

Secure™ Landlord Insurance

Supplementary Product Disclosure Statement

Purpose of the Supplementary Product Disclosure Statement

This is a Supplementary Product Disclosure Statement (SPDS), which supplements the Secure™ Landlord Insurance Product Disclosure Statement (PDS) dated 01/07/07 and SPDS issue number 1 dated 12 December 2008. It contains information regarding the increase of the Basic Excess from \$100 to \$300 and the inclusion of information about the Financial Claims Scheme.

This SPDS must be read together with the PDS and previous SPDS.

Page iv

We refer you to the 'The amount you pay towards a claim' section set out on page iv of the PDS. In this section the second paragraph '**Basic excess** – a \$100 excess will apply to every claim under this policy unless we agree, or the policy specifies, that you do not have to pay this amount' is deleted and replaced with '**Basic excess** – a \$300 excess will apply to every claim under this policy unless we agree, or the policy specifies, that you do not have to pay this amount'.

Pages v and vi

We refer you to the section 'How a claim payment is calculated' set out on pages v and vi of the PDS. The example under this heading which starts with 'The following example...' is deleted and replaced by:

'The following example illustrates how we will calculate the amount payable for a claim.

The contents have been insured for \$30,000. The replacement value of some furniture is \$20,000. The furniture is maliciously damaged by your tenant and completely destroyed. The basic excess that applies is \$300 and the malicious damage excess is \$500.

The amount payable following the claim would be:

\$20,000 is the replacement value of the furniture. The basic excess of \$300 and the malicious damage excess of \$500 are then deducted, which results in a final calculation of \$19,200.'

Page x

Insert a new section at the end of Page x as follows:

'Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at www.apra.gov.au or by calling 1300 13 10 60.'

SPDS Issue No. 2

Date prepared: 20 May 2011 Date active: 13 August 2011

This Supplementary Product Disclosure Statement is issued by Vero Insurance Limited ABN 48 005 297 807 AFS Licence No.230859

Policy Wording Endorsement

This endorsement forms part of and amends the Secure™ Landlord Insurance Policy Wording issued by Vero Insurance Limited (V3437 01/07/07).

Page 11

We refer you to the section 'Total Excess payable in the event of a claim' on pages 11 and 12. On page 11 under '1.Basic Excess' delete the first paragraph and replace it with 'We apply a basic **excess** amount of \$300 to every claim under this policy unless we agree, or the policy specifies, that you do not have to pay this amount'.

Also on page 11 under '1.Basic Excess' delete the third paragraph and replace it with '*For example, if we agree to pay your claim of \$2,000 and your total **excess** is \$300, we will pay you \$1,700. Sometimes we will not deduct the **excess** from the amount we pay and may instead ask you to pay \$300 to us or a repairer, supplier or person to whom you are legally liable.*'