of recovery**

If You have agreed not to seek compensation from another person who is liable to compensate You for any loss, damage or liability arising from an Insured Event, We will not cover You under this Policy for Legal Costs & Expenses of seeking to recover compensation for that loss or damage.

## **12. Headings, singular form**

The titles of paragraphs, clauses, provisions or endorsements of or to this Policy are intended solely for convenience and reference and are not deemed in any way to limit or expand the provisions to which they relate and are not part of this Policy. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

## **13. Entire agreement**

By acceptance of this Policy, You agree that this Policy embodies all agreements between You and Us relating to this Policy. Notice to any agent or knowledge possessed by any agent or by any other person shall not affect a waiver or a change in any part of this Policy or stop Us from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

## **14. Transferring your rights**

You cannot transfer Your rights under this Policy.

## **15. Waiver**

If We waive any right or breach any term of this Policy, this will not waive any other right or later breach.

## **16. Other parties and interest**

We will not indemnify any person or entity that is not specified in the Policy Schedule.

## **17. Waiver, Surrender of Rights, Contribution or Indemnity**

The Insurer will not compensate You for any loss or damage that is covered by this Policy where;

- a) another person or party would be liable to compensate You, or hold You harmless, for part of or all of that loss or damage; and
- b) You have agreed with that person or party, either before or after the inception of this Policy, that You will not seek recovery from them.

## **18. Subrogation**

If the Insurer makes a payment under this Policy to You or on Your behalf then, subject to the *Insurance Contracts Act 1984* (Cth) as amended from time to time, the Insurer will be subrogated to all of Your rights of recovery against all persons and You must, at the Insurer's request and expense, take all reasonable steps and provide all assistance reasonably necessary to assist the Insurer in the exercise of its rights.

## **19. Representation**

By entering into this contract of insurance You agree to instruct each Appointed Advisor to disclose to Us any information they receive in respect of Your Claim whenever and from wherever source it is obtained and You agree to release that information to Us on the basis that We claim common interest privilege in respect of all documents disclosed.

# Claims procedure

## Telling us about your claim:

1. If You need to make a Claim, You must notify the Claims Administrator during the Period of Insurance as soon as practicable upon becoming aware of any Claim. You are required to immediately notify the Claims Administrator of any potential Claim or circumstances which may give rise to a Claim. If You are in doubt whether a matter constitutes a notifiable Claim or circumstance, You should contact Us as well.
2. Under no circumstances should You instruct Your own lawyer or accountant as We will not pay any costs incurred without Our agreement.
3. You can lodge a Claim or request a Claim form over the phone by calling Us on (02) 8066 0162 between 9am – 5pm weekdays (except public holidays) in the state of the Claims Administrator.
4. Alternatively, You can download a Claim form at [www.arag.com.au/contact-us/](http://www.arag.com.au/contact-us/) and submit a completed Claim form and supporting documentation to the Claims Administrator by emailing [claims@arag.com.au](mailto:claims@arag.com.au). Further details are set out in the Claim form itself.



## What happens next?

1. The Claims Administrator will send You a written acknowledgement following Your Claim notification confirming Your Claim number and requesting any further information (if applicable).
2. We will only meet Your Legal Costs & Expenses of the Claim which has been agreed in advance by Us as to both amount and purpose. If You disagree with Our decision, You can refer the matter for review under the Dispute Resolution Process.
3. Upon receiving all the information needed to assess the availability of cover under this Policy, We will undertake this assessment and will write to You either:
  - a) confirming cover under the terms of this Policy and confirming the appointment of a qualified representative, being an Appointed Advisor who will promptly progress the Claim on Your behalf; or
  - b) if the Claim is not covered, explaining why and advise whether We can assist in another way.
4. Once Your Claim has been accepted by Us in accordance with the terms of this Policy, We will choose and specify an Appointed Advisor from one of Our panel of legal advisors or accountants who shall be retained by You to handle Your matter.
5. When an Appointed Advisor is appointed by Us they will try to resolve Your dispute without delay, arranging mediation whenever appropriate.
6. We will check on the progress of Your Claim with the Appointed Advisor from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is set by the courts.
7. You are responsible for all Legal Costs & Expenses including adverse costs if You withdraw from the legal proceedings without Our written agreement. Any Legal Costs & Expenses already paid under this Policy will need to be reimbursed by You.

# Meaning of Words & Terms

Certain words and terms contained in this Policy have been defined as they have the same meaning wherever they appear.

<b>Appointed Advisor</b>	The lawyer, accountant, mediator or other advisor as elected and arranged by Us, who shall be retained by You for Your Claim.
<b>ARAG</b>	ARAG Services Australia Pty Ltd (ACN 627 823 198).
<b>ATO</b>	The Australian Tax Office or such other government or governmental department or other body who is charged with the administration of any commonwealth tax Laws.
<b>Authority</b>	A government or government department or other body, a governmental, semi-governmental or judicial person or a person who is charged with the administration of any Law.
<b>Biosecurity Emergency</b>	Has the meaning given to that term in the Biosecurity Legislation
<b>Biosecurity Legislation</b>	This means the Biosecurity Act 2015("Act") and any amendment or re-enactment of it and any similar or equivalent legislation that replaces it and similar or equivalent legislation that is enacted in any State or Territory and includes all Regulations, Declarations and Orders made under such legislation.
<b>Claim</b>	A present claim, action, proceeding or demand made against You or being pursued by You, however it arises in respect of an Insured Event.
<b>Claims administrator</b>	Proclaim Management Solutions Pty Ltd (ABN 74 087 666 484) Level 9, 271 Collins Street, Melbourne VIC 3000
<b>Claim Value Determination</b>	A determination by the Appointed Advisor of the financial amount You are likely to save or recover in a Claim.
<b>Conflict of Interest</b>	A relationship or circumstance involving the Appointed Advisor; including but not limited to a professional relationship; a personal relationship; or a monetary interest in any party to the dispute except You.
<b>Construction Services</b>	Construction Services means: <ul style="list-style-type: none"> <li>(i). the design, project management, construction or erection of new buildings, spas and swimming pools;</li> <li>(ii). alterations, additions, extensions, refurbishment, repairs, replacement, reinstatement conversion or demolition of pre-existing buildings or structures and services in or connected to those building and structures, where the total cost of works exceeds \$50,000;</li> <li>(iii). certification of any building or construction works;</li> <li>(iv). construction, erection or repair of spas and swimming pools;</li> <li>(v). landscaping or Gardening Services over the value of \$10,000 per project; or</li> <li>(vi). the use of a product in situations where it does not comply with the requirements of the Building Code of Australia or the National Construction Code published by the Australian Building Codes Board.</li> </ul>
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)

<b>Document Centre</b>	A document centre that provides access to a variety of helpful legal document templates and examples drafted by third party lawyers and not ARAG, for use by ARAG's policyholders.
<b>An Event Covered by Another Insurance Policy</b>	An event which causes loss or damage or results in a prosecution and You are entitled to make a claim under an insurance policy for that loss or damage or for loss or damage You cause or for payment of any penalty arising in connection with the event and/or Legal Costs & Expenses of that prosecution.
<b>Excess</b>	The amount You must pay for each claim under the policy, as we may direct, which amount is not covered by the Policy.
<b>Family</b>	You, Your partner and relatives that permanently live with You in the same household at Your main residence in Australia and for whom the Premium for this Policy has been paid.
<b>First Period of Insurance</b>	The Period of Insurance of Your first Private Legal Expense Insurance Policy with ARAG provided that the insurance was renewed continuously every year up to the date of this Policy begins.
<b>GST</b>	The definition given to that term in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Human Listed Disease</b>	Has the meaning given to that term in the Biosecurity Legislation.
<b>Insolvency Event</b>	<p>In relation to a party (insolvent party) means the happening of any one or more of the following events:</p> <ol style="list-style-type: none"> <li>1) the insolvent party ceases or takes steps to cease to conduct its business in the normal manner;</li> <li>2) the insolvent party enters into or resolves to enter into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them;</li> <li>3) the insolvent party is unable to pay its debts when they are due or is deemed under the Corporations Act to be insolvent;</li> <li>4) a liquidator or provisional liquidator is appointed to the insolvent party or jurisdiction a receiver, receiver and manager, official manager, trustee or similar official is appointed over any of the assets or undertakings of the insolvent party;</li> <li>5) an application or order is made or a resolution is passed for the winding up of the insolvent party; or</li> <li>6) a Court declares that the insolvent party; <ol style="list-style-type: none"> <li>a is unable to pay their debts; or</li> <li>b is declared bankrupt;</li> </ol> </li> <li>7) the insolvent party enters into a debt agreement with its creditors under Part IX of the Bankruptcy Act 1966; or</li> <li>8) any act or event analogous or having a substantially similar effect to any of the events specified in paragraphs 1) to 7) inclusive of this definition.</li> </ol>
<b>Insured Event</b>	The incident or the first of a series of incidents which may lead to a Claim under this Policy. Only one insured event shall be deemed to have arisen from all causes of action, incidents or events that are related by cause or time.
<b>Insurer</b>	HDI Global Specialty SE, a company registered in Germany acting through its Australian Branch (ABN 58 129 395 544)
<b>Investigation</b>	Responding to an official audit, investigation, inquiry or review of returns lodged with the ATO.
<b>Laws</b>	Any applicable statute, regulation, by-law, ordinance, policy or subordinate legislation in force from time to time in Australia, whether made by a State, Territory, the Commonwealth or a local government, and includes the common law and equity as applicable from time to time, and any mandatory standards or industry codes of conduct.

<b>Legal Costs &amp; Expenses</b>	<p>1) Reasonable and necessary legal costs, charges, court fees, expert reports and witness fees and expenses reasonably and proportionately incurred by the Appointed Advisor agreed in advance by Us.</p> <p>2) In civil Claims, the other side's legal costs, fees and expenses where You have been ordered by the court to pay them or where You pay them with Our agreement.</p> <p>3) Reasonable accountancy fees reasonably incurred under Insured Event 3 Tax disputes by the Appointed Advisor and agreed by Us in advance.</p> <p>But excludes any such costs, charges, fees and expenses recovered by You or any costs to prove a Claim.</p>
<b>Limit of Indemnity</b>	The limit of indemnity shown on Your Policy Schedule which represents the maximum sum the Insurer will pay in connection with any Claim under this Policy.
<b>Material Times</b>	The period where the Insurer agrees to pay Your Legal Costs & Expenses.
<b>Period of Insurance</b>	The Period of Insurance specified in the Policy Schedule. (The Period of Insurance shall otherwise expire on earlier cancellation of this Policy.)
<b>Policy</b>	This legal expense insurance policy wording, Your application for this Policy, the Policy Schedule and any endorsements.
<b>Policy Schedule</b>	The Policy Schedule or renewal schedule attached to this Policy.
<b>Premium</b>	What You pay Us to insure you, being the cost of Your Policy.
<b>Privacy Act</b>	<i>Privacy Act 1988 (Cth)</i>
<b>Reasonable Prospects</b>	<p>In relation to civil Claims means:</p> <p>(i) where You are pursuing a Claim it is more likely than not that:</p> <p>A. You will obtain a judgment for more than the Legal Costs &amp; Expenses You are likely to incur to pursue the Claim; and</p> <p>B. You will receive the judgment monies from the person You are pursuing.</p> <p>(ii) where You are defending a Claim:</p> <p>A. in respect of Insured Event 6 Consumer Contract disputes, it must be more likely than not the Claim will be defeated in its entirety; and</p> <p>B. in all other Claims it is more likely than not that You will reduce the amount claimed by more than the Legal Costs &amp; Expenses You are likely to incur defending the Claim.</p> <p>In relation to criminal proceedings means:</p> <p>(i) where You are pleading not guilty it is more likely than not that You will not be convicted; and</p> <p>(ii) where You are pleading guilty it is more likely than not that:</p> <p>A. the penalty imposed will be less than the penalty that would be imposed if You pleaded not guilty and were convicted; and</p> <p>B. the Legal Costs &amp; Expenses which will be incurred by You will not be more than the discount on penalty for the plea of guilty.</p>
<b>Related Bodies Corporate</b>	The definition given to that term in the Corporations Act.
<b>Related Entity</b>	The definition given to that term in the Corporations Act.
<b>Retroactive Date</b>	The Retroactive Date as set out in the Policy Schedule and is the date from which You have held Private Legal Expense insurance continuously with ARAG or a date in the past from which the Insurer has agreed to cover You.

<b>Short-Term Holiday Letting</b>	A commercial arrangement giving a person the right to occupy residential premises for a period of short-term stays; including; <ul style="list-style-type: none"> <li>(i) Short-Term Holiday Letting in breach of planning laws;</li> <li>(ii) failing to comply with any mandatory code of conduct for Short-Term Holiday Letting;</li> <li>(iii) failing to comply with any strata scheme management laws including by-laws governing Short-Term Holiday Letting;</li> <li>(iv) failing to comply with registration or licensing requirements for Short-Term Holiday Letting; or</li> <li>(v) Occupation of residential premises less than 3 months.</li> </ul>
<b>Tenancy agreement</b>	The Tenancy Agreement is the written contract between Your Tenant and You which gives Your Tenant the right to occupy Your Property and You the right to receive rent for letting Your Property.
<b>Tenant</b>	A person to whom You grant temporary and exclusive use of Your Property (or a part of Your Property), based on a Tenancy Agreement.
<b>We/Us/Our</b>	ARAG acting on behalf of the Insurer under a binding authority agreement.
<b>Your Property</b>	The residential properties shown in your schedule to which this policy attaches, and which are located in Australia.
<b>You/Your /the Insured</b>	The persons or entities named in the Policy Schedule as the Insured.

The insurer of ARAG Legal Expense Insurance products is HDI Global Specialty SE – Australia (ABN 58 129 395 544, AFS Licence number 458776) (Insurer). ARAG Services Australia Pty Ltd (ABN 14 627 823 198, AFS Licence number 513547) (ARAG) has been granted delegated authority by the Insurer to enter into, vary or cancel policies and handle claims for ARAG Legal Expense Insurance products on the Insurer’s behalf.

All enquiries should be addressed to ARAG.

Any advice contained in this document is general advice only and has been prepared without considering your individual objectives, financial situation or needs. Before purchasing or renewing a product we recommend that you consider if it is suitable for your circumstance and read the policy terms and conditions.