

Different Rent Guarantee

I wish to take advantage of the optional Different Rent Guarantee service. I represent and agree that:

- *The property will be covered by Different Landlord Insurance (Powered by Breeze Real Estate Insurance).*
- *I have not been party to an NCAT claim relating to rent default before on this property*
- *If a tenant does not pay the rent, Different will take steps to evict the tenant as quickly as the law allows, in keeping with our obligations to the insurer*
- *If tenanted, the property has a current valid lease, and 4 weeks bond has been paid*
- *If tenanted, the tenant does not have a history of late payment*
- *I will make a good faith effort to authorize non-urgent maintenance within 14 days and urgent maintenance within 3 days*

Yes, I have read and agree with the terms and conditions on the following pages, and would like to take advantage of the rent guarantee

Signed:

Name:

Date:

Schedule - Rent Guarantee Service

The words and phrases defined in the Terms have the same meaning in this Schedule.

The Rent Guarantee Service is given on the terms and condition set out in this Schedule together with the Terms (**Rent Guarantee Service Terms**). By selecting the tick box at the end of this Schedule and the corresponding tick box at the end of the Terms of Service, you agree to the Rent Guarantee Service Terms.

We may change or update the Rent Guarantee Service Terms from time to time at our sole and absolute discretion with or without prior notice to you, provided they do not materially affect your use of the Rent Guarantee Service. Such changes will be effective immediately and incorporated into these Rent Guarantee Service Terms. You should review these Rent Guarantee Service Terms regularly for any changes and your continued use of the Rent Guarantee Service will be deemed to be your acceptance of the modified Rent Guarantee Service Terms. Where there are any material changes which affect your use of the Rent Guarantee Service, we will provide the updated Rent Guarantee Service Terms to you in writing.

The Rent Guarantee Service is offered to you as a separate commercial agreement with Different whereby Different agrees to cover the rental payments for a specific period of time as a result of a tenant failing to pay rent under a tenancy agreement. This agreement is made available as part of a package when Landlord's Insurance is taken out with the Insurer (as defined in paragraph 7 below).

The Rent Guarantee Service does not form part of the Landlord's Insurance and is not insurance in itself. The Rent Guarantee Service is a separate commercial arrangement between you and Different which is available when Landlord's Insurance is taken out by you with the Insurer. If you have an insurance query you should contact Modern Risk Solutions Pty Ltd by telephone on 1800 131 688 or by email at different@modernrisksolutions.com.

There is no obligation on you to take the Landlord's Insurance with the Insurer and you are welcome to obtain equivalent and any other insurance from any other insurer at your discretion. If you obtain insurance with a different insurer, the Rent Guarantee Service will not be available to you. We act as a non-advice distributor on behalf of the Insurer in relation to the Landlord's Insurance and we are unable to provide any financial services or insurance advice in relation to this insurance policy or any other policy of insurance. The availability of the Rent Guarantee Service is not based on any assessment of your personal circumstances and is given under the Rent Guarantee Service Terms.

1. **THE RENT GUARANTEE SERVICE**
- 1.1 The Rent Guarantee Service is available to a Qualifying Landlord (set out in paragraph 2 below) who has a Qualifying Tenancy Agreement (set out in paragraph 4 below) with a Qualifying Tenant (set out in paragraph 3 below).
- 1.2 The Rent Guarantee Service will cover a Qualifying Landlord's loss of rent arising as a result of a Qualifying Rent Default by a Qualifying Tenant under a Qualifying Tenancy Agreement to the extent that the Qualifying Landlord's loss of rent is covered by the Landlord's additional cover in relation to Rent Default.
- 1.3 Where a Qualifying Rent Default (set out in paragraph 5 below) occurs and, subject to paragraphs 1.,2, 1.4 and 7.3 below, we will advance to the Qualifying Landlord the following amounts:
 - 1.3.1 the fortnightly or monthly rent (as applicable) under the Qualifying Tenancy Agreement payable to the Qualifying Landlord on the next business day following the fifth consecutive day of the Qualifying Rent Default (being the fifth consecutive day that the Qualifying Tenant is in default under the Qualifying Tenancy Agreement as a result of a Qualifying Rent Default);
 - 1.3.2 the fortnightly or monthly rent (as applicable) under the Qualifying Tenancy Agreement will continue to be paid on the usual rent payment dates set out in the Qualifying Tenancy Agreement up to and including the Insurance Limit (as defined in paragraph 1.6 below) (the payments together being the **Rent Guarantee Service**).
- 1.4 If the Qualifying Tenant pays to the Qualifying Landlord the rent under the Qualifying Tenancy Agreement (**Rent**) at any time following the date the Rent is due under the Qualifying Tenancy Agreement (**Due Date**) and any advance has been made by us under paragraph 1.3 or payment by the Insurer in relation to a claim made under paragraph 7, then any amount paid by the Qualifying Tenant in addition to the usual Rent under the Qualifying Tenancy Agreement will be applied against the amount advanced by us to you on receipt from the Qualifying Tenant (**Outstanding Rent Repayment**). The Qualifying Landlord hereby agrees and authorises that any Outstanding Rent Repayment which is received directly into the trust account held by Different on behalf of the Qualifying Landlord under the terms of the Agency Agreement will be automatically paid on the date received from that trust account to Different and Different is authorised to make any repayment due to the Insurer. The usual Rent paid under the Qualifying Tenancy Agreement will remain in the trust account to be paid in full to the Qualifying Landlord.
- 1.5 If the Outstanding Rent Repayment is paid directly to the Qualifying Landlord, rather than into a trust account held by Different, then the Qualifying Landlord will repay that amount to Different on demand and Different will arrange the repayment due to the Insurer.

- 1.6 The most we will advance where there is a Qualifying Rent Default will be the lesser of the amount owing under the Qualifying Tenancy Agreement or \$18,000 (**Insurance Limit**). If the Qualifying Tenancy Agreement has defaulted to a periodic tenancy agreement we will not advance more than you would be legally entitled to recover from the Qualifying Tenant due to non-compliance under the periodic tenancy agreement (being the relevant notice period under that periodic tenancy agreement).
- 1.7 Any balance of the Bond (as defined in paragraph 4.1.8 below), which has been reduced after deduction of allowable reletting expenses and any other costs or expenses you are legally entitled to deduct, must be used in the first instance to reimburse us in relation to any advance made under the Rent Guarantee Service and reimburse the Insurer under any Claim (as set out in paragraph 7 below) (**Bond Reimbursement**).
- 1.8 The Qualifying Landlord hereby agrees and authorises Different to deal with the Bond, and deal with any amount of the Bond paid into a trust account held by Different on behalf of the Qualifying Landlord, to satisfy the Bond Reimbursement.

2. **Qualifying Landlord**

2.1 A Qualifying Landlord must satisfy the following conditions:

- 2.1.1 the landlord is the registered proprietor of the premises which is subject to a Qualifying Tenancy Agreement with a Qualifying Tenant; and
- 2.1.2 the landlord has completed a premises inspection report when the Qualifying Tenancy Agreement commenced and on at least an annual basis if there is a long term tenancy; and
- 2.1.3 the landlord's premises has not been subject to any application to NSW Civil and Administrative Tribunal (**Tribunal**) in relation to any rent default; and
- 2.1.4 the landlord and landlord's premises satisfies the Insurer's requirements (for example the landlord's premises is not listed on any statutory heritage register (unless the premises has been rewired or replumbed in the previous twenty (20) years from the date of this Agreement), located within a designated flood zone or located in bush fire prone land); and
- 2.1.5 the landlord is able to demonstrate that it has, in the 24 months immediately prior to the date of this agreement, carried out all works of non-urgent maintenance at the premises within 14 days of being notified by any tenant of the premises and has carried out all urgent works of repair within 3 days of notice from any tenant of the premises; and
- 2.1.6 the landlord is not in breach under the terms of the Qualifying Tenancy Agreement as at the date of this agreement nor in any dispute with the Qualifying Tenant under the Qualifying Tenancy Agreement; and

- 2.1.7 the landlord has entered into a valid and continuing Agency Agreement and is not at any time in breach under that Agency Agreement; and
- 2.1.8 the landlord has been able to obtain and has taken out Landlord's Insurance (as set out in Paragraph 7 below) that is current at the time of the Qualifying Rent Default and is not at any time in breach of that Landlord's Insurance; and
- 2.1.9 the Landlord has provided any and all verification documentation as required under paragraph 2.2 of the Terms.

3. **Qualifying Tenant**

3.1 A Qualifying Tenant must satisfy the following conditions:

- 3.1.1 be a tenant of a Qualifying Landlord under the terms of a Qualifying Tenancy Agreement from the date the tenant took up residence in the premises; and
- 3.1.2 is not at the date of this agreement and has not been in default under the terms of the Qualifying Tenancy Agreement or under any previous tenancy agreement with the Qualifying Landlord; and
- 3.1.3 is not at the date of this agreement listed on any list maintained by Trading Reference Australia, TICA Insurances Pty Ltd, Equifax Pty Ltd or any other provider of national tenancy databases in Australia; and
- 3.1.4 the tenant is not in any dispute with a Qualifying Landlord in relation to the Qualifying Tenancy Agreement at the date of this agreement; and
- 3.1.5 the tenant has provided any and all verification documentation as required under paragraph 2.2 of the Terms; and
- 3.1.6 the tenant has not received a breach notice from or on behalf of the Qualifying Landlord (or been more than five days in arrears) in the 12 months immediately prior to the date of this agreement; and
- 3.1.7 the tenant has not made three rent payments that were more than three days late at any time in the twelve months immediately prior to the date of this agreement.

4. **Qualifying Tenancy Agreement**

4.1 A Qualifying Tenancy Agreement must satisfy the following conditions:

- 4.1.1 be a tenancy agreement which is consistent with the standard residential tenancy agreement contained in the *Residential Tenancies Act NSW 2010 (Act)* and *Residential Tenancies Regulation 2010 NSW (Regulation)*; and

- 4.1.2 the tenancy agreement does not contain a break right in favour of the Qualifying Tenant; and
 - 4.1.3 where the Qualifying Tenant consists of more than one party, each party is jointly and severally liable under the terms of that tenancy agreement; and
 - 4.1.4 the Qualifying Tenant pays the Rent under the tenancy agreement by way of direct debit; and
 - 4.1.5 the tenancy agreement allows us to validly serve a Termination Notice and Termination Order (as defined in paragraph 6.1.1 below) on behalf of the Qualifying Landlord in line with the timeframes contained in the Act and Regulations; and
 - 4.1.6 the tenancy agreement has been validly entered into and completed by a Qualifying Landlord and Qualifying Tenant; and
 - 4.1.7 the tenancy agreement is for a fixed-term of no less than 6 months; and
 - 4.1.8 contain provisions requiring the Tenant to pay a security deposit of no less than a sum being the equivalent to four weeks rent which the Landlord is entitled to call upon on breach of the tenancy agreement (**Bond**).
- 4.2 If the Qualifying Tenancy Agreement subsequently becomes a periodic tenancy agreement the Rent Guarantee Service will remain available to a Qualifying Landlord but we will not advance more than a Qualifying Landlord would be legally entitled to recover from the Qualifying Tenant due to noncompliance with their periodic tenancy agreement (being the relevant notice period under that periodic tenancy agreement).

5. **Qualifying Rent Default**

- 5.1 A Qualifying Rent Default occurs where:
- 5.1.1 there is a failure by the Qualifying Tenant to pay the Rent under the Qualifying Tenancy Agreement to the Qualifying Landlord by the due date contained within that Qualifying Tenancy Agreement; or
 - 5.1.2 the Qualifying Tenant leaves the Premises without giving the Qualifying Landlord the required notice as stated in the Qualifying Tenancy Agreement and has not paid the Rent owing; and
 - 5.1.3 we are able to serve a valid Termination Notice and Termination Order (both terms as defined in paragraph 6.1.1 below) on the Qualifying Tenant under the terms of the Qualifying Tenancy Agreement within the timeframes stipulated in the Act and Regulations.

- 5.2 If the Tenant fails to pay a part of the Rent, it is the remainder of the outstanding rent and not the whole of the Rent that forms part of the Qualifying Rent Default.
- 5.3 The Qualifying Rent Default will come to an end on:
- 5.3.1 the date that the Insurance Limit is met; or
 - 5.3.2 the date that the Qualifying Tenant pays the outstanding Rent in full to the Qualifying Landlord; or
 - 5.3.3 if the Qualifying Tenant and Qualifying Landlord agree to a payment plan in relation to the Outstanding Rent Repayment (**Payment Plan**), then the Qualifying Rent Default will end on the date that the Landlord is deemed to accept the terms of the Payment Plan. This is the date that the first payment is made in relation to Outstanding Rent Repayment by the Qualifying Tenant, the payments made by the Qualified Tenant in relation to Outstanding Rent Repayment will first be applied to reimburse Different or the Insurer in accordance with the terms of paragraph 1.4 of this Schedule.
- 5.4 If a Payment Plan is agreed, or a scheme of arrangement for the repayment of arrears is ordered by the Tribunal (**Scheme of Arrangement**), which reduces the Rent under the Qualifying Tenancy Agreement then you acknowledge and agree that no payment under the Rent Guarantee Service will be allowed for the amount being the difference between the original rent under the Qualifying Tenancy Agreement and the reduced rent under any Payment Plan or Scheme of Arrangement.
- 5.5 A Qualifying Rent Default will not arise where:
- 5.5.1 the Qualifying Tenant has validly exercised a break right granted under the terms of Qualifying Tenancy Agreement; or
 - 5.5.2 a Qualifying Landlord and a Qualifying Tenant have agreed to reduce the rent under a Qualifying Tenancy Agreement and the Qualifying Tenant subsequently defaults under the terms of that Qualifying Tenancy Agreement; or
 - 5.5.3 arrears have accrued up to the time that the Qualifying Tenant departs the premises and the Qualifying Landlord has failed to issue or fails to authorise Different to issue and/or act on breach notices as provided under the Act or Regulation; or
 - 5.5.4 the Qualifying Landlord under a Qualifying Tenancy Agreement is in breach of any of the terms of the Qualifying Tenancy Agreement; or
 - 5.5.5 there is an ongoing dispute between the Qualifying Landlord and Qualifying Tenant; or

- 5.5.6 in relation to any breach where the Qualifying Tenant is entitled to withhold payment of Rent under the Qualifying Tenancy Agreement as a result of that breach or dispute.; or
- 5.5.7 arrears of Rent or failure to pay Rent results either directly or indirectly from any Act of God, pandemic or any voluntary or mandatory restraint on a Qualifying Tenant or any other person attending or participating in any work or other income generating activity whether this restraint has been imposed, mandated, recommended or suggested by any government, health organisation, employer or other person, or is self-imposed (**Disqualifying Cause**) including where a Qualifying Tenant or any other person has chosen to or is otherwise required to refrain from participating in any work or other income generating activity for any reason directly or indirectly relating to a Disqualifying Cause.

6. Termination Date

6.1 You acknowledge and agree that:

- 6.1.1 if the Qualified Tenant is in arrears of Rent for a period of 14 days or more then Different will be entitled to serve a termination notice on the Qualified Tenant (**Termination Notice**). On the same date, Different may also apply for a termination order from the Tribunal (**Termination Order**).
- 6.1.2 The Termination Notice will require the Qualified Tenant to give vacant possession of the premises and return the premises and the keys in accordance with the terms of the Qualifying Tenancy Agreement on the date being 14 days from the date of the Termination Notice (**Termination Date**).
- 6.1.3 If the Qualified Tenant does not give vacant possession on or before the Termination Date, Different will (if it has not already done so) apply for a Termination Order. If the Tribunal makes a Termination Order, the Qualifying Rent Default will come to an end on the date determined by the Tribunal as the date the Qualifying Tenant must return the premises to the Qualifying Landlord. If no Termination Order is granted but a Payment Plan or Schedule of Arrangement is agreed, then the provisions of paragraph 5.3.3 above apply.
- 6.1.4 If you enter into a Payment Plan with the Qualified Tenant after an application is made for a Termination Order which results in the rent under the Qualifying Tenancy Agreement being reduced, all payments under the Rent Guarantee Service will cease and you will repay any amounts previously paid by us under the Rent Guarantee Service in accordance with paragraph 1.4 above on demand and no Claim will be made by us to the Insurer (as defined in paragraph 7 below).
- 6.1.5 If the Tribunal makes any award in compensation to the Qualified Landlord as a result of any Qualifying Rent Default, and any payment has been made by us under paragraph 1.3 above, then the Qualifying Landlord acknowledges and

agrees that any amount received as a result of the Tribunal's award will first be used to repay that same amount to us immediately on receipt.

7. **Landlord's Insurance**

- 7.1 You must have in place a valid and continuing policy of contents insurance provided by Breeze Real Estate Insurance which is a corporate authorised representative of Breeze Underwriting Pty Ltd on behalf of Hollard Insurance Company Pty Ltd (ABN 78 090 584 473), via Modern Risk Solutions Pty Ltd (ABN 72 610 844 822) of PSC Connect Pty Limited (ABN 23 141 574 914) (**Insurer**) in order for the Rent Guarantee Service to apply (**Landlord's Insurance**). For more information, please contact our service partner Modern Risk Solutions Pty Ltd by telephone on 1800 131 688 or by email at different@modernrisksolutions.com (**Modern Risk**).
- 7.2 The requirement set out in paragraph 7.1 does not in any way prevent the Qualifying Landlord from taking out any buildings insurance or any other forms of insurance with the Insurer or any other insurance provider and this will not affect the Rent Guarantee Service in any way. However, you agree that you will not obtain any additional insurance to cover those risks and losses covered under the Landlord's Insurance. The Rent Guarantee Service is only available if a Landlord's Insurance is in place.
- 7.3 You acknowledge and agree that:
- 7.3.1 you will be the insured party under the Landlord's Insurance;
 - 7.3.2 the Landlord's Insurance must include the additional cover in relation to Rent Default (as defined under the Landlord's Insurance);
 - 7.3.3 you will maintain the Landlord's Insurance at all times and will pay all relevant premiums on or before the due date for payment;
 - 7.3.4 you will give us a copy of the certificate of currency in relation to the Landlord's Insurance on or before each anniversary of the date of the Agency Agreement and each date of commencement under the Landlord's Insurance;
 - 7.3.5 you must not do anything which may make the Landlord's Insurance invalid, capable of being cancelled or rendered ineffective, or which may increase the premium;
 - 7.3.6 you will comply with all reasonable requirements of the Insurer and you must pay any increase in the premium of the Landlord's Insurance caused by your act or default;
 - 7.3.7 you authorise Different to make a claim on your behalf under the Rent Default cover contained in the Landlord's Insurance from and including the date that any payment is made under the Rent Guarantee Service (**Claim**);

- 7.3.8 any insurance proceeds which are paid in relation to each and every Claim is authorised to be paid in the first instance to Different on account of any amounts paid under the Rent Guarantee Service on receipt and Different will pay the balance remaining to you;
- 7.3.9 if any Claim is refused as a result of any act, omission, default, failure to pay or any other reason caused by or contributed to by the Qualifying Landlord then all payments made under the Rent Guarantee Service must be repaid to us on demand and no further payments will be made to the Qualifying Landlord under the Rent Guarantee Service and the Rent Guarantee Service will terminate;
- 7.3.10 any amounts advanced to you by us under paragraph 1.3 above must be repaid to us, and in the absence of reimbursement from the Insurer or the Qualifying Tenant you must repay those amounts to us on demand;
- 7.3.11 if the Insurer requires the Qualified Landlord to confirm the authorisations given in this clause then you will give such authorisations in writing as and when requested. Any failure to provide such authorisations will result in the Rent Guarantee Service being terminated and any advance made under the Rent Guarantee Service being repaid by you to us on demand;
- 7.3.12 if the Insurer serves any notice or gives any correspondence to you in relation to the Landlord's Insurance then such notice or correspondence must also be provided to us as soon as possible;
- 7.3.13 if the Insurer cancels the Landlord's Insurance, the landlord will no longer constitute a Qualified Landlord and will not be eligible for the Rent Guarantee Service. If such cancellation occurs after an advance has been made under the Rent Guarantee Service but prior to any Claim under the Landlord's Insurance being paid, any advance made under the Rent Guarantee Service will be repaid by you to us on demand; and
- 7.3.14 subject to the provisions contained in paragraph 1.4, if any insurance proceeds are paid following any Claim, and the Qualifying Tenant pays all arrears of Rent and the Qualifying Tenancy Agreement is not terminated and is continuing, then you will reimburse Different for any advance made under paragraph 1.3 on demand and reimburse the Insurer for any insurance proceeds paid as a result of that Claim.