

# Insurance Australia Limited

## Home Building and Contents Insurance

### Product Disclosure Statement

#### Listed Events



The issuer of this PDS and Policy is Insurance Australia Ltd (ACN 000 016 722) (IAL). IAL is a related company of Insurance Australia Group Ltd (ACN 090 739 923) (IAG). IAG has a strategic relationship with Berkshire Hathaway Specialty Insurance Company (BHSIC) (ABN 84 600 643 034). IAL uses the "Berkshire Hathaway Insurance Australia" logo under licence from BHSIC. This product is not issued, sold, guaranteed or underwritten by BHSIC.

## **Listed Events – Base**

### **Product Disclosure Statement**

#### **Introduction**

Thank you for choosing us to insure you.

Please take the time to read this booklet carefully to ensure you understand what your Policy covers, what excesses apply and how to make a claim. If you have any questions or need more information, please contact your Steadfast Broker.

#### **About this booklet**

This booklet is a Product Disclosure Statement (**PDS**) which has two (2) parts:

1. Important Information which is to help you understand the insurance; and
2. the Policy Wording, which sets out terms and conditions of the cover provided.

It is up to you to choose the cover you need.

Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

Any advice in this booklet is general in nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it is right for you.

#### **Updating this PDS**

We may update the information contained in this PDS when necessary. A copy of any updated information will be made available to you by your Steadfast Broker at no cost to you. We will issue you with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain or renew this insurance.

This PDS was prepared on 7 October 2015.

Version 1

## **Important Information**

### **About us**

Insurance Australia Limited is the issuer. Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Licence Number is 227681. Our address is 388 George Street, Sydney NSW 2000.

### **About Steadfast**

Steadfast Group Limited (**Steadfast**) is a public company that operates a large network of insurance brokerages in Australia known as Steadfast Brokers. This policy is available exclusively to you through a Steadfast Broker.

Steadfast does not issue, guarantee or underwrite this Policy.

### **About this Policy**

If we issue you a Policy, you will be given a Policy Schedule. The Policy Schedule sets out the covers you have chosen and should be read together with the Policy Wording. You should check the Policy Schedule carefully to ensure it accurately states what you have insured.

The Policy Wording and Policy Schedule form your legal contract with us so please keep them in a safe place for future reference.

If you require further assistance or information about this Policy, please contact your Steadfast Broker.

### **Your duty of disclosure**

#### **What you must tell us**

When answering any questions we may ask in relation to your application for cover, you have a duty under law to tell us anything known to you and anything which a reasonable person in the circumstances would include in answering the questions. You must be honest and truthful in answering all questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Your duty of disclosure also applies before you renew, vary, extend or reinstate your insurance.

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

## **If you do not tell us**

If you do not answer our questions honestly and with full disclosure, 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.

## **Who needs to tell us**

It is important that you understand that you must answer our questions honestly for yourself and anyone else whom you want to be covered by the Policy.

## **Non-disclosure**

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim or we may cancel the contract.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

## **You must disclose to us all previous claims**

You are asked at the time you take out this insurance to give us full and correct details concerning any:

- insurance policy or renewal of insurance policy that has been declined, cancelled or refused, or where any excess was imposed;
- claim refused by an insurer;
- claim made; or
- criminal conviction or finding of guilt for an offence,

in relation to you and your family because any of these may affect the premium and extent of insurance.

For example, we may be entitled to:

- charge you an additional premium;
- impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
- decline to insure your Buildings, Contents or Valuable Items; and
- refuse to pay a claim.

When renewing your Policy with us you must also advise us of any changes to your:

- claims;
- insurance; or
- criminal history.

We will notify you in writing of the effect a change may have on your renewal.

## **Privacy of your Personal Information**

We, along with all entities in Insurance Australia Group value the privacy of the personal information we collect about you.

We are committed to handling your personal information in line with the privacy laws and the terms of this PDS.

### **When you provide your personal information**

#### **Collecting and using your information**

You acknowledge and consent to us, Insurance Australia Group and their distributors collecting and using your information on a confidential basis to:

- consider your insurance application and any subsequent application for insurance
- underwrite and price any policy
- calculate and offer discounts
- issue a policy to you
- administer your policy
- investigate, assess and pay any claim made by or against you or that could be made against you
- recover money paid to you or recover debts you have incurred.
- contact you for market research
- provide you with information and offers about products and services we offer
- provide you with information and offers about products and services offered by Insurance Australia Group and its related entities, our related entities and by our partners and to any agent of these that we promote.

You can 'opt out' from receiving marketing information at any time by contacting us. You must inform us if you do not want your personal information disclosed or used for these marketing or market research purposes.

#### **Collecting and disclosing your information**

We collect your personal information directly from you or through others. For these purposes, you acknowledge and consent to us collecting your personal information from, and disclosing your information where disclosure is permitted by law to:

- our agents
- our related entities and their distributors
- other insurers
- insurance reference bureaus
- law enforcement agencies
- our service providers (which includes investigators and recovery agents, lawyers, assessors, repairers, suppliers, advisers and any agent of these) - which includes some service providers that may be based overseas
- any credit provider that has security over your assets
- publically available data
- Partners and affiliates

We may collect personal information about you directly in various ways including:

- over the phone,
- in person including at branches or offices,
- over the internet, including via our website, online forms
- and surveys, email or cookies
- in writing, including via hard copy forms
- electronics devices such as telematics device and home automation systems

## **Privacy Policy**

Our Privacy Policy provides more information about how we collect, from whom we collect and how we hold, use and disclose your personal information. Our Privacy Policy also provides information about how you can:

- access your personal information
- ask us to correct your personal information, and
- complain about a breach of the privacy principles set out in the Privacy Act 1988 (Cth) and how we will deal with your complaint.

To get a free copy of our Privacy Policy:

<https://www.bhinsurance.com.au>

## **How to apply for this Policy**

To apply for this Policy, please complete our online application form with your Steadfast Broker.

If we accept your application, you will receive a Policy Schedule that sets out details of the cover you have chosen.

## **The cost of this Policy**

The premium is the amount we charge you for this Policy. It includes the amount we have calculated for the risk as well as the taxes and government charges that are applicable. The premium will be shown on the Policy Schedule.

When calculating the premium we take a number of factors into account. These factors and the degree to which they affect the premium will depend on the information you give us, and the level and type of cover you choose. The main factors that impact your premium include:

- the type of property being insured;
- where the property is located;
- the type of construction of the property; and
- your previous insurance and claims history.

Some rating factors do not affect all components of the premium calculation. For example, age discounts, retiree discounts, no claim bonus and loyalty discounts do not apply to the parts of the premium that are paid for liability cover or flood cover.

## **Keep your receipts**

You should keep receipts, invoices or other evidence of ownership and value of all property that you insure because if you make a claim you will be asked to prove ownership and value in order for us to pay the claim.

## **How to make a claim**

Please contact your Steadfast Broker to assist you in making a claim.

In an emergency outside normal business hours you may ring our emergency service on 1300 559 019 for assistance.

Further details of what you must do for us to consider your claim are provided in the 'General terms and conditions' section at the end of this booklet.

## **General Insurance Code of Practice**

We are a signatory to the General Insurance Code of Practice.

The Code aims to:

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

You can download a copy of the Code from <http://codeofpractice.com.au>.

## **Your cooling off rights**

If you want to cancel this Policy after your decision to buy it, you may do so and receive a full refund of your premium. To do this you must notify your Steadfast Broker electronically or in writing within twenty one (21) days from the date the Policy commenced.

This cooling off right does not apply if you have made or are entitled to make a claim.

Even after the cooling off period ends, you still have cancellation rights however we and your Steadfast Broker may deduct certain amounts from any refund that may be due for administration costs or any non-refundable taxes.

## **Dispute resolution**

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw our attention to. We have a complaints and dispute resolution procedure which

undertakes to deal with your complaint promptly. It is important to follow the complaint handling process so we are able to resolve your concern effectively.

### 1. Tell Us

If you would like to make a complaint please tell us by contacting the relevant department your complaint relates to (see table below). In most cases they will be able to resolve the matter. If not you will be referred to a manager who will attempt to resolve the matter. A response will be provided within fifteen (15) business days.

Policy	If your complaint relates to, or if you have any concerns about, the sale of your Policy, please contact your Steadfast Broker. You can also contact us by email to <a href="mailto:compliance.manager@iag.com.au">compliance.manager@iag.com.au</a> . We will assist by directing your concern to your Steadfast Broker.
Claims	If your complaint relates to a claim, please contact us by: Phone: 1300 559 019 Email: <a href="mailto:claimsbhia@iag.com.au">claimsbhia@iag.com.au</a> Fax: 1300 764 496

### 2. Independent Internal Review

If you are dissatisfied with how your complaint has been resolved, you can escalate your complaint to our Internal Dispute Resolution (**IDR**) department who will review the decision independently. You may be asked to put your complaint in writing to us.

You can contact our IDR department by:

Email: [compliance.manager@iag.com.au](mailto:compliance.manager@iag.com.au)  
Phone: (02) 9099 4997  
Address: IAL IDR, GPO Box 933, Sydney NSW 2001

The IDR department will contact you with a decision within fifteen (15) business days of receiving your complaint.

### 3. Review by the Financial Ombudsman Service

In most cases we can resolve any problems our customers have but if you remain dissatisfied with how we have resolved your concern you can contact the Financial Ombudsman Service (**FOS**) for an independent external review at no cost to you. We are bound by any determination by FOS but the decision is not binding on you.

FOS can be contacted by:

Phone: 1300 780 808  
Fax: (03) 9621 2060  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Address: Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001  
Internet: [www.fos.org.au](http://www.fos.org.au)

## Financial Claims Scheme

This Policy is a protected policy under the Financial Claims Scheme (FCS) which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of us becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information about the FCS may be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 55 88 49.

## Claims Payment Examples

The following claims payment examples are designed to illustrate how a claim payment might typically be calculated. These examples do not cover all scenarios or all benefits and do not form part of the Policy terms and conditions. They are a guide only. The amount payable under the Policy will depend on the facts applicable to the claim as well as the coverage, exclusions and excesses set out in the Policy and the Policy Schedule.

### Section 1 Buildings and Contents

The sum insured on your buildings is \$500,000 and your contents sum insured is \$40,000. These sums insured are adequate in the event of a total loss of buildings and contents. There is an excess of \$500 applicable to any claim. Your building and contents are damaged by a fire, resulting in a building repair cost of \$50,000 and damage to contents amounting to \$25,000. You are unable to occupy the building due to the damage for four weeks until the damage is repaired and your alternative accommodation costs are \$8,000. You are not registered for GST.

<b>How much we will pay</b>	<b>Explanation</b>
\$50,000	We will pay \$50,000 being the cost to repair the building inclusive of GST.
\$24,500	We will pay \$24,500 comprising the replacement cost of your contents less the policy excess of \$500.
\$8,000	We will pay up to 10% of your sum insured on buildings (being \$50,000) and so the actual cost incurred for suitable alternative accommodation of \$8,000 is payable.
<b>Total claim payment \$82,500</b>	This is the net amount payable for damage to buildings, contents and the cost of suitable alternative accommodation.

### Section 2 Liability

You have insured your building under this Policy and a roof tile falls from your building and injures a passer-by. You were aware of the condition of the roof and would be found liable for personal injury to the passer-by. The legal representatives of the injured person

make a claim against you. We assess the quantum of the claim and negotiate a settlement with the legal representatives of \$15,000 inclusive of legal costs.

<b>How much we will pay</b>	<b>Explanation</b>
\$15,000	We will pay \$15,000 because this is your liability as a result of the ownership of the property. The Policy limit of \$20,000,000 for any one occurrence is not exceeded by the settlement.

### **Section 3 Optional Cover**

You have a diamond ring with a replacement value of \$25,000. You note the contents cover has a limit of \$1,000 per item. Hence, You decide to take out optional cover for valuable items by specifying the diamond ring. The ring is shown in your Policy Schedule as being insured for \$25,000. Whilst in Australia you accidentally fall over and destroy the diamond necessitating the re-setting of the ring with a new stone at a cost of \$20,000.

<b>How much we will pay</b>	<b>Explanation</b>
\$20,000	We will pay the cost of repairing the ring comprising the re-setting of the ring with a diamond of the same size and quality as that damaged.

## **Policy Wording**

### **Our agreement with you**

This Policy is a legal contract between you and us. You pay us the premium and we provide you with the cover you have chosen as set out in this Policy and your Policy Schedule for the period of insurance shown on your Policy Schedule or any renewal of that period.

The limits of cover applying to the cover selected by you, and the amount of any Excess that applies to your Policy, is shown on your Policy Schedule.

### **Paying your premium**

There are two ways you can pay your premium:

- in one (1) annual payment to your Steadfast Broker according to their business practices; or
- if provided, in twelve (12) monthly instalments by direct debit from your credit card or from your bank account which can be arranged by your Steadfast Broker.

You must pay your premium in the manner set out on your Policy Schedule.

### **Paying your annual premium**

You must pay your annual premium to your Steadfast Broker by the due date.

If your premium is unpaid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

### **Paying your instalment premium**

If we have provided this option to you and if you are paying your premium for the first time by instalments, we will deduct instalments each month on the day of the month that you nominate and which is shown on your Policy Schedule as your payment date.

If you are renewing your Policy and you paid your previous premiums by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates don't occur in a month.

Further details of your instalments are shown on your Policy Schedule.

If your first instalment is unpaid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for fourteen (14) days or more.

If any instalment of premium has remained unpaid for one (1) month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than seven (7) days before your next instalment is due.

### **Preventing our right of recovery**

If you have agreed not to seek compensation from another person who is liable to compensate you for any destruction, loss, damage or liability which is covered by this Policy, we will not cover you under this Policy for that destruction, loss, damage or liability.

### **Other party's interests**

You must tell us of the interest of all parties (e.g. financiers, lessors or owners) who will be covered by this insurance. We will protect their interests only if you have told us about them and we have noted them on your Policy Schedule.

### **Providing proof**

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase and ownership;
- valuations; and
- photographs of items in the home.

We may ask you for these if you make a claim. You must be able to prove to us that you have suffered a loss that is covered by this Policy before we will pay your claim for it.

### **Your claim may be refused**

We may refuse to pay or reduce the amount we pay for your claim if you do not comply with the Policy conditions, if you do not comply with your duty of disclosure, or if you make a fraudulent claim.

### **Changing your Policy**

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it; and
- we give you a new Policy Schedule detailing the change.

## **Cancelling your Policy**

### **How you may cancel this policy**

You may cancel this policy at any time by telling us in writing that you want to cancel it.

Where 'you' involves more than one person, we will only cancel the policy when a written agreement to cancel the policy is received from all persons named as the insured.

### **How we may cancel your policy**

We may cancel this policy in any of the circumstances permitted by law (e.g. failure to pay the premium by the due date) by informing you in writing.

We will give you notice in person or send it to your address (including an electronic address) last known to us.

Where you have paid your premium in advance of the date of cancellation, we will refund to you the proportion of the premium for the remaining period of insurance (less any fees or expenses that may be charged by us for administration costs and any non-refundable taxes). Unless directed otherwise by all insureds, the refund will be made payable to the first named insured on your Policy Schedule.

## **Notices**

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally; or
- it is delivered to you at your address (including an electronic address) which is last known to us.

It is important for you to tell us of any change of address as soon as possible.

## **Words with special meanings**

Some key words and terms used in this Policy have a special meaning. If words and terms are only used in one (1) section of the Policy, we will describe their special meaning in that section.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

<b>Words</b>	<b>Meanings</b>
<b>Buildings</b>	As described under 'What are your Buildings'.
<b>Contents</b>	As described under 'What are your Contents'.
<b>Excess</b>	The amount by which we will reduce the amount we pay you for your claim. There are different Excesses which apply to claims made under this Policy. Please refer to your Policy Schedule and this Policy Wording (including the section, 'Excesses that apply when you make a claim').

<b>Flood</b>	The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ul style="list-style-type: none"> <li>a. a lake (whether or not it has been altered or modified);</li> <li>b. a river (whether or not it has been altered or modified);</li> <li>c. a creek (whether or not it has been altered or modified);</li> <li>d. another natural watercourse (whether or not it has been altered or modified);</li> <li>e. a reservoir;</li> <li>f. a canal;</li> <li>g. a dam.</li> </ul>
<b>Listed Events</b>	The events listed under 'What is covered – The Listed Events' in Section 1 of this Policy.
<b>Malicious Damage</b>	A wrongful act by a person with the intention of damaging property.
<b>Occupied</b>	Your Building is occupied if it is furnished so that it is comfortably habitable and you or someone with your consent has resided in the Building overnight.
<b>Policy Schedule</b>	The most current document we give you which sets out the details of your insurance cover. You receive a Policy Schedule when you first take out your insurance and again when the Policy is renewed or changed. Your Policy Schedule may be called a Policy Schedule, a Renewal Schedule or an Endorsement Schedule.
<b>Situation</b>	The place where the Building and/or Contents are located and is shown on your current Policy Schedule.
<b>Valuable Items</b>	As described under 'Valuable Items' and under 'What are Valuable Items'.
<b>we, us (the insurer)</b>	. Insurance Australia Limited ABN 11 000 016 722, AFS Licence Number 227681.
<b>you, your (the insured)</b>	The person(s) whose name is set out on the Policy Schedule. The following people are also insured, as long as they normally live with the person named on the Policy Schedule: <ul style="list-style-type: none"> <li>• the named insured's partner;</li> <li>• children of the named insured;</li> <li>• children of the named insured's partner;</li> <li>• the named insured's parents; and</li> <li>• the named insured's partner's parents.</li> </ul> <p>In this Policy all of these people are called 'you' or 'your'.</p>

## Section 1 – Your Buildings and Contents

### What is covered

#### The Listed Events

Your Buildings and/or your Contents as set out on your Policy Schedule are covered if they are destroyed, lost or damaged. They are covered only if you own them, or are liable for their destruction, loss or damage.

If you select cover only for your Buildings, the cover provided under this Policy for destruction, loss or damage does not apply to your Contents.

If you select cover only for your Contents, the cover provided under this Policy for destruction, loss or damage does not apply to your Buildings.

Your Buildings and your Contents are covered while at your Situation. Cover for your Contents while away from your Situation is provided subject to the conditions and limitations set out under 'Cover for your Contents away from your Situation'.

We will cover your Buildings and/or your Contents as set out on your Policy Schedule for destruction, loss or damage caused by the events listed below:

- Fire or explosion.
- Smoke. However we will not cover destruction, loss or damage that occurs gradually and or out of repeated exposure to smoke or fire.
- Lightning or thunderbolt. However we do not cover destruction, loss or damage caused by surges or power failures by your power providers.
- Earthquake or tsunami. However we will only cover destruction, loss or damage as a result of an earthquake if the destruction, loss or damage occurs within seventy-two (72) hours of the earthquake.
- Burglary or housebreaking or an attempt at either. However, we will not cover burglary or housebreaking by someone who entered your Building with your consent.
- Theft. However we will only cover theft of money or negotiable instruments when force is used by someone to enter your Buildings. We will not cover your Buildings or Contents for destruction, loss or damage as a result of:
  - theft by any person who has entered your Building with your consent unless there is evidence that your Building has been entered forcibly and violently; or
  - theft by your tenant.
- Vandalism or Malicious Damage. However we will not cover destruction, loss or damage as a result of vandalism or Malicious Damage by a tenant of your Building.
- Liquid that escapes from:
  - a fixed pipe or something attached to a pipe, fixed gutter, fixed tank or a drain;
  - a bath, basin, sauna, spa, shower base or shower wall, sink, toilet or tiled floor that has drainage holes;
  - a refrigerator, freezer, washing machine or dishwasher;

- an aquarium;
- a waterbed, swimming pools or spas, fixed heating or cooling system, water main, fire hydrant or water supply pipe.

We will also cover the cost of finding where the liquid escaped from, including the cost of repairing any damage that occurs while looking for the cause. We will not however cover the cost of repairing the defective item that caused the escape of liquid or liquid escaped from. We do not cover loss caused by a gradual process of bursting, leaking, splashing, dripping or overflowing over a period of time when you could have reasonably been expected to be aware of this condition.

- An electric motor burning out. We will decide whether to repair, reinstate or replace the burned out electric motor provided it is less than seven (7) years old. We will not however cover the motor if it is more than seven (7) years old.
- Accidental breakage. This cover applies when the item is fractured or chipped, subject to the conditions below.
  - If you have insured your Buildings under this Policy – items covered for accidental breakage are any fixed glass in your Buildings, including glass houses and any window tinting or shatter proofing material attached to the glass. We also cover fixed shower bases, basins, sinks, spas, baths, toilets, chandeliers and pendant lights.
  - If you have insured your Contents under this Policy – items covered for accidental breakage are any mirrors, glassware, crystal, crockery, china or any glass in furniture. However we will not cover glass that is part of a television, or a computer screen, or a computer monitor. Mirrors, glassware, crystal, crockery, china or any glass in furniture are not covered while they are being used, cleaned or carried by hand.
  - If you have insured your Contents under this Policy and you are living in a rented property – items covered for accidental breakage are fixed shower bases, basins, sinks, spas, baths and toilets. However this cover only applies if your rental agreement makes you responsible for these items.
- Riots, civil commotions, industrial or political disturbances.
- Impact by an aircraft, spacecraft or satellite, or anything dropped from them.
- Impact by a falling tree or part of a tree. We will also pay the cost of removing and disposing of the fallen tree or parts of it and treatment of the stump to prevent regrowth. We will not however cover destruction, loss or damage caused when you cut down or remove branches from a tree or you have someone do it for you. We do not cover the cost of removing or lopping fallen trees or branches that have not damaged the Building.
- Impact by a falling television or radio antenna, mast or dish or power poles.
- Impact by any animal or bird that is not kept at your Situation. We will also cover destruction, loss or damage caused by an animal (except insects, vermin or rodents) which becomes accidentally trapped inside your home or unit and which does not belong to you or anyone living at the Situation. However we will not cover destruction, loss or damage caused by any animal, bird, insect, vermin or rodent eating, chewing, clawing, pecking, nesting or soiling at your Situation, whether in a single incident or over a period of time.

- Impact by vehicles or trailers or watercraft or any object falling from them.
- Storm, Flood, rainwater, hail, or wind.

We will also cover storm surge but only when your Buildings and/or your Contents have been destroyed, lost or damaged by another Listed Event covered by this Policy.

If you have insured your Buildings under this Policy, we will also cover destruction, loss or damage to gates, fences or walls that are entirely or partly at the Situation caused by storm, Flood, rainwater, hail or wind.

We will not however cover destruction, loss or damage caused by storm, storm surge, Flood, rainwater, hail or wind where:

- water enters your Buildings because of a structural defect, faulty design or faulty workmanship when your Buildings were constructed. However, we will pay for any resultant damage; or
- water enters your Buildings through an opening made for any building, renovation or repair work.

We do not cover the cost of removing mud or debris out of tanks, swimming pools or spas as a result of Flood, rainwater, hail or wind events.

- Landslide or subsidence.

If you have insured your Buildings under this Policy, we will also cover destruction, loss or damage to gates, fences or retaining walls that are entirely or partly at the Situation.

However, the cover for landslide or subsidence only applies if the destruction, loss or damage occurs within seventy-two (72) hours of, and as a direct result of, one (1) of the following:

- storm, Flood, tsunami, rainwater, hail, snow or wind;
  - earthquake or tsunami;
  - explosion; or
  - liquid escaping from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank apparatus or a drain.
- Power surge to domestic appliances or domestic equipment directly caused by an identifiable and verifiable source outside your Building including:
    - a lightning strike;
    - an object contacting power lines; or
    - the resumption of power following a blackout caused by a storm, storm surge or unexpected interference with a power company transformer by an animal.

However, we will not cover domestic appliances or domestic equipment more than seven (7) years from the date of purchase when new or any power surges caused at the Situation.

## **Additional things we will pay for when you have insured your Buildings**

If you have insured your Buildings under this Policy, the following will be paid in addition to the Buildings sum insured listed on your Policy Schedule. We will only pay these costs when they relate to destruction, loss or damage to your Buildings from a Listed Event under 'What is covered' and covered by this Policy:

- If you are unable to live in your Building after the destruction, loss or damage has occurred, we will pay for your reasonable alternative accommodation expenses for the period during which you are unable to live in your Building.

The most we will pay for these costs is 10% of your Building's sum insured, as listed on your Policy Schedule.

We will reduce the amount we pay you by the amount of any payment you receive for rent from another source, and we will stop paying you as of the date on which you no longer need to rent another property or are able to live in your Buildings.

- We will pay the cost to locate the source of liquid escaping or overflowing at the Situation and to repair and restore the damage to your Buildings caused by our exploratory work if the escape of liquid first happens during the period of insurance. We will not however cover the cost of repairing the defective item that caused the escape of liquid or that liquid escaped from.

The most we will pay under this additional cover is \$1,250.

- We will pay your legal costs to discharge your mortgage if your claim is for a total loss.
- We will pay the reasonable costs of demolishing, removing and disposing of any Building debris when destruction, loss or damage occurs.
- We will pay the reasonable costs of architects, surveyors and engineers and also pay any legal fees that arise in respect of the reinstatement of your Buildings after the destruction, loss or damage occurs.
- If a key to an external door lock of your Buildings, or a key to an external window lock of your Buildings, is stolen, or you have reason to believe that the key has been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item.

The most we will pay under this additional cover is \$1,250.

- We will pay the costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing the Buildings at the Situation. We will not pay any costs which result from any notice which a statutory authority served on you before the destruction, loss or damage to your Buildings occurred.

The most we will pay under this additional cover is \$25,000 for any one (1) period of insurance.

- If any trees, plants, shrubs or lawns are damaged by a Listed Event covered by this Policy other than storm, storm surge or Flood, we will pay to replace those trees, plants, shrubs or lawns.

The most we will pay for any one (1) tree, plant or shrub is \$1,000 and the maximum amount we will pay under this additional cover is \$5,000 in any one (1) period of insurance.

- We will pay the cost of any damage caused to a television/radio antenna or mast.  
The most we will pay under this additional cover is \$1,000.
- We will pay to replace the Certificate of Title to your Situation if it is destroyed or damaged.  
The most we will pay under this additional cover is \$2,000.
- If you have cover for your Buildings and you have entered a contract to sell your Buildings, we will extend cover under the Policy to the purchaser from when the purchaser becomes liable for any damage to the Buildings until the contract is settled or terminated, or until the purchaser insures the Buildings, whichever happens first.

### **Additional things we will pay for when you have insured your Contents**

If you have insured your Contents under this Policy, the following will be paid in addition to the Contents sum insured as listed on your Policy Schedule. We will pay these costs when they relate to destruction, loss or damage to your Contents from a Listed Event under 'What is covered' and covered by this Policy.

- If your freezer or refrigerator breaks down, we will pay for the loss of any frozen or refrigerated food or medicine. We also pay for loss of any frozen or refrigerated food caused by accidental damage to the freezer or refrigerator or by the failure of the electricity supply, or by contamination of any refrigerant or oil used in the refrigerator or freezer.
- We will pay the reasonable costs of alternative accommodation and additional living expenses.

We will only pay for these costs for the period for which you are unable to live at your Situation after the destruction, loss or damage has occurred. We will not pay for these costs if we pay you for rent following damage to your Buildings under this Policy.

We will reduce the amount we pay you by the amount you receive for rent or accommodation from another source. We will stop paying you from the date on which you no longer need to pay for alternative accommodation.

The most we will pay under this additional cover is the lesser of \$1,000 or 20% of your Contents sum insured as listed on your Policy Schedule.

- If you are unable to live at your Situation after destruction, loss or damage has occurred, we will pay the reasonable costs to remove and store your Contents for up to twelve (12) months from the date of the destruction, loss or damage while your Situation is being repaired. We will however only pay for the storage of your Contents during the time that you are unable to live at your Situation.
- If guests, employees, exchange students or visitors to your Situation bring their own contents with them, we will regard those as Contents belonging to you. This additional cover is subject to the list of contents items and limits shown under 'What are your Contents'.

The most we will pay under this additional cover is \$5,000 in respect of each Listed Event.

We will not pay if these Contents are insured under another insurance policy arranged by someone other than you.

- If money or negotiable instruments belonging to guests, employees, exchange students or visitors are destroyed, lost or damaged, we will regard that money and those negotiable instruments as belonging to you.

The most we will pay under this additional cover is \$1,000 in respect of each Listed Event.

We will not pay if the money or negotiable instruments are insured under another insurance policy arranged by someone other than you.

- We will cover your Contents for destruction, loss or damage while they are being transported by a vehicle to your new situation, or to a commercial storage facility within Australia where the destruction, loss or damage is caused by theft or attempted theft following violent or forcible entry, or as a result of fire, Flood, collision or overturning of the vehicle that is transporting your Contents.

We will not cover destruction, loss or damage:

- to glassware, crystal, crockery mirrors or china; or
- caused by denting, scratching, chipping or bruising.

The most we will pay under this additional cover is the Contents sum insured as listed on your Policy Schedule for any one (1) period of insurance.

- If a key to an external door lock of your Buildings, or a key to an external window lock of your Buildings is stolen, or you have reason to believe that they have been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item.

The most we will pay under this additional cover is \$1,250.

- If you have insured your Contents under this Policy, we will pay for storage charges necessarily and reasonably incurred to protect them from further loss or damage following loss or damage caused by storm, Flood, rainwater, hail or wind.
- We will pay the reasonable costs of removing any Contents debris when destruction, loss or damage occurs.
- We will pay the reasonable costs you have to pay a security firm to attend your Situation in response to your monitored burglar alarm system. We will only pay these costs when there is a burglary or attempted burglary. We will not however pay these costs when there is a false alarm or when there is no evidence of attempted burglary.

The most we will pay under this additional cover is \$1,250.

### **Additional things we will pay for when you have insured your Buildings and/or Contents**

If you have insured your Buildings or Contents under this Policy, or both, the following will be paid in addition to the corresponding sum insured. If you have insured your Buildings and your Contents under this Policy, we will only pay once under these additional covers for any one (1) period of insurance.

- We will pay for the fees that you must pay to an accountant when your personal financial affairs are audited by the Australian Taxation Office. You must advise us of any such audit prior to the fees being incurred.

We will not pay claims for:

- any audit that relates to a criminal prosecution;
- fees where the final assessment of your taxable income for the period being audited is 20%, or more, higher than your original declaration;
- fees for work performed outside the time limits allowed by the Australian Taxation Office; and
- any fines, penalties or adjustments of taxation.

The most we will pay under this additional cover is \$5,000 during any one (1) period of insurance.

- If you cannot live at the Situation because a government authority denies you access, we will pay any increase in your living expenses that is necessary and reasonable to maintain your normal standard of living for up to 60 days. The denial must be as a direct result of destruction, loss or damage to neighbouring premises that would be covered under this Policy if it had occurred at your Situation. We will not cover loss due to cancellation of a lease or agreement.
- We will pay reasonable and necessary expenses to protect your Buildings or Contents from further loss or damage following loss or damage from a Listed Event under 'What is covered' and covered by this Policy.
- If you or a member of your family normally living with you at your Situation dies as a direct result of a physical injury caused by an accident within your Buildings at the Situation, we will pay \$15,000 to the estate of the deceased person.

The most we will pay under this additional cover is \$15,000 for any one (1) period of insurance.

## **Additional benefit when you have insured your Buildings and/or your Contents**

### **Accidental Damage**

We will pay this Accidental Damage additional benefit as part of and not in addition to your sum insured.

If you have insured your Buildings or your Contents or both under this Policy, we will cover your Buildings and/or Contents for destruction, loss or damage caused by Accidental Damage (as defined below).

**'Accidental Damage'** means destruction, loss or damage that is accidentally, suddenly, unintentionally and unexpectedly caused by an identifiable event (other than by a Listed Event under 'What is covered' or any event excluded by this Policy). Accidental Damage does not include the misplacement, or failure to locate any item nor unexplained disappearance of any item.

Under this Accidental Damage additional benefit, we do not provide cover for:

- any theft of cash, negotiables or documents of any kind;
- any theft of any type of mobile telephones;

- any theft of computers of any type – including laptops, notebooks, palmtops, Personal Digital Assistants (PDAs) electronic diaries, electronic notebooks, pocket personal computers, MP3 or MP4 players or any similar devices;
- any loss of or damage to electronic data – for the purposes of this exclusion, electronic data means any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment;
- any damage caused by any malfunction, virus, Trojan horse, worm backdoor, trapdoor, logic bomb, bacteria, rabbit program or any type of computer hacking or similar attack;
- mechanical, electronic or electrical breakdown of any kind;
- photographs, film or any image whether stored electronically or otherwise;
- aircraft, watercraft or vehicles, of any kind, whether they are remote controlled or not;
- any Contents destroyed, lost or damaged outside the home;
- any theft, destruction, loss or damage caused by your tenants or boarders;
- any destruction, loss or damage resulting from any building work, renovations or building alterations of any kind, however we will insure you against damage arising solely out of painting the home provided no work other than painting is being undertaken;
- any destruction, loss or damage where the incident that caused the loss cannot be specified by you;
- any fishing, sporting or musical equipment whilst in use or play; or
- any Exclusion under the section, ‘When you are not covered’.

For this additional benefit, we will pay on the same basis as under ‘Paying claims – The most we will pay for your Buildings or Contents’, however, we will not pay the first \$5,000 for each occurrence for Accidental Damage. (Under this additional benefit, 'occurrence' means all Accidental Damage caused by any original source or cause.) You must pay the first \$5,000 of each claim that we agree to pay for any Accidental Damage. The Excess will be applied to each and every claim, whether or not separate instances of destruction, loss or damage are submitted at the same time.

Please note this additional benefit only covers your Contents for Accidental Damage within the home for damage exceeding \$5,000. If you require Accidental Damage cover for portable Contents outside the home, you should select cover under Section 3 for Valuable Items.

### **Reinstatement and automatic increase to your sum insured**

We will increase your sum insured for your Buildings and Contents by half of 1% of the corresponding sum insured shown on your current Policy Schedule per month since you took out your Policy or last renewed it until the next renewal date.

You are fully insured again for your Buildings and Contents for the corresponding sum insured shown in your Policy Schedule following a claim unless your claim is for a total loss.

If your claim is for a total loss of your Contents and we pay you the sum insured, then the cover for your Contents will end.

If your claim is for a total loss of your Buildings and we pay you the sum insured, then the cover for your Buildings will end, but liability cover will remain in force until the expiry date of the Policy. However, liability cover in relation to your Buildings formerly Occupied by you will continue until the earliest of the expiry of your Policy and:

- any construction commencing at the Situation;
- the sale of the Situation or any part of it;
- another Policy that includes liability cover being taken out in relation to the Situation;
- the commencement of construction of a building to replace the insured Building at another site; or
- six months from the date of the damage that caused the total loss.

### **What are your Buildings**

- Residential buildings you live in including any professional offices or surgeries in those buildings.
- Domestic outbuildings.
- Fixed coverings to walls, floors and ceilings. These do not include fixed carpets, curtains or internal blinds unless you are the contracting seller or purchaser, in which case these items will be deemed Buildings until settlement, or, unless you regularly lease out the home on an unfurnished basis.
- Infrastructure for services, including infrastructure for the supply of electricity, gas, water, the internet and telephone.
- Items built in, or fixed to, or on, the Buildings.
- Blinds or awnings on the outside of the Buildings.
- Landscaping, paved terraces, paved pathways and paved driveways (excluding gravel driveways), retaining walls, fences and gates entirely or partly on the site.
- Jetties, wharfs, pontoons and moorings used for domestic purposes only.
- Anything permanently built, permanently constructed or permanently installed on your property for domestic purposes, including in ground swimming pools and fixed solar photovoltaic or hot water systems.

### **What are not your Buildings**

- Property that a tenant is liable for under the terms of a rental agreement.
- Plants, shrubs, trees or grass except as provided for under 'Additional things we will pay for when you have insured your Buildings'.

### **What are your Contents**

- Household goods that are not used for earning income.
- Goods that you use for earning your income while they are at your Situation. You would normally receive a taxation deduction for these. We will pay up to \$5,000 in total for these items for any one (1) period of insurance. This does not include office and surgery equipment.
- Office and surgery equipment that you use for earning your income while it is at your Situation. You would normally receive a taxation deduction for these.
- Carpets, curtains and internal blinds.
- Furniture and furnishings that are not built in.
- Portable domestic appliances that are not built in.

- Swimming pools, saunas and spas that are not permanently installed.
- Accessories for any swimming pools, saunas or spas.
- Clothing and personal effects.
- In relation to the following three items:
  - i. jewellery and watches;
  - ii. items that contain gold or silver (this does not include items thinly covered with gold or silver); and
  - iii. collections of stamps, money or medals,

then:

- the most we will pay for any one item, pair, set or collection of item (i) or (ii) above is \$1,000;
- the most we will pay for a collection of stamps, money or medals is \$5,000;
- the most we will pay in total for all of items (i), (ii) and (iii) combined is \$10,000.

You can increase the amount that we will pay for any of these three items whilst they are at the Situation by choosing additional cover for Valuable Items under Section 3 and insuring them as specified valuables.

- Items thinly covered with gold or silver that are not jewellery or watches.
- Paintings and prints, tapestries, Persian or similar rugs, antiques and any other works of art.
- Projectors and screens.
- Equipment for developing and enlarging photographs.
- Processed film, slides and prints. We will only pay the value of these items as unprocessed material, and the cost of processing them. However, if they were processed when you purchased them, we will pay the cost of replacement. We will not pay the costs of recreating any event.
- Tapes, cassettes, cartridges and discs, including computer software. We will only pay the value of these items when blank unless they were pre-recorded when you purchased them.
- Data stored on any computer, computer disk or computer tape (including the cost of restoring the data). We will pay up to \$1,000 in total.
- Money and negotiable instruments. We will pay up to \$1,200 in total.
- Accessories and spare parts for the following: motor vehicles, motorcycles, caravans, trailers, watercraft, golf buggies, ride-on mowers, mobility scooters, wheelchairs, surfboards, sailboards, surf skis, kayaks and canoes. We will not pay if the accessories and spare parts are in, or on, motor vehicles, motorcycles, caravans, trailers, watercraft, golf buggies, ride-on mowers, wheelchairs, surfboards, sailboards, surf skis, kayaks and canoes. We will pay up to \$1,500 per item and \$2,500 in total.
- Provided you have complied with all of the terms to which their use is subject, we will reimburse the financial institution which issued you any credit, debit or stored value cards, if those cards are stolen and misused, or used fraudulently, to effect online transactions. We will pay up to \$5,000 in total.
- Fixtures and fittings that you have installed for your own use if you are a tenant, or your fixtures and fittings if you are the owner of a strata title unit. We will not cover these fixtures and fittings if the body corporate has insured them.

- Watercraft no more than four metres long and which do not require registration under state or territory legislation.
- Motorised golf buggies, ride-on mowers, mobility scooters, wheelchairs and motorcycles up to 125cc capacity and which do not require registration, remote controlled model or toy motor vehicles.
- Surfboards, sailboards, surf skis, kayaks and canoes, kite surfing equipment.
- Remote controlled model or toy aircraft with a wingspan up to 1.5 metres.

### **What are not your Contents**

- Unset precious and semi-precious stones.
- Plants and trees growing outdoors. This does not include plants and trees growing in pots or tubs.
- Animals, including birds and fish.
- Pedal cycles while they are in use for competitive racing or pace-making.
- Equipment for taking photographs, including accessories and unprocessed film while they are being used to earn an income.
- Sporting equipment while it is being used.
- Motorcycles requiring registration.
- Motor vehicles, motorcycles exceeding 125cc capacity, motorised go-karts, caravans, trailers or aircraft other than model or toy aircraft.
- Motorcycles while they are used for competitive racing or pace-making.
- Watercraft more than four metres long.
- Watercraft less than four metres long that require registration under state or territory legislation.
- Personal watercraft (for example, jet skis).

### **Cover for your Contents in the open air at your Situation**

We will cover your Contents while they are in the open air at your Situation. Your Contents are in the open air when they are not in a building that is fully enclosed.

However, if your Contents are damaged by storm, storm surge, rainwater, wind, hail or are stolen, we will only pay up to \$5,000 or 8% of your Contents sum insured, whichever is greater, in total.

This cover does not apply to any swimming pools, saunas or spas.

### **Cover for your Contents away from your Situation**

Your Contents (other than the following items) are covered while they are away from your Situation, anywhere in Australia for up to 90 consecutive days:

- Accessories and spare parts for: motor vehicles, motorcycles, mini-bikes, caravans, trailers, watercraft, golf buggies, mobility scooters, surfboards, sail boards, surf skis, kayaks and canoes.
- Goods that you use for earning your income.
- Office and surgery equipment that you use for earning your income.

Your Contents are not covered if they:

- Are on the way to, or from, or in commercial storage, except as provided under 'Additional things we will pay for when you have insured your Contents'.
- Are in transit during a permanent removal, unless we have agreed to cover them under 'Additional things we will pay for when you have insured your Contents'.
- Have been removed permanently from your Situation other than:
  - sporting equipment that is stored within a club room,
  - Contents stored in a bank safe deposit box,
  - student's personal belongings including sporting equipment whilst you are away from home attending school, college or university.

We will only cover your Contents (other than the items excluded above) for destruction, loss or damage as a result of storm, storm surge, Flood, rainwater, wind or impact by a vehicle if they are:

- in a residential building, boarding house, motel, hotel, club, nursing home or hospital where you are staying; or
- sporting equipment stored within a club room.

We will not cover your Contents for destruction, loss or damage as a result of storm, storm surge, Flood, rainwater, wind or impact by a vehicle if they are in a tent, vehicle, caravan, trailer, aircraft or watercraft.

Under this section, we will pay up to 25% of the Contents sum insured shown on your Policy Schedule in total per Listed Event, subject to the limits set out here and under 'What are your Contents'.

### **Cover for your Contents away from your Situation – Theft**

We will pay for aggravated theft of your wallet, handbag or other personal items if you are robbed of these items anywhere in Australia by violent physical assault and when supported by a police report. The most we will pay for cash or negotiables is \$300 per theft and subject to a maximum of \$1,000 for any one (1) period of insurance.

We will not otherwise cover your Contents for theft while they are away from your Situation, unless:

- they are in a residential building, boarding house, motel, hotel, club, nursing home or hospital where you are staying; or
- the Contents are sporting equipment stored within a club room.

### **Moving your Contents to a new situation**

If you are moving permanently to a new situation within Australia, we will cover your Contents at the Situation shown on your Policy Schedule and at your new situation. The most we will pay in total per Listed Event is the sum insured for your Contents shown on your Policy Schedule. We will only cover your Contents at your new situation for forty five (45) days. This cover will commence from when you first start to move your Contents to your new situation. You must tell us that you are permanently moving your Contents to a new situation within forty five (45) days from the day you first start to move.

## **Excesses that apply when you make a claim**

An Excess is your contribution towards the cost of a claim. We will tell you if you need to pay an Excess when you make a claim.

In most instances you can select, at the time of your enquiry or application for insurance, the amount of the Excess you wish to pay should you make a claim. When you select a higher Excess amount we will normally reduce the amount of the premium you will have to pay.

If you select cover for Buildings and Contents, in the event of destruction, loss or damage to both your insured Buildings and Contents for the same event, you will only be required to pay one excess. If the nominated excess for Buildings and Contents are different, the excess payable will be the higher of these excesses.

### **When no Excess applies**

When a claim is paid for destruction, loss or damage to your insured Buildings and/or Contents, the Excess amount will only be applied once. You will not be required to pay any Excess in the event that your Buildings or Contents are a total loss.

When a claim is paid under 'Additional things we will pay for when you have insured your Buildings' only, or 'Additional things we will pay for when you have insured your Contents' only, no Excess will apply.

### **Accidental Damage additional benefit Excess**

If you claim under the Accidental Damage additional benefit, the Excess is \$5,000.

### **Earthquake or tsunami Excess**

Your Excess will be the greater of \$250 or the Excess shown on your Policy Schedule for any claim for destruction, loss or damage to your insured Buildings and/or Contents arising from an earthquake or tsunami. The destruction, loss or damage must occur within seventy-two (72) hours of the earthquake or tsunami.

## **The most we will pay for your Buildings or your Contents**

The most we will pay for any claim for destruction, loss or damage to your Buildings or your Contents is the corresponding sum insured shown on your Policy Schedule. This does not apply to amounts payable under 'Additional things we will pay for when you have insured your Buildings', or 'Additional things we will pay for when you have insured your Contents', or 'Additional things we will pay for when you have insured your Buildings and/or your Contents'.

There are some items of your Contents that we will only cover up to a certain amount. See 'What are your Contents' for details of these Contents items and the amounts we will pay.

## **How we pay a claim for your Buildings**

When destruction, loss or damage occurs to your Buildings, we will pay the cost of rebuilding your Buildings, or repairing the damaged portions of your Buildings, to the same condition as they were in immediately before the destruction, loss or damage.

We will also pay any additional costs required for your Buildings to comply with government or local authority bylaws. We will not however pay these additional costs if you were required to comply with these bylaws, and had not done so, before the destruction, loss or damage occurred. The most that we will pay for costs required for your Buildings to comply with requirements of any authority in any one (1) period of insurance is \$25,000.

## **How we pay a claim for your Contents**

When destruction, loss or damage occurs to any item of your Contents, we will do one of the following:

- replace the item with the nearest equivalent new item;
- repair the item to the condition it was in at the time immediately before it was destroyed, lost or damaged; or
- pay you the cost of replacement or repair.

We will decide which one we will do.

When destruction, loss or damage occurs to any item of your Contents, we will also pay for the cost of replacement for damaged:

- carpets;
- wall, floor and ceiling coverings; and
- internal blinds and curtains,

but only in the room, hall or passage where your Contents were destroyed, lost or damaged.

Unless your Policy Schedule lists pairs and sets as a specified Valuable Item under Section 3 of this Policy, when a destroyed, lost or damaged item of your Contents is part of a pair, set or collection, we will only pay for the value of the destroyed, lost or damaged item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set or collection. We will only pay the cost of replacing the item even though the pair, set or collection to which it belongs is less valuable because it is incomplete.

## Section 2 – Liability cover

### What you are covered for

- If you have insured your Buildings under this Policy, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or Personal Injury to, any person; or
  - the Damage to Property,

resulting from an Occurrence during the period of insurance arising out of the ownership or occupancy of your Buildings or the land, trees, shrubs and other plant life at your Situation.

- If you have insured your Contents under this Policy and you live in a rented building, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or Personal Injury to, any person; or
  - the Damage to Property,

resulting from an Occurrence during the period of insurance arising out of the ownership of your Contents or occupancy of the Building. This does not include any amount you have to pay because you are the owner of your Buildings.

- If you have insured your Contents under this Policy and you own part of a building that is a strata titled residence, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or Personal Injury to, any person; or
  - the Damage to Property,

resulting from an Occurrence during the period of insurance arising out of the ownership of your Contents or occupancy of the part of the building you own.

- If you have insured your Contents under this Policy, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or Personal Injury to, any person; or
  - the Damage to Property,

resulting from an Occurrence during the period of insurance anywhere in the world. This does not include any amount you have to pay because you are the owner or occupier of your Buildings.

## Definitions for your liability cover

'**Personal Injury**' means Bodily Injury, shock, mental anguish or mental injury, libel, slander or defamation of character, including death. Personal injury does not include the publication or utterance of a libel or slander:

- made prior to the commencement of the period of insurance; or
- made by or at the direction of you with knowledge of its falsity; or
- relating to advertising, broadcasting or telecasting activities by or on behalf of you.

'**Bodily Injury**' means physical bodily harm including resultant sickness or disease that requires care or loss of services and/or resultant death.

'**Damage to Property**' means physical injury to or destruction of tangible property, including the loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits and similar instruments, but does not include the value represented by such instruments.

An '**Occurrence**' includes continuous or repeated exposure to substantially the same general conditions. We regard all death, Personal Injury or Damage to Property arising from one (1) original source or cause as one (1) Occurrence.

## Limit of your liability cover

The most we will cover for any liability claim is \$20,000,000 for any one (1) Occurrence.

## Additional benefits - Liability

If you have insured your Buildings or Contents or both at your primary residence under this Policy, your liability cover includes the following additional benefits:

### Defence costs

In addition to the limit of your liability cover, if we agree you are entitled to liability cover under this Policy in respect of an Occurrence, we will also pay legal costs incurred with our consent to defend the claim.

### Expenses incurred in attending court

In addition to the limit of your liability cover, we will reimburse you for reasonable expenses incurred in attending court in relation to a liability claim covered by this Policy at our request up to \$250 per day but excluding the first day, and up to a total of \$5,000 in any one period of insurance for proven income loss. We will only reimburse income loss for days on which you are not able to conduct any income-earning activity whatsoever.

If you are:

- self employed or a working director, then 'income' means the gross daily income from such personal exertion after allowing for the costs and expenses incurred in deriving that income;

- an employee, then 'income' means the gross daily income from personal exertion, excluding overtime payments, bonuses, commissions or allowances.

In each case the amount of your income will be averaged over the twelve months immediately preceding our request or such shorter period during which you have been so engaged. You must provide any documentation, records, correspondence or other information that we request in support of any claim for lost income.

### **Motor vehicle liability**

We will cover you against any claim for compensation or expenses which you become legally liable to pay resulting from an Occurrence that occurs during your period of insurance for:

- the death of, or Personal Injury to, any person; or
- the Damage to Property,

arising from the ownership, custody, or use of any vehicle not required to be registered by law including:

- motorcycles up to 125 cc capacity;
- mobility scooters;
- golf buggies;
- ride on mowers;
- any motorised wheelchair; or
- any domestic trailer not attached to any vehicle.

We also insure you against any claims for compensation or expenses you become legally liable to pay for:

- the death of, or Personal Injury to, any person caused by you solely as a result of you being a passenger in a registered vehicle if the Occurrence causing the death or Personal Injury occurs during your period of insurance; or
- the death of, or Personal Injury to, any person arising from the ownership, custody, or use of any registered vehicle if the Occurrence causing the death or Personal Injury takes place at the Situation and occurs during your period of insurance.

The most we will pay for all claims arising out of any one Occurrence under this additional benefit is \$20,000,000.

In addition to the limit of your liability cover, if we agree that you are entitled to liability cover under this additional benefit in respect of an Occurrence, we will also pay legal costs incurred with our consent to defend the claim.

We will not cover you:

- if you are entitled to be wholly or partly insured by any compulsory statutory insurance or accident compensation scheme, or would have been, but for failure to register the vehicle or to apply for cover under the insurance or scheme or to comply with a term or condition of the insurance or scheme;

- if you are entitled to be wholly or partly protected by any other policy of insurance which specifically covers compulsory third party motor vehicle liability.

## **What you are not covered for - Liability**

These exclusions apply to your liability cover and additional benefits under this Section 2 of your Policy.

We will not cover any liability arising from:

- Use of a motor vehicle, motorcycle, mini-bike, aircraft or watercraft, however we will cover liability that:
  - arises from the ownership, custody or use of any:
    - a. model or toy aircraft;
    - b. surfboard, sailboard, kayak or surf ski;
    - c. watercraft no more than four metres long and that do not require registration under state or territory legislation, however, we will not cover any liability arising from personal water craft (for example, jet skis);
  - we cover under ‘Additional benefits - Motor vehicle liability’.
- Use of a caravan or trailer when the caravan or trailer is attached to a motor vehicle or motorcycle.
- Any agreement or contract you enter into, however we will cover your liability if you would have been liable without the agreement or contract.
- Directly or indirectly out of or in connection with the actual or alleged use or presence of asbestos.
- Gaining a personal profit or advantage that is illegal.
- A conflict of duty or interest.
- Any act or omission that is dishonest, fraudulent, criminal, wilful or Malicious Damage.
- Any loss that can be reimbursed by your sporting or social club or community organisation.
- Any alleged or actual act or omission committed, or alleged to have been committed, prior to the commencement of the Policy.
- Any disease that is transmitted by you, or any member of your family who normally lives with you.
- Any business, profession, trade or occupation carried on by you.

This does not include being a committee member of a sporting or social club or community organisation provided that you do not receive more than \$1,000 per year for holding this position.

This also does not include letting the home for domestic purposes or babysitting on a casual basis. Babysitting is not considered to be on a casual basis if:

- the babysitting is not of a casual nature;

- any licence or other permission is required by any government body or public authority in order to legally conduct the babysitting;
- the income derived from the babysitting is the primary or only source of the household's income;
- there is a registered business associated with the babysitting.

We will not cover any:

- Penalties, fines or awards of aggravated, exemplary or punitive damages made against you.
- Personal Injury to you, or any member of your family who normally lives with you, or any other person who normally lives with you.
- Personal Injury to any person you employ and that Personal Injury arises from their employment with you.
- Damage to Property that belongs to you, or any member of your family who normally lives with you, or any other person who normally lives with you.
- Damage to Property that belongs to any person you employ and that Damage to Property arises from their employment with you.
- Alterations, repairs, renovations or additions to your Buildings that cost more than \$100,000.

The exclusions that apply to Section 1, Section 3 and the General Terms and Conditions also apply to your liability cover and additional benefits under this Section 2 of your Policy.

## **Section 3 – Optional covers for an additional premium**

### **Valuable Items**

This optional cover for Valuable Items under Section 3 of the Policy only applies when your Policy Schedule shows that you have insured your Valuable Items under this Policy.

You can choose to insure your Valuable Items as either:

- unspecified valuables; or
- specified valuables.

If you select unspecified valuables, you must nominate a total sum insured for your Valuable Items to be covered by this Policy, subject to a maximum of \$5,000, but you do not have to specify individual Valuable Items.

If you select specified valuables, then you must specify each Valuable Item you wish to insure under this Policy and provide valuations and/or receipts to evidence their value, unless we tell you that these are not required.

#### **What are Valuable Items**

- Jewellery and watches.
- Items that contain gold or silver (this does not include items thinly covered with gold or silver).
- Collections of stamps, money or medals.
- Sporting equipment and tools, except while in use or play.
- Camping equipment, back packs and sleeping bags.
- Photographic equipment including video equipment.
- Musical equipment not used for earning income.
- Battery operated sound equipment.
- Binoculars and telescopes.
- Clothing.
- Wheel chairs, crutches and walking sticks, motorised golf carts and ride on mowers, none of which require registration.
- Prams or strollers.
- Luggage.
- Bicycles.
- Personal mobile cellular phones, portable computers.
- Surfboards, windsurfers, surf skis, kayaks and other watercraft that are less than 4 metres and do not require registration under state or territory legislation.
- Hearing aids, contact lenses, eye-glasses.
- Other personal belongings specifically designed to be worn or carried on the person.

#### **What are not Valuable Items**

- Unset precious and semi-precious stones.
- Items thinly covered with gold or silver.
- Motor vehicles, motorcycles, caravans, trailers, aircraft or accessories or spare parts of any of these items.

- Watercraft less than four metres long that require registration under state or territory legislation.
- Personal watercraft (for example, jet skis).

### **When we will pay for Valuable Items**

Your Valuable Items are covered for accidental loss or accidental damage, provided that the accidental loss or accidental damage happens within Australia or New Zealand. You only have cover for accidental loss or accidental damage that happens outside of Australia and New Zealand if the accidental loss or accidental damage occurs within ninety (90) consecutive days after you leave Australia.

### **When we will not pay for Valuable Items**

We will not pay if the accidental loss or accidental damage to your Valuable Items is caused by the following:

- Rust, corrosion, gradual deterioration, depreciation, wear or tear.
- A defect in the item.
- Rats, mice or insects.
- Processes of cleaning involving the use of chemicals other than domestic household chemicals.
- Mechanical or electrical breakdown other than an electric motor burning out. We will however pay for any resultant damage following mechanical or electrical breakdown.

### **How we pay a claim for Valuable Items**

When accidental loss or accidental damage occurs to a Valuable Item, we will do one of the following:

- replace the item with the nearest equivalent new item;
- repair the item to the condition it was in when the accidental loss or accidental damage occurred; or
- pay you the cost of replacement or repair to the condition it was in when the accidental loss or accidental damage occurred.

We will decide which one we will do.

Unless your Policy Schedule lists pairs and sets as a specified Valuable Item under Section 3 of this Policy, when a Valuable Item is part of a pair, set or collection, we will only pay the value of the lost or damaged item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set or collection. We will only pay the cost of replacing the item even though the pair, set or collection to which it belongs is less valuable because it is incomplete.

If you have made a claim which is covered under Section 1 of this Policy for an item of your Contents which is also covered as a Valuable Item under this Section 3, we will reduce any payment to you under this Section 3 by the amount we pay you for the same item under your Contents cover.

### **Limit for Valuable Items**

If your Policy Schedule indicates that you have selected unspecified valuables, the most we will pay for any one item, pair, set, collection or system is \$1,000 up to a maximum of \$5,000 or the total unspecified valuables sum insured, whichever is the lesser.

If your Policy Schedule does not list pairs and sets as a specified Valuable Item under Section 3 of this Policy, the most we will pay for any one item, pair, set, collection or system is the amount shown on your Policy Schedule.

### **Pairs and sets**

This optional cover under Section 3 of the Policy only applies when each pair or set is listed as a specified Valuable Item in your Policy Schedule.

In the event of a total loss of any item or article which is part of a pair or set, we agree to pay you – at your option, exercisable after the loss – the full amount of the value of such pair or set, and you agree to surrender the remaining article or articles of the pair or set to us.

## General Terms and Conditions

### General exclusions applying to all Sections of this Policy

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power.
2. Any act(s) of Terrorism that is directly or indirectly caused by, contributed to by, or in any way involves or is connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion. For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or Government(s) of the day or de facto, and which:
  - involves violence against one (1) or more persons; or
  - involves damage to property; or
  - endangers life other than that of the person committing the action; or
  - creates a risk to health or safety of the public or a section of the public; or
  - is designed to interfere with or to disrupt an electronic system.
3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

This Policy also excludes claims for loss, damage, destruction or liability arising from:

- Lawful destruction or confiscation of your property.
- Damage to a heating element. We will however pay for any resultant damage following damage to a heating element.
- Mildew, atmospheric or climatic conditions.
- Mould or fungi.
- Damage, loss or injury that you or anyone acting for you deliberately caused.
- Action of the sea, tidal wave, high water, or erosion.
- Landslide or subsidence except as detailed in the 'Landslide or subsidence' section of this Policy.
- Any event that does not occur within the period of insurance.

## **Sanction limitation and exclusion clause**

You are not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

## **When your cover does not apply**

Your cover for your Buildings, Contents and Valuable Items will not apply if, for a continuous period of ninety (90) days or more, no one has Occupied your Buildings, unless the destruction, loss or damage results from lightning, thunderbolt, riot and civil commotion, damage directly caused by impact by a vehicle, aircraft, waterborne craft, space debris, rocket, satellite, or a branch, tsunami or earthquake. However, we do not insure you against any subsequent resultant damage such as rainwater entering any opening made by impact or looting subsequent to a riot.

You can ask us to provide cover if your Buildings are not going to be Occupied for more than ninety (90) days. If we agree to provide cover, we will advise you in writing.

## **Other interests**

You must not transfer any interests in this Policy without our written consent.

Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of this Policy.

## **What you are required to do for us**

- You must pay us the premium for this Policy.
- You must tell us as soon as possible of anything that changes the facts or circumstances relating to your insurance.
- You must take reasonable precautions to prevent anything which could result in a claim under this Policy.
- You must make sure that anyone doing anything on your behalf obeys all laws.
- You must comply with the terms and conditions of this Policy.

## **The law that applies to this Policy**

Any disputes arising from this Policy will be determined by the courts, and in accordance with the laws, of the state or territory of Australia where this Policy is issued.

## **How to make a claim**

Please contact your Steadfast Broker to assist you in making a claim.

In an emergency outside normal business hours you may ring our emergency service on 1300 559 019 for assistance.

## **What you must do when you make a claim**

You must make your claim as soon as possible after you suffer a loss. If you do not make your claim within thirty (30) days, we may reduce what we pay you by an amount to take account of any disadvantage we suffer by the delay.

You must also:

- Take all reasonable steps to stop any further loss from occurring.
- Advise the nearest Police station if your property is lost or stolen, vandalised or Maliciously Damaged. We may ask you to give us a written report from the Police.
- Keep the property that has been damaged so we can inspect it.
- Tell us about any prosecution or inquest that may be held.
- Send us any document relating to your claim within seventy two (72) hours of you receiving the document.

## **What you must not do when you make a claim**

You must not do any of the following:

- Repair or replace any damaged property without our consent.
- Pay, promise to pay, or offer payment, or admit responsibility for a claim.

## **You give us your rights to claim from anyone else**

If you have a right to claim against someone else for a claim that you have made and we have paid under this Policy, you give us your rights to make that claim. You also give us your rights to conduct, defend or settle any legal action and to act in your name.

You must not do anything which prevents us from doing this and you must give us all the information and cooperation that we require.

## **Goods and Services Tax**

This GST provision may have an impact on how you determine the amount of insurance you need. Please read it carefully. Seek professional advice if you have any queries about GST and your insurance.

Unless expressly stated, any consideration or amount payable in respect of this Policy is exclusive of GST. If GST is or becomes payable on any supply made in connection with this Policy, an additional amount is payable by the recipient of the supply equal to the amount of GST payable on that supply.

## **Limits of liability and sums insured**

All monetary limits and sums insured in this Policy may be increased for GST in some circumstances (see below).

## **Claim payments**

When we calculate the amount we will pay you, we will have regard to the items below:

- Where you are not registered for GST and liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay you an amount in respect of the GST on the acquisition.
- We will pay the GST amount in addition to the relevant sum insured or limit of liability.
- If your sum insured or limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.
- Where we make a payment to you, or on your behalf, under this policy as compensation or in respect of an acquisition or goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that we estimate that you would be, or would have been entitled to (based on your disclosure of input tax credit entitlement) in relation to that acquisition, whether or not that acquisition is actually made.

## **Input tax credit entitlement**

If you are registered or required to be registered for GST you must tell us your Australian Business Number and entitlement to an input tax credit. We will ask you for this information if you lodge a claim. If you fail to disclose or incorrectly disclose your entitlement, you may be liable for GST on a claim we pay. This Policy does not cover you for this GST liability, or for any fine, penalty or charge for which you may be liable.

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