

Home & Contents Accidental Damage

Product Disclosure Statement
and Insurance Policy



Product issued by
Wesfarmers General Insurance Limited,
trading as **Lumley General**
Level 3, 99 King Street, Melbourne VIC 3000
GPO Box 2764, Melbourne VIC 3001
Tel: +61 3 8627 4333 Fax: +61 3 8627 4298
www.lumley.com.au
ABN: 24 000 036 279 AFS: 241461



AFFINITY
Insurance Brokers

Distributed by
Affinity Risk Partners (Brokers) Pty Ltd
Trading as **Affinity Insurance Brokers**
1/1265 Nepean Hwy, Cheltenham VIC 3192
PO Box 601, Moorabbin VIC 3189
Tel: +61 3 8587 7777 Fax: +61 3 8587 7700
www.affinityib.com.au
ABN: 15 091 944 580 AFS: 241185

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IMPORTANT INFORMATION	2
About this Product Disclosure Statement	2
What you need to read	2
CUSTOMER INFORMATION	3
Applying for cover	3
Summary of cover and other significant matters	3
Cost of the Insurance	5
Duty of Disclosure	5
Cooling off rights	7
The Agreement	7
How to make a claim	7
Code of Practice	7
Making a complaint	7
Resolving your dispute	8
Privacy	8
Confirming transactions	9
Updating our Product Disclosure Statement	9
Compensation Arrangements	10
About Affinity	10
COVER	10
Definitions	10
SECTION ONE: Building Cover	14
Definition of Building	14
Accidental loss or damage cover	16
How we settle any valid claim	16
Additional Benefits and Limitations	17
SECTION TWO: Contents Cover	22
Definition of Contents	22
Accidental loss or damage cover	24
Contents where sub-limit applies	24
How we settle any valid claim	27
Additional Benefits and Limitations	27
Exclusions	36
SECTION THREE: Optional Covers and Premium Discounts	36
Specified Valuables	36
Unspecified Personal Property	37
How we settle any valid claim	38
Loss of Value following restoration	39
Alarm System option	39
Deadlocks and key operated window locks option	39
SECTION FOUR: Legal Liability Cover	40
Legal Liability Cover	40
Motor Vehicle Liability	40
How we settle any valid claim	41
Exclusions	42
SECTION FIVE: General Exclusions	44
SECTION SIX: General Conditions	47
Duty of Disclosure and Misrepresentation	47
Building not lived in for more than 60 days	47
Cancellation by you	48
Cancellation by us	48
Monthly Premium Instalments	49
Transfer of interest in the Policy	49
Law and Jurisdiction	49
Obligations of third parties covered by your Policy	50
Other Insurance	50
Notices	50
Changing your Policy	50
Automatic Sum Insured Indexation	50
Maintaining the Building in good repair	51
Renewal	51
Dangerous Goods	51
SECTION SEVEN: Claims	51
What you must do when you make a claim	51
When we agree to pay a claim	52
Payment of Excesses	52
Automatic reinstatement after partial loss	54
Total Loss	55

IMPORTANT INFORMATION

About this Product Disclosure Statement

This insurance Policy is sold, marketed and administered by Affinity Risk Partners (Brokers) Pty Ltd Trading As Affinity Insurance Brokers ("Affinity"). ABN 15 091 944 580. AFS Licence No. 241185. (1/1265 Nepean Hwy Cheltenham VIC 3189, Phone: (03) 8587 7777 Fax: (03) 8587 7700).

Your insurer is Wesfarmers General Insurance Limited, trading as Lumley General ABN 24 000 036 279. AFS Licence No. 241461. (Level 3, 99 King Street Melbourne VIC 3000, Phone: (03) 8627 4333 Fax: (03) 8627 4298).

This document (which is our Product Disclosure Statement ("PDS") and Policy Wording) contains important information to help you understand our Accidental Damage Home Insurance. Before you decide whether to purchase it, you need to read this document carefully to understand its features and benefits. Other documents may form part of our PDS. If they do we will tell you in the relevant document.

What you need to read

To determine if this insurance is appropriate for you, it is important that you read:

- this Important Information Section and Customer Information Section - these contain information on important matters you need to be aware of before applying for this insurance, such as your duty of disclosure;
- the Definitions Section – it sets out what we mean by certain defined terms in this insurance;
- Sections One, Two, Three, Four and Five – these set out the cover available under this insurance and what we do not cover;
- Section Six – the General Exclusions Section – it sets out what we do not cover;
- Section Seven – the General Conditions Section – it contains details of your and our rights and obligations under this insurance. If you do not meet your obligations, we may be able to cancel the insurance or reduce our liability in respect of a claim to the extent permitted by law;
- Section Eight – the Claims Section– it sets out what you need to do if you need to claim and what excesses may be payable; and
- any other documents we provide to you about the insurance which may change the standard cover.

CUSTOMER INFORMATION

Applying for cover

When you apply for this insurance, you will need to complete a proposal form. We will use and rely on the information supplied by you to decide the terms of cover we will provide. We provide cover to you on the terms contained in this document, and the Schedule that we issue to you.

The Schedule will contain important information relevant to your insurance including the Period of Insurance, your Premium, details of your property, the Excess(es) that will apply to you and others and whether any standard terms have been varied by way of endorsement.

All of these make up your "Policy" with us. You need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items you insure.

Before expiry, we will send you a renewal notice which tells you whether we will renew and on what terms.

Summary of cover and other significant matters

By way of summary, the principal covers available are:

- Cover for Accidental loss of or damage to your insured Building occurring during the Period of Insurance (Section One – Building Cover);
- Cover for Accidental loss of or damage to your insured Contents occurring during the Period of Insurance (Section Two – Contents Cover);
- Cover for Accidental loss of or damage to your insured Specified Valuables and Unspecified Personal Property occurring during the Period of Insurance (Section Three – Specified Valuables Cover and Unspecified Personal Property Cover);
- Cover for your and certain other persons legal liability for accidental death or bodily injury to certain other persons or accidental damage to certain other persons property. This cover is only available if you have taken Building and/or Contents Cover (Section Four - Legal Liability Cover); and
- Domestic Workers Compensation Cover (provided by Employer Mutual Indemnity (Workers Compensation) Limited (Section Five – Domestic Workers' Compensation Cover – NSW only).

Various optional covers and premium discounts are available (refer to Section Three- Optional Covers and Premium Discounts for details).

Refer to each Cover Section and Section Eight – Claims Section for details of the basis on which we settle any valid claim.

You need to make sure that you are happy with the extent of cover provided by this insurance. If not, you may not get the cover you require. We only provide cover up to the amount(s) and limit(s) and Sum(s) Insured specified in your Schedule and Policy and subject to its other terms, conditions and exclusions. All amounts insured exclude GST.

An Excess may apply when you make a claim. An Excess is the part of a claim you must bear and is payable for each occurrence covered by this insurance. When an Excess applies we will reduce the amount we pay by the amount of the Excess or we will ask you to pay it.

The type and amount of Excess is shown in your Policy and the Schedule. We agree on the amount of the Excess(es) with you when you apply for this insurance and the Excess may vary according to where you live and your insurance history. For example, your home has suffered severe damage as a result of Storm passing over your suburb. If your Policy or Schedule mentions that you have a \$100 Excess, then our claim payment reimbursing you for the overall loss will be reduced by \$100.

If you do not adequately insure yourself for your potential loss, you may have to bear the uninsured proportion of any loss yourself.

We only cover your interest in the insured property unless we specifically include cover for the interest of a third party.

Please note in particular General Condition 7.2 (Section Seven - General Conditions) which restricts your cover if your Building or Situation is left unoccupied for a period of 60 days or more.

We may refuse to pay or reduce the amount we pay under a claim in certain circumstances. In particular:

- where an exclusion applies;
- if you do not comply with the terms and conditions of your Policy;
- if you do not comply with your Duty of Disclosure or make a misrepresentation; or
- if you make a fraudulent claim.

We also may cancel your Policy in certain circumstances permitted by law e.g. if you fail to comply with a condition or breach your Duty of Disclosure.

Cost of the Insurance

The insurance provided is subject to your payment or agreement to pay the Premium we require by the agreed time. In order to calculate your Premium, we take various factors into consideration, including:

- the type of cover requested;
- the construction of your Building and/or type of Contents;
- the Sum(s) Insured;
- the location of your Building and/or Contents;
- your previous insurance and claims history.

Your Premium also includes amounts that take into account our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and any Fire Services Levy where applicable) in relation to your Policy. We will tell you when you apply what premium is payable, when it needs to be paid and how it can be paid. Your Premium may increase if you pay your Premium by instalments. The amount may vary according to a number of factors such as where you live and your insurance history. When you apply for this insurance, you will be advised of the total amount payable. If you choose to effect cover, the amounts due will be clearly set out in your Schedule.

If you pay your Premium by 7 or more instalments each year special conditions apply (refer to Section Seven - General Conditions).

Duty of Disclosure

Before you enter into your Policy with us, you have a duty under the *Insurance Contracts Act 1984* to disclose to us every matter that you know, or a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. The Act imposes a different duty the first time you enter into your Policy with us, to that which applies when you renew, vary, extend or replace it.

Your Duty of Disclosure when you enter into your Policy with us for the first time

We will ask you various questions when you first apply that are relevant to our decision whether to accept the risk of insurance and, if so, on what terms. When you answer those questions, you must:

- give us honest and complete answers;
- tell us everything you know; and
- tell us everything that a reasonable person in the circumstances could be expected to know.

Your Duty of Disclosure when you renew, vary, extend, reinstate or replace your Policy

When you renew, extend, vary or reinstate your Policy, your duty is to disclose to us before the renewal, extension, variation or reinstatement, every matter that you know, or a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

What you do not need to tell us

Your duty however does not require disclosure of a matter:

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

Who does the Duty of Disclosure apply to?

The duty of disclosure applies to you and everyone that is an insured under your Policy.

What happens if you or they do not comply with the Duty of Disclosure?

If you, or they, fail to comply with the duty of disclosure, we may be entitled to reduce our liability under your Policy in respect of a claim or cancel it. If the non-disclosure is fraudulent, we may be able to treat your Policy as if it was never effected.

Cooling off rights

After you make a decision to purchase this insurance, you have cooling off rights. You can return your insurance by notifying us in writing within 21 days of cover commencing and we will refund the Premium paid unless something has occurred for which a claim may be payable. Even after this cooling off period ends you still have cancellation rights (See Section Seven – General Conditions).

The Agreement

In return for your payment of the Premium or your agreement to pay it to us within the time we require, we agree to indemnify you against loss, damage or liability which occurs during the Period of Insurance and is covered by the Policy, subject to the terms, conditions and exclusions of the Policy.

How to make a claim

Section Seven – General Conditions and Section Eight - Claims, tell you what you need to do. Before we pay any claim, we require evidence of your ownership of any items insured under the Policy and evidence as to the extent of loss or damage. Please ensure that, where possible, you keep any photographs or other documentation in respect of loss or damage to make the process as easy as possible. Any claim settlements, up to the total of all amounts insured, will exclude GST. However, if there is a shortfall between the GST component of your claim and the amount of input tax credit you are entitled to, we will pay this shortfall in addition to the claim settlement.

Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice, which is a self regulatory code for use by all insurers. The Code aims to raise the standards of practice and service in the insurance industry.

We are a signatory to the Code Of Practice. If you require further details please contact us or visit www.lumley.com.au

Making a complaint

We take pride in the products and services that we provide and aim to ensure that you are happy in your dealings with us.

If however, you are in any way disappointed with the products or services that we provide to you, please contact Affinity at the address provided earlier or the phone number on your Schedule. They will endeavour to address your concerns.

Resolving your dispute

If you are unhappy with Affinity's response, you can raise your concerns with us or Affinity direct by letter, telephone, in person, e-mail or fax.

Ideally, you should:

- Set out adequate details of the complaint; and
- State any corrective action needed to be taken by us or Affinity to resolve the dispute.

We will, if required, offer assistance to you with raising your concern or making your complaint.

Complaints will, wherever possible, be investigated by an in-house lawyer or other senior person who is not involved in the subject matter of the complaint.

We will acknowledge a complaint within 2 business days of receiving the complaint and we will endeavour to resolve the complaint within a further 13 business days.

If we cannot resolve a complaint within 15 business days, we will inform you that we have been unable to resolve the dispute, and that you may refer the matter to our external dispute resolution scheme, which is administered by Financial Ombudsman Service (FOS), together with details on how to contact them. FOS is a National Scheme for consumers aimed at resolving disputes between insureds and their companies or claimants who have a dispute with another person's insurance company. The Scheme also provides general information about any general insurance matter. The FOS Scheme is an ASIC approved external dispute resolution scheme.

Privacy

We are bound by the National Privacy Principles of the Privacy Act 1988 (Cth) when we collect and handle your personal information.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling. We also collect your personal information to conduct market or customer satisfaction research and to develop and identify products and services that may interest you. If necessary, we may collect your health and other sensitive information, but we will obtain your consent before doing so unless the collection is required or permitted by or under law.

We disclose personal information to persons we deal with in providing our services to you, for example, reinsurers, insurance intermediaries, insurance reference bureaus, credit reference agencies, our and your advisers and those involved in the claims handling process, for the purposes of assisting us and them in providing relevant services and products, and for the purposes of litigation. We limit the use and disclosure of any personal information provided by us to them to the specific purpose for which we supplied it. By providing your personal information to us, you consent to us making these disclosures.

Without this information, we may not be able to provide you with the services you require.

When you give us personal information about other individuals, we rely on you to have made or make them aware that you will or may provide their information to us and the types of third parties we may provide it to, the relevant purposes we and the third parties will use it for, and how they can access it. If you have not done or will not do either of these things, you must tell us before you provide the relevant information.

If you would like a copy of our Privacy Policy, would like to seek access to or correct your personal information, or opt out of receiving materials we send, please contact us.

Confirming Transactions

You may contact us in writing or by phone to confirm any transaction under your insurance if you or your adviser do not already have the required policy confirmation details.

Updating our Product Disclosure Statement

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS to update

the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

Compensation Arrangements

The *Corporations Act 2001* (Cth) requires licensees to have arrangements for compensating retail clients for losses they suffer as a result of a breach by the licensee or its representatives of Chapter 7 of this Act, unless an exemption applies. We are exempt from this requirement because we are an insurer supervised by the Australian Prudential Regulation Authority and subject to the prudential requirements of the *Insurance Act 1973* (Cth).

About Affinity

Affinity arranges this Policy as an agent of Lumley General. Affinity

- will be acting with Lumley General's authority and be Lumley General's agent solely in all matters concerning this insurance; and
- may receive a commission.

Neither Affinity nor any of its related companies guarantees the benefits payable under the proposed insurance contract.

COVER

Definitions

In your Policy and PDS some of the words have special meaning wherever they appear (whether expressed in the singular or the plural) and we define them below.

“we” “us” “our” and “Lumley General” means Wesfarmers General Insurance Limited, trading as Lumley General.

“you” and “your” means the person(s) named as the Insured in the Schedule and those persons who live with the named insured(s) permanently who are any of the following:

- their legal spouse, de facto, partner; or
- any member of the named insured's own family and their spouse's or de facto's family.

“Above-ground swimming pool” means a pool or spa which has most of its water volume above the average ground level.

“Accident” or “Accidental” means an unforeseen and unintended event and includes a series of accidents arising out of the one event.

“Act of Terrorism” means any act including but not limited to the use of, or threat of, force or violence 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reason, including the intention to coerce, influence or intimidate any government and/or the public, or any section of the public.

“Agent” means Affinity Risk Partners Pty Ltd trading as Affinity Insurance Brokers (“Affinity”).

“Building” means the residential building at the Situation stated in the Schedule as defined in Section One – Building Cover, unless otherwise stated in your Policy.

“Business” means any business, trade, profession, occupation, assignment of stock, grazing, farming, commercial or income earning activity, but it does not mean tenancy of the Building.

“Contents” means Contents as defined in Section Two – Contents Cover.

“Excess” means the amount specified in the Schedule and elsewhere in your Policy which you must contribute towards any claim. It is payable for each occurrence covered by your Policy.

“Family” means people if they normally reside in your home, being your partner, spouse (legal or de facto), parents, parents in law, your children and your spouse’s children.

“Flood” means the inundation of normally dry land by water which escapes or is released from the confines of any natural or man made watercourse, lake, reservoir, canal or dam.

“Forced entry” means illegal entry into a building through its doors, windows, walls or roof from the outside. It includes picking a lock or illegal use of keys. It does NOT mean opening an unlocked door or window.

“Fusion” means the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by electric current.

“GST” and **“input tax credit”** have the meanings given in the *A New Tax System (Goods and Service Tax) Act 1999*.

“Indemnify” means to compensate you for your loss, or put you back in the same position you were prior to the loss occurring.

“In-ground swimming pool” is a pool or spa which has most of its water volume below the average ground level.

“Insurer” means Wesfarmers General Insurance Limited, trading as Lumley General.

“Maximum amount” means the maximum we will pay (inclusive of all legal costs) for any one occurrence arising from an insured event.

“Negotiable Instrument” means a legal document that represents money and that can be legally transferred in title from one person to another.

“Occurrence” means one or a series of events, including continuous or repeated exposure to substantially the same general conditions, which results in death or bodily injury or property damage, which is neither expected nor intended by you or your family.

“Open Air” is restricted to the Situation and includes non-lockable structures and non-lockable parts of the home. Open Air also means in or on a motor vehicle, motor cycle, trailer or caravan, at the Situation, whether those vehicles are locked or not.

“Pair, set or collection” means two or more articles the collective value of which exceeds the sum of their individual values. A set means:

- (a) more than one item created or made by the same maker and designed to be displayed, used or worn together; or
- (b) any pendant, brooch or charm attached to a necklace, bracelet or chain (whether detachable or not), or a pair of earrings or cufflinks.

“Period of Insurance” is the period during which this Policy provides cover and is shown in the Schedule.

“Policy” means this document, the current Schedule and any other endorsement or notice we give you in writing. Together they form our agreement with you.

“Premium” means the amount you have to pay us (inclusive of all government charges) for your insurance.

“Proposal form” means the application for insurance completed by you which details the risk(s) to be insured and specifies the sections within the Policy you wish to insure. This enables us to

decide on whether your application for insurance is acceptable to us and to calculate the premium required to insure the risk.

“Rainwater” means rain which falls naturally from the sky. It includes rainwater run-off over the surface of the land but NOT flood.

“Reside(s)” means to live in the home on a continuous basis.

“Riot or civil commotion” is a group of people taking part in a disturbance or dispute but NOT civil war, insurrection, rebellion, revolution or use of usurped power.

“Schedule” means the most current Schedule we give you which contains the most recent description of Cover. It details the insured, the Situation, the type of cover, the sums insured, the Period of Insurance, and other relevant details. We will give you a Schedule:

- (a) when you first buy a Policy from us;
- (b) when you change any part of any Policy or any personal details relevant to it; and
- (c) when we invite you to renew any Policy with us.

“Situation” is the place shown on the Schedule where the insured Building and Contents are located.

“Specified Contents” means any content items including fine art, paintings, antiques and curios and other bona fide works of art that we have agreed with you to insure for higher than the standard limits and which are separately specified in the Schedule as Specified Contents.

“Specified Valuables” means contents that are articles of jewellery, watches, furs, gold or silver articles and other articles that we have agreed with you to insure under Section Three – Specified Valuables Cover for a specific sum and which are separately specified in the Schedule as Specified Valuables (Please refer to definition of Valuables in Section Two – Contents Cover).

“Storm” means a violent wind, cyclone or tornado which may also include rain, hail or snow.

“Storm surge” means a high tide usually caused by winds, storms, cyclonic or other conditions.

“Sub-limit” means the maximum amount you can claim for one event resulting in a claim.

“Sum(s) insured” means the amount the home, contents or personal property are insured for.

“Temporarily removed” means to remove items from the home and return them before 180 days expires. Items intended to be permanently removed from the home for any period are NOT temporarily removed.

“Tools and machines of trade” are tools or machines that are used or have been used in the last 12 months for any income earning pursuit.

“Total Loss” means totally destroyed.

“Uninhabited” means that in the 60 day period before the loss or damage NO person did reside in the home overnight on at least one occasion.

“Unspecified Personal Property” means items specifically designed to be worn or carried on your person that we have agreed to cover under Section Three - Optional Covers.

“Valuables” means contents that are articles of jewellery, watches, furs, gold or silver articles and other articles that we have agreed to cover (Please refer to definition of Valuables in Section Two - Contents Cover).

“Watercraft” means any vessel, machine or object designed to be used on or in water.

SECTION ONE - Building Cover

This cover only applies when you have selected Building Cover and you have paid a Premium and it is shown on your Schedule.

1.1 Definition of Building

Building means the residential building at the Situation stated in the Schedule and includes:

- (a) domestic fixtures and fittings such as light fittings, fixed wall coverings and fixed ceiling coverings;
- (b) built-in air conditioners and heaters, plumbed-in dishwashers and garbage disposal systems;
- (c) domestic outbuildings such as garages, carports and garden sheds;
- (d) structural domestic improvements such as paths, driveways, garden borders, your proportion of fencing;
- (e) in-ground swimming pools and spas (including attachments which fit into their filter systems), saunas, domestic jetties and domestic pontoons;

- (f) awnings, pergolas, TV antennae, satellite dishes and letter boxes;
- (g) fixed floor coverings, such as linoleum, floor tiles and parquetry;
- (h) tennis courts;
- (i) incinerators;
- (j) underground services such as plumbing, sewerage, water and electrical;
- (k) unfixed building materials (up to a maximum of \$1,000);
- (l) services (whether underground or not) that are your property or which you are liable to repair or replace or pay the cost of their repair or replacement;
- (m) anything permanently built, permanently constructed or permanently installed on your property for domestic purposes;
- (n) trees, shrubs and plants which are damaged as a result of fire, theft, malicious damage or impact damage by vehicles, occurring during the Period of Insurance. We will pay up to a maximum of \$500 per item up to a total of \$2,500 for any one claim including the removal of debris; and
- (o) artificial lawn which is damaged as a result of fire or theft occurring during the Period of Insurance. We will pay up to a maximum of \$7,500 for any one Period of Insurance including the removal of debris.

Building does not include

- (p) property of tenants, roomers, boarders or paying guests;
- (q) carpets, internal blinds and curtains;
- (r) any building or part of a building used for trade or manufacturing other than a home office or surgery;
- (s) soil or bark (mulch) in gardens;
- (t) above ground swimming pools;
- (u) caravans, trailers or vehicles of any kind;
- (v) gravel, stones, shale, clay or soil on paths, driveways or tennis courts;
- (w) a hotel, motel, nursing accommodation, aged care accommodation, boarding house, buildings of flats, body corporate, or caravan (whether fixed to the Situation or not);

- (x) any part of the Situation used for commercial farming including agricultural fencing, sheds, tanks and stables;
- (y) structures established or used for hobby farming where the total farm exceeds 2 hectares including agricultural fencing, sheds, tanks and stables; or
- (z) pontoons used commercially or for income earning activities.

1.2 Accidental loss or damage cover

We will cover you for Accidental loss of or Accidental damage to your Building occurring at the Situation and during the Period of Insurance **but not** loss or damage caused by tenants or their visitors.

We only provide cover up to the amount(s) and limit(s) and Sum(s) Insured specified in your Schedule and Policy and subject to its other terms, conditions and exclusions. In particular please refer to Section Six - General Exclusions, which sets out what we do not cover.

1.3 How we settle any valid claim

- (a) We will, at our option:
 - (i) repair, replace, rebuild or pay you the reasonable cost to repair, replace or rebuild the damaged part of the Building up to its replacement cost; or
 - (ii) pay you up to the Building Sum Insured.
- (b) If we choose to repair, replace or rebuild or pay you the reasonable cost to do so and you do not:
 - (i) commence repairing, replacing or rebuilding your Building within 6 months of the loss or damage; or
 - (ii) wish to repair, replace or rebuild your Building, we will:
 - (1) deduct an amount from any claim settlement for depreciation, wear and tear, based on the age and condition of the Building immediately before the loss or damage; or
 - (2) pay you up to the Building Sum Insured.
- (c) We will pay for the damaged portion of fixed coverings to walls, floors and ceilings, only in the room, hall or passage where the loss or damage occurred; and

(d) You will need to pay any applicable Excess.
 (Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

1.4 Additional Benefits and Limitations

Benefit	Explanation
<p>Fusion in an electric motor</p>	<p>We will pay for loss or damage occurring during the Period of Insurance caused by the actual burning out of an electric motor forming part of the Building. We will, at our option, pay the reasonable cost to repair or replace the electric motor or any sealed compressor following the loss or damage to the motor, provided the motor is up to 15 years old from the date of manufacture. If the motor forms part of a sealed air conditioning unit, we will pay for the replacement of the unit, plus the cost of replacing gas.</p> <p>We will not pay for:</p> <ul style="list-style-type: none"> a) the repair or replacement of any part which does not form part of the electric motor or actual sealed compressor unit; b) normal service or exchangeable items; c) loss or damage to any submersible and bore hole type pumps over 3hp; d) the cost of repair or replacement of rectifiers and transformers; or e) motors under any warranty or manufacturers' guarantee.

Benefit	Explanation
Location cost – escaping liquid	If we pay for damage caused by liquid escaping from any fixed basin, shower base or other fixed apparatus, fixed tanks, or fixed pipes used to hold or carry liquid, we will also pay the reasonable costs of locating the cause of the damage, and of reinstating the property damaged or disturbed in the course of work.
Replacement locks	If the keys to external doors or window locks of the Building are lost or stolen during the Period of Insurance, we will pay the reasonable and necessary costs of replacing the Building's external locks, keys or cylinders with similar items. Payment is limited to a maximum of \$1,000 for any one claim. However, if you claim for this benefit under both Section One – Building Cover and Section Two - Contents Cover, the maximum we will pay for both claims combined is \$1,000.
Additional Building costs	We will cover the additional cost of complying with any government or local authority by-laws that regulate the repair, rebuilding or demolition of your Building made necessary by loss or damage covered under Section 1.2 above, provided you repair or rebuild your Building at the same Situation. We will only pay costs which relate to the damaged parts of the Building. Payment is limited to a maximum of 10% of the Building Sum Insured.

Benefit	Explanation
Additional Building costs Cont.	We will not pay any extra costs if you receive notice of any building regulation requirements you must comply with before the date when the loss or damage occurred.
Alternative accommodation when principal residence becomes uninhabitable	If the Building is owned and occupied by you as your principal place of residence and it becomes uninhabitable following loss or damage covered by Section 1.2, we will cover the additional cost of reasonable temporary accommodation for you and your household pets for up to 24 months or the period it takes to make the Building inhabitable, whichever is the lesser. Payment is limited to a maximum of 10% of the Building Sum Insured.
Architects and other fees	We will cover architects, surveyors, consulting engineers and legal fees following loss or damage covered under Section 1.2 above. Payment is limited to a maximum of 10% of the Building Sum Insured.
Building modifications following serious injury	If the Building is owned and occupied by you as your principal place of residence we will pay the reasonable costs to make the necessary modifications to your Building following an injury to you resulting in permanent paraplegia or permanent quadriplegia which is the direct result of an Accident or violent crime at the Situation, during the Period of Insurance. Payment is limited to maximum of \$10,000.

Benefit	Explanation
Extra Costs of reinstatement	<p>If we agree to pay a claim, we will pay the extra costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing the Building at the Situation.</p> <p>If only part of the Building is damaged, we will pay only the additional costs you incur in repairing that part.</p> <p>Payment is limited to a maximum of 10% of the Building Sum Insured.</p> <p>We do not pay any extra costs which resulted from any notice which a statutory authority served on you before the date when the loss or damage occurred.</p>
Indexation of Sum Insured	<p>In the event of a Total Loss of the Building, the Building Sum Insured is automatically varied to take into account any relevant increases in the Consumer Price Index.</p>
Mortgagee legal costs	<p>We will pay the reasonable legal costs associated with the discharge of a mortgage or mortgages on the Building following the settlement of a claim for a Total Loss of the Building.</p> <p>Payment is limited to a maximum of \$500 for any one Period of Insurance.</p>

Benefit	Explanation
Purchaser's interest	If this Policy covers the Building and you have entered into a contract to sell the Building during the Period of Insurance, we will cover the purchaser's legal interest in the Building from when they become liable for any damage to the Building until the contract is settled or terminated, or until the purchaser insures the Building, whichever happens first.
Removal of debris	We will cover the reasonable expenses to remove Building debris following loss or damage covered under Section 1.2 above. Payment is limited to a maximum of 10% of the Building Sum Insured.
Strata Title Mortgagee Protection	<p>When you own part of a building that has been subdivided, usually into Strata Title units, and you have a mortgage on that part of the building, we will cover the part of the building that you own for loss or damage on the same basis as set out in Section 1.2.</p> <p>We will pay up to the amount you owe on your mortgage but no more than the Building Sum Insured. We will pay this to your mortgagee when you are required to pay your mortgage in full following a loss.</p> <p>We will only pay this when the body corporate has not insured the Building, or it has not insured the Building for damage that you can claim for under your Policy. (Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).</p>

SECTION TWO - Contents Cover

This Cover only applies when you have selected Contents Cover and you have paid a Premium and it is shown in your Schedule.

2.1 Definition of Contents

Contents means:

- (a) carpets, internal blinds and curtains. We will only pay for the repair or replacement of the damaged carpets, internal blinds and curtains in the room, hall or passage where the loss or damage occurred;
- (b) computer systems and their accessories and photographic equipment and their accessories. If the loss or damage occurs when these items are temporarily removed from the Situation, payment is limited to a maximum of \$5,000 for any one claim;
- (c) clothing and personal effects not otherwise stated;
- (d) surfboards, sailboards, surf skis, canoes or kayaks when not being used;
- (e) swimming pools and spas not permanently fixed;
- (f) furniture and household goods;
- (g) fixtures and domestic structural improvements inside a Strata Title unit that are not insured by the Body Corporate, when the Contents Sum Insured is not otherwise exhausted; and
- (h) Unspecified Valuables up to \$2,500 for any one article, pair, set or collection and up to a maximum of 25% of the Contents Sum Insured for all articles, pairs, sets or collections, but only if the loss or damage occurs whilst at the Situation.

If the loss or damage occurs whilst Unspecified Valuables are temporarily removed from the Situation, payment is limited to a maximum of \$2,500 for any one article, pair, set or collection and up to a maximum of \$8,000 or 25% of the Contents Sum Insured, whichever is the lesser, for all articles, pairs, sets or collections. (Note: Valuables can be insured separately for higher individual limits under Section Three – Specified Valuables Cover).

Valuables means:

- (i) Watches;
- (ii) Jewellery;
- (iii) Gold or silver objects;
- (iv) Photographic equipment including video equipment, accessories and unprocessed film, unless they are being used underwater, or to earn income;
- (v) Sporting equipment except while in use or play;
- (vi) Clothing;
- (vii) Furs;
- (viii) Battery operated sound equipment;
- (ix) Musical equipment;
- (x) Wheel chairs, crutches and walking sticks;
- (xi) Electronic diaries;
- (xii) Global Positioning Systems (GPS);
- (xiii) Mobile or portable phones;
- (xiv) Portable computers; and
- (xv) Collections of stamps, money or medals.

Contents does not include:

- (a) birds, fish and animals;
- (b) motorised land vehicles and their attached accessories including motor vehicles, trucks, motorcycles, mini bikes and farm vehicles, but excluding motorised golf buggies, ride on mowers under 18hp, mini bikes up to 125cc and motorised wheelchairs;
- (c) Pedal Cycles when being used for racing or pace making;
- (d) watercraft exceeding 4 metres in length or if powered by a motor exceeding 10hp;
- (e) jet skis;
- (f) aircraft or aerial device, excluding non-pilotable model aircraft or toy kites;
- (g) any conveyance designed to travel on an air-cushion over surface of land or sea;

- (h) stock, money and stamps belonging to your Business;
- (i) precious stones (being unset gems);
- (j) property of tenants, roomers, boarders or paying guests;
- (k) caravans and trailers;
- (l) trees, shrubs and other plant life, except when growing in pots;
- (m) firearms which are not registered or not stored in accordance with relevant legislation; or
- (n) any item insured under Section Three – Specified Valuables and Unspecified Personal Property Cover.

2.2 Accidental loss or damage cover

We will cover you for Accidental loss of or Accidental damage to your Contents occurring during the Period of Insurance:

- (a) whilst at the Situation; or
- (b) whilst temporarily removed from the Situation to anywhere in Australia and New Zealand.

(We only provide cover up to the amount(s) and limit(s) and Sum(s) Insured specified in your Schedule and Policy and subject to its other terms, conditions and exclusions).

2.3 Contents where a sub-limit applies

Contents where a sub-limit applies	Sub-limit
Office or surgical equipment used by you or your family in your or their own business at the Situation. This includes business computers and equipment used in an office or surgery at the Situation but NOT stock or business data stored in computers	Up to a maximum of \$15,000 for any one claim but only whilst at the Situation.

Contents where a sub-limit applies	Sub-limit
Cash, coins, treasury notes, saving certificates, stamps, money orders, other negotiable instruments and bullion	Up to a maximum of \$1,000 for any one claim.
Money and negotiable documents of any kind	Up to a maximum of \$1,000 in total for any one claim or up to a maximum of \$5,000 in total for any one claim but only whilst secured in a bank vault or safety deposit box.
Credit cards or financial transaction cards owned by you	Up to a maximum of \$1,500 for any one claim for fraudulent use by persons other than you or your family of credit cards or financial transaction cards owned by you provided you have complied with the terms on which the credit or financial transaction cards were issued and providing the fraudulent use has not been reimbursed by the card issuer.
Coin collections, stamp collections, firearms and bullion	Up to a maximum of \$2,500 for any one article, pair, set or collection and up to a maximum of \$5,000 in total for all articles, pairs, sets or collections for any one claim.
Mobile phones belonging to your Business	Up to a maximum of \$1,000 in total for any one claim but only whilst at the Situation.
Tools of trade and machines of trade	Up to a maximum of \$5,000 in total for any one claim but only whilst at the Situation.

Contents where a sub-limit applies	Sub-limit
Specified Contents	Up to a maximum of \$20,000 for any one article, pair, set or collection unless we have agreed to cover it for a higher limit and it is specified on the Schedule, and up to a maximum of 25% of the Contents Sum Insured for any one claim.
Valuables	Up to a maximum of \$2,500 per item, pair, set or collection and up to a maximum of 25% of the Contents Sum Insured for any one claim.
Pedal cycles/Bicycles	Up to a maximum of \$1,500 per item for any one claim.
Accessories or spare parts of motor vehicles, caravans, trailers and Watercraft NOT in or on the vehicle, caravan, trailer or Watercraft.	Up to maximum of \$1,000 in total for any one claim.
Sporting and fishing equipment	Up to a maximum of \$7,500 in total for any one claim provided it is not in use when the loss or damage occurs.
Visitors' Contents	We will insure Contents belonging to visitors who temporarily reside with you at the Situation shown in the Schedule while their Contents are inside the Building for up to 30 consecutive days, up to a maximum amount of \$5,000 for any one claim, but only whilst at the Situation.

Contents where a sub-limit applies	Sub-limit
Watercrafts less than 4 metres in length which are not powered by a motor, or are powered by a motor less than 10hp	Up to a maximum of \$5,000 in total for any one claim.

2.4 How we settle any valid claim

- (a) We will, at our option:
- (i) repair, replace or pay you the reasonable cost to repair or replace, your Contents up to their replacement cost; or
 - (ii) pay you up to the Contents Sum Insured, taking into account the relevant limits that apply to particular Contents. See Section 2.3 for the limits and the Schedule for any Specified Contents limits; and
- (b) You will need to pay any applicable Excess.

(Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

2.5 Additional Benefits and Limitations

Incident	Explanation
Fusion in an electric motor	We will pay for loss or damage occurring during the Period of Insurance caused by the actual burning out of an electric motor. We will, at our option, pay the reasonable cost to repair or replace the electric motor or any sealed compressor following the loss or damage to the motor, provided the motor is up to 15 years old from the date of manufacture. If the motor forms part of a sealed air conditioning unit, we will pay for the replacement of the unit, plus the cost of replacing gas.

Incident	Explanation
Fusion in an electric motor Cont.	<p>We will not pay for:</p> <ul style="list-style-type: none"> a) the repair or replacement of any part which does not form part of the electric motor or actual sealed compressor unit; b) service or maintenance or exchangeable items; c) loss or damage to any submersible and bore hole type pumps over 3hp; d) the cost of repair or replacement of rectifiers and transformers; or e) motors under any warranty or manufacturers' guarantee.
Location cost – escaping liquid	<p>If we pay for damage caused by liquid escaping from any fixed basin, shower base or other fixed apparatus, fixed tanks, or fixed pipes used to hold or carry liquid, we will also pay the reasonable costs of locating the cause of the damage, and of reinstating the Contents damaged or disturbed in the course of work.</p>
Replacement locks	<p>If the keys to external doors or window locks of the Building are lost or stolen during the Period of Insurance, we will pay the reasonable and necessary costs of replacing the Building's external locks, keys or cylinders with similar items. Payment is limited to a maximum of \$1,000 for any one claim. However, if you claim for this benefit under both Section One – Building Cover and Section Two - Contents Cover, the maximum we will pay for both claims combined is \$1,000.</p>

Incident	Explanation
Pairs, Sets and Parts	If loss or damage occurs to an item, which is part of a pair, set, system, collection or larger unit, we will only pay the value the item itself has as a proportion of the combined pair, set, system, collection or larger unit. We will not pay any allowance for any special value that the item may have in forming part of a pair, set, system, collection or larger unit or for any reduction in the value of the remaining part or parts.
Spoilage of refrigerated food	We will pay for Accidental loss of or damage to refrigerated and/or frozen food in a domestic freezer or refrigerator which is less than 15 years old from the date of manufacture, as a result of any mechanical, electrical or electronic failure which occurs during the Period of Insurance, notwithstanding the provisions of General Exclusion 6.2.
Household pets	We will pay the reasonable veterinary costs for your household pet if your pet is injured as a result of a motor vehicle Accident during the Period of Insurance up to a maximum of \$500 for any one claim.
Removal of debris	We will pay the reasonable costs for the removal of debris of Contents following Accidental loss or damage covered under Section 2.2. Payment is limited to a maximum of 10% of the Contents Sum Insured.

Incident	Explanation
Visitors' and domestic workers' effects	We will pay a maximum of up to \$5,000 for any one claim for Accidental loss of or Accidental damage to personal effects belonging to visitors or domestic workers, excluding tenants, roomers, boarders and paying guests, which occurs during the Period of Insurance, but only whilst at the Situation, and provided the effects are not otherwise insured and we would have paid the claim had the effects been your own.
Loss of value following restoration	If an item is repaired and the restored value is less than the market value immediately before the loss or damage, we will pay the difference but we will not pay more than the relevant limit or Sum Insured for that item.
Compensation for fatal injury	We will pay \$10,000 if you die provided your death is caused by an Accident at the Situation which occurred whilst the Situation was owned or tenanted by you as your principal place of residence, and provided you died within 90 days of such Accident.
Personal documents	We will cover the reasonable expenses to reproduce, restore or replace your personal documents following loss or damage covered in Section 2.2, including personal data stored in a computer, but only whilst at the Situation or in a bank vault or safety deposit box. The maximum we will pay during the Period of Insurance for all claims combined is \$2,000.

Incident	Explanation
Indexation of Sum Insured	In the event of a Total Loss to your Contents, the Contents Sum Insured is automatically varied to take into account any relevant increases in the Consumer Price Index.
Newly acquired principal residence	<p>If you are moving to a new Situation, to be permanently occupied by you as your principal place of residence within Australia, we will cover your Contents but only whilst they are contained in the new Situation for a period of 35 days but:</p> <ul style="list-style-type: none"> a) the total liability at both Situations will be limited to the Contents Sum Insured; and b) the Cover on your Contents at the old Situation will cease 35 days from the date the Contents were first removed to the new Situation; and c) you must advise us in writing of the new Situation within 35 days from the date the Contents were first moved to the new Situation and pay us any additional premium; and d) you must agree to any other terms we may require.
Contents in transit to a new Situation	We will cover your Contents in transit for fire, flood, collision and/or overturning of the conveying vehicle during a permanent removal from your Situation during the Period of Insurance, but only when being moved by road from the Situation to another Situation within Australia.

Incident	Explanation
<p>Contents in transit to a new Situation Cont.</p>	<p>The most we will pay is the Contents Sum Insured, subject always, to the extent permitted by law, and subject to indemnities provided under any transit insurance being first invoked and exhausted prior to indemnity being provided under your Policy.</p>
<p>Alternative accommodation when principal residence becomes uninhabitable</p>	<p>If the Situation is owned and occupied by you as your principal place of residence and it becomes uninhabitable following loss or damage covered by Section 2.2, we will cover the additional cost of reasonable temporary accommodation for you and your household pets for up to 24 months or the period it takes to make the Situation inhabitable, whichever is the lesser. Payment is limited to a maximum of 10% of the Contents Sum Insured.</p>
<p>Alternative temporary accommodation due to denial of access</p>	<p>If, as a direct result of damage to neighbouring premises, a local or police authority prohibits your access to the Situation, we will pay for:</p> <ul style="list-style-type: none"> a) the reasonable costs of comparable accommodation incurred by you up to a maximum of two weeks if the Situation is owned and occupied by you as your principal place of residence; or b) the reasonable costs of comparable accommodation incurred by you up to maximum of two weeks if the Situation is tenanted by you; and

Incident	Explanation
<p>Alternative temporary accommodation due to denial of access Cont.</p>	<p>c) the reasonable costs of temporary accommodation for your household pets up to a maximum of two weeks.</p> <p>Payment is limited to a maximum of 10% of the Contents Sum Insured.</p>
<p>Flood damage to Contents</p>	<p>We will cover loss or damage to your Contents, excluding swimming pools and spas, caused by Flood up to a maximum of \$10,000 for any one claim or a maximum of 5% of the Contents Sum Insured, whichever is the lesser. This clause operates notwithstanding the provisions of General Exclusion 6.27.</p>
<p>Security firm attendance</p>	<p>We will pay the reasonable fees or charges incurred for a security firm to attend the Situation in response to a monitored alarm system activation if there is:</p> <ul style="list-style-type: none"> a) a burglary; or b) an attempted burglary.
<p>Taxation audit expenses</p>	<p>We will pay the reasonable accounting fees you incur in connection with an audit of your personal taxation affairs by the Federal Commissioner of Taxation first notified to you during the Period of Insurance. You must advise us of any such audit. We will only pay claims notified to us during the Period of Insurance. The maximum we will pay during the Period of Insurance is \$5,000 for all claims combined.</p>

Incident	Explanation
<p>Taxation audit expenses Cont.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> a) any fees if the audit relates to a criminal prosecution; b) any fees where the final assessment of your taxable income for the period being audited is 20% higher than your original declaration; c) any fees for work performed outside the time limits allowed for by the Federal Commissioner of Taxation; or d) any fines, penalties, costs orders or adjustments of taxation.
<p>Personal legal expenses</p>	<p>We will cover your legal fees, expenses and other disbursements reasonably and properly incurred in defending any legal proceedings made or commenced in Australia during the Period of Insurance. The maximum we will pay during the Period of Insurance for any one claim and all claims combined is \$5,000.</p> <p>We will not cover you in relation to any proceedings arising directly or indirectly from or in any way connected with:</p> <ul style="list-style-type: none"> a) any dispute involving a family member including your spouse, ex-spouse, defacto or ex defacto, partner or ex-partner or their family, including, but not limited to, divorce, child maintenance, custody or property disputes;

Incident	Explanation
<p>Personal legal expenses Cont.</p>	<ul style="list-style-type: none"> b) any claims for death, bodily injury or disease of or to any person; c) any matter which could have been insured under a separate motor vehicle, motorcycle, home, caravan, boat or aviation insurance policy; d) any matter involving dishonesty, intentional violence, wilful damage or destruction to property by you or any criminal charge or prosecution brought against you; e) any road traffic, boating or aviation offence committed by you; f) any matter arising out of your Business; g) any award of damages made against you; h) any penalties, fines, costs orders or award of aggravated, exemplary or punitive damages made against you; i) any claims arising out of any insurance cover required by legislation or any matter in respect of which you are required to have separate workers compensation or compulsory third party insurance; or j) circumstances you were aware of or ought to have been aware of before the commencement of the Policy, which might give rise to a claim against you.

2.6 Exclusions

We will not pay for loss or damage to Contents:

- (a) in an unattended watercraft;
- (b) whilst in transit to or stored in any commercial storage facility or furniture repository;
- (c) whilst in transit to or stored in any exhibition, auctioneer's room, museum, art gallery or when being consigned;
- (d) when sent by courier or by post; or
- (e) when theft or disappearance of money and negotiable documents of any kind occurs from unattended motor vehicle or watercraft.

(Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

SECTION THREE - Optional Covers and Premium Discounts

3.1 Specified Valuables

This Cover only applies when you have selected the Optional Cover for Specified Valuables and paid an additional premium and it is shown in your Schedule.

What is covered

When this option has been selected and it is shown on your Schedule we will cover you for Accidental loss of or damage to your Specified Valuables occurring during the Period of Insurance whilst they are:

- (a) located in Australia and New Zealand; or
- (b) temporarily removed to elsewhere in the world for no more than a continuous period of 60 days.

Valuables means:

- (i) Watches;
- (ii) Jewellery;

- (iii) Gold or silver objects;
- (iv) Photographic equipment including video equipment, accessories and unprocessed film, unless they are being used underwater, or to earn income;
- (v) Sporting equipment except while in use or play;
- (vi) Clothing;
- (vii) Furs;
- (viii) Battery operated sound equipment;
- (ix) Musical equipment;
- (x) Wheel chairs, crutches and walking sticks;
- (xi) Electronic diaries;
- (xii) Global Positioning Systems (GPS);
- (xiii) Mobile or portable phones;
- (xiv) Portable computers; or
- (xv) Collections of stamps, money or medals.

(We only provide cover up to the amount(s) and limit(s) and Sum(s) Insured specified in your Schedule and Policy and subject to its other terms, conditions and exclusions).

3.2 Unspecified Personal Property

This Cover only applies when you have selected this option and it is shown on your Schedule.

What is covered

When this option has been selected, and it is shown on your schedule, we will cover you for Accidental loss of or damage to your Unspecified Personal Property occurring during the Period of Insurance whilst it is:

- (a) located in Australia and New Zealand; or
- (b) temporarily removed to elsewhere in the world for no more than a continuous period of 60 days.

The maximum we will pay for any one item is \$2,500, up to a maximum of \$6,000 for any one claim.

(We only provide cover up to the amount(s) and limit(s) and Sum(s) Insured specified in your Schedule and Policy and subject to its other terms, conditions and exclusions).

Unspecified Personal Property means:

- (i) Watches;
- (ii) Jewellery;
- (iii) Gold or silver objects;
- (iv) Photographic equipment including video equipment;
- (v) Sporting equipment except while in use or play;
- (vi) Clothing;
- (vii) Other personal belongings specifically designed to be worn or carried on your person;
- (viii) Battery operated sound equipment;
- (ix) Musical equipment;
- (x) Binoculars;
- (xi) Luggage;
- (xii) Wheel chairs, crutches and walking sticks; or
- (xiii) Camping equipment, back packs and sleeping bags.

Unspecified Personal Property does not include:

- (xiv) Vehicles;
- (xv) Watercraft;
- (xvi) Aircraft, aerial devices;
- (xvii) Equipment normally associated with the above 3 items;
- (xviii) Musical instruments or photographic and video equipment including associated equipment used for professional purposes or reward;
- (xix) Cash or negotiable securities; or
- (xx) Bicycles (unless listed as a Specified item).

3.3 How we settle any valid claim

- (a) We will, at our option:
 - (i) repair or replace or pay you the reasonable cost to repair or replace, your Specified Valuable and/or Unspecified Personal Property; or

- (ii) pay you up to the Sum Insured for the Specified Valuable and/or Unspecified Personal Property.
- (b) If loss or damage occurs to a Specified Valuable or Unspecified Personal Property which is part of pair, set, system, collection or larger unit, we will only pay the value the item itself has as a proportion of the combined pair, set, system, collection or larger unit. We will not pay for any special value that the item may have in forming part of a pair, set, system, collection or larger unit or for any reduction in the value of the remaining part or parts.
- (c) You will need to pay any applicable Excess
(Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

3.4 Loss of value following restoration

If a Specified Valuable or Unspecified Personal Property is repaired and the restored value is less than the market value immediately before the loss or damage, we will pay the difference but we will not pay more than:

- (a) the Sum Insured for the Specified Valuable; or
- (b) \$2,500 per item for the Unspecified Personal Property up to a maximum of \$6,000 for any one claim.

3.5 Alarm system option

When you have selected this option, and it is shown on your Schedule and you have an alarm system that has been approved by us, your Premium will be reduced.

3.6 Deadlocks and key operated window locks option

When you have selected this option, and it is shown on your Schedule, and you have both key operated window locks on all windows and deadlocks fitted to all external doors, your Premium will be reduced.

SECTION FOUR - Legal Liability Cover

This Cover only applies when you have selected Building Cover or Contents Cover and it is shown on your Schedule.

4.1 Legal Liability cover

We will cover you for your legal liability for:

- (a) death or bodily injury to another person; and
- (b) damage to another person's property

caused by an Accident occurring during the Period of Insurance, subject to the following:

- (i) when the Building is insured under the Policy, we only indemnify you for your legal liability as owner or as owner occupier of the Building;
- (ii) when Contents are insured and you are the owner and/or occupier of the Situation, we only indemnify you for your legal liability as the owner of the Contents and/or the occupier of the Situation, but not any legal liability in connection with ownership of the Building or any building on the Situation;
- (iii) when Contents are insured and you occupy the Situation as your principal place of residence, we only indemnify you for your personal legal liability arising anywhere else in the world provided you are normally domiciled in Australia; and
- (iv) cover for your legal liability is subject always, to the extent permitted by law, to indemnities provided under any travel insurance or any other insurance being first invoked and exhausted prior to indemnity being provided under your Policy, unless otherwise stated.

4.2 Motor Vehicle Liability

We insure you and your family against any claim for compensation or expenses that you or your family become legally liable to pay for:

- (a) the death of, or bodily injury to, any person; and
- (b) the loss of, or damage to, property, arising from the ownership, custody, or use of:

- (i) any vehicle not required to be registered by law;
- (ii) any motorised wheelchair; or
- (iii) any domestic trailer not attached to any vehicle.

We also insure you or your family against any claim for compensation or expenses that you or your family become legally liable to pay for:

- (c) death or bodily injury caused by you or your family solely as a result of you or your family being passengers in a registered vehicle; and
- (d) death or bodily injury caused by any registered vehicle if the occurrence causing the death or bodily injury takes place at the Situation.

We do NOT insure you or your family:

- (e) if you or your family 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, entitled to apply for cover under the scheme or to comply with a term or condition of the scheme; or
- (f) if you or your family are entitled to be wholly or partly protected by any other policy of insurance which specifically covers the vehicle.

4.3 How we settle any valid claim

We will pay the cost of:

- (a) compensation; and
- (b) legal fees and expenses, for which you are legally liable. However, we will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

The maximum amount we will pay for your legal liability under this Section in respect of any one claim or series of claims arising from the same Accident is the amount shown in the Schedule. Where we have issued a separate Policy or Policies which also cover your legal liability in respect of an Accident, this limit applies to all claims combined under this Section and the other Policy or Policies, which arise from that Accident.

4.4 Exclusions

We will not cover you or your family for your legal liability to pay compensation:

- (a) for death or bodily injury to you or any other person who normally resides with you at the Situation;
- (b) for property that belongs to you or any other person who normally resides with you at the Situation;
- (c) for property that is in your physical and legal control or in the physical and legal control of any other person who normally resides with you at the Situation;
- (d) to any person you employ where you are legally obliged to provide cover under any workers compensation legislation or similar laws and any legal liability that arises from their employment with you;
- (e) directly or indirectly arising from or in any way connected with any Business carried on by you or any liability that directly or indirectly arises from any person employed by the Business;
- (f) directly or indirectly arising from or in any way connected with the ownership, operation, maintenance or use of any:
 - (i) registered motorised land vehicles including motor vehicles, trucks, motorcycles, mini bikes and farm vehicles but excluding motorised golf buggies, ride on mowers under 18hp and motorised wheelchairs not requiring registration or statutory motor insurance for the purpose it was being used at the time of the Accident, notwithstanding the cover provided under this Section;
 - (ii) caravans and trailers except when not attached to motorised land vehicles;
 - (iii) watercraft exceeding 4 metres in length or if powered by a motor exceeding 10hp;
 - (iv) jet skis;

- (v) aircraft landing areas or aircraft or aerial devices excluding non-pilotable model aircraft or toy kites;
- (vi) conveyance designed to travel on an air-cushion over surface of land or sea;
- (vii) pontoons; or
- (viii) lifts and inclinators.
- (g) for claims directly or indirectly arising from or in any way connected with your Building undergoing any process of construction, demolition, alteration and repair where the value of such work exceeds \$75,000;
- (h) directly or indirectly arising out of or in any way connected with any disease that is transmitted by you or any other person who normally resides with you at the Situation;
- (i) for penalties, fines, costs orders or awards of aggravated, exemplary or punitive damages made against you;
- (j) for your failure to take all reasonable precautions to comply with statutory obligations and regulations imposed by any authority;
- (k) directly or indirectly arising from or in any way connected with a Strata Title unit when Section One – Building Cover insures the interest of a mortgagee in a Strata Title unit only;
- (l) arising from any agreement or contract you enter into unless you would have been liable in the absence of such agreement or contract;
- (m) directly or indirectly connected in any way with asbestos;
- (n) directly or indirectly connected in any way with your breach of copyright, act of libel or assault caused by you; or
- (o) for your legal liability to any other person who is insured under this Policy (see definition of “you” and “your” in the Definitions Section).

(Please refer to the other terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

SECTION FIVE - General Exclusions

These exclusions apply to the whole of your Policy unless otherwise stated. They also apply to you and any other person covered by the Policy as if they were you.

We will not pay for any loss, damage or liability to your property which is caused by, arises from or is in any way connected with:

- 5.1** wear or tear, rust, corrosion, gradual deterioration and depreciation;
- 5.2** mechanical, electrical or electronic breakdown including when caused by any power supply irregularity including power surge except when caused by the actual burning out of an electric motor;
- 5.3** mildew and atmospheric or climatic conditions other than by rain, snow, sleet and hail;
- 5.4** domestic animals;
- 5.5** vermin, insects or by the pecking, clawing, chewing, eating or nesting by birds and other wildlife;
- 5.6** any process of cleaning, repairing, restoring or retouching of any item;
- 5.7** any process involving the application of heat or the use of chemicals;
- 5.8** tenants, roomers, boarders or paying guests and their visitors arising from or due to larceny, theft, malicious damage, vandalism or deliberate or intentional acts;
- 5.9** settlement, shrinkage, vibration or expansion in buildings, foundations, walls or pavements;
- 5.10** faulty workmanship, inherent defect, errors or omissions in design, structural defects and faulty design;
- 5.11** water seeping or otherwise percolating through a wall, floor or roof;
- 5.12** the roots of trees, shrubs, plants and grass;
- 5.13** erosion;
- 5.14** consequential loss of any kind;
- 5.15** the consequences of war, undeclared war, rebellion, civil war, insurrection, revolution, invasion, war like acts

of military forces or personnel, or the destruction or seizure of property for military purposes;

- 5.16** the confiscation, destruction or seizure of property by any government or public authority or other authority except when in connection with any riot or civil commotion;
- 5.17** nuclear or radioactive contamination;
- 5.18** contamination and pollution and the removal of any resultant pollutants and contaminants;
- 5.19** the failure or inability of any item, equipment or computer software including but not limited to firmware, data and embedded chips to recognise correctly, to interpret correctly or to process correctly any date or to function correctly beyond any time when that item, equipment or computer software has not recognised, interpreted or processed correctly any date. We will pay for any resultant loss or damage that is covered by the Policy, other than resultant loss or damage to any frozen food, computer equipment or computer software;
- 5.20** your Building undergoing any process of construction, demolition, alteration or repair;

This exclusion does not apply to insured property not affected by the construction, demolition, alteration or repair or when your Building is enclosed and under roof, with all outside doors and windows permanently in place.
- 5.21** any error in computer programming or instructions to the computer;
- 5.22** loss or damage or liability intentionally caused by you or a person acting with your consent, including losses resulting from the taking or other misappropriation of Contents or Specified Valuables;
- 5.23** property sent by courier or by post;
- 5.24** earth movement caused by landslip, landslide or subsidence, unless such loss or damage occurs within 24 hours of and as a direct result of:
 - (a) storm, rainwater or wind; or
 - (b) earthquake; or
 - (c) explosion; or
 - (d) water escaping from fixed pipes or apparatus.

- 5.25** any GST, or any fine, penalty or charge for which you are liable arising out of your misrepresentation of, or failure to disclose, your actual Input Tax Credit entitlement in the settlement of any claim or Premium relating to the Policy;
- 5.26** your failure to use all reasonable means to protect and maintain the insured property before, at, or after the time of any loss or damage;
- 5.27** flood damage except as provided in Section 2.5 – Contents Cover under Additional Benefits “Flood damage to Contents”;
- 5.28** storm surge (meaning an abnormal rise in the level of the sea along a coast caused by winds of a severe cyclone typically at least 30 kilometres across and 2 - 5 meters above the average sea level), tidal wave or high water;
- 5.29** any Act of Terrorism or any action taken in controlling, preventing, suppressing, retaliating against or in any way responding to or relating to an Act of Terrorism regardless of any other contributing cause or event;
- 5.30** storm, rainwater or wind to retaining walls, free standing walls, fences or gates not constructed of brick, concrete masonry or stone. This exclusion does not apply to gates or fences that have wooden posts that are under 15 years of age;
- 5.31** damage to trees, shrubs or plants by storm or rainwater or which is not sudden, unforeseen and accidental;
- 5.32** hydrostatic pressure;
- 5.33** failure to maintain your home in a good state of repair;
- 5.34** any unlawful or criminal act;
- 5.35** vibration or weakening of supports or foundations for the purpose of alterations, addition, renovation or repair to land, buildings or other property;
- 5.36** the use, existence or escape of nuclear weapons material, or ionising radiation from, or contamination by radioactivity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion; or
- 5.37** bushfire, grass fire or named cyclone within 48 hours of the start date of your Policy, unless you took out

this Policy immediately after another insurance policy covering the Building and/or Contents expired, but only for the same Sums Insured and conditions as your previous policy.

SECTION SIX - General Conditions

These conditions apply to the whole of your Policy unless otherwise stated. They also apply to you and any other person covered by the Policy as if they were you.

6.1 Duty of Disclosure and Misrepresentation

If you:

- (a) failed to comply with the duty of disclosure before your policy was entered into, by not telling us every matter which you knew or which a reasonable person could be expected to have known to be a matter relevant to our decision whether to insure you and on what terms to insure you; or
- (b) misrepresented any fact to us before your Policy was entered into; and

if we would not have entered into the Policy with you for the same Premium and on the same terms and conditions expressed in your Policy but for the failure to disclose or the misrepresentations, then if the non-disclosure or misrepresentation was fraudulent or dishonest

- (i) we may avoid your Policy; or
- (ii) our liability in respect of any claim may be reduced to an amount which would place us in the position in which we would have been but for your failure to disclose or your misrepresentation.

6.2 Building not lived in for more than 60 days

Unless our written consent has been obtained, your Building Cover, Contents Cover and Specified Valuables Cover, following any loss or damage at the Situation, will be limited to lightning, thunderbolt and earthquake only if you leave the Situation unoccupied for a period of 60 days or more. If we consent then an additional Premium and/or other terms may be required commencing from the date you leave the Situation unoccupied.

6.3 Cancellation by you

You may cancel your Policy at any time by telling us in writing you want to cancel it.

Where more than one person is insured under your Policy, we will only cancel the Policy when a written request to cancel the Policy is received from all insured persons.

Cancellation by you will be effective when we receive your request.

We subtract from any premium you have paid us an amount to cover the Period of Insurance that we have already insured you for. We then return the rest of the premium to you, less any policy fees or administration fees (these are non refundable) and any non refundable government charges and/or cancellation fees.

6.4 Cancellation by us

We may cancel your Policy by giving you written notice and in accordance with the law, including where you have:

- (a) made a misrepresentation to us before the Policy was entered into;
- (b) failed to comply with the Duty of Disclosure;
- (c) failed to comply with a term or condition of your Policy including failure to pay the Premium;
- (d) made a fraudulent claim under your Policy or any other Policy during the time your Policy has been in effect;
- (e) failed to notify us of a specific act or omission as required by your Policy; or
- (f) failed to tell us about any changes in the circumstances of the risk during the Period of Insurance.

If we cancel your Policy, we will advise you in writing and cancellation will take effect at whatever is the earlier of the following times:

- (g) when another contract of insurance is taken out by you to replace your Policy; or
- (h) at 4.00p.m. Local Standard Time of the third business day after the day on which notice was given to you or such later time as we may specify in the notice.

After cancellation and subject to your cooling off period rights (see Customer Information Section – Cooling Off Rights), we subtract from any premium you have paid us an amount to cover the Period of Insurance that we have already insured you for. We then return the rest of the premium to you, less any Policy fees or administration fees (these are non refundable) and any non refundable government charges and/or cancellation fees. There is no refund if you have been paying by monthly Premium instalments or if we agree to pay a claim for a Total Loss.

We will cancel this Policy if an instalment premium had remained unpaid for more than 1 month. The cancellation will take effect from the date of your last due instalment. Applicable administration and/or Policy fees taken in your first instalment will not be refunded.

6.5 Monthly Premium instalments

Where you are paying by 7 or more monthly premium instalment payments each year:

- (a) if you do not pay any Premium instalment by the date agreed, we will:
 - (i) in the event of a claim, not pay for any loss, damage or liability incurred if such instalment is more than 14 days overdue. If such instalment is less than 14 days overdue, we are entitled to deduct the overdue amount from any claim settlement; and
 - (ii) automatically cancel your Policy if any Premium instalment is more than 30 days in arrears.
- (b) and where we agree to pay a claim for a Total Loss, we are entitled to deduct all remaining Premium instalments which are unpaid, from any claim settlement.

6.6 Transfer of interest in the Policy

No interest in this Policy can be transferred without our written consent.

6.7 Law and Jurisdiction

This insurance is subject to the laws of the State or Territory in Australia where your Policy was issued.

6.8 Obligations of third parties covered by your Policy.

Any other person entitled to cover under your Policy is bound by the terms and conditions of your Policy.

6.9 Other Insurance

You must notify us in writing if you have already effected, or if in the future you effect, any insurance or insurance which cover any matter covered by your Policy, in whole or in part.

To the extent permitted by law, when other insurance applies to a covered loss, we will pay only in excess of the other insurance, limited to the indemnity being provided under your Policy, unless that other insurance was specifically written to be excess over the indemnity provided in your Policy.

Should you make a claim under your Policy you must advise us of any other insurance which may cover the loss or damage or Accident.

6.10 Notices

We will give you any notice in writing. It will be effective from the earlier of the time of:

- (a) delivery to you personally; or
- (b) postage to your address last known to us.

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

6.11 Changing your Policy

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

- (a) we tell you in writing we have agreed to it; or
- (b) we give you a new Schedule or endorsement detailing the change.

6.12 Automatic Sum Insured Indexation

At renewal of your Building or Contents insurance, we may offer renewal on your previous Sum(s) Insured that have been increased to allow for inflation in accordance with the Australian Bureau of Statistics.

If at any time, you feel that your Sum(s) Insured require further adjustment, please contact us.

6.13 Maintaining the Building in good condition

You must take all reasonable steps to protect the Building and Contents from loss and damage and comply with all legal requirements regarding the safety and maintenance of the Building and Contents.

You must maintain the Building in a good state of repair. This includes fixing water leaks, electrical or other defects immediately after they are noticed or discovered. If you do NOT do this and loss or damage occurs as a consequence, we may reduce or refuse to pay a claim depending on the circumstances.

6.14 Renewal

At expiry of the Policy we may offer to enter into a new agreement for a new Period of Insurance. Any renewal advice will indicate the Premium payable for the new agreement and any proposed alteration to the agreement. Before the Policy is renewed you must comply with the Duty of Disclosure (see Customer Information Section - Duty of Disclosure and Section 7.1 - Duty of Disclosure and Misrepresentation).

6.15 Dangerous Goods

If any hazardous goods or substances are kept in the Building you must comply with all relevant laws, by-laws and statutory regulations. Should non-compliance with this condition prejudice our interests, the amount of any benefit to you will be reduced by the amount that represents the extent to which our interests have been prejudiced by that non-compliance.

SECTION SEVEN - Claims

7.1 What you must do when you make a claim:

- (a) you must advise us by telephone or in writing as soon as practicable after you suffer a loss;
- (b) you should send us:

- (i) full details in writing; and
- (ii) any communication or court document received;
- (c) if you do not make a claim within a reasonable time of the loss, we may reduce what we pay to you to allow for any financial disadvantage we may have suffered because of the delay;
- (d) you must take all reasonable steps to stop any further loss from occurring;
- (e) you must not repair or replace any damaged property without our consent;
- (f) you must advise the nearest police station if your property is lost, stolen or maliciously damaged;
- (g) you must not pay or promise to pay or offer payment or admit responsibility for a claim.
- (h) you must keep the property that has been damaged so we can inspect it;
- (i) you must provide us with all the information that we require including valuations, receipts, proof of ownership and statutory declarations if requested;
- (j) you must give us all the information and cooperation that we require and promptly forward to us all correspondence received by you concerning the Accident, event, claim, damage or loss; and
- (k) you must notify us of any other insurance that also provides cover whether in whole or in part.

7.2 When we agree to pay a claim

- (a) we will reduce the amount we pay by any applicable Excess or we will ask you to pay it (See Section 8.3 below). We will also reduce the amount we pay by any Premium due to us;
- (b) we will not pay you more than the Sum Insured or relevant limit applicable unless otherwise stated in your Policy; and
- (c) we have the right to exercise your legal rights to conduct, defend or settle any legal or recovery action that we consider necessary and to do so in your name.

7.3 Payment of Excesses

An excess will apply when you make a claim. An excess

is the part of a claim you must pay, and is payable for each occurrence covered by the Policy.

There are 6 types of excesses that may apply to your claim:

- (a) Basic excess
- (b) Increased Basic excess
- (c) Imposed excess
- (d) Earthquake excess
- (e) Alarm system excess
- (f) Deadlocks and key operated window locks excess

If any of these excesses apply, we will reduce the amount we pay by the amount of the Excess or we will ask you to pay it.

The type and amount of Excess is shown in your Policy and the Schedule.

For example, if we agree to pay your claim, where the costs are \$5,000 and your excess is \$500, we will pay \$4,500. Usually, we will ask you to pay this excess to a repairer or supplier.

The 6 types of excesses are:

(a) Basic excess

We apply a basic excess to every claim unless we agree you do not have to pay this excess.

(b) Increased basic excess

If you have selected this option to increase the Basic Excess and it is shown on your Schedule and you need to make a claim against your Policy, then the basic excess shown on your Schedule will be applied in addition to any other applicable excesses.

(c) Imposed excess

In addition to the basic excess and any other applicable excesses, an imposed special excess may be applied. You will find the amounts of these excesses and how they apply noted on your Schedule.

(d) Earthquake excess

In addition to the basic excess and any other applicable excesses, an additional \$200 is payable for any loss occurring within 72 hours of an earthquake.

(e) Alarm system excess

If your Premium is reduced because you have an Alarm system, and it is shown on your Schedule, if the Building is broken into and the alarm system:

- (i) has not been maintained in working order; or
- (ii) has not been turned on whenever the Building was left vacant; or
- (iii) has been disabled or removed with your prior knowledge,

you must pay an excess of \$300 in addition to any other applicable excesses.

(f) Deadlocks and key operated window locks excess

If your Premium is reduced because you have deadlocks on all doors and key operated window locks on all windows, and it is shown on your Schedule, if your Building is broken into and the deadlocks and key operated window locks:

- (i) have not been maintained in working order; or
- (ii) were not in use whenever the Building was left vacant; or
- (iii) were removed with your prior knowledge;

you must pay an excess of \$300 in addition to any other applicable excesses.

7.4 Automatic reinstatement after partial loss

When we pay a claim under your Policy for partial loss or damage to the Building or Contents, the Sum Insured will be automatically reinstated to the original Sum Insured shown on the Schedule.

When we pay a claim under your Policy for partial loss or damage to Specified Contents or Specified Valuables the Sum Insured for these items will not be automatically reinstated and the Sum Insured will be reduced by the amount paid by us.

7.5 Total Loss

If we pay your claim for a Total Loss then the Building and/or Contents Cover is treated as having come to an end and new cover must be effected. We will not refund any Premium, relevant government charges, administration and policy fees.

