

QBE Farm Pack

QBE Insurance (Australia) Limited

Product disclosure statement



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In an uncertain world, it's good to know there's someone committed to protecting you. In this booklet you'll find our commitment described in detail. By taking the time to read these pages you'll know exactly what you're covered for, what you can expect from us and what we expect of you.

You'll also learn what to do if you need to make a claim, so we promise it'll be time well spent.

About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

This booklet is also a Product Disclosure Statement (PDS). Other documents you receive may comprise the PDS. You'll know when this happens because it'll say so in the document.

We may need to update information in this PDS. If we need to do this, we'll either send you a new PDS or a supplementary PDS. You can also get a copy of these simply by calling us.

For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- your broker or agent. The contact details for your broker or agent are in the financial services guide or other documentation they give you.

Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet. To make a claim under this Policy please contact:

- your broker or agent.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers in the world.

Important information

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

Significant benefits and features

This Policy provides a convenient way of protecting your major farm assets and liability under one insurance policy. You can select from the areas of cover and for an appropriate sum insured to suit your farm business needs.

The table below provides a summary of the key types of cover available under this Policy. For full details of the cover provided, including any exclusions or conditions that may apply, please refer to the Policy Wording.

Your Policy Schedule will show the cover and options you have chosen.

Type of cover	Short description	Page no.
Home	<p>Provides you with protection for your buildings, contents, liability and valuables.</p> <p>Choice of covers</p> <ul style="list-style-type: none"> Insured events cover; or Accidental damage cover. <p>Methods of settlement</p> <p>We will either replace or pay the reasonable cost to repair your home and contents.</p> <p>Legal liability</p> <p>Provides cover for your legal liability in respect of personal injury or property damage caused by an occurrence in connection with your home and contents.</p>	page 10
Private motor vehicle	<p>Choice of covers</p> <ul style="list-style-type: none"> Comprehensive <p>The cost to repair or replace your motor vehicle as a result of accidental loss or damage, theft or malicious damage, including your legal liability to third parties.</p> <ul style="list-style-type: none"> Third party property damage <p>Your legal liability to third parties only. A choice of agreed value or market value.</p>	page 28
Boat	<p>Accidental damage, malicious damage, and theft of your boat and/or trailer.</p> <p>Your legal liability to pay for personal injury, damage to someone else's property, and the cost of raising, removal or destruction of the wreck of your boat, caused by an occurrence, during the period of insurance, and arising out of your use or ownership of your boat.</p> <p>You can choose the level of liability cover you require.</p>	page 36
Personal accident injury and illness	<p>Subsection 1 - Capital benefits</p> <p>Lump sum payments for accidental death and other listed conditions.</p> <p>Subsection 2 - Weekly benefits - Injury</p> <p>Periodical payments to replace income that is lost following an injury.</p> <p>Subsection 3 - Weekly benefits - Illness</p>	page 44

Type of cover	Short description	Page no.
	Periodical payments to replace income that is lost following an illness.	
Farm property	We will pay for loss of or damage to your farm property whilst at your farm caused by the occurrences listed under either insured events cover or accidental damage cover depending on the cover type applicable to your farm property you have insured.	page 48
Farm business interruption	Cover for costs to maintain your farm business, including loss of income following damage to your farm contents, farm property, machinery etc.	page 54
Farm vehicle	<p>Choice of covers</p> <ul style="list-style-type: none"> Comprehensive <p>The cost to repair or replace your motor vehicle as a result of accidental loss or damage, theft or malicious damage including your legal liability to third parties.</p> <ul style="list-style-type: none"> Third party property damage <p>Your legal liability to third parties only.</p>	page 56
Farm liability	Covers your legal liability in respect of personal injury or property damage caused by an occurrence in connection with your farm business.	page 64
Theft	Loss or damage resulting from theft of farm property up to the limit shown in your Policy Schedule.	page 69
Transit	Cover up to the limit shown in your Policy Schedule for loss or damage to goods belonging to your farm business or for which you are legally responsible whilst in transit by road anywhere in Australia in or on a motor vehicle or trailer owned or operated by you.	page 70
Machinery breakdown	Covers the costs of repairing or replacing insured equipment if it suffers electrical, electronic or mechanical breakdown.	page 71
Electronic equipment	Covers an insured item of electrical plant or any part of an item shown in your Policy Schedule which suffers insured damage.	page 74
Working dog	Covers the theft or death (due to an accident or illness) of your working dog.	page 75
Equine	<p>Covers the death or slaughter (on humane grounds) of your horse resulting from any injury or illness sustained or contracted.</p> <p>Loss by theft or straying of your horse, if not found within 30 days.</p> <p>Destruction of your horse whilst in transit if your horse was uncontrollable and presented an imminent threat or danger to the public.</p> <p>The cost to remove and dispose of your horse's body following death or euthanasia as a result of an injury or an illness.</p>	page 76

Type of cover	Short description	Page no.
Tax audit	Cover for the fees payable by you to an accountant in connection with an audit of your farm business pursuant to a State or Federal Tax audit.	page 78

Each of the sections listed in the table above is subject to specific definitions, the basis of cover and specific exclusions. In addition, there are general exclusions and conditions that apply to all sections of the Policy.

This product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read both the important information and Farm Insurance Policy terms and conditions carefully. Please ask your financial services provider if you are unsure about any aspect of this Policy.

Your sum insured may not be adequate

To ensure that the amount of insurance is adequate in the event of a claim, you should establish an adequate sum insured when initially arranging cover and also take care to amend the sum insured when your situation changes.

About Section 4 - Personal accident injury and illness cover

If you take out personal accident injury and illness cover, you have done so under a group policy arrangement with QBE. Access to the personal accident illness and injury cover is provided to insured persons solely by operation of section 48 of the *Insurance Contracts Act 1984* (Cth).

Insured persons have no right to cancel or vary the Policy or the personal accident injury and illness cover. Only you (as the contracting insured) and QBE can do this. If you and QBE do so, we do not need to obtain the consent of any insured person.

We also do not provide insured persons with any notices in relation to this personal accident injury and illness cover as they are not a contracting insured. We only send notices to you as you are the only entity we have contractual obligations to.

Insured persons are not obliged to accept any of the benefits of the personal accident injury and illness cover but if an insured person wishes to make a claim, they will be bound by the terms, conditions, limitations and exclusions set out in the Policy and the personal accident injury and illness cover.

Neither you nor QBE hold the personal accident injury and illness cover or the benefits provided under it on trust or for your benefit or on your behalf.

If an insured person seeks to access the benefit of the personal accident injury and illness cover, they should consider obtaining advice as to whether it is appropriate for their needs from a person who is licensed to give such advice. Nothing prevents an insured person from entering into other arrangements regarding insurance.

The 'General exclusions' and 'General conditions' set out in the Policy apply to any claim an insured person makes.

We will not pay any more than the benefit sum insured for each section set out in the Policy Schedule.

The cost of this Policy

Premium is what you pay us for this Policy and it's made up of the amount we've calculated for the risk and any taxes and government charges.

When calculating your premium we take a number of factors into account, including:

1. the type of farm you operate and which sections you elect to take cover under and the sum insured that is relevant to your farm business;
2. your age, experience and claims history;
3. if you elect to have a higher or lower excess where this is an option;
4. if you elect to take out any optional benefits where they are available;
5. for Section 1 - Home the cover you have selected, the location type, age, condition, use and sum insured of your home and contents as well as the construction of your home;
6. for Section 2 - Private Motor Vehicle and Section 7 - Farm Vehicle, the cover you have selected, method of settlement, the make, model, age, condition, location, sum insured, use, accessories and security features of the motor vehicle;
7. for Section 3 - Boat the cover you have selected, method of settlement, the make, model, age, condition, location, sum insured, and security features of your boat.

Cooling-off information

If you change your mind within 21 days of buying your Policy, you can cancel it and receive a full refund. Naturally, this doesn't apply if you've made or are entitled to make a claim. Even after the cooling off period ends, you still have the right to cancel your Policy. However, we may deduct some costs from any refund, as set out in the Policy Wording under 'Cancelling your Policy'.

To cancel your policy within the cooling-off period, contact your broker electronically or in writing.

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 - Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 - Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 - Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Financial Ombudsman Service Australia (FOS Australia). FOS Australia is an ASIC approved external dispute resolution body.

FOS Australia resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by FOS Australia's decisions - but you're not. You can contact FOS Australia directly and they'll advise you if your dispute falls within their Terms of Reference.

Disputes not covered by the FOS Australia Terms of Reference

If your dispute doesn't fall within the FOS Australia Terms of Reference, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE Customer Care, FOS or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact us about privacy or your personal information. customer@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, PARRAMATTA NSW 2124

How to contact FOS Australia

Phone	1800 367 287 (Monday to Friday from 9am to 5pm, Melbourne time, except on public holidays)
Email	info@fos.org.au
Online	www.fos.org.au

How to contact the OAIC

Phone	1300 363 992 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Financial claims scheme

Your 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 QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from the Australian Prudential Regulation Authority (APRA).

How to contact APRA

Phone	1300 558 849 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online	www.apra.gov.au

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Our agreement with you

Your Policy is an agreement between you and us, made up of:

- This Policy Wording
- Your Policy Schedule, which sets out the cover you've chosen and any terms specific to you.

The cover under this Policy is provided during the period of insurance, once you've paid us your premium. There are also:

- Conditions and exclusions which apply to specific covers or sections;
- General exclusions, which apply to any claim you make under this Policy;
- General conditions, which set out your responsibilities under this Policy;
- Claims conditions, which set out our rights and your responsibilities when you make a claim; and
- Other terms, which set out how this Policy operates.

Excesses

You must pay any excesses which apply to your claim. The excesses which you have to pay are set out in this Policy Wording or on your Policy Schedule.

How much we'll pay

The most we'll pay for a claim is the sum insured which applies to the cover or section you're claiming under, less any excess.

Your Policy

Your Policy consists of the Policy Wording in this booklet and the Policy Schedule we give you. Please keep them in a safe place for future reference.

Please check the Policy Schedule details to ensure it accurately states what you have insured. Be sure to check that the limits and sums insured are adequate.

The 'general exclusions' and 'general conditions' apply to all sections of this Policy.

Paying your premium

You can pay your premium:

- in one annual amount; or
- in monthly instalments.

Payment of premium may be made by debit to your nominated financial institution, cash, cheque, BPAY or credit card. If your cheque or credit card is dishonoured by our financial institution you are not insured unless we have agreed in writing to continue to insure you.

Annual premium

Paying your premium on time is important because it affects your insurance. If you are paying your premium annually in one payment, and you have not paid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

Instalment payments

If you are paying your premium by instalments, we will specify on your Policy Schedule when we will deduct the first instalment. Thereafter, instalment payments will be debited on the date or frequency you have nominated. If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if these details change no later than seven (7) days before your next instalment

is due. We will not pay a claim under this Policy if, at the time the claim occurred, any premium instalment has remained unpaid for one (1) month or more.

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

At renewal

If you have been paying your premium by instalment, we will continue to deduct instalments for your Renewal Policy on the same day of the month at the new premium level unless you tell us otherwise.

If any instalment of premium has remained unpaid for one (1) month, we will cancel this Policy. We will send you a reminder setting out our intention to take two (2) instalments on the next payment date. If payment is not received after this reminder, we will send you a notice telling you of the date the Policy will cease unless payment is received. We send a notice to confirm the Policy has been cancelled.

Adjustment of premium on renewal

If a claim occurs in the previous period of insurance and you do not notify us until after the premium for the current period of insurance was calculated, then you must pay any additional premium that would have been calculated had you told us about the claim on the day that the claim occurred. This condition does not affect any other rights that we have, including the rights that we have under 'Your duty of disclosure'.

If your payment details change

If the direct debit arrangements you use to pay by instalment changes, such as you are issued a new credit card or change your bank arrangements, you must tell us. You should do this at least seven (7) days in advance of your next payment date.

Words with special meaning

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

When we say	We mean
Accident	An incident that is unforeseen and unintended and that causes loss or damage. This includes a series of accidents arising out of the one event. Under Section 14 - Equine accident means injury to or death of your horse caused by unexpected, unintended, external, violent and visible circumstances. It does not mean injury or death caused by an illness.
Application	The information as advised by you to us, either in writing, verbally or by electronic means, as part of your application for insurance provided by the Policy. The information you supply to us forms part of the basis for our decision of whether or not to insure you and on what terms.
Address	The address shown in your Policy Schedule. It is the land on which you reside and includes yards and garden areas used for private and domestic purposes. In Section 1 - Home it is where your home is located or your contents are kept.

When we say	We mean
Aircraft landing area	Any area on or from which aircraft land or take-off, or are housed, maintained or operated when they are not airborne.
Australia	The Commonwealth of Australia, its dependencies and Territories.
Boat	The boat described in your Policy Schedule. Your boat is comprised of: <ul style="list-style-type: none"> (a) the hull; (b) its motor(s), including fuel tanks (unless they form part of the hull); (c) equipment and accessories; (d) its sails, masts, spars, standing and running rigging; (e) its trailer; (f) personal effects (or those of any passenger onboard your boat).
Compensation	All amounts you are liable to pay to other people or organisations (including legal costs awarded against you and interest accruing after entry of judgment against you until we have paid the amount outstanding).
Embryo	A fertilized egg of an animal that has begun cell division.
Employee(s)	Any person who is employed under a contract of service or apprenticeship with you, but does not include any person employed under such contract who is excluded from the definition of 'Worker' under any workers' compensation legislation.
Excesses	The amount shown in the Policy and your Policy Schedule, payable by you on each and every claim arising out of one event or occurrence under that Policy section. Should more than one excess be payable under this Policy for any claim or series of claims arising from the one event, such excesses shall not be aggregated and the highest single level of excess only shall apply, except in the motor vehicle sections. In Section 2 - Private motor vehicle and Section 7 - Farm vehicle you may have to contribute more than one excess. You are required to pay the excess when we request you to do so.
Family	Persons who normally reside with you permanently and who are your: <ul style="list-style-type: none"> (a) spouse or defacto; (b) your children or your spouse's or defacto's unmarried children; (c) parents or your spouse's or defacto's parents; or (d) brother or sister.
Farm business	From your farm, the business of: <ul style="list-style-type: none"> (a) producing crops and/or livestock;

When we say	We mean
	<ul style="list-style-type: none"> (b) making or obtaining produce from your crops and/or livestock; (c) incidental farm contracting; (d) being owner, lessor, lessee or hirer of property used to produce your crops and/or livestock; (e) any other occupation shown in your Policy Schedule.
Financer	The person or entity with a security interest in your property.
Flood	Means 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"> (a) a lake (whether or not it has been altered or modified); (b) a river (whether or not it has been altered or modified); (c) a creek (whether or not it has been altered or modified); (d) another natural watercourse (whether or not it has been altered or modified); (e) a reservoir; (f) a canal; (g) a dam.
Fusion	The process of fusing or melting together of windings of an electric motor following damage to their insulating material as a result of overheating caused by electric current.
Incidental farm contracting	Part of your farm business that relates specifically to the production of crops and/or livestock, or produce derived from such, for which you: <ul style="list-style-type: none"> (a) receive payment; and (b) is not carried out on your farm, a farm you lease, or a share farm; <p>and the amount you received from such work (after deduction of expenses) in the 12 months immediately before the period of insurance commenced did not exceed 25% of your average annual income or \$20,000, whichever is the greater (after deduction of expenses) for:</p> <ul style="list-style-type: none"> (c) the previous five consecutive years; or (d) the period you have been farming (if less than five consecutive years).
Impact	A collision of two or more objects.
Indemnity value	The value of buildings, contents, personal valuables, or your farm property at the time of loss or damage taking into consideration the age, condition and state of repair.

When we say	We mean
Input Tax Credit	The Input Tax Credit according to the meaning given in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Internet operations	<p>(a) Use of electronic mail systems by you, your employees or any person who has your permission;</p> <p>(b) access through your network to the internet by you, your employees, or any person who has your permission;</p> <p>(c) access to your intranet (meaning internal company information and computing resources) which is made available through the internet for your customers or others outside your organisation; and</p> <p>(d) the operation and maintenance of your website.</p>
Legal liability	Your legal responsibility to pay compensation for death, injury or damage to other people or their property. This responsibility only arises if you have done something wrong or you are at fault.
Livestock	Any type of farm animal (including fish/shellfish/crustaceans), other than a domestic animal or working dog belonging to you and used in connection with your farm business (and which normally produce income for your farm business).
Market value	The retail value of items of a similar type, age and condition, with adjustment for its special features, if any. Used price guides and any other information may be used to assist in determining market value.
Money	Cash, bank notes, currency notes, negotiable instruments, negotiable cheques, postal notes, post office money orders, negotiable securities, unused postage stamps, revenue stamps, credit card sales vouchers, instant lottery tickets, store value cards, authorised gift vouchers, public transport boarding bus or transport tickets, telephone credit cards or franking machine credits.
Motor vehicle	Any type of land based machine on wheels or on self laid tracks made or intended to be propelled other than by manual or animal power, including any trailer or other attachment that is normally towed by or operated from any such machine. Motor vehicle does not include aircraft.
Motor cycle	A motorised bike or vehicle on which the rider typically sits astride in order to drive. It includes motorbikes, quad-bikes, and tricycles.
Occurrence	An event during the period of insurance (including continuous or repeated exposure to substantially the same general conditions), which results in personal injury or damage to property which you neither expected nor intended to happen. All personal injury or damage to property resulting from one original cause will be treated as being caused by the one occurrence.
Period of insurance	The period shown in your Policy Schedule.
Personal effects	Personal items owned by you which are designed to be worn or carried, except for money, firearms, tools or

When we say	We mean
	items used in connection with a business or occupation, or accessories.
Personal injury	<p>(a) bodily injury (including death), sickness, disease, disablement, shock, fright, mental anguish and mental injury;</p> <p>(b) latent personal injury (as described in a. above) that is first diagnosed by a qualified medical person during the period of insurance.</p>
Policy	Includes this PDS, your Policy Schedule and any future documents issued to you that amends the Policy wording or your Policy Schedule.
Policy Schedule	<p>(a) your current Policy Schedule; or</p> <p>(b) the renewal notice you have paid; or</p> <p>(c) the alteration advice sent to you.</p> <p>It contains details of the types of cover and levels of insurance you have selected and any special conditions or endorsements applicable to your cover.</p>
Pollutants	Any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals, material to be recycled or waste.
Premium	The amount you pay for the insurance provided by this Policy, including any taxes and other government charges.
Security interest	Means a security interest as defined in section 12 of the <i>Personal Property Securities Act 2009</i> (Cth).
Semen	Any fluid of a male animal which contains spermatozoa in suspension and which is to be used for the artificial insemination of breeding stock.
Sum insured	The amount(s) you have selected and is shown in your Policy Schedule as the sum insured for the particular section, cover and/or item.
Terrorism	An act, including but not limited to the use of force or violence and/or the threat thereof, of 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 done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.
Theft	A person has taken your property without your knowledge, prior consent or agreement, with the intention of permanently depriving you of that property.
Total loss	Where we determine that your insured property is damaged or destroyed beyond economical repair, or lost and irretrievable.
Tsunami	A sea wave caused by a disturbance of the ocean floor or by seismic movement.
We, us, our	QBE Insurance (Australia) Limited, ABN 78 003 191 035 AFSL 239545.

When we say	We mean
You, your, yours	<p>The person(s), companies, firms or organisations named in your Policy Schedule as the insured.</p> <p>In Section 3 – Boat cover it also includes any person allowed by you to control your boat.</p> <p>If more than one person is named as the insured in your Policy Schedule, we will treat an act, omission, statement or a claim by any one of those persons as an act, omission, statement or claim by all of them.</p>
Your farm	<p>The land you use to carry out your farm business, including any land you lease or share.</p>
Your vehicle	<p>The motor vehicle described in your Policy Schedule and any vehicle that permanently replaces that motor vehicle.</p> <p>Under Section 7 - Farm vehicle, motor vehicle does not include any:</p> <ul style="list-style-type: none"> (a) sedan, station wagon, panel van, four wheel drive motor vehicles and sports utility vehicles; or (b) goods carrying motor vehicles with a 3,500 kilogram GVM or lesser.

Section 1 - Home

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Above-ground swimming pool	One that has most of its water volume above the average ground level of the ground that the pool occupies and its immediate surrounds.
Accidental damage	Physical loss of or damage to your home, contents, or both, at the address, directly caused by any of the events listed in Section 1 - Home - Accidental damage cover, which we will insure you against, subject to the Policy conditions and exclusions.
Bodily injury	Physical bodily harm including sickness or disease, and any resultant required care, loss of services, loss of consortium or death.
Catastrophic event	A suddenly occurring, major, natural disaster that is insured by this Policy, where the resultant damage to property in the vicinity of your home is so extensive and widespread that the resultant surge in demand for the materials and labour required to repair buildings causes a surge in the prices of building repairs.
Contents	<p>Goods and property owned or used by you or your family or for which you or your family are legally liable to protect from loss or damage.</p> <p>Contents includes the following:</p> <ul style="list-style-type: none"> (a) all household goods (including carpets whether fixed or not, curtains and internal blinds, unless you regularly lease out your home on an unfurnished basis), personal effects and money; (b) articles of special value which you have listed in your Policy Schedule under 'specified contents'; (c) any of the following equipment if it does not require registration: <ul style="list-style-type: none"> (i) golf buggies; (ii) motor cycles with an engine capacity of up to 125cc, (iii) garden equipment - including ride on mowers, (iv) Motorised wheelchairs, or (v) Battery powered children's toys; (d) canoes, kayaks, surfboards, surf-skis or sailboards, and any other watercraft up to: <ul style="list-style-type: none"> (i) 4 metres in length, and (ii) 10 horsepower. <p>This means that if the watercraft is not a canoe, kayak, surfboard, surf-ski or sailboard and it is either longer than 4 metres, or, is powered by a motor or engine that is greater than 10 horsepower, it is not covered.</p> <p>A watercraft motor:</p> <ul style="list-style-type: none"> (i) no more than 10 horsepower, and

Word or term	Meaning
	<ul style="list-style-type: none"> (ii) not attached to a watercraft, and (iii) at the site, <p>will be treated by us as a watercraft accessory. If it is over 10 horsepower, it is not covered.</p> <ul style="list-style-type: none"> (e) furniture and equipment of an office or surgery used by you or your family in your own business in the home and tools and equipment used for earning income by you or your family; (f) if you live in a strata title building, the internal paintwork, wall paper and any fixture or structural improvement within or attached to that residence which the body corporate is not required by law to insure; (g) if you are a tenant, landlord's fixtures and fittings for which you are legally liable and fixtures and fittings installed by you for your own use. <p>Contents does not include:</p> <ul style="list-style-type: none"> (a) any property insured as part of the home; (b) any caravan or trailer; (c) watercraft other than those listed under What contents includes (d.); (d) motorised vehicles other than those listed under What contents includes (c); (e) any aerial device such as aircraft, balloons and gliders (including accessories and spare parts whilst contained in, on or attached to the aerial device), except for hang gliders, model aircraft and kites; (f) accessories or spare parts, keys or remote locking or alarm devices of motor vehicles (including motor cycles and motor scooters), caravans, trailers, aircraft or watercraft while they are in or on the motor vehicle, caravan, trailer, aircraft or watercraft; (g) fish, birds or animals of any description; (h) any property: <ul style="list-style-type: none"> (i) illegally in your possession, (ii) stored in a dangerous and illegal way, or (iii) any equipment connected with growing or creating any illegal substance, (i) commercial or retail trade stock other than business stock temporarily stored inside the home; (j) any trees, shrubs or plant life including grass or lawns, or soil, bark or mulch, except for plants contained in pots, baskets or similar containers.
Cost to us	The retail price of the item as if it were new at the time of the loss or damage less any discount available to us.

Word or term	Meaning
Home	<p>Is the private dwelling, residential flat, home unit or townhouse, used primarily as a place of residence at the address shown in your Policy Schedule.</p> <p>Home also includes:</p> <ul style="list-style-type: none"> (a) outbuildings and permanent structural improvements (including in-ground swimming pools, spas, saunas, courts used for sporting activities, pontoons and jetties at the address; (b) fixed light fittings, fixed ceiling coverings, fixed wall coverings (which are not curtains, drapes or internal blinds), and awnings; (c) floor coverings which are not carpets or rugs; (d) carpets, curtains, drapes and internal blinds (but only if the home is leased, or is vacant and is intended to be leased, by you to a person or organisation not named in your Policy Schedule); (e) fixed services of water, sewerage, garden irrigation, gas, electricity, telephones and radio receiving equipment that are yours, or for which you are responsible to repair or replace; (f) landscaping, paved pathways and paved driveways, retaining walls, fixed artificial grass, fences and gates attached to or immediately surrounding the home; (g) masts, aerials, antennas, satellite dishes, solar panels and fixed clothes lines. <p>Home does not include:</p> <ul style="list-style-type: none"> (a) carpets (whether fixed or not), curtains or internal blinds, unless you regularly lease out your home on an unfurnished basis; (b) earth or gravel pathways or driveways, other unpaved surfaces, bridges or causeways; (c) <ul style="list-style-type: none"> (i) a hotel, motel, nursing home or boarding house; (ii) buildings of flats or caravan (whether fixed to the address or not), unless this is expressly endorsed on your Policy Schedule; (iii) strata title, company title or community units with respect to insuring the building, however we will insure contents contained within these units; (d) any building used for any business or trade, except a dwelling used principally as a place of residence that also contains an office or surgery; (e) a building in the course of construction; (f) a building in the course of being demolished, or that is vacant pending demolition; (g) a temporary building or structure;

Word or term	Meaning
	<ul style="list-style-type: none"> (h) trees, shrubs and any other plant life including grass or lawns, or soil, sand, gravel, bark or mulch; (i) any stables, machinery or hay sheds and tanks and services attached to these buildings, and all other boundary and internal fencing however, we will insure these items when listed under Section 5 - Farm property.
Insured events	The events listed in Section 1. Home - insured events 1. to 13, which we will insure you against, subject to the Policy conditions and exclusions.
Model aircraft	<p>A small sized, unmanned replica of an existing or imaginary aircraft which is flown solely for toy, hobby, leisure, sporting or recreational purposes.</p> <p>Model aircraft does not include:</p> <ul style="list-style-type: none"> (a) a balloon or kite; (b) any aircraft used for a purpose other than the purpose for which it was originally designed (for example, it is not a model aircraft if it is used as a weapon); (c) any aircraft that has a wingspan that exceeds 150 centimetres; (d) any aircraft that has a total weight in excess of 2 kilograms, including anything in, on or attached to the aircraft (for example, a camera or gimbal); (e) any aircraft that costs more than \$1,500 when new, including anything in, or attached to the aircraft; (f) any aircraft that is ever used in connection with or in relation to any commercial purpose or earning any income; (g) any aircraft that is being used illegally, in breach of any CASA or other laws or regulations, or safety requirements (for example, if it is used in breach of any Council safety rules, or any model aircraft club safety rules then it is not covered by this Policy).
Occupied	<p>Your home is furnished such that it is comfortably habitable and you, your family or someone with your consent has resided in your home overnight.</p> <p>To be occupied the home must:</p> <ul style="list-style-type: none"> (a) contain at least one usable bed/mattress; (b) contain at least one dining table or bench, a chair and some other furniture; (c) contain a functioning refrigerator; (d) be connected to the electricity supply; and (e) be connected to hot and cold running water.
Open air	Is restricted to the address and includes non-lockable structures and non-lockable parts of your home.

Word or term	Meaning
	It also means in or on a motor vehicle, motor cycle, trailer or caravan, at the address whether those vehicles are locked or not, unless the vehicle is in a fully enclosed, locked, private structure (for example your own garage to which no-one else has access).
Pairs or sets	Two or more articles with a collective value that exceeds the sum of their individual values.
Personal injury	Bodily injury, shock, mental anguish or mental injury, including death. Personal injury does not include the publication or utterance of a libel or slander, any defamation of character nor invasion or breach of privacy.
Primary residence	The home where you reside for the majority of the period of insurance.
Secured	There is no open door, window or screen that allows any person(s) or animal(s) to enter your home.
Specified contents	Items of particular value that you have individually listed as specified items and that are listed in your Policy Schedule under specified contents.
Specified valuables	Valuables that are individually specified in your Policy Schedule under specified valuables along with their respective values.
Unspecified valuables	Valuables that are not individually specified in your Policy Schedule.
Valuables	Valuable items of personal property which are designed to be worn or carried by a person including jewellery, gold or silver objects, watches, sporting equipment, camping equipment, back packs, sleeping bags, photographic/video equipment, musical equipment, battery operated sound equipment, binoculars, clothing, wheel chairs, crutches, walking sticks, prams/strollers, luggage, mobile phones, portable computers, hearing aids, contact lenses, and prescription glasses and sunglasses.

Excess

For each occurrence which gives rise to a claim, you must pay the highest applicable excess shown in either the Policy or your Policy Schedule in relation to that occurrence.

Where a sub-limit is applicable, the excess will be applied to the claim prior to applying the sub-limit.

Where one occurrence gives rise to a claim under more than one subsection of Section 1 - Home, only one amount is payable being the largest single excess applicable in relation to that occurrence.

If there is a claim for loss or damage under this section and Section 5 - Farm property cover arising from the same occurrence, you need only pay the higher of the two or more excesses applicable to those sections.

If you are paid for one occurrence and also receive an additional benefit under any section, only one excess is payable.

Earthquake or tsunami

You must pay the first \$250, or the excess amount shown in your Policy Schedule, whichever is greater, in relation to claims for damage caused by earthquake or tsunami.

All loss, destruction or damage occurring within a period of 72 hours of the earthquake or tsunami is regarded as the one event.

Subsection 1 - Home and contents

Cover types

There are two types of cover available subject to the limits, conditions and exclusions set out in the Policy wording and your Policy Schedule.

What you are covered for

Insured events

If you have insured events cover we will indemnify you up to the limit shown in your Policy Schedule or any applicable sub-limits in respect of physical loss of or damage to your home, contents, or both, directly caused by any of the insured events at the address during the period of insurance.

Your Policy Schedule will show if you have selected insured events cover for your home, contents or both.

Accidental damage

If you have accidental damage cover you are insured against accidental loss or damage to your home, contents, or both at the address during the period of insurance. This includes cover for any of the insured events.

Your Policy Schedule will show if you have selected accidental damage cover for your home, contents or both.

When you are insured

Your Policy Schedule indicates whether your home and your contents are insured and the sums insured.

The total contents sum insured consists of a sum insured for:

1. unspecified contents; and
2. specified contents.

Basis of settlement - Home

1. At our option we will:
 - (a) repair your home; or
 - (b) replace your home to a condition substantially the same as, but not better than, when new; or
 - (c) pay the reasonable cost of its repair or replacement to a condition substantially the same as when new; or
 - (d) pay up to the sum insured shown in your Policy Schedule.

If your home is a total loss, we will pay no more than the reasonable cost of replacement when new even if you have insured for an amount greater than the reasonable cost of replacement when new. When we pay your claim for your home being a total loss, the Policy is exhausted and comes to an end.

2. You may choose to have your home replaced at another address, but we do not pay more than the sum insured.
3. If your home is a total loss and you do not commence rebuilding within six months of the damage occurring (or any other period which we agree with you in writing), you may have to pay any increase in cost caused by your delay.
4. If part of your home is damaged and we agree to pay your claim, we pay only for the part or parts of your home that actually sustained damage. We do not pay to replace any undamaged materials. However, if:

- (a) it is impossible to acquire new material to replace the damaged material that reasonably matches the undamaged portion to a similar extent as immediately prior to the damage occurring; and
- (b) the amount of damaged material that cannot be matched to the undamaged material is more than 40% of the total material that would have to be replaced if all the matching damaged and undamaged material was replaced;

then we will replace both the damaged and undamaged material.

- 5. Where materials that are required to settle a claim that we agree to pay are not commercially available in Australia, at our option, we will:
 - (a) replace the materials with the nearest equivalent or similar new materials available in Australia or overseas; or
 - (b) pay the cost to replace the materials with the nearest equivalent or similar new materials available in Australia or overseas.

Special benefit

Home sum insured safeguard

If we agree that the cost to repair or replace your home is greater than your home sum insured, then we will pay up to 30% more than your home sum insured to, at our option:

- 1. repair your home; or
- 2. replace your home to a condition substantially the same as, but not better than when new; or
- 3. pay the reasonable cost of its repair or replacement to a condition substantially the same as when new.

This special benefit applies only if:

- 1. this Policy insures your home; and
- 2. your home is damaged by an insured event that is covered by this Policy and is considered by us to be a total loss; and
- 3. the cost to repair or replace your home is greater than your home sum insured because either:
 - (a) the increased cost of repairing damage to your home was caused directly by a catastrophic event; or
 - (b) you correctly used the QBE Home Building Sum Insured calculator on the QBE website to calculate your home sum insured and the calculator estimated an inadequate sum insured for your home, provided:
 - (i) that you can demonstrate that you correctly used the QBE Home Building Sum Insured calculator to determine your home sum insured, and
 - (ii) your home is substantially the same as when you used the QBE Home Building Sum Insured calculator (for example, you have not added to or extended your home), and
 - (iii) you have not reduced any sum insured that we have offered on any renewal invitation since you used the QBE Home Building Sum Insured calculator.

This special benefit only relates to your home. It does not apply to any other insured property, section, additional benefit or other Policy feature.

Basis of settlement - Contents

- 1. At our option we will:
 - (a) repair the damaged items; or
 - (b) replace the items with items substantially the same as, but not better than when new; or
 - (c) pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new; or
 - (d) pay up to the sum insured shown in your Policy Schedule.

If your contents are damaged beyond economic repair, we will pay no more than the reasonable cost of replacement when new even if you have insured them for an amount greater than the reasonable cost of replacement when new. When we pay your claim for all your contents being damaged beyond economic repair, the Policy is exhausted and comes to an end.

We will not pay more than the total contents sum insured for all contents lost or damaged.

- 2. If we agree to pay a claim where film, photos, home movies or home videos or any similar recorded material is destroyed, we pay for the replacement with new, blank film, videos or similar (for example, if a compact disc upon which you had photos stored is destroyed, we would replace it with a new, blank compact disc). We do not pay to reconstruct any circumstances or conditions.
- 3. If we agree to pay a claim where software is lost, damaged or destroyed, we pay the cost to replace it with the nearest equivalent new software.

We do not pay for any software that was acquired by you at no cost.

- 4. Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we will:
 - (a) replace the item with the nearest equivalent or similar new item available in Australia or overseas; or
 - (b) pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.

- 5. Antiques

Where we pay a claim for an antique item, and the market value of the item exceeds the cost of its replacement with a new item because of its antiquity and rarity, we will treat the market value as though it is the cost to replace the lost or damaged antique with a new item.

For example:

An antique sterling silver claret jug created in 1880 is stolen and we agree to pay the claim. The antique jug has a current valuation for \$11,000:

- to replace the item with the closest, similar new item would cost \$2,100;
- at the time of the loss, our enquiries indicate that to replace that antique item at market value would be approximately \$11,000 but there is no equivalent item currently for sale in Australia or overseas;
- the market value of the item is higher than the new replacement cost due to the item's antiquity and rarity;
- In this instance, we would pay you \$11,000 for the jug rather than \$2,100.

The sum we pay you would be subject to any applicable excess.

6. Floor and wall coverings, blinds and curtains
For wall coverings, and carpets and other floor coverings, curtains and internal blinds, we pay only for items in the room, hall or passage, where the damage occurred.
7. Pairs and sets
If any item lost or damaged is part of a pair or set, we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.

Maximum limits we will pay

Maximum limits apply to how much we will pay for certain contents items. These items and the limits, based on the type of cover you have selected, are shown in the tables below.

Additional conditions may be imposed, for example, it may be a requirement to keep items in a safe when not being used. We will pay up to the amount specified for each item.

1. Works of art, pictures, tapestries, rugs

Insured events	Accidental damage
\$20,000 per item and in total 25% of the sum insured for unspecified contents.	\$25,000 per item and in total 25% of the sum insured for unspecified contents.

2. Items of jewellery, gold or silver articles, furs, watches

Insured events	Accidental damage
\$10,000 per item and in total 25% of the sum insured for unspecified contents.	\$10,000 per item and in total 25% of the sum insured for unspecified contents.

3. Collections of any kind

Insured events	Accidental damage
\$10,000 per collection and in total 25% of the sum insured for unspecified contents.	\$20,000 per collection and in total 25% of the sum insured for unspecified contents.

4. Office or surgical equipment used by you or your family in your or their own business in your home

Insured events	Accidental damage
\$15,000 in total.	\$20,000 in total.

5. Other equipment used by you or your family for earning income

This includes tools, equipment and instruments used by you to earn an income other than for your farm business, whilst they are the address.

Insured events	Accidental damage
\$5,000 in total including a maximum of \$2,000 for business stock temporarily stored inside your home for a maximum period of 30 days.	\$10,000 in total including a maximum of \$2,000 for business stock temporarily stored inside your home for a maximum period of 30 days.

6. Accessories or spare parts of motor vehicles (including motor cycles or motor scooters), caravans, trailers and watercraft, not in or on the motor vehicle, caravan, trailer or watercraft

We include motor vehicle keys, remote locking or alarm devices as accessories while they are not in or on the motor vehicle, but we do not pay for any recoding of devices or changing of accessories, or spare parts of motor vehicle (including motor cycles and motor scooters), vehicle locks:

Insured events	Accidental damage
\$1,250 per item up to \$2,500 in total.	\$2,000 per item up to \$4,000 in total.

7. Money, coins, or bullion

Insured events	Accidental damage
\$1,000 in total.	\$1,500 in total.

You may obtain higher limits for 1., 2., 3., 6., or 7., (excluding money) by having any of these items specified in your Policy Schedule.

NOTE:

Where an item could be classified under more than one of the above maximum limits 1. to 7., the lower or lowest limit applies.

FOR EXAMPLE:

A piece of gold jewellery may be considered to be a work of art, however the jewellery sub-limit would be applied.

If we choose to replace a specified item, we will pay no more than the amount that it would cost us to replace the item with an item substantially the same as, but not better than when new, even if you have specified the item for a higher amount, whether or not you have supplied a valuation.

We have negotiated special arrangements with various suppliers to purchase items for less than retail cost. Premiums are therefore based on us replacing items at less than retail cost.

What you are insured for

We will pay for loss or damage caused by the occurrences listed under insured events cover or accidental damage cover to your home or contents depending on the cover type you have selected. Your Policy Schedule shows if you have insured your home and/or contents and the cover type selected by you.

Insured events

You are insured against loss or damage at the address caused directly by the following insured events:

1. fire, smoke or explosion, but not for:
 - (a) any damage that is gradual or recurring, for example, from a fire place;
 - (b) loss or damage to any item caused by scorching, melting or charring without flames, unless you have selected accidental damage cover.

2. storm (including cyclone or hurricane) and/or rain, which may be accompanied by snow, sleet or hail, but not for loss or damage resulting from or caused by:
 - (a) storm, rainwater or wind to:
 - (i) trees, shrubs or plants (including pot plants); or
 - (ii) shade cloth, shade sails, material awnings, shade structures, glass houses, hot houses, swimming pool and spa covers and linings;
 - (b) storm, rainwater or wind to:
 - (i) retaining walls;
 - (ii) free standing walls;
 - (iii) fences; or
 - (iv) gates;

unless they are located in Queensland or Western Australia or they are constructed of:

 - (i) brick, concrete, masonry, stone or steel; or
 - (ii) timber, but are 20 years old or less;
 - (c) flood;
 - (d) the action of the sea, high water, or tidal wave;
 - (e) water seeping through a wall or floor;
 - (f) fungus, mildew, mould, algae;
 - (g) atmospheric or climatic conditions other than storm;
 - (h) water entering your home through an opening made for the purpose of alterations, additions, renovations or repair.

If you have selected insured events cover we will not pay more than the greater of:

 - (i) \$5,000; or
 - (ii) 8% of your unspecified contents sum insured;

for damage to contents in the open air.

This limit does not apply to spas or above-ground swimming pools that are full.

3. lightning or thunderbolt;

4. earthquake or tsunami;

All destruction or damage occurring within a period of 72 hours of the earthquake or tsunami is regarded as the one insured event.

5. theft or attempted theft.

We will not pay for loss or damage caused by theft:

- (a) by any person who is living at the address or visiting the address with the consent of any person who lives at the address;
- (b) theft from any common areas of flats, units or townhouses;
- (c) theft of money, unless stolen from within your home and there is evidence that your home has been entered forcibly and violently.

'Entered forcibly and violently' does not include:

- (i) entry through a door or window that has been left open or unlocked;
- (ii) where your home has been entered with the consent of the owner or occupier of your home.

If you have selected insured events cover we will not pay more than the greater of:

- (a) \$5,000; or
- (b) 8% of your unspecified contents sum insured;

for theft of contents in the open air.

6. malicious acts, but not for loss or damage intentionally caused by:
 - (a) you, your family, or your family's visitors;
 - (b) a tenant, or a tenant's visitors or family.
7. riot, civil commotion, industrial dispute or political disturbance.
8. bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind.

We will also pay for water suddenly escaping from a waterbed or aquarium.

If we accept a claim because damage has occurred as a direct result of the liquid escaping, we will also pay the reasonable costs of locating the cause of the damage, and the costs of reinstating the property damaged or disturbed in the course of work.

We do not pay for loss or damage:

- (a) which occurs as a result of your failure to take reasonable steps to prevent further loss or damage once the event was discovered;
- (b) for repair or replacement of the apparatus, tank or pipe itself.
- (c) which results from water escaping from a shower base not fitted with a tray or water proof membrane;
- (d) which is caused by the porous condition of any tiles, grouting or sealant.

9. impact by:

- (a) a motor vehicle, an aircraft or a waterborne craft;
- (b) space debris or debris from an aircraft, rocket or satellite;

- (c) a falling tree or part of a tree;
- (d) a mast or a television or radio aerial, antennae or satellite dish that has broken or collapsed, but excluding loss or damage to the mast, aerial, antennae or satellite dish itself;

but not for loss or damage caused by felling or lopping trees at the address, unless the felling or lopping is performed by a licensed professional and any authorisation required to fell or lop the trees has been obtained from the appropriate authorities.

10. breakage of:
- (a) any fixed glass, shower base, basin, sink, bath, lavatory pan or cistern if this Policy insures your home;
 - (b) glass forming part of an item of furniture, or domestic telephone, if this Policy insures your contents;

but not for loss or damage to:

- (a) any property other than the broken glass (except for window tinting or shatter-proofing) or shower base, basin, sink, lavatory pan, cistern or telephone;
- (b) any item that is chipped or scratched prior to the breakage;
- (c) any item where the only damage is chipping or scratching or the breakage does not extend through the entire thickness;
- (d) glass or ceramic cook-tops that contain in-built heating elements;
- (e) glass in a picture frame or clock;
- (f) glass in television sets, radios, visual display units (VDUs) or any other computer or electrical equipment;
- (g) glassware, crystal or ornaments;
- (h) glass forming part of a glass house, hot house or conservatory;
- (i) mobile cellular telephones.

11. power surge to domestic appliances or domestic equipment directly caused by an identifiable and verifiable source outside your home including;

A lightning strike, an object contacting power lines, the resumption of power following a blackout caused by a storm or unexpected interference with a power company transformer by an animal, but not for loss or damage:

- (a) to domestic appliances or domestic equipment more than 15 years from the date of purchase when new; or
- (b) resulting from a power surge originating at the address.

12. erosion, subsidence, landslide or earth movement, but only if it is directly as a result of one of the following insured events:
- (a) explosion;
 - (b) storm;
 - (c) earthquake or tsunami;
 - (d) escaping liquid;

and it occurs no more than 72 hours after the insured event.

We will not pay for loss or damage caused by any other erosion, subsidence, landslide or earth movement event.

13. damage caused by animals or birds, but not for any damage caused by or resulting from:
- (a) any animal kept at the address;
 - (b) rodents, vermin or insects, at any stage of their life cycle;
 - (c) any gnawing, chewing, pecking, clawing, scratching or in any way polluting or soiling;
 - (i) your contents in the open air; or
 - (ii) any exterior part of your home; or
 - (iii) any part of the interior of your home if you or the occupier has knowingly permitted an animal to enter your home; or
 - (iv) any part of the interior of your home that is not fully enclosed and secured prior to and at the time of damage.

Accidental damage cover

We will pay for accidental loss of or damage to your home or contents at the address other than the occurrences or items referred to in 'What we will not pay for'.

What we will not pay for

Under accidental damage cover, we will not pay for:

1. loss or damage caused by your tenants, or any person that normally resides with them, unless it is insured by insured events cover;
2. loss or damage which results from your failure to take reasonable steps following the discovery of liquid bursting, leaking, discharging or overflowing from a fixed domestic apparatus or system;
3. the cost of repairing or replacing any defective item that causes the escape of liquid from a fixed domestic apparatus or system;
4. loss or damage caused by:
 - (a) storm, rainwater or wind to:
 - (i) shade cloth;
 - (ii) shade sails;
 - (iii) material awnings;
 - (iv) netting;
 - (v) shade structures;
 - (vi) all types of hothouses or glasshouses;
 - (vii) swimming pool covers (including solar covers) and plastic liners for swimming pools;
 - (b) storm, rainwater or wind to:
 - (i) retaining walls;
 - (ii) free standing walls;
 - (iii) fences; or
 - (iv) gates;

unless they are located in Queensland or Western Australia or they are constructed of:

- (i) brick, concrete, masonry, stone or steel; or
- (ii) timber, but are 20 years old or less;

5. theft:
 - (a) by you, or anyone living at the address;
 - (b) by anyone visiting with your consent, or the consent of anyone living at the address;
 - (c) from any common areas of residential flats, home units or townhouses;
 - (d) or loss of money unless stolen from your home;
6. erosion, subsidence, landslide or earth movement, but only as covered by insured event 12. Erosion, subsidence, landslide or earth movement;
7. power surge, except as covered by insured event 11. Power surge;
8. more than \$10,000 for theft of contents in the open air per occurrence.

Additional benefits

The following additional benefits apply. For any additional benefits to be payable, you must suffer or incur the loss, liability or damage during the period of insurance.

We pay the following additional benefits as part of the sums insured for your home or contents, depending on the cover type you have selected.

1. Cover for contents when away from the address If you have selected insured events cover and if this section insures your contents in your primary residence:

We also insure your contents in a bank or safe deposit, or for a period of up to 180 consecutive days while you or your family are residing in any dwelling or residential flat, boarding house, boarding school, hotel, motel, residential club, nursing home or hospital, anywhere in Australia.

We also insure the unspecified contents that you temporarily entrust to someone else for no more than 60 days, only for the personal use at their address. We will not pay for claims:

- (a) for contents that have been entrusted for more than 60 days; or
- (b) for cash, negotiables, contents for which we impose a sub-limit under, Basis of settlement - Contents, or portable electronic equipment (such as portable computers or mobile phones) that have been entrusted.

We also insure your contents when they are being carried by you or your family anywhere in Australia, excluding any cover for theft (apart from any cover provided by Additional benefit - 2. Robbery away from your home). Under this additional benefit we do not pay for any loss or damage to:

- (a) contents in the open (including non-lockable structures) away from the address, or in a vehicle, caravan, tent, watercraft or aircraft; or
- (b) property used in connection with a profession, trade or business.

We pay up to 20% of the sum insured under unspecified contents shown in the Policy Schedule, however the sub-limits will also apply as set out in the table under Maximum limits we will pay. Contents temporarily entrusted are not insured if a sub-limit applies to those contents.

Contents are not covered for loss or damage if you have permanently removed them from your home, other than:

- (a) as provided under Additional benefit 9 - Change of address; or
- (b) contents used by a student who is dependent on you for financial support, whilst contained in a school, college, tertiary education campus or a dwelling that is supervised by an educational institute.

If you have selected accidental damage cover and if this section insures your contents in your primary residence:

We insure your contents anywhere:

- (a) in Australia or New Zealand while you have temporarily removed them from the address; and
- (b) in the rest of the world while you have temporarily removed them from the address, for a period of up to 100 days, in any one Period of Insurance.

We also cover any contents that you purchase anywhere in the world. If the purchased contents increase your total sum insured by more than \$5,000 then you must advise us of your increased sum insured when you return home and pay any additional premium we require. All sub-limits in this section apply.

Under this additional benefit, we do not insure:

- (a) the following items:
 - (i) contents in transit during a permanent removal from the address (other than as described in Additional benefit 11 - Contents being conveyed to your new residence);
 - (ii) contents permanently removed from the home, other than:
 - (A) as provided in Additional benefit 9 - Change of address; or
 - (B) contents used by a student who is dependent on you for financial support, whilst contained in a school, college, tertiary education campus or a dwelling that is supervised by an educational institution.
 - (iii) aircraft (including hang gliders), aerial devices or equipment normally associated with them;
 - (iv) property used in connection with a profession, trade or business;
 - (v) motor vehicles (including motor cycles and scooters), caravans and trailers and their spare parts and accessories; or
- (b) the following items and their accessories or spare parts while they are contained in or on or attached to a tent, vehicle, watercraft, aircraft or in the open (includes non lockable structures and non lockable parts of structures not at the address):
 - (i) canoes, kayaks, surfboards, surf skis and sailboards or other watercraft;
 - (ii) ride on golf buggies and ride on mowers.

The maximum we will pay for items of:

- (a) jewellery, gold or silver articles, furs watches;
- (b) collections of any kind; or
- (c) mobile phones, portable electronic equipment (including such things as portable computers, PDAs, hearing aids);

while they are temporarily removed from your address, is \$10,000 per item, and \$20,000 in total, unless you have specified them and they appear in your Policy Schedule under "Valuables" and you have paid any additional premium required. For all other items the maximum amount we pay while they are temporarily removed from your address is subject to the limits described under Maximum limits we will pay.

2. Robbery away from your home

This additional benefit applies if this section insures your contents in your primary residence, and you have selected insured events cover.

We will insure your handbag and/or wallet and personal effects contained in them if you are assaulted and robbed of your handbag and/or wallet while you are away from your home, if:

- (a) you (or if you are hospitalised, someone on your behalf) report the incident to police as soon as possible, or in any event within 24 hours of the assault; and
- (b) you can demonstrate evidence of an assault.

The maximum we will pay under this additional benefit is:

- (a) for the handbag or wallet, up to \$300 each;
- (b) for personal effects contained in the handbag or wallet, excluding cash and negotiables, up to \$300;
- (c) for cash or negotiables contained in the handbag or wallet, up to a maximum of \$400;
- (d) a total of \$1,000 in any one Period of Insurance.

3. Fees

If this section insures your home and it is damaged as a result of an event insured under this section and we agree to pay a claim:

We will pay any reasonable fees which we have approved and which are incurred directly in relation to repair or replacement of your home.

4. Removal of debris

If this section insures your home and it is damaged as a result of an event insured under this section and we agree to a claim:

We pay the reasonable costs of demolition and removal of debris from the address to the nearest authorised facility.

If the damage for which we agree to pay a claim is caused by a fallen tree, which as a result becomes debris, we will remove the tree from the address. We will remove a standing tree or branch that formed part of the tree that caused the insured damage only if:

- (a) we agree that the remaining tree or branch is unsafe;
- (b) the remaining tree or branch only became unsafe as a direct result of the event covered under this Policy causing damage to the tree; and
- (c) all necessary approvals have been obtained and removal of the tree or branch would not result in a breach of any laws, by-laws, regulations or contractual obligations.

We will remove a stump that formed part of the tree that caused the insured damage only if:

- (a) all necessary approvals have been obtained and removal of the stump would not result in a breach of any laws, by-laws, regulations or contractual obligations; and
- (b) not removing the stump would interfere with repairing or replacing the damaged part of your home required to settle your claim.

If this section insures your contents, and they are damaged as a result of an event insured under this section, and we agree to pay a claim:

We will pay the reasonable costs of removal of contents debris from the address to the nearest authorised facility.

5. Extra costs of reinstatement

If this section insures your home, and it is damaged as a result of an event insured under this section, and 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 your home at the address.

If only part of your home is damaged, we pay only the extra costs you incur in repairing that part. We will not pay any extra costs which resulted from any notice which a statutory authority served on you before your home suffered loss or damage.

6. Illegal use of credit card or financial transaction card
If this section insures your contents in your primary residence and a credit card or financial transaction card is lost or stolen:

We will pay up to:

- (a) \$7,500, if you have accidental damage cover; or
- (b) \$5,000, if you have insured events cover

We will not pay if:

- (a) you have not complied with the card issuer's requirements;
- (b) the authorised user of the card is someone living at the address.

7. Visitors' contents

If this section insures your contents in your primary residence:

We will also insure contents up to \$5,000 in total, belonging to any visitors temporarily living with you at the address for up to 30 consecutive days.

We will not pay for:

- (a) visitors' contents that are insured under another Policy taken out by someone other than you or your family;
- (b) any cash or negotiable instruments.

8. Replacement of locks and keys

If you have accidental damage cover

We will pay up to \$3,000 to replace or alter locks and/or keys if:

- (a) locks to your home are damaged; or
- (b) keys to your home are lost, damaged or stolen from anywhere in Australia.

If you have insured events cover

We will pay up to \$2,000 to replace or alter locks and/or keys if:

- (a) locks to your home are damaged; or
- (b) keys to your home are stolen;

by someone breaking into your home following violent and forcible entry.

9. Change of address

If this section insures your contents and you are moving into a new home within Australia:

We insure your contents at both addresses for a maximum of 60 days. The maximum we pay at each address will be the proportion of the sum insured that the value of the contents at each address bears to the total value of the contents at both addresses.

You must tell us of your new address within 60 days of first moving into it. If you wish to insure your contents at your new address after that 60 days we must agree to insure them at that address. You must pay us any additional premium we ask for and comply with any conditions we impose.

10 . Contracting purchaser

If this section insures your home; and:

You have entered a contract to sell your home, this Policy insures the purchaser from:

- (a) when they become liable for any damage to the home until the contract is settled or terminated; or
- (b) until the purchaser insures the home;

whichever happens first.

11 . Contents being conveyed to your new residence

This additional benefit applies if this section insures your contents in your primary residence.

We insure your contents if they are damaged which they are in a vehicle being used to convey your contents. The damage must occur directly as a result of:

- (a) theft from the conveying vehicle involving the use of violent force;
- (b) fire on the conveying vehicle; or
- (c) collision and/or overturning of the conveying vehicle;

while your contents are in transit by road to:

- (a) your new primary residence; or
- (b) a storage facility at which your contents or some of your contents will be temporarily located pending conveyance to your new primary residence, within Australia.

We do not insure your contents:

- (a) for removal to any residence other than one intended to be occupied by you as your principal residence;
- (b) for damage to china, glass, earthenware or any other item of a brittle nature;
- (c) for damage caused by scratching, denting, bruising or chipping;
- (d) outside Australia.

12. Trees, shrubs and plants

If you occupy the home insured by this section as your primary residence:

We pay for loss or damage to trees, shrubs or plants caused directly by malicious damage or any insured event except for insured event 2. storm, tempest, rainwater, wind, hail, tornado, cyclone or hurricane, freeze or weight of snow.

If you have accidental damage cover

We will pay up to \$10,000 in total during any one period of insurance.

If you have insured events cover

We will pay up to \$5,000 in total during any one period of insurance.

We do not insure:

- (a) grass or lawn; or
- (b) any event that is not sudden, accidental and unforeseen.

We only repair or replace trees, plants or shrubs, that are so damaged that they die, are permanently disfigured or not recovered after being stolen.

13 . Frozen food

When your contents are insured by the section we will pay up to \$1,000 for spoilage of frozen food or legally prescribed pharmaceutical drugs that require refrigeration in domestic refrigerators or freezers at the address caused by:

- (a) breakdown of the refrigerator or freezer;
- (b) failure of the electricity supply to your home;
- (c) the operation of a safety device following its detection of electric current leakage;
- (d) the power authority switching off the electricity supply as a safety precaution.

If you have selected accidental damage cover for your contents, we will pay up to \$2,000 under this additional benefit for the accidental disconnection or switching off of the power supply to the refrigerator or freezer.

We will not pay for spoilage caused by:

- (a) flood;
- (b) strikes or industrial action;
- (c) the power authority switching off the electricity supply, for any purpose other than as a safety precaution;
- (d) you or anyone that lives with you, switching off or disconnecting the electricity supply, unless it is accidental and you have selected accidental damage cover.

14 . Fusion of electric motors

We will pay the cost of rewinding the motor, or at our option, replacing it. For refrigerators and air conditioning units, we pay for the replacement of refrigerant gas and refrigerant driers, only if replacement of the refrigerant gas or drier is made necessary because of the fusion.

We will not pay for:

- (a) fusion of electric motors used fully or partly in connection with your farm business. Items used in connection with your farm business should be insured under Section 11 - Machinery breakdown;
- (b) motors more than 15 years from the date of purchase when new or more than 15 years from the date of rewinding;
- (c) the cost of repair or replacement of additional parts or service items, including worn or broken bearings or switches;
- (d) microwave ovens, video or audio equipment, electronic controllers or electronic equipment of any kind;
- (e) leakage of refrigerant gas and maintenance of refrigerant driers;
- (f) lighting elements (for example, light bulbs or fluorescent tubes) or heating elements, solenoids, fuses or protective devices (for example, a fuse or circuit breaker);
- (g) electrical contact points where sparking or arcing occurs during ordinary use;
- (h) motors covered by a manufacturer's guarantee or warranty;
- (i) electronic controllers or other electronics.

15 . Legal defence costs

If you occupy the home insured by this section as your primary residence or this section insures your contents in your primary residence:

We will pay or reimburse you for your legal fees, costs and expenses which you reasonably incur in legal proceedings initiated against you by a third party (and defended by you) but only where the proceedings are commenced in Australia during the period of insurance.

The maximum we will pay is \$10,000 for any one claim or series of claims arising from the same cause or event.

We will not pay or reimburse you for proceedings for claims:

- (a) for or relating to fines, penalties or punitive damages;
- (b) by family members including spouse, ex-spouse, partner, or ex-partner;
- (c) for or relating to divorce, separation, child visitation or custody, maintenance, property disputes;
- (d) for or relating to dishonesty, intentional violence, or misconduct;
- (e) for or relating to defamation or slander;
- (f) relating to facts or occurrences, occurring prior to the commencement of the Policy which you knew or ought to have known at the time of commencement of this Policy, would, or might give rise to a claim;
- (g) initiated, threatened or commenced prior to the commencement of this Policy;
- (h) under or relating to any workers' compensation legislation, industrial award or agreement, or statutory accident compensation scheme or compulsory third party insurance;
- (i) which could have been made under Subsection 2 – Legal liability if you had chosen to insure your home (if you own it) or your contents.

16. Waiver of excess if your property is a total loss

You are not required to pay an excess if we agree to pay a claim as a result of damage that renders your home, contents, or both a total loss.

17. Monitored alarm attendance after theft

If this section insures your contents in your primary residence:

We will pay for the reasonable costs actually incurred by you for the security firm that monitors your burglar alarm to attend your home during or immediately after an actual or attempted theft from your home if:

- (a) there is evidence of forcible or violent entry;
- (b) the theft or attempted theft if not committed by any person who is living at the address; and
- (c) you report the incident to Police as soon as possible and in any event, no more than 24 hours after the theft or attempted theft occurred.

If you have accidental damage cover

We will pay up to \$2,500 during any one period of insurance.

If you have insured events cover

We will pay up to \$2,000 during any one period of insurance.

We will not pay:

- (a) for any false alarms; or
- (b) where there is no evidence of theft or an attempted theft.

18. Replacement of documentation

If this section insures your contents in your primary residence:

We will pay up to \$2,500 for the reasonable costs to replace the following documentation directly damaged as the result of an event that has caused a claim that we agree to pay:

- (a) title deeds;
- (b) birth certificates;
- (c) a marriage certificate;
- (d) passports;
- (e) drivers licences;
- (f) proof of age card.

19. Building materials

If this section insures your home, which is your primary residence:

We will pay up to \$2,000 in any one period of insurance if your unfixed building materials are lost or damaged at the address due to an event covered by this Policy. Cover only applies to building materials intended to be used for repairs, alterations or additions to your home at the address.

We do not insure soil, sand, gravel, bark or mulch or any similar materials. We do not cover any gas or electrical appliances unless they are in a locked and fully enclosed building where those items are not visible from the outside of the building.

20 . Compensation for death

If this section insures your contents in your primary residence, and:

- (a) an insured event at the address caused a physical injury to you or a member of your family who normally resides with you; and
- (b) the physical injury directly caused the death of you or the member of your family; and
- (c) the insured event also caused damage to your property at the address which we agreed to pay for under this Policy;

We will pay up to \$15,000 in total during any one period of insurance to the legal representative of the deceased person.

We will pay Additional benefits 21., to 25., over and above your sum insured for your home and your contents, depending on the type of cover you have chosen.

21. Loss of rent or temporary accommodation

We will pay the following benefit if your home is damaged by an insured event and it cannot be lived in or let to tenants:

If this section insures your home:

We will pay up to:

- (a) \$20,000; or
- (b) 20% of the sum insured for your home;

whichever is higher for:

- (a) loss of rent or rentable value if your home is tenanted or is between tenants at the time the loss or damage occurred;
- (b) additional cost of:
 - (i) reasonable temporary accommodation;
 - (ii) emergency storage of your contents;
 - (iii) emergency accommodation of your pets;

where the home is your primary residence.

If this section insures your contents:

We will pay up to:

- (a) \$20,000; or
- (b) 20% of the sum insured for your contents;

whichever is higher for:

- (a) loss or rent or rentable value if your home is a strata title residence and it is tenanted or is between tenants at the time the loss or damage occurred;
- (b) additional cost of:
 - (i) reasonable temporary accommodation;
 - (ii) emergency storage of your contents;
 - (iii) emergency accommodation of your pets;

where you are a tenant or strata title owner permanently residing in your home.

22. Forced evacuation by Government Authority
If you occupy the home insured by this section as your primary residence, and:

Your home cannot be lived in because a Government Authority prohibits you from using it because of one of the following incidents:

- (a) damage to a home, strata title property, road or street;
- (b) a burst water main;
- (c) a bomb threat or bomb damage;
- (d) street riot;
- (e) lift malfunction at the insured address (any you have a medical certificate stating you must use a lift);
- (f) emergency services refuse you access to your home or unit or evacuate you for safety reasons,

we will pay any increase in your living expenses for up to 60 days that is necessary and reasonable to maintain your household's normal standard of living.

If this section insures your contents, and:

You cannot access your home or unit because of one of the following incidents:

- (a) damage to a home, strata title property, road or street;
- (b) a burst water main;
- (c) a bomb threat or bomb damage;
- (d) street riot;
- (e) lift malfunction at the insured address (any you have a medical certificate stating you must use a lift);
- (f) emergency services refuse you access to your home or unit or evacuate you for safety reasons,

then:

- (a) if you own and live in your home or unit, we will pay the reasonable temporary accommodation costs for you and your pets that you normally keep at your insured address; or
- (b) if you are a tenant, we will pay any reasonable extra rent costs for your temporary accommodation for you and your pets that you normally keep at your insured address,

for up to 60 days from when the incident occurred.

If this section insures the home that you let to tenants, and:

Your home cannot be lived in because a Government Authority prohibits you from using it, because of one of the following incidents:

- (a) damage to a home, strata title property, road or street;
- (b) a burst water main;
- (c) a bomb threat or bomb damage;
- (d) street riot;
- (e) lift malfunction at the insured address (any you have a medical certificate stating you must use a lift);
- (f) emergency services refuse you access to your home or unit or evacuate you for safety reasons,

we will pay any resultant rent lost.

We will pay up to a maximum of 20% of the sum insured for your home for loss of rent or rentable value if your home is tenanted or is between tenants at the time the loss or damage occurred.

We do not cover loss due to cancellation of a lease or agreement including if a tenant decides to leave without giving proper notice.

Under this additional benefit, we will not pay for:

- (a) loss of rent if your home has been untenanted for 30 or more consecutive days immediately before the loss;
- (b) any rent loss outside the period of forced vacancy;
- (c) any rent lost later than 12 months after the damage occurs.

23 . Automatic reinstatement of sum insured

If the sum insured is reduced following payment of a claim, other than a claim for the total loss of your home or your unspecified contents, we will automatically reinstate the sum insured from the date of the loss or damage unless:

- (a) you request otherwise; or
- (b) we tell you otherwise.

24 . Inflation adjustment

This benefit only applies to your home and contents sum insured as shown in your Policy Schedule.

During each period of insurance we increase the home and contents sum insured by 0.5 to 1% of the relevant sum insured shown in your current Policy Schedule per month until the next renewal date.

25 . Legal costs**If this Policy insures your home:**

We will pay the reasonable legal costs incurred in discharging your mortgage following settlement of a claim for a total loss.

26 . Veterinary expenses for domestic cats and dogs**If you occupy the home insured by this section as your primary residence or this section insures your contents in your primary residence:**

We will the reasonable veterinary expenses incurred by you if your domestic cat or dog, normally kept at the site, is accidentally injured as a result of a road accident, fire, lightning or earthquake.

We will not pay:

- (a) costs or expenses resulting from the physical loss, theft or death of an animal including but not limited to post mortem, disposal, burial or cremation;

- (b) for routine elective or preventative veterinary treatment such as vaccinations, spaying or heartworm testing;
- (c) for treatment of any pre-existing condition;
- (d) for treatment of injury or illness arising from or connected with a sporting event, cat or dog show, business, occupation or commercial activity, including but not limited to your farm business, guard dog services, commercial breeding, hire or renting out of the animal; or
- (e) If the injured cat or dog was not registered and/or micro-chipped as required by any law or regulation made by any government or public authority.

If you have accidental damage cover

We will pay up to \$1,250 in total during any one period of insurance.

If you have insured events cover

We will pay up to \$1,000 in total during any one period of insurance.

27 . Taxation audit

If you occupy the home insured by this section as your primary residence or this section insures your contents in your primary residence:

We will pay or reimburse you for accountant's fees which you reasonably incur as a result of your personal taxation affairs being audited by the Australian Taxation Office.

The maximum we will pay is \$5,000 for any one audit.

We will not pay or reimburse you for any:

- (a) fines, penalties or shortfall in the amount of tax payable;
- (b) audit conducted in relation to criminal activity;
- (c) audit that relates to your farm business or any other business;
- (d) audit not commenced during the period of insurance;
- (e) fees incurred outside of statutory time limit;
- (f) fees incurred as a result of any fraudulent act or fraudulent admission or any statement made by you or on your behalf to a taxation officer which:
 - (i) is false or misleading; and
 - (ii) can be attributed to deliberate evasion or recklessness leading to a tax shortfall penalty or imposition of additional tax exceeding 25%;
- (g) audit conducted in relation to any facts or circumstances of which you were aware, or ought to have been aware, prior to the commencement of this Policy which were likely to lead to your making a claim under this section;
- (h) fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit; or
- (i) any fees in relation to any Self Managed Superannuation Fund (SMSF) audits.

28 . Modifications to your home

If you occupy the home insured by this section as your primary residence or this section insures your contents in your primary residence:

As a direct result of an insured event occurring at the address for which we agree to pay a claim:

- (a) you; or
- (b) a member of your family normally living with you;

permanently become a paraplegic or quadriplegic.

If you have accidental damage cover

We will pay up to \$25,000 for the cost incurred by you in modifying your home or in relocating you to a suitable home.

If you have insured events cover

We will pay up to \$20,000 for the cost incurred by you in modifying your home or in relocating you to a suitable home.

29 . Environmental upgrade benefits

If you occupy the home insured by this section as your primary residence, and:

We agree that your home is a total loss as a result of an insured event, and we have agreed to rebuild your home, we will pay up to a maximum of \$5,000 of the cost to you, after the deduction of any rebate to which you are entitled under any government or council scheme, to install any of the following:

- (a) rain water tank;
- (b) solar power system (solar hot water heating system or photo-voltaic electricity system);
- (c) hot water head exchange system; or
- (d) grey water recycling system.

A rain water tank includes the tank and necessary pump, wiring, foundations, stand, pipes and installation costs.

A solar power system includes any photo-voltaic or solar panels and necessary water tank, pump, wiring, supporting framework, inverter, electricity meter, ducting, pipes and installation costs.

A hot water heat exchange system includes the heat exchange system and necessary wiring, stand, pipes and installation costs.

A grey water recycling system includes the recycling system, wiring, pipes and installation costs.

If this section insures your contents in your primary residence:

If we agree to pay a claim for one (1) of the following items:

- (a) refrigerator;
- (b) freezer;
- (c) washing machines (but not clothes dryers);
- (d) dishwasher;

and it is beyond economic repair, and it had an energy star rating of less than three (3) stars, then we will replace the item with an equivalent item that has an energy rating of at least three (3) stars.

If we agree to pay a claim for a clothes dryer and it is beyond economic repair, and it had an energy star rating of less than two (2) stars, then we will replace the item with an equivalent item that has an energy rating of at least two (2) stars.

Optional benefits

The following optional benefits may be obtained on application, and for payment of an additional premium.

1. Valuables

If you have selected and paid for Optional benefit 1, we insure you and your family for loss of or damage to unspecified or specified valuables anywhere in Australia or New Zealand and anywhere else in the world:

- (a) for up to 60 days in any one Period of Insurance, if you have insured events covers; or
- (b) for up to 100 days in any one Period of Insurance, if you have accidental damage cover.

Unspecified valuables

The unspecified valuables option is only available if you have selected insured events cover. Unspecified valuables are automatically covered by Additional benefit 1 - Cover for contents away from the address, if you have selected accidental damage cover.

You can select unspecified valuables without having to specify individual items, but you need to nominate a total sum insured to cover all unspecified valuables. Your Policy Schedule will indicate if you have chosen Optional benefit 1. Valuables - Unspecified valuables and the total sum insured for unspecified valuables.

Specified valuables

Specified valuables cover is available if you have selected either insured events or accidental damage cover.

If you select specified valuables cover, then you must specify each item you wish to insure as a specified valuable and provide valuations and/or receipts for each item, unless we tell you that a valuation and/or receipt is not required. Your Policy Schedule will indicate if you have chosen specified valuables option.

If you have selected insured events cover and require cover for valuables while they are temporarily removed from the address, and those valuables are not covered under Additional benefit 1 - Cover for contents away from the address, then you must specify each item you wish to insure as a specified valuable.

If you have accidental damage cover, Additional benefit 1 - Cover for contents away from the address, automatically covers:

- (a) jewellery, gold or silver articles, furs, watches;
- (b) collections of any kind; and
- (c) mobile cellular telephones, portable electronic equipment (including portable computers, PDAs, hearing aids);

while they are temporarily removed from the address, up to \$10,000 per item and a total of \$20,000. In addition, other portable items that have sub-limits listed in the tables within Maximum limits we will pay are automatically covered up to their sub-limits under Additional benefit 1 - Cover for contents away from the address, while they are temporarily removed from the address.

If you wish to insure any of these items while they are temporarily removed from the address for amounts greater than the limits provided under Additional benefit 1 - Cover for contents away from the address, then you need to select and pay for this specified valuables option.

What you are not covered for

The following items are not covered under Optional benefit 1. Valuables.

- (a) cash, negotiables or financial transaction cards;
- (b) unset precious or semi-precious stones;
- (c) items being cleaned, repaired, restored, or on exhibition away from the address;

- (d) vehicles (including motor cycles and motor scooters), aircraft, aerial devices, watercraft or anything associated with these items;
- (e) property used in connection with a profession, trade or business, or otherwise for reward;
- (f) bicycles, unless you have insured them as specified valuables. Bicycles are not covered under unspecified valuables.

How we will settle your claim

- (a) At our option we will:
 - (i) repair the damaged item;
 - (ii) replace the lost or damaged item with an item substantially the same as, but not better than when new;
 - (iii) pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new; or
 - (iv) pay up to the sum insured shown in your Policy Schedule against the item.

This means:

- (a) if the loss or damage is to unspecified valuables, we will pay up to the total sum insured for unspecified valuables.

However, for each unspecified valuable item, we will not pay more than 25% of the sum insured for unspecified valuables shown in your Policy Schedule.

- (ii) for specified valuable items, we will pay up to the sum insured shown in your Policy Schedule against the item.

If we choose to pay to replace a specified valuable item, we will pay no more than the amount that it would cost us to replace the item with an item substantially the same as, but not better than when new, even if you have specified the valuable item for a higher amount, whether or not you have supplied a valuation.

We have negotiated special arrangements with various suppliers to purchase items for less than retail cost. Premiums are therefore based upon us replacing items at less than retail cost.

- (b) If we agree to pay a claim where film, photos, home movies or home videos or any similar recorded material is destroyed, we will pay for the replacement with new, blank film, videos or similar (for example, if a compact disc upon which you had photos stored is destroyed, we would replace it with a new, blank compact disc).

We will not pay to reconstruct any circumstances or conditions.

- (c) If we agree to pay a claim where software is lost, damaged or destroyed, we will pay the cost to replace it with the nearest equivalent new software.

We will not pay for any software that was acquired by you illegally or at no cost.

- (d) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we will:
 - (i) replace the item with the nearest equivalent or similar new item available in Australia or overseas; or
 - (ii) pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.

- (e) **Pairs and sets**

If any item lost or damaged is part of a pair or set, we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.

2.Domestic workers' compensation cover

Your Policy Schedule will show if you have selected domestic workers' compensation cover.

If you have selected domestic workers' compensation cover the name of the insurer is shown in your Policy Schedule.

This optional benefit of the Policy provides statutory domestic workers' compensation insurance for domestic workers in your employ at your address and only applies in the State or Territory shown in your Policy Schedule.

The amount of cover you are provided and the amount of compensation payable is prescribed by the relevant State or Territory government. A copy of the statutorily prescribed policy or cover will be made available to you upon your request.

Some terms and conditions in the statutorily prescribed cover may be different to the terms and conditions of this Policy. Some examples of differences include conditions of cancellation and some exclusions that are listed under What you are not insured for in various parts of the Policy may not always apply to domestic workers' compensation.

Specific exclusions applying to sub-section 1 - Home and contents

The following additional exclusions apply to cover for your home, contents, Additional benefits 1, to 24., and Optional benefit 1. General exclusions which apply to all sections of this Policy appear in the section headed General exclusions.

We will not pay for loss or damage:

1. intentionally caused by:
 - (a) you or a member of your family or a person acting with your consent or the consent of any member of your family;
 - (b) your tenant, your tenant's family or your tenant's visitors.
2. resulting from or caused by:
 - (a) the lawful seizure, confiscation, nationalisation or requisition of the property insured;
 - (b) destruction of or damage to property by any government or public or local authority;
 - (c) inherent defects, structural defects, faulty workmanship, faulty design or any gradual process;

However, we will pay for resultant loss or damage that is caused directly by an insured event if you did not know about, or could not reasonably have known about, the defect, faulty design or faulty workmanship at the time of the loss.

Under no circumstances will we repair the inherent defect, structural defect, faulty workmanship or faulty design that caused the loss, nor any loss that is caused by the inherent defect, structural defect, faulty workmanship or faulty design that is not caused directly by an insured event. If there is evidence that a defect previously caused damage, we will not pay any claim for further damage by a insured event arising from this defect.

For example; A previous owner had electrical wiring installed that was faulty and there was no way that you could have known about this. The faulty wiring causes fire damage. We would cover the damage caused by the fire. We would not pay to replace the faulty wiring. If you knew, or could have reasonably known that the wiring was faulty at the time of the fire, then we would not pay for loss of damage caused by the fire.

Another example; A claim is made for water damage from a leaking roof. Upon investigation, it is discovered that there is evidence that the roof had leaked numerous times before due

to faulty workmanship. If you could have reasonably known of the defect or the previous leak, then no claim would be payable to repair the defect or the water damage.

- (d) wear, tear, rust, corrosion, depreciation or gradual deterioration;
- (e) fungus, mildew, mould, algae, atmospheric or climatic conditions (other than storm);
- (f) settling, shrinkage or expansion in buildings, foundations, walls or pavements;
- (g) the removal or weakening of supports or foundations for the purpose of alterations, additions, renovations or repair;
- (h) mechanical, electrical or electronic breakdown with the exception of fusion to electric motors as described under Additional benefit 14. Fusion of electric motors, or insured event 11. power surge;
- (i) any consequential loss other than that specifically provided by this Policy;
- (j) any process of cleaning involving the use of chemicals, unless you have accidental damage cover and the chemicals used are domestic in nature;
- (k) rodents, vermin, or insets (at any stage of their life cycle);

For example: If a mouse was to chew through an electrical wire, which led to a fire the damage caused directly by the fire would be covered by the Policy, however any damage caused by the mouse's chewing would not be covered by this Policy.

- (l) any gnawing, biting, chewing, pecking, clawing, scratching or in any way soiling or polluting;
 - (i) your contents outside your home; or
 - (ii) any exterior part of your home; or
 - (iii) any part of the interior of your home that is not fully enclosed and secured prior to and at the time of the damage; or
 - (iv) any part of the interior of your home if you or the occupier has permitted an animal to enter your home;
 - (v) any animal kept by you or your family or your tenant, your tenant's family or your tenant's visitors;
- (m) the deliberate application of heat (for example, this would include where an element under or forming part of a ceramic cook-top causes damage to the cook-top);
- (n) tree roots;

However, this exclusion applies only to damage caused directly by tree roots. For example, if tree roots damage and block a pipe, we will pay for the resultant damage to your home caused by water overflowing in your home. We will not pay for the damage to the pipe.
- (o) flood;
- (p) the action of the sea, high water, or tidal wave;
- (q) water seeping through a wall or floor;
- (r) water entering the home through an opening made for the purpose of alterations, additions, renovations or repair;
- (s) any animal kept by you or your family or your tenant, your tenant's family or your tenant's visitors.

3. to:
- (a) sporting equipment (including hang gliders) while in use or play;
 - (b) bicycles while they are being used for any competition or contest including racing, pacemaking time trial or hill climb;
 - (c) the tyres of bicycles whilst being ridden;
 - (d) damage to the appearance of the bicycle caused whilst the bicycle is being ridden such as scratching, denting, chipping or defacing. This does not include damage that materially affects the performance of the bicycle;
 - (e) items being used under water;
 - (f) items for sale on consignment;
 - (g) electronic data unless the loss or damage is caused by an insured event.

For the purposes of this exclusion, electronic data means any facts, concepts or information converted to a form usable for communication, display, distribution, processing by electronic or electromechanical data processing, or electronically controlled equipment which includes but is not limited to programs, software or other coded instructions for such equipment.

For example: You are not covered for any damage to any information on your computer including any computer program caused by a virus, trojan horse, worm, back door, trap door, logic bomb, bacteria, rabbit programs or any computer hacking.

4. destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, resulting from, arising out of or in connection with any contagious or communicable animal disease.

Subsection 2 - Legal liability

What you are covered for

Your home

If this Policy covers your home or, if your home is a strata titled residence and your contents are insured under this Policy, we insure you and any member of your family against any claim for compensation or expenses which you or any member of your family become legally liable to pay for the:

1. death of or bodily injury to any person;
2. loss of or damage to property;

resulting from an occurrence during the period of insurance, arising out of the ownership of your home or occupancy of your home.

In this section we include land, trees, shrubs and other plant life at the address as part of your home.

Your contents

We insure you and any member of your family against any claim for compensation or expenses which you or any member of your family become legally liable to pay for the:

1. death of or bodily injury to any person;
2. loss of or damage to property;

resulting from an occurrence during the period of insurance, anywhere in the world that is not related to the ownership of your home.

What we will pay

1. We will pay up to \$30,000,000 for any one occurrence.
2. We do not pay more than this amount in total under all Policies we have issued to you which cover the same liability.
3. In addition to this amount, we will pay legal costs for which we have provided prior written approval.

Additional benefits

1. Social or sporting club committee member

If your contents are insured by the Policy

We will insure you for the amount you or a member of your family become legally liable to pay for compensation or expenses for an alleged or actual act or omission arising out of your or their position as a committee member of a social or sporting club.

We will only pay if the payment or remuneration you receive for such committee work does not exceed \$2,000 per year, and the alleged or actual act or omission is committed during the period of insurance.

The most that we will pay under this additional benefit is \$10,000 during any one period of insurance.

2. Motor vehicle liability

What we insure you or any member of your family for

We insure you and any member of your family against any claims for compensation or expenses which you or any member of your family become legally liable to pay for:

- (a) the death of or bodily injury to any person;
- (b) the loss of or damage to property;

arising from the ownership, custody, or use of:

- (a) any motor vehicle (excluding motor cycles and quad bikes) that is not required to be registered by law
- (b) any motor cycle with an engine capacity of 125cc or less that is not required to be registered by law;
- (c) any motorised wheelchair; or
- (d) any domestic trailer not attached to any motor vehicle;

resulting from an occurrence during the period of insurance.

We also insure you or any member of your family against claims for:

- (a) 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;
- (b) death or bodily injury caused by any registered vehicle if the occurrence causing the death or bodily injury takes place at the address;

during the period of insurance.

What we do not insure you or any member of your family for

If you or your family are entitled to be wholly or partly:

- (a) 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 scheme or to comply with a term or condition of the scheme;
- (b) protected by any other policy of insurance which specifically covers the vehicle (except where this exclusion would contravene s.45 of the *Insurance Contracts Act, 1984* (Cth)).

3. Liability cover for the address continues following a total loss

If your home is a total loss as the result of an insured event and your home policy comes to an end, we will continue to provide you with this liability cover in relation to the address that your home formerly occupied until the earliest of:

- (a) any construction commencing at the address;
- (b) the sale of the address or any part of it;
- (c) another policy that includes liability cover being taken out in relation to the address;
- (d) the commencement of construction of a home to replace the insured home at another address; or
- (e) six months from the date of the damage that caused the total loss.

What you are not covered for

1. We will not pay for your legal liability if there is an entitlement to claim for a benefit under any workers' compensation legislation, industrial award or agreement, or statutory accident compensation scheme.
2. We do not insure you or your family:
 - (a) against fines, penalties, or punitive, aggravated, multiple or exemplary damages;
 - (b) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos;
 - (c) under Subsection 2. Legal liability if you or your family members' liability arises from an occurrence which is or could be partly or fully insured under Section 8 - Farm liability.
3. We do not insure you or your family against legal liability arising from:
 - (a) any agreement, unless liability would have attached to you or your family if that agreement did not exist, or, unless the agreement is a lease agreement for your residential tenancy that complies with the relevant *Residential Tenancies Act* or similar;
 - (b) death of or bodily injury to you or to any person who normally lives with you. In this exclusion we consider that a person normally lives with you, if that person:
 - (i) has used your home; or
 - (ii) is living with you and intends or intended to use your home;

as their primary residence for 60 days or more out of any 90 consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence;
 - (c) death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment;
 - (d) damage to property belonging to you or any person who normally lives with you or to your or their employees;
 - (e) the ownership, custody, or use of any lift (other than a lift that exclusively services your home, and provided your home is freestanding and solely occupied by you and your family), aerial device or aircraft (including hang gliders, but excluding model aircraft or toy kites), aircraft landing area, boat exceeding four metres in length (except canoes, surfboards, surf skis or sailboards) or motorised watercraft in excess of ten horsepower;

- (f) the conduct of any activity carried out by you or your family for reward except for letting your home for domestic purposes or babysitting on a casual basis. Babysitting cannot be considered to be on a casual basis where:
 - (i) the babysitting is not of a casual nature;
 - (ii) any licence or other permission is required by any government body or public authority in order to legally conduct the babysitting;
 - (iii) the income derived from babysitting is the primary or only source of the household's income;
 - (iv) there is a registered business associated with the babysitting;
- (g) vibration or the weakening of, removal of or interference with support to land, buildings or other property;
- (h) building work, construction or demolition of a building, including your home if the value of the work exceeds \$100,000;
- (i) death or bodily injury to any person arising out of pregnancy or the transmission of any communicable disease by you or your family, unless the action was reasonable and the intention of the action was to prevent or reduce loss, damage or injury to property or persons;
- (j) the ownership of land, buildings or structures other than at the address of your home insured by this Policy. If you have insured your contents only, then you are not covered for any legal liability arising from the ownership of any land, buildings or structures;
- (k) loss, damage or injury intentionally caused by you or any member of your family or a person acting with your consent or the consent of any member of your family unless the action was reasonable and the intention of the action was to prevent or reduce loss, damage or injury to property or persons;
- (l) the lawful seizure, confiscation, nationalisation or requisition of the property insured;
- (m) destruction of or damage to property by any government or public or local authority;
- (n) the ownership or use of any motor vehicle other than under the cover given by the Additional benefit 2. Motor vehicle liability;
- (o) any act or omission that is knowingly illegal, dishonest, fraudulent, wilful, malicious or done with reckless disregard for their consequences by you, your family or a person acting with the consent of you or your family;
- (p) any pollutant escaping into or upon land, the atmosphere or any watercourse or body of water.

Specific conditions applying to this section

Unoccupancy

If your home is unoccupied for more than 100 consecutive days, you must tell us and obtain our written agreement for cover to continue.

If you do not do so, the cover for home and contents is limited to lightning, thunderbolt, riot and civil commotion, damage directly caused by impact by a motor vehicle, waterborne craft, space debris, aircraft, rocket, satellite, a branch, or tsunami and earthquake for the period in excess of 100 consecutive days during which your home has been left unoccupied. 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.

The period of 100 consecutive days is calculated from the date when your home was last occupied regardless of the commencement or renewal date of your Policy.

Burglary

If we have agreed to insure your contents only if burglary protection devices are installed, then this will be shown in your Policy Schedule.

If any of these devices are removed, altered, or left inoperative while you are absent from the address, without our prior consent, we may have the right to decline, or reduce a claim to which this action contributes.

Please refer to your Policy Schedule for details.

Strata title mortgagee's interest

This cover applies if you have arranged for this Policy to insure only the interest of a mortgagee in a strata title unit.

This cover only applies when you own part of a building that has been subdivided into strata, community or similar title units and you have a mortgage on that part of the building.

1. We will pay the mortgagee the lowest of:
 - (a) the sum insured shown in your Policy Schedule;
 - (b) the amount to repair the damage to a condition similar to but no better than when new;
 - (c) the difference between what the body corporates' (or similar) insurance pays and the cost of the damage; or
 - (d) the amount sufficient to discharge the mortgage held by you over the unit at the date of damage.

We pay only that part of the claim that applies to the interest of the mortgagee.

2. We only pay a claim if:
 - (a) a claim would be payable under Section 1 - Home of this Policy;
 - (b) the policy of the body corporate or similar does not apply or only partially covers the loss; and
 - (c) the mortgagee requires you to discharge your mortgage.
3. If you have arranged Section 1 - Home of this Policy to insure only the interest of a mortgagee in a strata title unit:
 - (a) no additional benefits in this section are payable;
 - (b) no legal liability cover is provided; and
 - (c) no optional covers such as domestic workers' compensation, or valuables cover are provided by this section.

Lifetime guarantee on home repairs

We guarantee that if we have:

- (a) selected and directly authorised or arranged for a repairer to replace, repair or rebuild your home; and
- (b) paid, or have a legal liability to pay, the supplier, repairer or builder directly for this work; and
- (c) a defect arises in the lifetime of your home as a result of poor quality workmanship or use of incorrect or poor quality materials;

we will rectify the problem by arranging, directly authorising and paying for further replacement, repair or rebuilding.

We will also handle any complaint about the quality or timeliness of the work or conduct of the repairer as part of our complaints handling process.

This guarantee does not apply to:

- (a) home replacement, repairs or rebuilding that you arrange, authorise or make yourself (even if we give you the name of a possible supplier, repairer or builder who is involved with the repair); or
- (b) home replacement, repairs or rebuilding that you arrange, authorise or make yourself (even if we give you a supplier, repairer or builder a cheque for all or part of the repair cost); or
- (c) loss, damage or failure of any electrical or mechanical appliances or machines that form part of your home; or
- (d) wear and tear consistent with normal gradual deterioration of your home (e.g. paint peeling off as part of its normal life cycle, wood rotting or mould from moisture in the air or ground, roofs weathering or a hot water system leaking as a result of normal gradual deterioration).

Section 2 - Private motor vehicle

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Agreed value	The fixed amount for which your motor vehicle is insured for each period of insurance regardless of any price change for your motor vehicle during that period. The agreed value includes the value of insured accessories and equipment.
Business use or Commercial use	<p>Your motor vehicle is registered for business use but is used only for the following purposes:</p> <ul style="list-style-type: none"> (a) in connection with your business or occupation; (b) social, domestic and pleasure purposes; (c) demonstration for sale; (d) in connection with servicing, repairing and subsequent testing; (e) for tuition, as long as it is not for payment; (f) towing a caravan, trailer or vehicle, as long as it is not for payment. <p>Business use or commercial use does not cover loss or damage if your motor vehicle is let out on hire or is being used by you or someone authorised by you to carry passenger or goods for payment other than private pooling arrangements.</p>
Executive use	<p>Your motor vehicle is registered for business use, but is used only for the following purposes:</p> <ul style="list-style-type: none"> (a) social, domestic and pleasure purposes; (b) demonstration for sale; (c) in connection with servicing, repairing and subsequent testing; (d) for tuition, as long as it is not for payment; (e) driving to or from work; (f) towing a caravan, trailer or vehicle, as long as it is not for payment. <p>Executive use does not cover loss or damage if your motor vehicle is let out on hire or is being used by you or someone authorised by you to carry passengers or goods for payment, other than private pooling arrangement.</p>
Market value	The cash value of your motor vehicle immediately prior to an accident using market pricing for a vehicle of the same age, type, and condition, in your local area. It includes GST (less any entitlement you have to claim any Input Tax Credit), but excludes costs and charges for, registration, stamp duty, dealer deliveries and the like.
Passenger vehicle	All vehicles designed to carry passengers excluding motor cycles, caravans, campervans and trailers.

Word or term	Meaning
Private use	<p>Your motor vehicle must be registered for private use, only in your name and used for the following purposes:</p> <ul style="list-style-type: none"> (a) social, domestic and pleasure purposes; (b) demonstration for sale; (c) in connection with servicing, repairing and subsequent testing; (d) for tuition, as long as it is not for payment; (e) towing a caravan, trailer or vehicle, as long as it is not for payment; (f) driving to or from work; (g) in connection with your occupation or business, as long as: <ul style="list-style-type: none"> (i) it is driven only by you, and (ii) the business use does not exceed 20% of your motor vehicle's usage.
Protective clothing	Any clothing worn by a motor cycle rider which is intended to reduce the likelihood of injury resulting from an accident. Protective clothing includes helmets, jackets, gloves, trousers and boots.

Excesses applying to this section

If we accept your claim you must pay the total amount of the applicable excesses, either to us or the repairer. We will tell you if the excess must be paid to the repairer or us. However, if your motor vehicle is a total loss, we may deduct any excess that you must pay from any payment we make.

Depending on the age or experience of the person driving, using or in control of your motor vehicle and whether you have told us about them and we have shown them in your Policy Schedule, you may have to contribute more than one excess. Each excess is shown in your Policy Schedule and is explained below.

Where more than one motor vehicle is covered under this Policy and those motor vehicles are involved in the same incident giving rise to a claim, you will have to pay the applicable excesses in respect of each motor vehicle insured.

Standard excess

You will have to pay a standard excess for every claim. This amount is shown in your Policy Schedule as the standard excess.

Applicable to passenger motor vehicles only

Age or inexperienced driver excess

In addition to the standard excess, you will have to pay an age excess or inexperienced driver's excess if at the time of any incident giving rise to a claim your motor vehicle is driven, used or controlled by a person who:

1. is under the age of 25; or
2. is aged 25 or more but has not held an Australian driver's licence for two or more years for the type of vehicle being driven at the time of the accident.

You will not have to pay this additional excess if the only damage to your motor vehicle is a broken windscreen or window glass or is caused by storm or hail, or your motor vehicle is damaged whilst parked or unattended.

The amount of the age or inexperienced driver excess is shown in your Policy Schedule.

Learner driver excess

If at the time of an accident a licensed learner driver is in control of your motor vehicle the excesses that will apply are those that would have applied to the licensed passenger who is instructing the learner, had they been driving.

Theft excess

If your motor vehicle is stolen you must pay an excess for theft if shown in your Policy Schedule, in addition to any other excesses payable.

Undeclared driver's excess

In addition to any other excesses which apply, you will have to pay an undeclared driver's excess if, at the time of an incident which gives rise to a claim, your motor vehicle was being driven by or in the charge of a person:

1. who is a member of your family; and
2. whose name has not been shown as a driver in your Policy Schedule.

You will not have to pay this excess if:

1. the driver of your motor vehicle is over 25 years of age and has not been convicted of driving under the influence of alcohol or had their licence suspended or cancelled in the five years immediately before the accident or loss; or
2. you satisfy us that an emergency existed; or
3. the use of your motor vehicle is shown as business or commercial in your Policy Schedule; or
4. the only damage to your motor vehicle is a broken windscreen or window glass, hail damage, or loss or damage which occurs when your motor vehicle is parked or unattended;
5. the driver of your motor vehicle has his/her own vehicle insured, and they are noted as the main driver of that vehicle.

The amount of the undeclared driver's excess is shown in your Policy Schedule.

When you will not have to pay an excess

You will not have to pay an excess if:

1. you can satisfy us that the claim involves a collision with another vehicle and the collision which gave rise to the claim was totally the fault of the driver of another vehicle; and
2. you tell us the registration number of the other vehicle and the full name, licence number and address of the other driver; and
3. the amount of your claim exceeds the applicable excesses under the Policy.

This benefit applies only if we are allowed legally to recover the amount of any loss including any applicable excesses from the third party.

If you live in a State or Territory where liability is apportioned in the courts or determined by the barometer of responsibility, you will qualify as 'faultless' if you are 20% or less to blame for any incident.

This benefit does not apply to windscreen damage and you will have to pay any excess applicable for windscreen only damage.

Where the driver of the other vehicle disputes who was at fault, you must pay any excess which applies but we will refund it if we are successful in establishing that the other driver was at fault.

Cover types

There are two types of cover available.

The type of cover you have selected is shown in your Policy Schedule.

1. Comprehensive cover

This cover provides:

- (a) insurance against theft or accidental loss or damage to your motor vehicle as described in Subsection 1 - Loss, damage or theft of your motor vehicle;
- (b) insurance against legal liability for damage caused by your motor vehicle to the property of other people as described in Subsection 2 - Third party liability; and
- (c) additional benefits applicable to comprehensive cover as set out in Subsection 1 - Loss, damage or theft of your motor vehicle.

2. Third party property damage cover

This cover provides:

- (a) insurance against legal liability for damage caused by your motor vehicle to the property of other people as described in Subsection 2 - Third party liability; and
- (b) additional benefits applicable to third party property damage cover as set out in Subsection 1 - Loss, damage or theft of your motor vehicle.

Subsection 1 - Loss, damage or theft of your motor vehicle

Cover

We will cover you for accidental loss of or damage to your motor vehicle (as described in your Policy Schedule) as a result of an accident occurring during the period of insurance, according to the type of cover you have selected.

If loss of or damage to your motor vehicle is covered, we will also pay for loss of or damage to your motor vehicle's extras, being:

1. original manufacturer's standard accessories, standard tools, standard appliances, standard options including built in radio receivers, built in music players, and air-conditioning;
2. any specified equipment or accessories shown in your Policy Schedule;
3. any non-standard permanently fixed equipment or other permanently fitted accessories up to \$1,000 in total;
4. your motor vehicle's tools or spare parts in or on your motor vehicle, up to \$500 in total;
5. unspecified accessories including non-standard equipment, tools and spare parts used for your motor vehicle, where it is registered for business use;

whilst they are in, on or attached to your motor vehicle.

Basis of settlement

At our option we treat the loss or damage as a:

1. partial loss; or
2. total loss.

These types of losses are defined below and we settle on the terms described.

Partial loss

If we treat the loss or damage to your motor vehicle as a partial loss we may elect to repair your vehicle.

Repairing your vehicle

If we decide to repair your motor vehicle, we will repair it to a similar condition to that which it was in before the loss or damage occurred.

If it is necessary to repair it to a better condition than it was in before the loss or damage occurred, then we may ask you to contribute the additional amount to repair it to the better condition.

If you have insured any accessories we will either repair them or pay for the cost to replace them as new, less an amount for depreciation, wear and tear.

Replacement of damaged parts

In the event of an accident covered under this Policy, should any part of your motor vehicle and/or other insured property become unavailable in Australia, we will reimburse you, in accordance with the basis of settlement, but in no circumstances will we be liable for more than the cost of the parts plus the cost of freight such parts by sea transport.

Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value, whichever is the lesser, we reserve the right to declare your motor vehicle a total loss.

Imported vehicles

If your motor vehicle has been imported and any part is not available in Australia, we will only pay for the cost of parts used in the repair of your motor vehicle up to the manufacturer's recommended list price in Australia.

However if such list is not available, we will only pay for the cost of the parts plus the cost of freight such parts by sea transport.

If there is a delay in the repair process due to the importation of parts, you are not covered for any loss of use of your motor vehicle during that time.

Lifetime repair guarantee

Repairs are guaranteed for the life of your motor vehicle, even if you sell it.

If we authorise repairs to your motor vehicle, we will guarantee the quality of the repairs for any defect due to faulty workmanship or faulty material for the life of your motor vehicle. For entitlement to any repairs under this guarantee you must first allow us to inspect your motor vehicle.

Total loss

A motor vehicle will be declared a total loss, if:

1. the cost to repair your motor vehicle plus the value of any salvage (if applicable) exceeds the agreed value or market value; or
2. your motor vehicle is stolen and not recovered within a reasonable period of time as determined by us.

We will settle any claim on the basis of market value or agreed value depending on the cover shown in your Policy Schedule. If we declare your vehicle a total loss we may either:

- (a) replace your motor vehicle; or
- (b) pay you the sum insured.

Market value

If you have insured your motor vehicle for market value, we will at our option:

1. replace your motor vehicle with an equivalent vehicle or pay you its market value at the time of the total loss; plus
2. replace all insured accessories or pay you the cost to replace them as new, less depreciation.

Agreed value

If you have insured your motor vehicle for agreed value, we will at our option replace your motor vehicle with an equivalent vehicle or pay the agreed value shown in your Policy Schedule.

Replacement with a new motor vehicle

We will replace your motor vehicle with a new vehicle of the same make, model or series so long as it is available in Australia and:

1. your motor vehicle is a total loss;
2. you purchased it new from the manufacturer or their dealer or as a demonstrator vehicle;
3. your motor vehicle is less than 24 months old from when it was first registered; and
4. where your motor vehicle is financed, your financier has given us written consent.

If a new replacement vehicle is not available, we will replace your motor vehicle with the nearest equivalent vehicle available, so long as it is available in Australia.

If we cannot agree on a replacement vehicle, we will pay you the amount it would cost to buy a new vehicle the same as, or a near equivalent of, the motor vehicle which needs replacing.

We also pay the registration, stamp duty and dealer charges for the period registered but not exceeding 12 months on the new vehicle but any refund of registration fees or stamp duty applicable must be refunded to us.

Paying you the sum insured

Where we decide your vehicle is a total loss, and we agree to pay your claim, your Policy comes to an end. How your claim is settled will depend on whether you have taken out an agreed value policy or a market value policy.

- (a) If a security interest is registered over your vehicle, we will:
 - (i) pay the financier the sum insured, up to the amount required to discharge your loan or finance agreement; and
 - (ii) if applicable, pay you the remaining balance of the sum insured; or
- (b) If no security interest is registered over your vehicle, we will:
 - (i) pay you the sum insured; or
 - (ii) replace your vehicle, if a similar make and model is available.

Discharge a security interested

You must take the necessary steps which we require to remove any security interest in your motor vehicle after your loan or finance agreement has been discharged.

Premium after a total loss

If you have paid your Policy in full there is no refund of premium as we have fulfilled our contract to you.

If you pay your Policy in instalments we will deduct any unpaid instalment amount up until your Policy renewal date from the total sum insured.

If you purchase another motor vehicle, a new insurance policy is required.

Vehicle salvage

If we have replaced your motor vehicle or paid your sum insured, your motor vehicle becomes our property. If you choose to keep your motor vehicle in its damaged condition then the salvage value will be deducted from your sum insured. If we are replacing your motor vehicle you will need to pay us the salvage value first.

We will receive any vehicle registration refund, in states where we are entitled to do so. You will provide us with a signed written authority to enable us to recover this refund.

Excess(es)

You must pay us any applicable excess(es) before we replace your motor vehicle.

Where we pay you the market value or agreed value we will deduct the excess(es) from the sum insured we pay you.

Financier

If your motor vehicle is the security for any finance agreement and the name of the financier is noted in your Policy Schedule, then:

1. we have the right to make claim payments to the financier; and
2. any payment made to the financier will satisfy our obligation to you under this Policy for the amount paid.

Additional benefits

The following additional benefits will apply, depending on the type of motor vehicle you have insured and the type of cover you have selected.

Applicable to comprehensive cover and third party property damage cover

1. Choice of repairer

You may choose any licensed repairer to repair your motor vehicle. However we may invite, accept, adjust or decline estimates or arrange to move your motor vehicle to another repairer acceptable to both of us.

2. Change of motor vehicle

We will cover any permanent replacement motor vehicle, from the time of its purchase for 30 days under the terms of this Policy if you:

- (a) have disposed of the replaced motor vehicle; and
- (b) bear any additional excess applicable to the replacement motor vehicle in the event of a claim.

If before you have given us full details as required below, the replacement vehicle is damaged or stolen, the maximum amount payable is the purchase price of the replacement motor vehicle up to \$150,000 in the case of comprehensive cover.

If you give us details of your replacement motor vehicle within 30 days of its purchase we will insure it for the remainder of the period of insurance, if it is acceptable to us and you pay us any additional premium we may require.

If your replaced motor vehicle was due to a total loss claim under this Policy this benefit does not apply.

Applicable to comprehensive cover and third party property only cover - Passenger motor vehicles only

1. Car sharing agreement

We will pay for accidental loss of or damage to your motor vehicle, according to the type of cover you have selected, when your motor vehicle is being used in a car sharing agreement, including travelling to and from work, so long as it does not constitute a commercial arrangement where a payment, fare or reward is received and the intention of the arrangement is to make a profit.

Applicable to comprehensive cover only

1. Towing costs

We will cover the reasonable costs of:

- (a) towing your motor vehicle to:
 - (i) the nearest repairer, or
 - (ii) a place of safety, or
 - (iii) any other place that we first approve,
- (b) protecting your motor vehicle;

following loss of or damage covered under this Policy.

2. Returning your motor vehicle after theft

We will pay for the reasonable costs of returning your motor vehicle to the place where it is normally parked if it is found following theft, and the theft is covered by your Policy.

Should the cost of returning the motor vehicle plus the necessary repairs exceed the relevant agreed value or market value at the time of the theft, we reserve the right to treat the motor vehicle as a total loss.

3. Cleaning up after an accident

We cover your legal liability to pay for the cleaning up of any debris of your motor vehicle following an accident covered by your Policy.

The maximum amount we will pay is \$5,000 for any one accident.

If your motor vehicle is a ute or van and is registered for business use, the maximum amount payable is increased to \$20,000 for any one accident.

4. Locks and keys

If your keys are lost, destroyed or damaged, or if there are reasonable grounds to believe the keys may have been illegally duplicated, we will pay the costs of replacing and recoding the locks and/or keys.

We will pay up to \$2,000 during any one period of insurance.

This Additional benefit 4. Locks and keys is not subject to loss or damage to the motor vehicle covered under this Policy.

5. Travel and accommodation expenses

We will pay for any reasonable travelling and accommodation expenses resulting from a claim for loss of or damage to your motor vehicle which we accept under this Policy, as long as at the time of the accident, your motor vehicle was more than 150 kilometres from the address where it is normally parked at night.

We will not pay if you had intended to pay for overnight accommodation in any event.

The maximum amount we will pay is \$1,000 for any one event.

If your motor vehicle is a ute or van and is registered for business use, the maximum amount we will pay is increased to \$2,000 for any one event.

6. Emergency or temporary repairs

If your motor vehicle is damaged in an accident, and the damage is covered by your Policy, we will pay up to \$750 for reasonable emergency or temporary repairs to allow you to drive your vehicle home or continue your journey.

If your motor vehicle is a ute or van and it is registered for business use, the maximum amount payable is increased to \$2,000.

7. No claim discount

If your motor vehicle is insured for comprehensive cover and you do not have a claim in the period of insurance, we will apply a discount to your next year's renewal premium. This reward is called the 'No claim discount'.

The more 'claim free' years that you have, the greater the percentage of discount, until you reach the maximum level of discount after five years. Even if you have a claim where your no claim discount would be affected, you may not lose all your no claim discount. If you have a claim and you have not accumulated any no claim discount we may increase your invited renewal premium.

We also accept the number of claim free years that you may have accumulated with another insurer in calculating your no claim discount.

8. Accidents / losses affecting your no claim discount

When calculating your renewal premium we take into account accidents/losses that occur during the period of insurance that affect your no claim discount.

9. Faultless no claim discount

If your motor vehicle has been involved in a collision with another vehicle (and not any other type of accident) we will not penalise your no claim discount entitlement when you renew your Policy if:

- (a) you can satisfy us that the collision was totally the fault of the driver of another vehicle; and
- (b) you tell us the registration number of the other vehicle, the full name, licence number and address of the other driver.

The benefit applies only if we are allowed legally to recover the amount of any loss including any applicable excesses from the third party.

This benefit does not apply to windscreen or widow glass damage only claims.

If you live in a State or Territory where liability is apportioned in the courts, or determined by the barometer of responsibility, you will qualify as 'faultless' if you are 20% or less to blame for any accident.

Where the driver of the other vehicle disputes who was at fault, the no claim discount will be affected but reinstated to the level it was before the claim, if it can be established to our satisfaction that the other driver was totally at fault.

10 . Funeral expenses

If the person driving, using or in charge of your motor vehicle sustains a fatal injury as a result of an accident covered by your Policy, whether or not death occurs at the time of the loss, we will pay for associated burial or cremation costs and travel costs within Australia for the deceased person or any member of their immediate family.

We will pay for up to \$5,000 in total under this benefit during any one period of insurance, and this amount will not be reduced by any other compensation you or your family receive as a result of the accident.

11 . Finance payout

If your motor vehicle is a total loss and is subject to secured finance, we will cover you or the finance provider for the difference between the residual value under the contract and the agreed value or market value less any payments and interest in arrears at the time of the loss, and any discount in respect of finance changes and/or interest for the unexpired terms of the secured finance agreement.

We will not pay if you are not required to do so by the finance provider.

We will pay:

- (a) up to 15% of the agreed value or market value of your motor vehicle; or
- (b) \$5,000;

whichever is the lesser.

Applicable to comprehensive cover only - Passenger motor vehicles only

1. Hire vehicle cost following theft

If your motor vehicle is stolen and the theft is covered under this Policy, we will cover you up to a maximum of \$2,000 for any one event for the reasonable costs of hiring a similar vehicle provided you first obtain our approval.

We will not pay for:

- (a) running costs, including the cost of fuel;
- (b) damage to the hire vehicle;
- (c) any insurance, insurance excess or other costs you may be liable for under the hire vehicle rental agreement.

We do not pay for hiring charges incurred after the date of recovery of your motor vehicle, if it can be driven.

Cover is limited to 14 days or seven weekends and will cease once we pay your claim, or once your motor vehicle is repaired if it was not able to be driven.

You will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will reimburse you.

2. Trailer cover

We will pay for theft of, or accidental loss of or damage to any trailer (other than a caravan) which is owned by you while it is:

- (a) attached to your motor vehicle; or
- (b) detached from your motor vehicle but within the domestic land boundaries of your usual home as long as it was not in a common area of home units, flats and the like.

We will not pay for any property in or on the trailer.

The maximum amount we will pay is the market value of the trailer, up to \$1,000.

3. Your personal property

We will pay for loss of or damage to your personal property if caused by an occurrence which is covered by this section of the Policy provided your motor vehicle is lost or damaged as a result of the same occurrence.

For the purpose of this additional benefit only 'personal property' means private household or personal possessions belonging to you or any member of your family.

We will not pay for:

- (a) money;
- (b) unset gemstones, gold or silver nuggets;
- (c) any animal, bird or fish;
- (d) trade tools, stocks or samples;
- (e) mobile phones, two-way radios; or
- (f) Global Positioning System (GPS) units or personal music devices;

if stolen from the motor vehicle whilst it is parked.

The maximum amount we will pay is \$500 for any one event.

If your motor vehicle is a ute or van and is registered for business use, the maximum amount payable is increased to \$2,000 for any one event.

4. Child seat or baby capsule

We will pay for loss or damage to a child's seat or baby capsule that is stolen from your motor vehicle or damaged in an accident while in your motor vehicle, provided your motor vehicle is lost or damaged by the same occurrence and the occurrence is covered by your Policy.

5. Windscreen or window glass claim

We will not reduce your no claim discount for the first broken windscreen or window glass only claim in any one period of insurance.

For the purpose of this benefit 'broken' means a fracture that extends through the entire thickness of the glass or where the windscreen is laminated, a fracture extending through all layers of the lamination, or where the damage is sufficient to prevent registration by the appropriate authorities.

Applicable to comprehensive cover only - Motor vehicles registered for business use

1. Sign writing

We will cover you for loss or damage to sign writing or fixed advertising signs or materials forming a permanent part of your motor vehicle at the time of the loss or damage, providing the loss or damage is covered by your Policy.

Applicable to comprehensive cover only - Motor cycles

1. Protective clothing

If your protective clothing is damaged during an accident involving your motor cycle which is covered by this Policy, we will pay up to \$1,000 to repair or replace the protective clothing.

Applicable to third party property damage only

1. Uninsured motorist's benefit

At our option we will either:

- (a) repair your motor vehicle to its condition immediately prior to the time of loss; or
- (b) pay you the cost of repairs to your motor vehicle;

resulting from accidental loss or damage to your motor vehicle if you can satisfy us that the accident which gave rise to the claim was totally the fault of the driver of another vehicle; and

- (a) you tell us the registration number of the other vehicle and the name and address of the driver of the other vehicle; and
- (b) at the time of the loss or damage the:
 - (i) driver of the other vehicle was not insured for their third party liability; and
 - (ii) other vehicle was not owned or registered in your name or in the name of a person who is a relative of yours or any person with whom you normally reside;
- (c) the loss or damage would have been covered had you selected comprehensive cover.

The maximum amount we will pay under this additional benefit for all claims from any one accident or series of accidents arising out of the one occurrence is:

- (a) \$5,000; or
- (b) the market value of your motor vehicle immediately prior to the loss or damage;

whichever is the lesser.

If your motor vehicle is a total loss and we pay you the market value of your motor vehicle, then at our option your motor vehicle in its damaged condition will become our property.

Optional benefits

If you have chosen comprehensive cover, you can also choose to have cover under any or all of the following optional benefits. You must pay us any additional premium we ask for.

The optional benefits you have selected will be shown in your Policy Schedule.

Applicable to comprehensive cover - Passenger motor vehicles only

1. Hire motor vehicle cost following an accident

If your motor vehicle is damaged in an accident which is covered under this Policy, and we have agreed to pay your claim, we will reimburse you for the costs you incur of hiring a vehicle while your motor vehicle is being repaired or if it is deemed a total loss.

We will reimburse you an amount up to the maximum daily rate shown in your Policy Schedule:

- (a) for a maximum of 14 days, or seven weekends (Saturday and Sunday); or
- (b) until your motor vehicle is repaired; or
- (c) until we pay your claim;

whichever happens first.

The cover will commence on the date your motor vehicle is taken to the repairer.

You will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will pay you.

If the cost of the hire vehicle is more than the maximum daily rate shown in your Policy Schedule, you will have to pay the difference.

We will not pay for:

- (a) additional hiring costs;
- (b) running costs, including the cost of fuel;
- (c) damage to the hire vehicle;
- (d) any insurance, insurance excess or other costs you may be liable for under the hire motor vehicle rental agreement.

We will not cover you under this optional benefit if:

- (a) the only damage to your motor vehicle is to its windscreen or window glass; or
- (b) your motor vehicle is stolen, because you may be able to claim under Additional benefit - Hire motor vehicle cost following theft.

2. Windscreen protection

If the only damage in an accident is a broken windscreen or window glass the standard excess shown in your Policy Schedule does not apply for any windscreen or window glass claim.

For the purpose of this optional benefit 'broken' means a fracture that extends through the entire thickness of the glass or where the windscreen is laminated, a fracture extending through all layers of the lamination or where the damage is sufficient to prevent registration.

3. Protected no claim discount

If you are involved in an accident and you make a claim where your no claim discount would normally be affected, then your no claim discount entitlement will not be reduced at renewal of your Policy provided you:

- (a) are, at the time of the accident, on the maximum no claim discount; and
- (b) do not have more than one claim, where this optional benefit is applicable, in any one annual period of insurance.

4. Tools and equipment

We will cover your tools and equipment of trade for loss or damage caused by:

- (a) fire, lightning, explosion, malicious damage or vandalism whilst secured on or in your motor vehicle;
- (b) theft following forcible and violent entry which causes visible damage to your locked motor vehicle;
- (c) theft when securely attached to your motor vehicle through the use of locks or padlocks, which results in visible damage to the securing devices;
- (d) collision or overturning of the conveying motor vehicle.

We will pay up to \$1,000 per item and \$5,000 in total in any one period of insurance.

At our option, we will pay the lesser of the:

- (a) cost of repair or replacement of the lost or damaged item; or
- (b) current market value of the lost or damaged item.

If only part of the item is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

You must pay an excess of \$250 for each claim made under this optional benefit.

Subsection 2 - Third party liability

Applicable to registered motor vehicles only

Property damage

We will cover the amount you, or any person driving, using or in charge of your motor vehicle with your consent may be held legally liable to pay for accidental damage to property belonging to other people caused by or arising out of:

1. the use of your motor vehicle or goods falling from your motor vehicle;
2. anything lawfully towed by, or attached to, your motor vehicle.

Property under your control

We do not cover the legal liability of you, or any person driving, using or in charge of your motor vehicle, for damage by your motor vehicle to any property belonging to you, or the person driving, using or in charge of your motor vehicle, or any property in your or their care or custody, except to:

1. a residential building that you are renting or is on loan to you; or
2. employee's or visitor's vehicles and their contents while contained in a car park provided by you.

Substitute vehicle

We cover your legal liability to pay for accidental damage to property caused by a motor vehicle being used by you as a substitute vehicle while your motor vehicle is being serviced, repaired or is not driveable.

Substitute vehicle cover will only apply if:

1. the substitute vehicle is not already covered under another insurance policy; and
2. the substitute vehicle is not owned by you and you have the owner's permission to drive the substitute vehicle.

We do not cover loss of or damage to a substitute vehicle.

Passenger liability

We will insure a passenger who is lawfully travelling in, on or getting in, on or out of your motor vehicle or a substitute vehicle.

Your employer's or principal's liability

We will pay the amount your employer, principal or partner may be held legally liable to pay, for accidental damage to property belonging to other people as a result of an occurrence covered by this Policy while you are using your motor vehicle for their business, as long as it is not a use that is excluded by this Policy.

Maritime liability

If your motor vehicle is being transported by sea between Australian ports, we will pay your contribution for your motor vehicle if 'general average' is declared.

General average is declared when goods or cargo are thrown overboard to safeguard the vessel and the remaining property on the vessel. Those whose property is saved share the expenses or salvage costs incurred by a ship owner in preserving the vessel and cargo.

Injury to other persons

We will cover the amount which you, or any person driving, using or in charge of your motor vehicle with your permission may be held legally liable to pay by way of compensation or damages (excluding aggravated, punitive or exemplary damages) for death or bodily injury to persons arising out of the use of your motor vehicle.

We will not pay for:

1. Legal liability for death or bodily injury to:
 - (a) you or any person driving, using or in charge of your motor vehicle;
 - (b) an employee of yours or who is deemed by any law to be your employee, arising out of their employment with you.

We will not pay if:

1. Your motor vehicle is not registered.
2. You or any person using your motor vehicle:
 - (a) is wholly or partly covered under any compulsory statutory insurance scheme or accident compensation scheme; or
 - (b) would have been entitled to be covered under any such scheme as it existed at the commencement date of the relevant period of insurance, even though there may have been a change in the law during that period of insurance; or
 - (c) could have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme; or
 - (d) would have been entitled to be covered under any such scheme had cover not been refused because you did not:
 - (i) register your motor vehicle;

- (ii) apply for cover under the scheme;
- (iii) comply with a term or condition of the scheme.

3. If your motor vehicle is registered in the Northern Territory of Australia.

Legal expenses

We will pay your reasonable legal costs and expenses in defending or settling claims if you have our agreement in writing. We pay this in addition to the amount payable under Subsection 2 - Third party liability.

What we will pay

We will pay up to the sum insured shown in your Policy Schedule, for all claims arising out of any one incident or series of incidents arising out of any one cause or event covered under Subsection 2 - Third party liability.

Specific exclusions applying to this section

We will not pay for:

1. Damage to your motor vehicle's tyres caused by application of brakes, road punctures, cuts or bursting, unless caused as a result of an accident covered under the type of cover you have selected or by people acting maliciously.
2. Loss of or damage to your motor vehicle:
 - (a) due to depreciation, wear, tear, rust or corrosion;
 - (b) or any resultant mechanical damage:
 - (i) due to failure or breakdown of a structural, electrical, mechanical or electronic nature; or
 - (ii) to any part of your motor vehicle due to faulty design or workmanship.

However, we will cover you for loss or damage to your motor vehicle resulting from faulty design or workmanship if such loss is otherwise covered by this Policy; or

- (iii) due to you driving your motor vehicle after a collision, unless you could not reasonably be expected to know that driving your motor vehicle after an accident could cause such additional damage; or
- (iv) caused by loss of oil or coolant unless whilst your motor vehicle is being driven by a thief.

However, we will cover damage directly caused by a collision or fire, to your motor vehicle, resulting from such failure, as mentioned under b. i., or b. ii. above;

- (c) if reasonable steps to protect or safeguard your motor vehicle have not been taken;
 - (d) as a result of using a type of fuel that is not intended for the specific make and model of your motor vehicle and engine.
3. Any additional costs, such as but not limited to, hire vehicle costs (other than those covered in this Policy), because you cannot use your motor vehicle even though your motor vehicle may not be available following loss or damage covered under this Policy.
4. Loss of or damage to your motor vehicle:
 - (a) if it has been modified in a way that materially increases its designed top speed or performance and we were not notified and did not agree to this in writing;
 - (b) if you:
 - (i) carry or tow a load; or
 - (ii) carry a number of passengers;

in excess of that for which your motor vehicle was designed.

However we will cover you if you prove that the loss, damage or liability was not caused by or contributed to by any such greater load or number of passengers;

- (c) if it is being used to tow a caravan or trailer when you knew or should have known it was un-roadworthy or unsafe, unless you can prove that this did not contribute to the loss or damage;
- (d) whilst it is being used in any experiment or type of test or in preparation for or involved in racing, speed testing, reliability trial, pace making, hill climbing, trial or demonstration other than for resale purposes on public roads or being involved in a defensive driving course;
- (e) while it is being used for conveyance of passengers or goods for hire, fare or reward;
- (f) if it is used for purposes other than those shown in your Policy Schedule;
- (g) if it runs on rails or is designed to run on water such as in a lake or sea;
- (h) if it is outside Australia except where your motor is being transported by sea between Australian ports;
- (i) if it has been legally seized or repossessed;
- (j) if it is used in an unsafe or unroadworthy condition unless such condition could not reasonably be detected by you. This exclusion will not apply if you prove that the loss, damage or liability was not caused or contributed to by such unsafe or unroadworthy condition;
- (k) resulting from an intentional act by you or anyone acting with your consent except when it is to avoid or reduce damage which would otherwise happen;
- (l) if it occurs when you, or the person driving your motor vehicle with your consent endeavours to evade Police;
- (m) if it is being driven, used or controlled by:
 - (i) you or by any person with your consent who is not licensed under any relevant law to drive such a motor vehicle; or
 - (ii) anyone whose faculties are impaired by any drug or intoxicating liquor; or
 - (iii) anyone whose blood alcohol reading exceeds the legal limit (subject to any laws to the contrary); or
 - (iv) anyone who following an accident, refuses or fails to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory in which the accident occurred.

However we will cover you if you have allowed that person to drive your motor vehicle and you can prove that you were not aware that your motor vehicle was being driven by or in charge of that person when they were so affected or unlicensed.

Where permitted by law, we reserve the right to recover the amount we pay from the driver of your motor vehicle at the time of the loss or damage.

5. Any fines, penalties, aggravated, punitive, exemplary or multiple damages.
6. Your failure to comply with a condition of this Policy.

7. Your admission of liability or fault for damage or injury without our consent, except where such liability would have been incurred even if you had not admitted fault or liability.
8. The illegal carrying of quantities of inflammable liquids, gases or explosives.
9. If your motor vehicle or substitute vehicle is unregistered.

However we will cover your legal liability in respect of the unregistered motor vehicle on a public road, if you have obtained the appropriate permit to drive the unregistered motor vehicle on a public road.

Section 3 - Boat

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Agreed value	The fixed amount for which your boat is insured for each period of insurance regardless of any price change for your boat during that period.
Anti theft device	Professionally manufactured purpose designed anti theft device which does not include chain and/or padlocks.
Equipment and accessories	Safety equipment installed or carried in accordance with statutory requirements and any other equipment intended for the use of or with your boat as shown in your Policy Schedule. It includes any tender used with your boat, anchors, oars or paddles, detachable canopies or tarpaulins, boat and motor covers, bilge pumps, life-saving equipment including life jackets, auto pilot, depth sounders, electronic navigation equipment including laptop computers that can be clearly demonstrated are used for navigation purposes, global positioning system, emergency position indicating radio beacon (EPIRB), two-way radios and water skiing equipment. Equipment and accessories does not include sporting equipment for fishing, diving or any other water sport.
Household contents	Bedding and manchester, crockery, cutlery, kitchen appliances and utensils, unfixed furniture and furnishings, permanently kept on your boat for your personal use, provided they are not separately insured.
Hull	The shell of your boat, deck, fixtures and fittings on deck or below deck that are not normally removable and would be normally sold with your boat. This includes household contents.
Indemnity	To place you in the same financial and/or material position as you were in immediately before your loss. Indemnity does not mean new for old unless stated. We may deduct an amount for wear and tear, depreciation or betterment.
Latent defect	Any flaw in the material used in the construction of the hull and superstructure, motors, machinery, sails, masts, spars, standing and running rigging of your boat that is not known by you and is not discoverable by a competent tradesperson carrying out normal inspection.
Market value	The cash value of your boat immediately prior to an accident using market pricing for a boat of the same age, type, and condition, in your local area. It includes GST (less any entitlement you have to claim for an Input Tax Credit), and excludes costs and charges for registration, stamp duty and the like.
Motor(s)	Includes inboard motors, outboard motors, stern drive units, jet units, gear boxes, propellers, shafts, skegs, portable fuel tanks and lines, wiring harness, instruments (e.g. tachometer), control cables and generators.
Permanent total disablement	You have been unable to carry out any occupation for which you are fitted by reason of your education, training or experience for a period of at least 12 consecutive

Word or term	Meaning
	months and you are unable to do so for a continuous indefinite period solely and directly as a result of an injury.
Personal effects	Includes clothing, mobile phones, prescription glasses and sunglasses, waterproof gear, bags, food or beverage coolers, shoes, wallets or purses (excluding money and credit cards), toilet articles, hats or caps, keys or pens, chairs and portable music devices. Personal effects does not include sporting equipment for water skiing, fishing, diving or any other water sport.
Personal watercraft (PWC)	A vessel designed to be operated by a person standing, sitting astride or kneeling on it. It uses water-jet propulsion and has an engine in a watertight compartment. This definition of PWC is also subject to the relevant State Maritime Authority and its legal definition of a PWC.
Sails, masts, spars, standing and running rigging	Sails, masts, spars, booms and fittings, spinnaker poles, standing and running rigging.
Salvage	Either: (a) what is left of your boat after it has suffered loss or damage; or (b) the action of saving your boat in a time of peril.
Sporting equipment	Fishing equipment (including rods, reels, tackle and other similar equipment), diving equipment (including regulators, tanks and buoyancy compensation devices), and/or water ski equipment used for recreational purposes and owned by you.
Temporary total disablement	You are unable to carry out all the normal duties of your occupation solely and directly as a result of an injury.
Tender	An auxiliary boat (or dinghy) (capable of being and usually carried on deck or on davits on your boat or which is towed behind your boat) and the outboard motor normally attached, that is used as a lifeboat or means of transportation between your boat and the shore, or for both purposes. A tender must be marked with the registration number of your boat and not registered in its own right.
Total sum insured	The amount we agree to insure your boat for and is the total value for all of your boat's hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and trailer, whether individual sums insured are specified for these items by you or not.
Trailer	The trailer described in your Policy Schedule and its winch, including power winch.
Water skiing or aquaplaning	Travelling on the surface of water, either barefoot, or on water skis or similar devices designed for that purpose while being towed by your boat.
Yacht club social racing	A yacht club organised event, conducted under racing rules of sailing, where the length of the race is not greater than 25 nautical miles and spinnakers are not allowed to be set. This definition also includes twilight racing events.

Word or term	Meaning
Yacht racing risk	Taking part in a sporting event organised by a club or association.

Cover

We will cover your boat described in your Policy Schedule including while it is navigating or in transit within Australia and Australian inland and coastal waters up to 250 nautical miles (unless otherwise stated in your Policy Schedule), and including while your boat is at any marina, slipway or location when laid-up ashore or engaged in any voluntary rescue work:

We will not cover:

- any boat, being a combination of hull and motor, which is capable of a speed exceeding 60 knots;
- moorings;
- money, prescription glass or sunglasses, watches, jewellery, cameras, mobile phones, pagers, consumable stores, compact discs, audio or video tapes.

We do not cover any dinghy or tender used with your boat if it is capable of a speed greater than 20 knots.

We may specifically agree to provide this cover on application. If we agree in writing to provide this cover, we will show the dinghy or tender in your Policy Schedule.

Excess(es)

You must pay the excess shown in your Policy Schedule, unless otherwise specified in this section.

Personal effects

You must pay a \$100 excess for each and every claim for loss or damage to your personal effects.

Trailer boat moored in New South Wales

You must pay an additional excess of \$900 above any excess shown in your Policy Schedule if your trailer boat (or other boat type that is not specifically designed to be moored) is moored in New South Wales waters and suffers loss as a result of sinking, immersion, or swamping at its mooring.

Personal watercraft

You must pay double the excess shown in your Policy Schedule for each and every claim for personal watercraft claims, whenever the vessel is under the control or being operated by a person who is:

- less than 25 years of age; or
- has less than two years experience in the use of this type of craft.

Yacht racing risk

For each and every claim we pay under Optional benefit 1. Yacht racing and Optional benefit 2. Yacht club social racing, you must pay the following excess for loss or damage to sails, mast, spars, standing and running rigging:

1. Boats with a sum insured of \$100,000 and below

the excess shown in your Policy Schedule increased by 150% for each and every claim;

2. Boats with a sum insured over \$100,000

- (a) less than five years old:
- (i) 20% of the value of the claim for sails, masts, spars, standing and running rigging; or
 - (ii) the excess shown in your Policy Schedule;
- whichever is greater.
- (b) More than five years old
- (i) 30% of the value of the claim for sails, masts, spars, standing and running rigging; or
 - (ii) the excess shown in your Policy Schedule;
- whichever is the greater.

All other damage during racing is subject to the excess shown in your Policy Schedule.

When you will not have to pay an excess

You will not have to pay an excess for claims:

1. for the total loss of your boat;
2. for land towing or boat inspection costs under other expenses.

Subsection 1 - Loss of or damage to your boat

Cover

We will cover you for:

1. Accidental damage

- (a) if your boat:
- (i) is damaged accidentally; or
 - (ii) sinks accidentally, provided it was in seaworthy condition at the time of sinking.

2. Theft (excluding personal watercraft)

- (a) of the entire boat including trailer, outboard motor(s), equipment and accessories;
- (b) of part of your boat including trailer, outboard motor(s), equipment or accessories from:
- (i) your boat; or
 - (ii) the place of storage of your boat, trailer, outboard motor(s) or the equipment and accessories.

In the event of a claim it will not be necessary for you to demonstrate that there is physical evidence of violent and forced entry, but it is a condition of this cover that you are at all times required to take reasonable measures to prevent theft (for example, placing equipment/accessories or outboard motors temporarily removed from your boat in a secure place of storage).

3. Theft of personal watercraft (PWC)

If your PWC is stolen whilst stored ashore in a locked garage or yard provided there is physical evidence of violent and forcible removal from or entry to the place of storage.

Theft of your PWC whilst on a trailer, but only if your trailer was immobilised by an anti-theft device and provided there is physical evidence of visible and violent and forcible removal of both your trailer and the anti-theft device.

4. Malicious damage

If your boat is damaged maliciously.

5. Search costs

Costs or expenses reasonably incurred by you for the hire or charter of any vessel or aircraft to be utilised in search of your boat presumed lost or in distress. These costs are subject to a limit of \$10,000 any one event.

6. Transit damage

If your boat is accidentally damaged during transit on its own trailer by road, rail or ship, provided your boat is designed to be normally trailed by a boat trailer and you are complying with all statutory requirements.

7. Damage caused by government authority

If your boat is damaged by any government authority in order to prevent or minimise a pollution hazard or threat of such a hazard resulting from damage to your boat, provided this has not resulted from a lack of due diligence by you.

8. Recovery or removal of wreck costs

If your boat is damaged or sinks accidentally, and we agree to recover it or the law requires that it must be removed, we will pay the reasonable costs of the removal/recovery of the wreck. These costs are recoverable in addition to the sum insured of your boat and are subject to a limit of \$10,000,000.

9. Other expenses

If your boat gets into difficulties or is damaged accidentally, we will pay the reasonable cost of taking action to:

- (a) minimise loss or damage; or
- (b) remove your boat to safety (including emergency towing); or
- (c) dry all the electrical equipment in the motor(s); or
- (d) clean and oil the motor(s);
- (e) tow your boat to the nearest repairer in an emergency following a loss (provided your boat is designed to be towed by a trailer), limited to a total amount payable of \$750 for all claims during the period of insurance.

The excess shown in your Policy Schedule shall not be deducted from a claim for these costs;

- (f) if your boat is stranded we will pay the reasonable costs of inspecting the hull to see if it is damaged.

The excess shown in your Policy Schedule shall not be deducted from a claim for these costs.

You do not need our authority to take such action if it is an emergency and you are unable to contact us to obtain authority.

However, you must advise us as soon as possible after the action has been taken.

These costs are recoverable in addition to the sum insured of your boat. The additional amount we will pay is limited to the sum insured of the boat shown in your Policy Schedule.

10. Depreciation

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation may apply and the amount payable is determined by:

- (a) comparing the value of an item with an item of similar age and condition; or
- (b) establishing the actual cost of an item of similar age and condition.

When we take the option of repairing an item, the amount that we pay is limited by the actual value of the item being repaired compared with its age and condition.

If your boat is less than one year old, we will not apply depreciation in determining the amount paid to you.

What we will pay for

This is an agreed value Policy.

Where specified and shown in your Policy Schedule, there is an agreed sum insured for each of:

1. the hull;
2. the motor(s);
3. sails, masts, spars, standing and running rigging;
4. trailer; and
5. equipment and accessories.

Individual items of equipment and accessories have an agreed sum insured where specified by you. In the event of a claim, the maximum we will pay you for each item lost or damaged is the agreed sum insured for that item.

Where you have not specified a separate sum insured for either:

1. a part of your boat as above; or
2. an individual item;

then the maximum we will pay is the current market value of the part or item.

However, the maximum amount payable will not exceed the total sum insured under any circumstances.

Any amount payable will be reduced if the total market value of your boat including all items listed above exceeds the total sum insured shown in your Policy Schedule by more than 20%. The amount payable will be reduced in proportion to the difference between the market value of the whole boat and the total sum insured.

Basis of settlement

At our option we treat the loss or damage to your boat as a:

1. partial loss; or
2. total loss.

These types of losses are defined below and we settle on the terms described.

Partial loss

If we treat the loss or damage to your boat as a partial loss we may elect to repair your boat.

Repairing your boat

If we decide to repair your boat, we will repair it to a similar condition to that which it was in before the loss or damage occurred.

If it is necessary to repair it to a better condition than it was in before the loss or damage occurred, then we may ask you to contribute the additional amount to repair it to the better condition.

If you have insured any accessories we will either repair them or pay for the cost to replace them as new, less an amount for depreciation, wear and tear.

Replacement of damaged parts

In the event of an accident covered under this Policy, should any part of your boat and/or other insured property become unavailable in Australia, we will reimburse you, in accordance with the basis of settlement, but in no circumstances will we be liable for more than the cost of the parts plus the cost of freighting such parts by sea transport.

Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value, whichever is the lesser, we reserve the right to declare your boat a total loss.

Imported boats

If your boat has been imported and any part is not available in Australia, we will only pay for the cost of parts used in the repair of your boat up to the manufacturer's recommended list price in Australia.

However if such list is not available, we will only pay for the cost of the parts plus the cost of freighting such parts by sea transport.

If there is a delay in the repair process due to the importation of parts, you are not covered for any loss of use of your boat during that time.

Total Loss

A boat will be declared a total loss, if:

1. the cost to repair your boat plus the value of any salvage (if applicable) exceeds the agreed value or market value; or
2. your boat is stolen and not recovered within a reasonable period of time as determined by us.

We will settle the claim on the basis of agreed value or market value as outlined in What we will pay for. If we declare your boat a total loss we may either:

- (a) replace your boat; or
- (b) pay you the sum insured.

Market value

If you have insured your boat for market value, we will at our option:

1. replace your boat with an equivalent boat or pay you its market value at the time of the total loss; plus
2. replace all insured accessories or pay you the cost to replace them as new, less depreciation.

Agreed value

If you have insured your boat for agreed value, we will at our option replace your boat with an equivalent boat or pay the agreed value shown in your Policy Schedule.

Replacement with a new boat

We will replace your boat with a new boat of the same make, model or series so long as it is available in Australia and:

1. your boat is a total loss; and
2. you purchased it new from the manufacturer or their dealer or as a demonstrator boat; and
3. your boat is less than 24 months old from when it was first registered; and
4. where your boat is financed, your financier had given us written consent.

If a new replacement boat is not available, we will replace your boat with the nearest equivalent boat available, so long as it is available in Australia.

If we cannot agree on a replacement boat, we will pay you the amount it would cost to buy a new boat the same as, or as near equivalent of, the boat which needs replacing.

We also pay the registration, stamp duty and dealer charges for the period registered but not exceeding 12 months on the new boat but any refund of registration fees or stamp duty applicable must be refunded to us.

Paying you the sum insured

Where we decide your boat is a total loss, and we agree to pay your claim, your cover comes to an end. How your claim is settled will depend on whether cover provided is agreed value or market value.

- (a) If a security interest is registered over your boat, we will:
 - (i) pay the financier the sum insured, up to the amount required to discharge your loan or finance agreement; and
 - (ii) if applicable, pay you the remaining balance of the sum insured; or
- (b) If no security interest is registered over your boat, we will:
 - (i) pay you the sum insured; or
 - (ii) replace your boat, if a similar make and model is available.

Discharging a security interest

You must take the necessary steps which we require to remove any security interest in your boat after your loan or finance agreement has been discharged.

Premium after a total loss

If you have paid your Policy in full there is no refund of premium as we have fulfilled our contract to you.

If you pay your Policy in instalments, we will deduct any unpaid instalment amount up until your policy renewal date from the total sum insured.

If you purchase another boat, the additional benefit 1. Automatic reinstatement can apply.

Boat salvage

If we have replaced your boat or paid your sum insured, your boat becomes our property. If you choose to keep your boat in its damaged condition then the salvage value will be deducted from your sum insured. If we are replacing your boat you will need to pay us the salvage value first.

We will receive any boat registration refund, in states where we are entitled to do so. You will provide us with a signed written authority to enable us to recover this refund.

Additional benefits

The following additional benefits are covered under this subsection.

1. Automatic reinstatement

When we pay a claim for your boat or an item under this section, the sum insured for your boat or that item is automatically reinstated to the amount shown in your Policy Schedule, provided you:

- (a) give us written details of the replacement boat or item(s) within 14 days of buying them; and
- (b) pay us any additional premium that we ask for.

2. Household contents

We will provide cover if your household contents on board your boat suffer physical loss or damage caused by an accident or theft.

3. Penned boat

Where your boat is penned or berthed in a marina nominated in your Policy Schedule, in the event of a claim under this Policy for loss or damage to your boat while:

- (a) penned in a berth;
- (b) while moored on a pontoon; or
- (c) berthed in an air berth;

the excess shown in your Policy Schedule will not be deducted.

4. Personal accident cover

If, as a result of an accident, during the period of insurance, you suffer a bodily injury, which results in:

- (a) your death;
- (b) temporary total disablement; or
- (c) permanent total disablement;

within six calendar months of incurring the bodily injury, we will pay:

- (a) \$30,000 for death and temporary and permanent total disablement;
- (b) \$300 per week, up to a maximum of 100 weeks, for temporary total disablement or \$25,000.

To qualify for payment you must obtain and follow advice of a qualified medical practitioner (other than you or your spouse) as soon as possible after the accident.

5. Personal effects

If your personal effects suffer physical loss or damage caused by an accident or theft you are covered up to:

- (a) \$200 for any one item for mobile phones, prescription glasses or sunglasses;
- (b) \$1,000 any one item and \$12,500 in total for all other personal effects;

arising from an accident or theft.

We will at our option:

- (a) repair or replace the lost or damaged item; or
- (b) pay you the reasonable cost of repairing or replacing the lost or damaged item.

6. Power Boat Association time trials

We will provide cover if your boat is participating in time trials conducted under the control or regulation of the Power Boat Association to a maximum speed of 30 knots.

7. Purchase of a new boat

If you replace your boat or any item shown in your Policy Schedule and we agree to cover the replacement, the Policy will cover the new boat or item:

- (a) from the time you purchased it; and
- (b) up to the same value as your agreed sum insured;

the Policy will no longer cover the replaced boat or item.

We will give you this cover for the 'new' or replacement boat or item only if:

- (a) you give us written details of it within 14 days of buying it; and
- (b) you pay us any additional premium that we ask for.

In giving you this cover, we will consider either the price you paid for the hull, motor(s), equipment and accessories, sails, masts, spars, standing and running rigging and its trailer, or valuation as the agreed sum insured for that time.

8. Sporting equipment

We will cover you for:

1. accidental damage to your sporting equipment while onboard your boat, but not while it is in use;
2. theft of your sporting equipment, provided there is visible evidence of forcible and violent entry into:
 - (i) your boat; or
 - (ii) the normal place your boat is stored.

The maximum amount we will pay is \$1,000 for any one item and up to \$10,000 in total.

8. New boat replacement

If your boat is deemed a total loss within two years of the commencement of its first period of registration, and the loss is covered by this Policy, we will replace your boat with a new boat of the same make and model. We will also pay any registration or delivery fees in relation to the new boat.

If a replacement boat is not available we will replace it with the nearest equivalent boat or pay you the market value of the nearest equivalent boat, whichever you prefer.

If we pay you under this additional benefit, we take ownership of any salvage.

Optional benefits applying to this subsection

You can choose to have cover under the following optional benefits. You must pay us any additional premium we ask for.

The optional benefits you select will be shown in your Policy Schedule.

1. Yacht racing

- (a) If we have agreed to cover you for yacht racing, we will cover you for loss of or damage to your boat including its:
 - (i) sails; or
 - (ii) masts; or
 - (iii) spars; or
 - (iv) standing and running rigging;

while your boat is racing.

- (b) We will only cover you when your boat is operating within the following navigational limits:

- (i) **Non-trailer boats**
within 250 nautical miles of your boat's home port;
- (ii) **Trailer boats**
within 250 nautical miles of the place where your boat was last launched, within Australian Territorial Waters.

You need to advise us if you require wider navigational limits for racing.

When you are not covered

We will not cover you for any racing outside of the areas set out above, unless you have our agreement in writing.

What we will pay

- (a) If an item is lost or damaged while your boat is racing, we will, at our option:
 - (i) repair or replace the item involved; or
 - (ii) pay you the reasonable cost of repairing or replacing the item involved; or
 - (iii) pay you the agreed sum insured (where specified) of the item involved and take ownership of any salvage; or
 - (iv) pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.
- (b) When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed value, then depreciation will apply and the amount payable is determined by:
 - (i) comparing the value of an item with an item of a similar age and condition; or
 - (ii) establishing the actual cost of an item of a similar age and condition.

2. Yacht club social racing

If we have agreed to cover you for yacht club social racing, we will cover you for loss or damage to your boat including its:

- (a) sails, excluding spinnaker(s); or
- (b) masts; or
- (c) spars; or
- (d) standing and running rigging;

while your boat is being raced in yacht club social races not exceeding 25 nautical miles from your boat's home port, or place of launching.

What we will pay

- (a) If an item is lost or damaged while your boat is racing in yacht club social races, we will, at our option:
 - (i) repair or replace the item involved; or
 - (ii) pay you the reasonable cost of repairing or replacing the item involved; or
 - (iii) pay you the sum insured (where specified) of the item involved and take ownership of any salvage; or
 - (iv) pay you the current market value of the item (where there is no agreed sum insured) and take ownership of any salvage.
- (b) When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation will apply and the amount payable is determined by:
 - (i) comparing the value of an item with an item of a similar age and condition; or
 - (ii) establishing the actual cost of an item of a similar age and condition.

What you are not covered for

We will not cover you for:

1. loss of any outboard motor(s) when they are secured to your boat in a manner other than that specified or recommended by the manufacturer;
2. theft of your boat or any part of it by persons to whom you have loaned your boat;
3. loss or damage:
 - (a) intentionally caused by you or a person acting with your express or implied consent, unless required by law;
 - (b) caused by:
 - (i) normal wear and tear;
 - (ii) timber rot, delamination, osmosis, deterioration, vermin or marine growth;
 - (iii) rusting or other forms of corrosion or electrolysis;
 - (iv) lack of maintenance;
4. depreciation;
5. mechanical, structural, electrical or electronic failures.

However, we will pay the resultant damage to your boat due to the failure, but we will not pay for the cost of repairing or replacing the item that failed;

6. the cost of repairing or replacing any part of your boat which is defective and the defect is caused by fault, error in design or construction or faulty workmanship;
7. financial, emotional or psychological loss which occurs because you cannot use your boat;
8. accidental loss or damage to fishing gear, diving equipment, tools and/or water ski equipment while in use;
9. damage to sails and protective covers caused by the force of wind unless there has also been damage caused to the masts, spars or your boat;
10. any claim arising directly or indirectly from pollution or contamination by any substance;
11. any fine or penalty.

Subsection 2 - Legal liability

What you are covered for

1. Operating your own boat

We cover you and any person allowed by you to control your boat against legal liability for:

- (a) accidental death or bodily injury to a person other than you;
- (b) accidental death or bodily injury to you when another person allowed by you is in control of your boat;
- (c) accidental damage to other people's property;

2. Operating a substitute boat

We will cover you against legal liability for:

- (a) accidental death or bodily injury to a person other than you;
- (b) accidental damage to other people's property;
 - caused by the use of a substitute boat provided that:
 - (i) you have permission from its owner;
 - (ii) your boat is not being used at the time; and
 - (iii) you or any member of your family do not own or have an interest in the substitute boat.

If you are entitled to cover under any other policy we will only be liable under this section for the amount your legal liability exceeds the limits of cover under any other policy.

3. Sudden and accidental discharge, release or escape of fuel or lubricants

We will cover you or any person allowed by you to control your boat (within the requirements of any law) against legal liability for actual physical damage to property caused by sudden and accidental discharge, emission, spillage, or leakage upon or into waters or land of oil, petroleum products, effluent or sewage from your boat provided the discharge, emission, spillage or leakage does not arise from the wilful negligence or wilful misconduct of any person allowed by you to control your boat.

This extension of cover excludes:

- (a) death, bodily injury or illness;
- (b) contractual or assumed liability;
- (c) any loss of use or consequential loss;
- (d) fuel or lubricants not being used in connection with the operation of your boat at the time of the loss;
- (e) breach of any Federal, State or Local legislation regulating or controlling the discharge, spillage, emission or leakage of oil or any other substance into navigable waters or elsewhere or removal of or liability for discharge, spillage, emission or leakage.

We will pay no more than \$500,000 for any one accident or series of accidents caused by the one event including legal expenses for this cover.

4. Berth holders legal liability

We will cover you for any legal liability imposed upon you by the terms and conditions of a lease or agreement for the provision of a berth or mooring or storage facility for your boat.

We will pay the costs of:

1. compensation; and
2. legal fees and expenses;

We will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

Maximum limit

The maximum we will pay is the sum insured shown in your Policy Schedule in total for all claims that arise from any one accident. The sum insured includes all legal fees and expenses.

Optional benefit applying to this subsection

The following optional benefit may be obtained on application, and for payment of an additional premium.

Your Policy Schedule will show if you have selected this optional benefit.

1. Water skiing or aquaplaning extension

What you are covered for

- (a) If we have agreed to cover you for water skiing and aquaplaning we will cover you or any person allowed by you to control your boat and the person acting as an observer (within the requirements of any law) against legal liability for:
 - (i) accidental death or bodily injury to:
 - (A) a water skier or aqua-planer (including you) towed by your boat;
 - (B) any person caused by a water skier or aqua-planer being towed by your boat; or
 - (ii) accidental damage to another person's property caused by a water skier or aqua-planer being towed by your boat.
- (b) We will also cover a water skier or aqua-planer towed by your boat against the water skier's or aqua-planer's legal liability to others for:
 - (i) accidental death or bodily injury to a person; or
 - (ii) accidental damage to property other than your boat;
 - caused by the water skier or aqua-planer while being towed by your boat.

What you are not covered for

We will not pay the costs of liability arising out of:

- (a) water skiing or aquaplaning when there is not a legally competent observer in addition to the driver on board your boat at the time of the accident;
- (b) water skiing or aquaplaning when an aerial device or ski ramp is being used;
- (c) water skiing or aquaplaning when a ski mast, ski pole, ski tower are being used unless it is professionally designed, manufactured and installed;
- (d) competition water skiing;
- (e) towing or using air chairs;
- (f) towing of any person by personal watercraft (PWC) that breaches Maritime Authority Regulations;
- (g) towing of any device not designed and professionally manufactured for the purpose of being towed behind a boat (for example; surfboards or tyre tubes).

What you are not covered for

1. Operating your own boat or a substitute boat

We will not pay the costs of your legal liability for:

- (a) loss of or damage to any property owned by you or in your custody or control or the property of any other person covered by this Policy;
- (b) bodily injury to, or the illness or death of a person who is covered (or should have been covered) by any compulsory compensation insurance, including any compulsory third party boat insurance;
- (c) death or bodily injury caused by the activity of scuba diving;
- (d) death or bodily injury or property damage intentionally caused by a person covered by this Policy;
- (e) loss of or damage to third party property arising from the trailer being towed by, or breaking away from or accidentally becoming detached from the towing vehicle;
- (f) the towing of persons or objects in the air, including parasailing;
- (g) water skiing or aquaplaning unless you have chosen Optional benefit 1. Water skiing or aquaplaning extension and it is shown in your Policy Schedule;
- (h) any tradesperson or company engaged by you for the repair, service or maintenance of your boat;
- (i) any claim arising directly or indirectly from pollution or contamination by any substance except as otherwise specifically covered elsewhere in the Policy;
- (j) actions that are brought against you in a court or tribunal outside Australia or a court or tribunal that applies laws other than the law of a State or Territory of Australia;
- (k) any fine or penalty;
- (l) aggravated, exemplary or punitive damages.

Specific exclusions applying to this section

We will not cover you when:

1. Your boat is outside the cruising limits described in your Policy Schedule.
2. Your boat was being operated:
 - (a) at a speed greater than 60 knots;
 - (b) with a motor more powerful than recommended by the hull manufacturer for the hull specifications;
 - (c) with more than the maximum number of passengers or load recommended by the hull manufacturer.
3. You:
 - (a) were under the influence of alcohol or of any drug;
 - (b) had a percentage of alcohol or drugs in your/their breath or blood in excess of the percentage permitted by law in the place where the accident occurred;
 - (c) refused or failed to provide or allow the taking of a sample of breath, blood or urine for testing analysis as required by the law of any State or Territory in which the accident occurred.

We will cover you if you were not onboard your boat at the time and can clearly demonstrate that you had no reason to suspect that the person in control would be under the influence of alcohol or any drug or had a percentage of alcohol or drugs in excess of legal limits.

4. Your boat was under the control of a person not licensed under the applicable law to be in control of your boat.

We will cover you:

- (a) if the person was not named as one of the insureds in your Policy Schedule; and
- (b) can clearly demonstrate you had no reason to suspect that person was unlicensed.
5. Your boat was being used in racing, speed tests or trials, except to the extent of cover provided by Subsection 1 Optional benefit 1. Yacht racing risk or 2. Yacht club social racing risk.
6. Your boat was being used for an unlawful purpose.
7. Your boat was being used for hire or charter, or for payment or reward at the time of the accident or loss unless we specially agree to cover this use and specify the cover in your Policy Schedule.
8. Your boat was being towed on a trailer and the driver with your express or implied consent was not licensed to drive a vehicle in accordance with law.

We will cover you if you were not in the vehicle at the time and can clearly demonstrate that you had no reason to suspect that the driver was unlicensed.

9. Your boat is being transported on a trailer, unless your boat is designed and built for that purpose.
10. Your boat is being loaded or unloaded or transported by a commercial carrier unless you tell us beforehand in writing, and we agree in writing to cover you.
11. Your boat is being used for permanent living accommodation unless you tell us beforehand in writing, and we agree in writing to cover you.
12. You do not keep your boat in good order and repair, or in a proper state of seaworthiness and in compliance with any statutory requirements (for example, Maritime Authority Regulations).
13. Your boat and/or its mooring is not:
- (a) of a suitable design and weighting for your boat;
- (b) appropriately sited; and
- (c) in good order and regularly maintained on an annual basis.
14. Your boat is undergoing major hull repair or alteration (for example, extending the length of your boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing, and we agree in writing to cover you.

Specific conditions applying to this section

If you sell or give away your boat

If you sell or otherwise give away your boat, or part ownership in your boat, and do not tell us, the cover under this section ceases immediately, without any notice to you, from the time you sell or otherwise give away your boat. If you are giving up an interest as lessor, mortgagee or owner under a hire purchase agreement, you do not have to tell us.

Section 4 - Personal accident injury and illness

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Compensation	The amount of benefit shown in the compensation tables of this section.
Excluded period of claim	The consecutive number of days of disablement shown in your Policy Schedule after medical treatment by a registered medical practitioner.
Illness	Any sickness or disease or degenerative condition which first occurs during the period of insurance.
Injury	Bodily injury which: <ul style="list-style-type: none"> (a) is caused by an accident that occurs during the period of insurance; and (b) is not an illness; and (c) is the absolute, sole and independent cause of a payable condition covered under this section which occurs within 12 months of the accident referred to in (a) above.
Insured person	The person named in the 'Personal Accident Illness and Injury' section of the Policy Schedule.
Loss of use	In connection with a limb or part of a limb means physical severance or permanent loss of use.
Occupation	Normal activities carried out in association with your farm business or any additional business, trade or profession shown in your Policy Schedule.
Paraplegia	Total paralysis of both legs and part or whole of the lower half of the body.
Partial disablement	The insured person prevented from carrying out a substantial part of all of the normal duties of the insured person's usual occupations, businesses and professions.
Payable condition	An injury or illness suffered by the insured person which entitles he or she to claim compensation, up to the amounts specified in the Policy Schedule and compensation tables of this section.
Permanent	Continuing for at least 12 months and which thereafter will, in all probability, continue for life.
Permanent total disablement	Total disablement as a result of any injury and which will continue for at least 12 months, and thereafter will in all probability continue for life, and which entirely prevents the insured person from engaging in any occupation or business whatsoever.
Physical severance	Amputation: <ul style="list-style-type: none"> (a) to a hand or foot at or above the wrist or ankle; (b) to an arm or leg at or above the elbow or knee; and (c) to a finger or toe at or above the third joint from its extremity.

Word or term	Meaning
Pre-existing condition	Any injury, illness, disease, sickness, degenerative condition, medical condition and any other condition or symptoms thereof, for which the insured person has received any form of medical or prescribed treatment, advice or attention from a registered medical practitioner, chiropractor, physiotherapist, psychiatrist or naturopath, at any time prior to the commencement of each period of insurance. This does not include the common cold or flu viruses.
Professional sport	An activity which is competitively engaged in, governed by a set of rules or customs, requiring physical exertion, for which the insured person receives a financial reward, payment, benefit or remuneration for the insured person's efforts and/or achievements. This will not include an insured person who participates in sporting activities on an amateur basis (for example, financial reward, payment, benefit or remuneration is less than 30% of the insured person's earnings).
Quadriplegia	Total paralysis of both legs and both arms.
Registered medical practitioner	A medical practitioner who holds a current registration with the respective Medical Practitioners Board/Medical Board in Australia.
Total disablement	Total disablement as a result of injury covered under Weekly benefits - Injury that entirely prevents an insured person from: <ol style="list-style-type: none"> carrying out all the normal duties of the insured person's usual occupation, business or profession; or where the insured person is engaged in more than one occupation, business or profession, carrying out all of the normal duties of all of them. <p>If Weekly benefits - Illness cover has been selected, total disablement will also mean such inability resulting from illness.</p>

Types of cover

The section provides a choice of cover. You can select any or all of the following types of cover:

- Subsection 1 - Capital benefits;
- Subsection 2 - Weekly benefits - Injury;
- Subsection 3 - Weekly benefits - Illness.

The types of cover you have selected will be shown in your Policy Schedule.

Subsection 1 - Capital benefits

What you are covered for

We will pay amounts set out in the capital benefits compensation table as a capital benefit in respect of the insured person if any of the payable conditions shown:

- occur during the period of insurance; and
- are a result of injury.

What you are not covered for

We will not pay any claim under this subsection if a claim arises directly or indirectly out of any of the following:

- illness; or
- suicide or attempted suicide.

Capital benefit restrictions

- Any payable condition claimed under capital benefits must occur within 12 months of the date of injury.
- Any capital benefit payable will be reduced by any amount of any other capital benefit we have paid or are liable to pay in connection with the same injury.
- We will not pay a capital benefit for 'Payable condition 2', permanent total disablement once the insured person attains the age of 66.
- All further cover under this subsection ceases if the insured person becomes entitled to a capital benefit of more than 75% of the capital benefit sum insured.
- We will not pay any capital benefit for more than one payable condition at any one time.
- The insured person can only claim one capital benefit for an injury, in which case the highest payable condition will be payable.
- Any capital benefit payable will be reduced by any amount we have paid in weekly benefits for the same injury.
- If the insured person is travelling on a journey, and
 - their means of transportation disappears, sinks or is wrecked; and
 - the insured person's body has not been found within one year we will presume that the insured person had died as a result of injury and will pay the death benefit accordingly.

Capital benefits compensation table

Payable condition	Compensation as a percentage of the capital benefit sum insured shown in your Policy Schedule
An injury resulting in:	
1. death	100%
2. permanent total disablement	100%
3. permanent quadriplegia	100%
4. permanent paraplegia	100%
5. permanent and incurable paralysis of all limbs	100%
6. permanent unsound mind to extent of legal incapacity	100%
7. permanent total loss of sight in one or both eyes	100%
8. permanent total loss of hearing in both ears	100%
9. permanent total loss of the lens of one eye	50%
10. permanent total loss of hearing in one ear	50%

Payable condition	Compensation as a percentage of the capital benefit sum insured shown in your Policy Schedule
Permanent physical severance or permanent total loss of use of the following:	
11. both hands	100%
12. both arms	100%
13. both feet	100%
14. both legs	100%
15. one hand or one foot	100%
16. four fingers and one thumb	75%
17. both joints of one thumb	35%
18. one joint of one thumb	20%
19. three joints of one finger	15%
20. two joints of one finger	10%
21. one joint of one finger	7.5%
22. all toes on one foot	15%
23. great toe - both joints	7.5%
24. great toe - one joint	5%
25. each toe other than great	2.5%
26. fractured leg or patella with established non union	15%
27. third degree burns which cover more than 50% of the entire body	40%
28. loss of at least 50% of all sound and natural teeth, including capped or crowned teeth - per tooth	1%
29. loss of speech	25%
30. shortening or lengthening of leg by at least 5cm	10%

Additional benefits applying to Subsection 1 - Capital benefits

1. Funeral expenses

In event the insured person suffers an injury resulting in death, that is covered under Subsection 1 - Capital benefits, Payable condition 1, we will also reimburse funeral expenses incurred by the insured person's estate, up to a maximum of \$5,000.

2. Modification

Where a capital benefit is payable under Subsection 1 - Capital benefits, Payable conditions 2. to 5. inclusive, we will also pay for the cost necessarily incurred by the insured person in modifying the insured person's motor vehicle or home or in relocating the insured person to a suitable home. The maximum amount we will pay is \$20,000 under this additional benefit.

Subsection 2 - Weekly benefits - Injury

If you have selected this cover it will be shown in your Policy Schedule

What you are covered for

We will pay a weekly benefit of the amount as set out in the Weekly benefit - Injury compensation table in respect of an insured person if the payable conditions shown:

1. occur during the period of insurance; and
2. are a result of injury.

What you are not covered for

We will not pay any claim under this subsection if a claim arises directly or indirectly out of an illness.

Weekly benefit - Injury restrictions

1. Any payable condition claimed must occur within 12 months of the date of injury.
2. Successive periods of partial disablement or total disablement:
 - (a) resulting from the same injury; and
 - (b) which are not separated by a return to active full time employment for six months or more;

will be considered as one period of partial disablement or total disablement.
3. Weekly benefits will be paid after the excluded period of claim has elapsed.
4. We will pay weekly benefits while the insured person continues to suffer partial disablement or total disablement up to a maximum period shown in your Policy Schedule.
5. Notwithstanding Weekly benefits - Injury restrictions 2. and 4., we will not pay weekly benefits for any partial disablement or total disablement:
 - (a) which commences or recurs after the expiry of this Policy;
 - (b) when the insured person is on unpaid leave or on maternity leave; or
 - (c) when the insured person is outside Australia.
6. We will stop paying weekly benefits if the insured person commences any new occupation while he or she is receiving weekly benefits.
7. We will stop paying weekly benefits when the insured person becomes entitled to a capital benefit of more than 75% of the capital benefit sum insured.
8. We will not pay weekly benefits for more than one injury or illness at any one time.

The weekly benefit we pay will be the amount shown in Weekly benefits - Injury, compensation table and will be reduced by:

1. any amounts the insured person is entitled to receive from:
 - (a) sick leave;
 - (b) any statutory workers compensation or transport accident scheme; and
2. income that the insured person derives or is able to derive from any gainful occupation.

Weekly benefits - Injury compensation table

Payable condition	Compensation
An injury resulting in:	
1. total disablement	Up to the weekly benefit limit shown in your Policy Schedule
2. partial disablement	25% of the weekly benefit limit shown in your Policy Schedule

Additional benefit applicable to Subsection 2 - Weekly benefits - Injury

1. Spouse weekly benefit

If the insured person's spouse suffers an injury that results in total disablement, we will pay the insured person's spouse a weekly benefit of 25% of the Weekly benefit - Injury limit shown in your Policy Schedule, up to a maximum of \$2,000 any one claim.

We will not pay any amount if the spouse is entitled to a capital or weekly benefit under any other insurance policy as a result of the injury.

Subsection 3 - Weekly benefits - Illness

If you have selected this cover it will be shown in your Policy Schedule.

What you are covered for

We will pay a weekly benefit of the amounts as set out in Weekly benefits - Illness, compensation table in respect of the insured person if:

- the payable condition shown occurs during the period of insurance; and
- the payable condition is caused by an illness; and
- the insured person cannot work for more than five consecutive days from the first day that the insured person receives treatment or advice from a registered medical practitioner;

provided the illness was first diagnosed more than 28 days after the first day of cover or for any new or increased sums insured.

What you are not covered for

We will not pay any claim under this subsection if a claim arises directly or indirectly out of any of the following:

- injury;
- HIV or any condition caused by HIV including AIDS;
- pregnancy, childbirth or miscarriage.

Weekly benefits - Illness restrictions

- Any payable condition claimed must occur within 12 months of the date of illness.
- Successive periods of partial disablement or total disablement:
 - resulting from the same illness; and
 - which are not separated by a return to active full time employment for six months or more;

will be considered as one period of partial disablement or total disablement.
- Weekly benefits will be paid after the excluded period of claim has elapsed.

- We will pay weekly benefits while the insured person continues to suffer partial disablement or total disablement up to the maximum period shown in your Policy Schedule.
- Notwithstanding Weekly benefits - Illness restrictions 2. and 4. above, we will not pay weekly benefits for any partial disablement or total disablement:
 - which commences or recurs after the expiry of this Policy;
 - when the insured person is on unpaid leave or on maternity leave; or
 - when the insured person is outside Australia.
- We will stop paying weekly benefits if the insured person commences any new occupation while he or she is receiving weekly benefits.
- We will not pay weekly benefits for more than one injury or illness at any one time.

The weekly benefit we pay will be shown in the Weekly benefits - Illness compensation table of the Policy and will be reduced by:

- any amounts the insured person is entitled to receive from:
 - sick leave;
 - any statutory workers' compensation or transport accident scheme; and
- income that the insured person derives or is able to derive from any gainful occupation.

Weekly benefits - Illness compensation table

Payable condition	Compensation
An illness resulting in:	
1. total disablement	Up to the weekly benefit limit shown in your Policy Schedule
2. partial disablement	25% of the weekly benefit limit shown in your Policy Schedule

Additional benefits applicable to Subsection 2 - Weekly benefits - Injury and Subsection 3 - Weekly benefits - Illness

1. Indexed weekly benefit

If we pay the insured person a weekly benefit under this section and the benefit period in your Policy Schedule is greater than 52 weeks, and we pay the insured person for the same injury or illness for more than 52 weeks, we will pay an additional 0.5% of weekly benefit limit for each full calendar month the insured person suffers total disablement in excess of the 52 weeks, up to the benefit period shown in your Policy Schedule.

2. Rehabilitation

If we pay the insured person a weekly benefit under this section, we will also pay for the costs incurred by the insured person for participation in a return to work program if:

- we consider the program reasonable; and
- the insured person's registered medical practitioner agrees;

up to a maximum of \$5,000.

What you are not covered for

We will not pay for any claim under subsection 1, 2, or 3, of this section, if the claim arises directly or indirectly out of any of the following:

1. intentional self injury or suicide or any attempt at suicide;
2. flying or other aerial activity unless as a fare paying passenger on an airline with scheduled flights;
3. driving, sailing, flying or riding in any kind of race, time trial or practice for such an event;
4. a criminal or illegal act committed by you or the insured person;
5. alcoholism or drug addiction;
6. participating in or training for any of the following activities:
 - (a) professional sport;
 - (b) diving when using a breathing apparatus other than a snorkel;
 - (c) parachuting or hang gliding;
 - (d) parasailing, bungee jumping, mountaineering or rock climbing;
 - (e) organised football of any kind or code;
 - (f) boxing, wrestling, judo, karate, martial arts or any other sport that includes personal self defence;
 - (g) competitive equestrian events or activities unrelated to your normal farm business;
7. injury or illness caused directly or indirectly by the insured person's faculties being impaired by alcohol or drugs that were not administered or prescribed by a registered medical practitioner;
8. any pre-existing condition;
9. any sexually transmitted disease.

We will not pay any benefits under subsection 1, 2, or 3, of this section which are considered to be 'Health Insurance business', as defined in the *Private Health Insurance Act 2007* (Cth) and its Regulations; or any expenses or costs which we are prohibited from paying by law.

Section 5 - Farm property

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Accidental damage	Physical loss of or damage to your building or contents, at the address, directly caused by any accident or events listed in Section 5 - Farm property - Insured events 1. to 7., which we will insure you against, subject to the Policy conditions and exclusions.
Buildings	Buildings on your farm that are not used primarily as a place of residence and are shown in your Policy Schedule. Buildings include: <ol style="list-style-type: none"> (a) landlord's fixtures and fittings for which you are legally liable under the terms of your rental or leasing contract; (b) water or fuel tanks, and stock yards attached to or adjacent to your farm buildings; (c) fixed services of water, sewerage, garden irrigation, gas, electricity, telephones, radio receiving equipment owned by you, or for which you are responsible for; (d) grain or feed silos including fixed elevators; (e) bridges or causeways when agreed to by us and listed in your Policy Schedule. Buildings does not include: <ol style="list-style-type: none"> (a) the parts of property undergoing erection, construction, alteration, where the total cost exceeds \$100,000; (b) machinery; (c) fences which are not attached or adjacent to the buildings.
Contents	Property belonging to you (or which you are responsible for) used to carry out your farm business. Contents also includes food and other products grown on your farm for commercial sale only when you have chosen to insure them and they are listed in your Policy Schedule. Contents does not include: <ol style="list-style-type: none"> (a) livestock; (b) hay, silage, grain, growing crops or plants; (c) immobile machinery; (d) mobile machinery; (e) motor vehicles; (f) boats, aircraft or any accessories, equipment or spare parts whilst contained in or on these items;

Word or term	Meaning
	<p>(g) contents that can be insured by Section 1 - Home or by the Optional benefit 1. Frozen embryos and semen under this section;</p> <p>(h) fences;</p> <p>(i) land or water; and</p> <p>(j) soil, sand, gravel, bark or mulch.</p>
Farm property	<p>(a) buildings owned by you which are used for your farm business;</p> <p>(b) contents;</p> <p>(c) fences;</p> <p>(d) hay, silage and grain;</p> <p>(e) livestock;</p> <p>(f) immobile machinery;</p> <p>(g) mobile machinery.</p>
Fences	Boundary fencing, internal fencing, shared fencing, yards, ramps, races, troughs, feeders and power poles which are not immediately adjacent to or attached to buildings.
Hay	Feed crop (but not whilst growing) that has been cut, baled, rolled, stacked or stored.
Immobile machinery	<p>All plant and machinery used by you or your farm business which:</p> <p>(a) are permanently fixed plant or machinery;</p> <p>(b) can not be towed by or attached to a motor vehicle;</p> <p>(c) are accessories, equipment and spare parts used with immobile machinery;</p> <p>and are shown in your Policy Schedule.</p> <p>Immobile machinery also means windmills (wind power generation) and solar panel units.</p>
Insured events	The events listed in Section 5 - Farm property - Insured events 1. to 7., which we will insure you against, subject to the Policy conditions and exclusions.
Mobile machinery	<p>Items of mobile machinery (including tractors, fruit pickers and other similar machines) used to carry out your farm business.</p> <p>It also includes their attachments or equipment (trailers, ploughs, and other implements drawn or intended to be drawn by any such machinery) and their accessories or spare parts including while temporarily removed for repair, cleaning or storage.</p> <p>Items of mobile machinery must be separately shown in your Policy Schedule.</p>

Word or term	Meaning
Open air	That part of your farm not fully enclosed within a lockable structure that consists of walls and a roof. Open air also means in or on a motor vehicle at the address, whether the motor vehicle is locked or not, unless the motor vehicle itself is fully enclosed within a lockable structure that consists of walls and a roof.
Silage and grain	Any crop (processed or not) that has been stored on your farm after harvesting.
Unspecified immobile machinery	Items of immobile machinery that are not specified in the Policy Schedule and that have a market value of \$10,000 or less.
Unspecified mobile machinery	<p>Items of mobile machinery that are not specified in the Policy Schedule and that have a market value of \$10,000 or less.</p> <p>Unspecified mobile machinery excludes passenger vehicles, caravans, trucks or their trailers, goods carrying vehicles, motor cycles, ATVs, UTVs or any other utility vehicle, gyrocopters and aircraft, and/or their attachments, equipment accessories or spare parts.</p>

Cover types

The two cover types that apply to this section are:

1. Insured events

Applies only to:

- (a) livestock;
- (b) mobile machinery; and
- (c) unspecified mobile machinery;

when insured under this section of the Policy.

2. Accidental damage

Applies only to:

- (a) buildings;
- (b) contents;
- (c) fences;
- (d) hay, silage and grain;
- (e) immobile machinery; and
- (f) unspecified immobile machinery;

when insured under this section of the Policy.

Method of settlement

There are two methods of settling your claim:

1. reinstatement or replacement value; and
2. indemnity value.

The method of settlement you have selected is shown in your Policy Schedule.

1. Reinstatement and replacement

We will pay the cost of rebuilding, replacing or repairing any damaged part of farm property.

We will also pay the additional costs required to comply with any statutory authority or by-laws provided you were not required to comply with any of the by-laws prior to the loss or damage occurring.

Farm property may be rebuilt at another location provided we agree in writing and you pay any additional costs to build or erect elsewhere.

If the farm property is lost or damaged you must commence to rebuild, replace or repair within six months of the damage. If you do not, we will pay your claim in accordance with the indemnity value method of settlement, unless we have agreed in writing to extend the period.

We will not pay more than the sum insured shown in your Policy Schedule per item insured.

If you make a claim for a total loss of any item of farm property and we pay you, then all insurance on that item of farm property ceases and you will not be entitled to any refund of premium.

If you make a claim for a total loss of livestock and we agree to pay you, and you replace the insured livestock within 120 days of their death, we will pay the lesser of replacement value or 110% of the sum insured.

2. Indemnity value

We will at our option either pay you:

- (a) the indemnity value of the farm property; or
- (b) the cost to repair or replace the damaged part of the farm property so that it is in the same condition it was in at the time the loss or damage occurred.

We will also pay the additional costs required to comply with any statutory authority or by-laws associated with repair or removal of farm property, provided you were not required to comply with any of the by-laws prior to the loss or damage occurring.

We will not pay more than the sum insured shown in your Policy Schedule per item insured.

Fences are insured for the cost of labour and materials

If fences are insured by the Policy, we will also insure you for the cost of labour and materials for fences unless shown otherwise in your Policy Schedule.

You may relocate fences destroyed by fire, but we will not pay:

- (a) any more than would have been payable had the fence been repaired or replaced where it was originally located;
- (b) for the relocation of any undamaged portion of the fence.

Excess(es)

For each occurrence which gives rise to a claim, you must pay the highest applicable excess shown in either the Policy or your Policy Schedule in relation to that occurrence.

If there is a claim for loss or damage under this section and Section 1 - Home arising from the same occurrence, you need only pay the higher of the two or more excesses applicable to those sections.

If a claim is paid under this section and you also receive an additional benefit, no excess will apply to that additional benefit.

An excess of \$250 will apply to each claim resulting from earthquake. You only have to pay one excess if further damage occurs within 72 hours of the initial damage occurring.

An excess of \$250 will apply to each claim resulting from malicious damage to your farm property.

Insured events

Insured events cover applies to livestock, mobile machinery and unspecified mobile machinery insured by this section.

We will pay for loss of or damage to your livestock, mobile machinery and unspecified mobile machinery caused by the following insured events 1. to 7.

1. Bursting, leaking, discharging or overflowing of liquid from a fixed apparatus or system. We will also pay for the cost of locating the burst or leak, or the cause of the discharge or overflow, including any damage resulting from doing so, provided the liquid has caused damage or loss which is insured.

We will not pay for:

- (a) loss or damage which occurs as a result of your failure to repair or prevent the burst, leak, discharge or overflow within a reasonable amount of time of discovering the occurrence;
- (b) the cost of repairing or replacing the defective item from which the liquid escaped.

2. Earthquake or volcanic eruption.

3. Fire, lightning or explosion.

4. Impact by:

- (a) a vehicle, aircraft or boat;
- (b) space debris or debris from an aircraft, rocket or satellite;
- (c) an animal.

We will not pay for loss or damage caused by:

- (i) domestic animals owned by you; or
- (ii) livestock impacting other livestock;
- (d) a falling tree or part of a tree but excluding damage caused by:
 - (i) you; or
 - (ii) someone else when you have agreed to not hold them responsible for damage they cause to your property whilst cutting down trees or removing tree branches;
- (e) a mast, aerial, antenna or satellite dish that has broken or collapsed, but excluding loss or damage to the mast, aerial, antenna or satellite dish itself.

5. Malicious damage, other than damage caused by you or anyone who permanently or temporarily lives with you.

6. Riot, civil commotion, industrial or political disturbance.

7. Storm or rainwater.

Mobile machinery is not covered for storm or rainwater whilst in the open air unless it is specifically designed to function without the protection of a building.

We will not pay for loss or damage to livestock caused by storm or rainwater.

Unspecified mobile machinery

If you have chosen to insure unspecified mobile machinery we will pay up to the limit per item shown in your Policy Schedule for damage to any one item of unspecified mobile machinery caused by or arising from an occurrence covered by insured events.

We will not pay more than the sum insured for all unspecified mobile machinery which is shown in your Policy Schedule.

Accidental damage

Accidental damage cover applies to buildings, contents, fences, hay, silage and grain, immobile machinery and unspecified immobile machinery insured by this section.

We will pay for accidental loss or damage to your buildings, contents, fences, hay, silage and grain, immobile machinery and unspecified immobile machinery at the address unless the loss or damage is excluded in What you are not covered for.

We will pay up to the sum insured shown in your Policy Schedule for each occurrence.

We will not pay for:

1. loss or damage which results from your failure to take reasonable steps following the discovery of liquid bursting, leaking, discharging or overflowing from a fixed apparatus or system;
2. the cost of repairing or replacing any defective item that causes the escape of liquid from a fixed apparatus or system;
3. storm, wind or rainwater damage to:
 - (a) textile blinds, textile awnings or dam liners;
 - (b) tarpaulins, shade cloth, shade sails, netting, plastic, PVC or other similar materials;
 - (c) shade structures, all types of hothouses, glasshouses, greenhouses and shelters;
 - (d) signs and retaining walls;
 - (e) hay and silage, unless it is contained in a:
 - (i) fully enclosed building; or
 - (ii) partially enclosed building, where the damage to the hay is caused directly by water entering the building through an opening created by a storm;
 at the time of the occurrence;
 - (d) grain unless it is contained in a silo at the time of the occurrence;
 - (e) livestock;
 - (f) contents and immobile machinery in the open air unless the property is designed to function without the protection of a building;
 - (g) buildings whilst they are being built that do not have all walls, doors and a roof completely fixed;
4. loss of or damage to:
 - (a) livestock, animals, birds and fish;
 - (b) growing crops, trees or any other plants;
 - (c) mobile machinery;
5. theft of farm property;
6. mechanical, electrical or electronic failure, breakdown or derangement, fusion of electric motors.

Unspecified immobile machinery

If you have chosen to insure unspecified immobile machinery we will pay up to the limit per item shown in your Policy Schedule for damage to any one item of unspecified immobile machinery, caused by or arising from an occurrence covered by accidental damage.

We will not pay more than the sum insured for all unspecified immobile machinery which is shown in your Policy Schedule.

Additional benefits applying to this section

The additional benefits provided are in addition to the sum insured for farm property unless otherwise specified.

1. Alterations, additions and new buildings

If during the period of insurance you make alterations or additions to existing buildings, or construct a new building, we will automatically insure the alterations, additions or new building for a period of 30 days from the date of completion, or until the Policy next renews, whichever occurs first. If you require us to insure the alterations, additions or new building beyond this period, you will need to advise us and pay any additional premium applicable.

If you make a claim for loss or damage to the alterations, additions or new building during the period which this additional benefit is applied, we will require that you pay any additional premium payable to insure the alterations, additions or new buildings from the date of their completion.

2. Biohazard benefit

For the purposes of this additional benefit the following words in this section have a special meaning as listed below.

'Exotic disease'

A disease originating in a country outside of Australia as determined by the Australian Government Department of Agriculture, Fisheries and Forestry or any other government agency with similar delegated authority which exists from time to time.

'Endemic disease'

A disease that is normally present within Australia.

We will pay up to \$20,000 during the period of insurance, but no more than \$10,000 per occurrence, for costs you incur to comply with any government authority acting to eradicate, prevent or contain the spread of any exotic (not endemic) disease affecting animals, poultry or plants on your farm.

For this additional benefit to apply the outbreak must:

- (a) not originate from your farm, or any other properties owned or operated by you or your family;
- (b) be sudden, unforeseen and identifiable; and
- (c) originate at a location no more than 100 kilometres from your farm.

Cover is restricted to any additional costs incurred in complying with the order and does not include any loss of income.

We will not pay for any costs in relation to:

- (a) any endemic disease affecting animals, poultry or plants;
- (b) any weed infestation, plague of pests or feral animals;
- (c) any other condition not determined by the Australian Government Department of Agriculture, Fisheries and Forestry, or any other government agency with similar delegated authority which exists from time to time, to be an exotic disease affecting animals, poultry or plants.

We will not pay for any consequential loss, or any expenses recoverable by you from any government or any other properly constituted authority.

3. Employee's belongings

If contents are insured by the Policy, we will also provide insured events cover for any tools, equipment or personal items that are owned by your employees and are used to carry out your farm business, provided the items are not otherwise insured. We will pay up to \$2,000 per employee, and up to \$5,000 per occurrence.

4. Farm planning

We will pay up to \$3,000 towards the cost of appointing a planning consultant to produce a written farm business plan. We will only pay this benefit if:

- (a) we have paid or agree to pay a claim for damage to farm property caused directly by insured events 2. and 3. and the damage sustained interferes with the running/ profitability of your farm business; and
- (b) the planning consultant is appointed and the written farm business plan completed within three months of the occurrence; and
- (c) we are provided with a copy of the completed farm business plan if requested.

5. Farm property temporarily removed from your farm

We will extend cover for farm property while it is temporarily removed from your farm to elsewhere in Australia.

We will not pay for farm property when:

1. removed permanently from the farm;
2. in transit;
3. it is a building, fence, or immobile machinery however, we will cover unspecified immobile machinery that are accessories, equipment and spare parts used with immobile machinery;
4. it is mobile machinery, however we will cover mobile machinery:
 - (a) crossing a public thoroughfare between properties and does not require registration; or
 - (b) being driven or transported to a workshop for the purpose of repair or servicing.

6. Fire prevention and extinguishment costs

We will pay up to \$10,000 for all costs incurred for:

- (a) extinguishing fire on, or in the vicinity of your farm which threatens to damage your farm property;
- (b) preventing or lessening the effect of any such fire;
- (c) gaining access to the farm after the fire has occurred; or
- (d) replenishing fire fighting equipment.

We will not pay for any fines, penalties or liability incurred by you in preventing or extinguishing a fire.

7. Humane destruction or care of livestock

If your livestock is insured by the Policy, and you claim for loss of or damage to your livestock following an occurrence, we will also pay for the reasonable costs you incur:

- (a) for necessary veterinary charges or materials, up to \$10,000, to treat or assess the livestock;
- (b) to destroy the livestock and dispose of the carcasses if destruction is required for humane reasons;
- (c) for the reduction in value of your injured livestock if you need to sell them within 30 days of a fire to reduce your financial loss.

We will pay either the difference between the indemnity value immediately before the fire and at the time of sale, or the sum insured, whichever is the lesser.

8. Inflation adjustment

This additional benefit only applies to your farm building and farm contents sum insured as shown in your Policy Schedule.

During each period of insurance we will increase the building and contents sum insured by 0.5 of 1% of the relevant sum insured shown in your Policy Schedule per month until the next renewal date.

9. Neighbours' fire fighting equipment

We will pay up to \$5,000 to replenish fire fighting equipment for the indemnity value of fire fighting equipment belonging to your neighbours which is damaged while fighting a fire on your farm.

10. Professional fees and legal costs

If a building has been damaged and the damage is insured under this section, we will pay the reasonable professional fees incurred to rebuild or repair the building. We will pay your legal costs incurred for the discharge of any mortgage(s) on the building following settlement of a claim for the total loss of the building.

The cost of professional fees and legal costs are included in the sum insured for buildings.

11. Automatic reinstatement of sum insured

If the sum insured is reduced following payment of a claim, other than a claim for the total loss of specified farm property listed on your Policy Schedule, we will automatically reinstate the sum insured from the date of the loss or damage unless:

- (a) you request otherwise; or
- (b) we tell you otherwise.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

12. Removal of debris

If farm property has been damaged or destroyed and is insured by this section, we will pay the reasonable costs incurred for the demolition and/or removal of debris from the address.

If damage to the farm property is caused by impact, we will pay for the reasonable cost to remove the object, or that part of the object, that caused the impact and which is hindering the repair or replacement of the farm property insured by this section.

We will pay you up to the sum insured shown in your Policy Schedule for removal of debris, or if this is insufficient and you have not exhausted the sum insured on the damaged item(s) requiring demolition and/or removal, we will pay up to the remaining balance of the sum insured of the damaged item(s) for the reasonable cost of demolition and/or removal of debris.

If man-made debris from a neighbour's property is deposited onto your farm during an insured occurrence, we will pay the reasonable cost for the removal of such debris from your farm. We will be entitled to take action against the neighbour to recover such costs.

13. Replanting trees

We will pay for the replacement of trees and shrubs used as windbreaks or animal shade, or to prevent soil erosion or control salt levels, if they are lost due to fire.

We will pay up to \$200 per tree or shrub, up to \$5,000 per occurrence.

14. Temporary protection

If farm property has been lost or damaged and is insured by the Policy, we will pay up to \$5,000 for the reasonable cost of protecting the farm property from further loss or damage.

Optional benefits applying to this section

1. Frozen embryos and semen

What you are covered for

If your Policy Schedule shows you have selected Optional benefit 1. Frozen embryos and semen, we will pay for accidental loss or damage to frozen embryos and semen that have been collected from cattle, pigs and sheep while they are stored in containers specifically designed for such storage. We will also insure the containers.

If we pay a claim for the total loss of property insured by this optional benefit, then all cover on that property ceases.

What we will pay

We will pay up to the sum insured shown in your Policy Schedule for the indemnity value of the insured property.

For each occurrence which gives rise to a claim, you must pay the excess amount shown in your Policy Schedule.

What we will not pay for

We will not pay for loss or damage caused by:

- (a) contamination by any substance or living organism;
- (b) gradual deterioration;
- (c) the embryos and semen failing to meet quality standards unless caused by an occurrence;
- (d) lawful seizure or quarantine of your farm or the embryos and semen you have insured.

What you are not covered for

We will not pay for loss of or damage to your farm property caused by:

1. flood, the action of water from the sea, high sea water or tidal wave;
2. earth movement, vibration, erosion, landslide or subsidence (except when caused by earthquake);
3. normal settling, shrinkage or expansion in buildings or foundations, walls and pavements;
4. faulty materials, faulty workmanship, wrong or incorrect design, plan or specification or failure of design;
5. wear, tear, rust, corrosion, depreciation, gradual deterioration, mildew, mould, dampness of atmosphere or variations in temperature;
6. animals, birds, insects or vermin eating, biting, chewing, scratching, clawing or pecking your farm property;
7. wet or dry rot, rising damp or dampness;
8. tree roots;
9. any process of cleaning or repair;
10. the removal or weakening of supports or foundations during building alterations, additions, renovations or repair;
11. malicious or intentional acts (other than arson) of your tenants or persons normally residing with them;
12. the seepage or percolation of any substance through roofs, walls or floors unless it occurs as a result of damage caused by an insured event;
13. contamination (including by chemicals or antibiotics) or pollution.

We will not pay for any loss, damage, or expense arising from the reduction in the functionality, availability or operation of any electronic equipment that is insured by this section, unless the loss, damage or expense is caused by an insured event.

Specific conditions applying to this section

Unoccupancy

If at the time of an occurrence at your farm, your farm has been unattended for more than 100 consecutive days, we will only pay for loss or damage to your farm property (as defined in Section 5 – Farm Property) if it is caused by storm, rainwater or earthquake, unless we have agreed otherwise in writing.

Section 6 - Business interruption

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Additional increased cost of working	The reasonable and necessary additional costs you incur during the indemnity period to reduce or avoid reduction in turnover.
Annual turnover	The turnover during the 52 weeks (or its proportionately increased multiple where the indemnity period exceeds 52 weeks) immediately before the occurrence causing interruption to your farm business.
Gross profit	The amount by which the sum of the turnover and the amount of the closing stock and work in progress (WIP) exceeds the sum of the amount of the opening stock and work in progress and the amount of the uninsured working expenses.
Indemnity period	The maximum number of weeks we pay you for business interruption following an occurrence causing the interruption to your farm business. The indemnity period is shown in your Policy Schedule.
Payroll	means the amount you pay: <ol style="list-style-type: none"> employees for wages, bonuses, holiday pay and sick pay; for payroll tax, fringe benefits tax, workers' compensation insurance premiums, accident compensation levies, superannuation, health insurance and pension fund levies.
Public utilities	A company or statutory authority which supplies you with: <ol style="list-style-type: none"> external voice and data communication systems; electricity; and/or gas or water which is delivered to you through a reticulated system of pipes located on or immediately adjacent to your farm.
Rate of gross profit	The proportion the gross profit bears to the turnover during the financial year immediately before the occurrence which causes the interruption to your farm business.
Shortage in turnover	The amount your turnover falls short of your standard turnover during the indemnity period.
Specified occurrence	An occurrence during the period of insurance that causes damage to the property you have insured under Section 5 - Farm Property, other than any occurrence we decide to cover you for under Additional benefit 2. Biohazard benefit.
Standard turnover	The turnover during the period in the 52 weeks immediately before the occurrence that corresponds to the indemnity period.
Stock	<ol style="list-style-type: none"> produce from your farm business that you have sold or intend to sell;

Word or term	Meaning
	<ol style="list-style-type: none"> livestock used in your farm business that you have sold or intend to sell; raw or consumable materials used by you in your farm business; your produce and livestock while they are at your farm; property not owned by you on your farm for service, repair, alteration or safe keeping.
Turnover	The money paid or payable to you for goods sold, farm property rented or leased by you, and for services rendered.
Uninsured working expenses	<ol style="list-style-type: none"> the cost to purchase stock; and working expenses you have chosen not to cover; shown in your Policy Schedule.

Cover types

The two cover types that apply to this section are:

- Subsection 1 - Increased cost of working only.
- All or any combination of Subsection 2 - Loss of gross profit cover, Subsection 3 - Payroll cover, Subsection 4 - Additional increased cost of working cover and Subsection 5 - Claims preparation costs cover.

Subsection 1 - Increased cost of working

What you are covered for

When farm property insured by the Policy is lost or damaged as a result of an insured occurrence we will pay you up to the sum insured shown in your Policy Schedule for any reasonable increase to the working costs:

- that maintain your farm business at a similar level as you had prior to the loss or damage;
- for an accountant to prepare your claim;
- for rewriting your farm records;
- for consultancy fees.

Under this subsection we will only pay those costs:

- resulting as a direct consequence of the insured occurrence; and
- that are additional to the normal operating costs associated with the damaged property; and
- until such time the damage is repaired, or could reasonably have been repaired;
- for a maximum of 52 weeks following the date of loss or damage to your farm property.

We will also pay for increases to your working costs when your pasture is destroyed by fire and livestock cannot be sustained at your farm.

Subject to the stocking rate and seasonal capacity of your farm and the destroyed paddock we will, at our option pay for the reasonable costs to:

1. transport your livestock to an alternative location.
2. agist your livestock elsewhere.
3. provide replacement fodder.

What you are not covered for

We will not pay any additional increased costs caused by:

1. drought;
2. a loss, expense or cost arising from farm property that has not been insured under the Policy.
3. a loss, expense or cost arising from farm property that is insufficiently insured to rebuild, replace or repair, or when any additional or optional benefit limit within that section is exhausted.

We will not pay for additional costs incurred to hire vehicles which are sedans, station sedans, utilities, vans, caravans, trucks or their trailers, goods carrying vehicles, motor cycles, ATV's, UTV's, gyrocopters or aircraft.

Additional benefit applicable to Subsection 1 - Increased cost of working

1. Claims preparation costs

We cover you for the reasonable costs for professional fees you incur to prepare a claim made under this section up to \$5,000 in addition to the sum insured shown in your Policy Schedule.

Subsection 2 - Loss of gross profit

What you are covered for

If you have selected Subsection 2 - Loss of gross profit, we cover you for loss of gross profit that results from an interruption to your farm business caused by:

1. At your farm

a specified occurrence which we have agreed to pay you for.

2. Public utilities

loss of or damage to property owned by public utilities located on or adjacent to your farm which could be covered by an occurrence.

How we will pay your claim

Your loss of gross profit is calculated by:

1. multiplying the rate of gross profit by the shortage in turnover during the indemnity period to produce the loss of gross profit amount;
2. deducting from the loss of gross profit amount all costs you do not have to pay or agree to pay due to the interruption to your farm business; and
3. adding increased costs you necessarily and reasonably incur to avoid or diminish a reduction in turnover. We will only pay these increased costs if they reduce the amount we would have to pay if the additional increased costs had not been paid.

We will not pay more than the sum insured shown in your Policy Schedule.

Additional benefit applicable to Subsection 2 - Loss of gross profit

1. Transport infrastructure

Where damage occurs within Australia, but outside your farm to roads, bridges and rail lines over which property is conveyed to or from your farm (but not including damage by flood), and such damage is caused by or would be covered by an insured event listed in Section 5 - Farm property

of this Policy, the consequential reduction of gross profit resulting from such interruption or interference shall be deemed to be loss resulting from loss or damage to property used by you at your farm.

Special condition applicable to Subsection 2 - Loss of gross profit

1. Underinsurance

If the sum insured for gross profit at the commencement of each period of insurance is less than the sum produced by applying the rate of gross profit to 80% of the annual turnover the amount we will pay will be reduced by the proportion the sum insured for gross profit bears to the actual gross profit.

This special condition will not apply if your claim is for less than 5% of the sum insured for gross profit.

Subsection 3 - Payroll

What you are covered for

We will cover the reasonable and necessary payroll costs you incur during the indemnity period following a claim under this section to:

1. reduce or avoid loss of turnover;
2. maintain normal farm operations and services;
3. resume normal farm operations and services; and/or
4. pay out payroll in lieu of notice;

up to the amount of the sum insured shown in your Policy Schedule.

Special condition applicable to this subsection

1. Payroll

If your Policy Schedule shows you are covered for Subsection 2 - Loss of gross profit, then payroll is an uninsured working expense and you agree that your gross profit will be reduced accordingly.

Subsection 4 - Additional increased cost of working cover

What you are covered for

We cover you for additional increased costs of working you incur during the indemnity period which are not covered or where the cover is insufficient under any other subsection of this section up to the amount shown in your Policy Schedule if the additional increased costs of working is due to an occurrence.

Subsection 5 - Claims preparation costs

What you are covered for

We cover you for the reasonable costs of professional fees you incur to prepare a claim, up to the sum insured shown in your Policy Schedule.

Additional benefit applying to this subsection

1. Re-writing of records

We will cover the reasonable clerical and professional costs incurred to re-write your necessary business records if they are damaged by an occurrence for which you are covered.

We will not pay for any financial loss caused by the loss of your records under this additional benefit.

The maximum amount we will pay for any occurrence is \$20,000, or the amount shown in your Policy Schedule, whichever is the greater.

This additional benefit is in addition to your sum insured.

Optional benefit applying to this section

Your Policy Schedule will show if the following optional benefit is covered.

1. Outstanding accounts receivable

We will indemnify you up to the limit shown in your Policy Schedule for loss of outstanding accounts receivable resulting from loss or damage to your farm business records contained at the address, by events insured by Section 5 - Farm property or Section 9 - Theft of this Policy.

The insurance is limited to:

- (a) the difference between:
- (i) the outstanding accounts receivable; and
 - (ii) the total of the amount received or traced in respect thereof;
- (b) the additional expenditure incurred with our consent in tracing and establishing outstanding accounts receivable after the damage, provided that:
- (i) the sum insured is less than the outstanding accounts receivable, the amount payable shall be proportionally reduced;
 - (ii) as soon as possible after the end of each month, you shall record and store at alternative premises the total of the outstanding accounts receivable and these figures shall be kept for a period of 12 months.

Specific conditions applying to this section

Adjustment for business trends

When calculating rate of gross profit, annual turnover, standard turnover and accounts receivable, we will make adjustments to provide for the trend of your farm business and special circumstances that have or would have occurred if your farm business had not been interrupted.

Alternative operating after damage

If during the indemnity period the farm business operates from an address/location other than your farm, the turnover earned from the other address/location will be included in the shortage in turnover calculations.

Opening and closing stock and work in progress

The amounts of the opening and closing stock and work in progress will be calculated in accordance with your usual accounting procedures and with provision being made for depreciation or appreciation as applicable.

Section 7 - Farm vehicle

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Agreed value	The fixed amount for which your motor vehicle is insured for each period of insurance regardless of any price change for your motor vehicle during that period. The agreed value includes the value of insured accessories and equipment.
Dangerous goods	Goods as defined by the current version of the Australian code for Transport of Dangerous Goods by Road and Rail. This Policy excludes all cover for Class 6.2 - Infectious substances and Class 7. - Radioactive material.
Gross Combination Mass (GCM)	The maximum legally allowed weight of your motor vehicle and trailer combination including the goods carried by that combination.
Gross Vehicle Mass (GVM)	The maximum loaded mass of your motor vehicle as specified by the vehicle manufacturer on a plate affixed to your motor vehicle.
Market value	The cash value of your motor vehicle immediately prior to an accident using market pricing for a vehicle of the same age, type, and condition, in your local area, but excluding costs and charges for GST, registration, stamp duty, dealer deliveries and the like.
Miscellaneous farm bikes	Unregistered 2 to 4 wheel farm bikes used solely at the address to carry out your farm business which are not specified in your Policy Schedule, including their accessories, equipment and spare parts including while temporarily removed for repair, cleaning or storage.
Miscellaneous mobile machinery	Items of mobile machinery (including tractors, fruit pickers and other similar machines) used to carry out your farm business that are not specified in the Policy Schedule and are items that have a market value not greater than \$20,000. It also includes their attachments or equipment (trailers, ploughs, and other implements drawn or intended to be drawn by any such machinery) and their accessories or spare parts including while temporarily removed for repair, cleaning or storage. Miscellaneous mobile machinery excludes passenger vehicles, caravans, trucks or their trailers, goods carrying vehicles, pivot irrigators, motor cycles, ATVs, UTV's or any other utility vehicle, gyrocopters and aircraft, and/or their attachments, equipment, accessories or spare parts.
Substitute vehicle	A vehicle being used as a substitute for your motor vehicle when it is unavailable to be used due to repairs, servicing or accidental damage.
Tool of trade	A vehicle that has tools, implements, machinery or plant attached to or towed by it and is being used by you for your farm business.

Word or term	Meaning
	Tool of trade does not include vehicles whilst travelling to or from a worksite, vehicles that are used to carry goods to or from your farm, or private vehicles.

Types of cover

We offer two cover types.

The type of cover you have selected is shown in your Policy Schedule.

1. Comprehensive cover

This insures you for:

- (a) accidental damage to, or theft of the insured motor vehicle; and
- (b) third party property damage;

subsection 1 and subsection 2 of this section apply.

2. Third party property damage

Applicable to registered motor vehicles only

This insures your legal liability for damage you cause to other people's property.

Subsection 1 of this section does not apply.

Subsection 2 of this section applies in full.

Use of the motor vehicle

We will only insure your motor vehicle when it is being used:

1. in connection with your farm business;
2. for social, domestic and pleasure purposes;
3. in connection with servicing, repairing and subsequent testing;
4. for tuition when no payment is received for tuition;
5. for towing a vehicle when no payment is received for towing;
6. for use in a car sharing arrangement, including travel to and from work;
7. for demonstration for sale;
8. for voluntary work in relation to community groups, sporting or social clubs.

We will not cover you or any driver if you have hired out your motor vehicle to anyone unless we have agreed in writing.

Excesses applicable to this section

If we accept your claim you must pay the total amount of the applicable excesses. We will tell you if the excess must be paid to the repairer or us. However, if your motor vehicle is a total loss, we may deduct any excess that you must pay from any payment we make.

Depending on the age or experience of the driver, and whether a rigid body tipper or tipping trailer is insured under this section, you may have to contribute more than one excess. Each excess is shown in your Policy Schedule and is explained below.

Where more than one motor vehicle covered under this section is involved in an accident giving rise to a claim, you will have to pay the applicable excesses in respect of each motor vehicle insured.

Standard excess

You will have to pay a standard excess for every claim. This amount is shown in your Policy Schedule as the standard excess.

Age and inexperienced driver excess

In addition to the standard excess, you will have to pay an age excess or inexperienced driver's excess if at the time of any incident giving rise to a claim your motor vehicle is driven by a person who:

1. is under the age of 21; or
2. is aged 21 or more, but under the age of 25; or
3. is aged 25 or more but has not held an Australian driver's licence for two or more years for the type of vehicle being driven at the time of the accident.

The amount of the age or inexperienced driver excess is shown in your Policy Schedule.

Heavy motor vehicle inexperienced driver excess

This excess will only apply to drivers not noted in your Policy Schedule.

Age or inexperienced driver excess for heavy motor vehicles (motor vehicles with a gross vehicle mass or gross combination mass of 12,000 kilograms or greater) including headers and harvesters.

Where a rigid body motor vehicle with a gross vehicle mass or gross combination mass of 12,000 kilograms or greater is, at the time of an incident, being driven by or is in the charge of a person under 21 years of age, or the person driving or in charge of the motor vehicle has less than two years driving experience in Australia for these motor vehicles at the time of the incident an excess of \$5,000 per vehicle will apply.

Where an articulated motor vehicle with a gross combination mass of 12,000 kilograms or greater is, at the time of an incident, being driven by or is in the charge of a person under 25 years of age, or the person driving or in charge of the motor vehicle has less than two years driving experience in Australia for these motor vehicles at the time of the accident an excess of \$5,000 per motor vehicle will apply.

Outside of radius excess

Applicable to articulated motor vehicles and trailers with a GVM/GCM greater than 12,000 kilograms.

If your motor vehicle is outside a radius of 250 kilometres or the radius shown in your Policy Schedule from your farm at the time of an accident then the total excess payable will be:

1. an additional 100% of your standard excess; or
2. \$5,000;

whichever is greater.

An additional premium will be payable (determined by us) for the change in your farm business operations.

Tipping excess

If any motor vehicle covered under this section is involved in an accident giving rise to a claim whilst the tipping hoist is partially or fully extended or in the process of being extended or retracted, the standard excess shown in your Policy Schedule will be increased by 100% for each motor vehicle that is subject to claim. Any other applicable excesses that are additional to the standard excess will also apply and are cumulative.

Theft excess

If your motor vehicle is stolen you must pay an excess for theft if shown in your Policy Schedule, in addition to any other excesses payable.

Learner driver excess

If at the time of an accident a licensed learner driver is in control of the motor vehicle the excesses that will apply are those that would have applied to the licensed passenger who is instructing the learner.

Subsection 1 - Motor vehicle

What we will pay for

We will pay for accidental loss of (including theft) and accidental damage to (including malicious damage) your motor vehicle. We will pay, at our option, either:

1. the cost to repair, reinstate or replace your motor vehicle; or
2. the market value or the sum insured whichever is the lesser amount.

If we pay to repair your motor vehicle and the repairs to your motor vehicle put it into a condition better than it was in immediately prior to the loss or damage, we may require you to contribute to the cost of repairs. We are entitled to replace damaged parts with new parts or used parts of similar age and condition to those being replaced.

If your motor vehicle is a harvesting machine, and the vehicle description and sum insured listed on your Policy Schedule includes equipment designed to be removable, cover will be extended to that equipment when attached to the harvesting machine or whilst separated for transportation or for cleaning, repair or storage.

Accessories, equipment and tools

We will cover you as a result of an accident or theft occurring during the period of insurance for loss of or damage to your motor vehicles extras being:

1. original manufacturers standard accessories, standard tools, standard appliances, standard options including built in radio receivers, built in music players, and air-conditioning;
2. any gate, chains, dog and chain, strap, tarpaulin and the like attached to or on your motor vehicle, but limited to \$5,000 any one occurrence unless shown elsewhere in your Policy Schedule;
3. unspecified accessories including non standard equipment, tools and spare parts used for your motor vehicle;

whilst they are in, on or attached to your motor vehicle.

Total loss

A motor vehicle will be declared a total loss, if:

1. your motor vehicle has not been recovered following theft; or
2. your motor vehicle is damaged to the extent that we determine it would be uneconomical to repair.

If the listed motor vehicle is a harvesting machine and includes cover for equipment that is designed to be removable, a total loss can be declared for that item of removable equipment.

We will settle the claim on the basis of market value or sum insured whichever is the lesser.

Salvage

If your motor vehicle is declared a total loss and we pay a claim according to the cover provided by this section, you must allow us, if we require, to take possession of your damaged motor vehicle. If we do not take possession of your damaged motor vehicle, you cannot abandon your responsibilities for it.

Unavailable parts

In the event of an accident covered under this Policy, should any part of your motor vehicle and/or other insured property become unavailable in Australia, we will reimburse you, in accordance with What we will pay for above, but under no circumstances will we be liable for more than the cost of the parts plus the cost of freighting such parts by sea transport.

Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value, whichever is the lesser, we reserve the right to declare your motor vehicle a total loss.

Financier

If your motor vehicle is the security for any finance agreement, then:

1. we have the right to make claim payments to the financier; and
2. any payment made to the financier will satisfy our obligation to you under this Policy for the amount paid.

Miscellaneous farm bikes

When shown in your Policy Schedule that you are covered for miscellaneous farm bikes for comprehensive cover, we will pay up to \$5,000 per item and up to the sum insured shown in your Policy Schedule per occurrence.

Miscellaneous mobile machinery

When shown in your Policy Schedule that you are covered for miscellaneous mobile machinery for comprehensive cover, we will pay a maximum of 20% of the sum insured shown in your Policy Schedule or \$20,000 for any one item (whichever is the lesser). We will pay up to the sum insured shown in your Policy Schedule per occurrence.

Additional benefits applicable to this subsection

Applicable to comprehensive cover only

1. Agreed sum insured

Where your motor vehicle is a rigid truck or prime mover and it has a 3,500 kilogram GMV or greater or a trailer with a GTM of 3,500 kilograms or greater and provided the age of the motor vehicle at the time of such loss or damage, was not in excess of 24 months from the date of original registration as a new vehicle, by you, we will, in the event of your motor vehicle being classed as a total loss under this Policy, pay the sum insured declared to us, as the value of the unit at the commencement of the current period of insurance.

2. Automatic additions

We will cover you for any additional or replacement vehicle(s) of a like kind or similar nature to your motor vehicles presently insured under this Policy, that you purchase or lease during the period of insurance for 30 days.

If before you have given us full details, the replacement vehicle is damaged or stolen, the maximum amount payable is the purchase price of the replacement vehicle up to \$300,000.

If you give us details of any new or replacement vehicle within 30 days of its purchase or lease, we will insure it for the remainder of the period of insurance, as long as it is acceptable to us and you pay any additional premium that we may require.

We will not cover you if you do not advise us within 30 days of purchase or lease.

3. Choice of repairer

You may choose any licensed repairer to repair your motor vehicle. However we may invite, accept, adjust or decline estimates or arrange to move your motor vehicle to another repairer acceptable to both of us.

4. Emergency or temporary repairs

If your motor vehicle is damaged, and the damage is insured by the Policy, we will pay up to \$500 for reasonable emergency or temporary repairs to allow you to drive your motor vehicle home or to continue your journey.

5 . Emergency travelling expenses

We will pay you up to \$500 for reasonable travelling expenses for the occupants of your motor vehicle, if at the time of the accident your motor vehicle is more than 100 kilometres from the place where it is normally garaged.

6 . Hire vehicle costs following theft

If your motor vehicle is stolen and the theft is covered under this Policy, we will cover you up to a maximum of \$5,000 for the reasonable costs of hiring a similar vehicle provided:

- (a) we do not pay for hiring charges incurred after the date of recovery of your motor vehicle, if it can be driven;
- (b) cover is limited to 30 days and will cease once we pay your claim, or your motor vehicle is repaired if un-drivable;
- (c) you organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will reimburse you.

We will not pay for:

- (a) running costs, including the cost of fuel;
- (b) damage to the hire vehicle;
- (c) any insurance, insurance excess or other costs you may be liable for under the hire vehicle rental agreement.

7 . Lease, hire purchase or financial agreement payout

Where:

- (a) your motor vehicle is declared a total loss; and
- (b) your motor vehicle is subject to a lease, hire purchase or any financial agreement through a financial institution directly related to financing of the motor vehicle purchase; and
- (c) the payout amount exceeds the agreed total loss amount.

We will pay:

- (a) the agreed total loss amount; and
- (b) an additional amount up to 25% of the total loss amount;

provided:

- (a) this amount and the total loss amount do not exceed the financial payout figure;
- (b) that any payment over the agreed total loss amount does not include any amounts that are in arrears at the time of loss;
- (c) that any additional payment over and above the agreed total loss amounts will include any discounts applicable for full payment of the financial contract.

This additional benefit 6. Lease, hire purchase or financial agreement payout does not:

- (a) provide cover where the loss or damage is caused by theft or fire (other than fire as a result of impact);
- (b) apply where your motor vehicle is older than 10 years of age since it was first registered as a new vehicle.

8 . Locks and keys

If your keys are lost, destroyed or damaged, or if there are reasonable grounds to believe the keys may have been illegally duplicated, we will pay the costs of replacing and recoding the locks and/or keys.

We will pay up to \$5,000 during any one period of insurance.

This additional benefit 8. Locks and keys is not subject to loss or damage to the motor vehicle covered under this section.

9 . Maritime liability

If your motor vehicle is being transported by sea between Australian ports, we pay your contribution for your motor vehicle if 'general average' is declared.

General average is declared when goods or cargo are thrown overboard or other steps are taken to safeguard the vessel and the remaining property on the vessel. Those whose property is saved share the expenses or salvage costs incurred by the ship owner in preserving the vessel and cargo.

10 . No claim discount

If your motor vehicle is insured for comprehensive cover and you do not have a claim, we will apply a discount to your next year's renewal premium. This reward is called the 'no claim discount'.

The more 'claim free' years that you have, the greater the percentage of discount, until you reach the maximum level of discount after five years. If you have a claim where your no claim discount would be affected, you may not lose all your no claim discount. If you have a claim and you have not accumulated any no claim discount we may increase your invited renewal premium.

We also accept the number of claim free years that you may have accumulated with another insurer in calculating your no claim discount.

11. Accidents/losses affecting your no claim discount

When calculating your renewal premium we take into account accidents/losses that occur during the period of insurance that affect your no claim discount.

12. Faultless no claim discount

If your motor vehicle has been involved in a collision with another vehicle (and not any other type of accident) we will not penalise your no claim discount entitlement when you renew your Policy if:

- (a) you can satisfy us that the collision was totally the fault of the driver of another vehicle; and
- (b) you tell us the registration number of the other vehicle, the full name, licence number and address of the other driver.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from the third party.

13. Recovery costs following theft

If your motor vehicle is stolen and found we will cover you for up to \$3,000 to return your motor vehicle to its normal parked address.

14. Redelivery cost

We will cover you for up to \$3,000 to return your motor vehicle to its normal parked address, following repairs to your motor vehicle provided the situation where your motor vehicle was repaired was more than 150 kilometres away from your motor vehicle's normal parked address.

15. Removal of vehicle debris

We will cover you up to a maximum of \$20,000 for the necessary and reasonable costs which you are legally liable to pay to clean up and remove your motor vehicle debris. This is limited to your motor vehicle itself and does not include any goods falling from your motor vehicle.

16. Sign writing

We will cover you for loss or damage to sign writing or fixed advertising signs or materials forming a permanent part of your motor vehicle at the time of the loss or damage, provided the loss or damage is covered by your Policy.

17. Towing costs

We will cover the costs of:

- (a) towing your motor vehicle to:
 - (i) the nearest repairer; or
 - (ii) a place of safety; or
 - (iii) to any other place that we first approve;
- (b) plus the reasonable cost of protecting your motor vehicle;

following loss or damage covered under this Policy.

18. Trailer cover

We will pay for theft, or accidental loss of or damage to a trailer (other than a caravan or a trailer used on an articulated vehicle) attached to your motor vehicle at the time of the occurrence up to a value of \$1,000 or market value, whichever is lesser.

19. Tyre replacement

If we agree to pay a claim and any tyre cannot be used as a direct result of damage sustained from a loss covered under this section, we will pay for the new replacement cost of a similar make and specification.

This additional benefit 18. Tyre replacement is applicable provided that the condition of the damaged tyre's remaining tread conforms with legal requirements at the time of damage and it was not a recapped or retread tyre.

Applicable to caravans only

1. Caravan contents

We will pay for the loss or damage to your caravan contents, while they are in your caravan caused by:

- (a) fire;
- (b) collision or overturning of your caravan;
- (c) storm; or
- (d) theft following violent and forcible entry into your locked caravan.

We will pay up to the sum insured shown in your Policy Schedule for caravan contents.

We will only pay the new replacement cost of any item which can be purchased in Australia less an allowance for age, wear, tear and depreciation.

For the purpose of this additional benefit 1. **'Caravan contents'** means:

contents permanently stored within your caravan (for example TV, DVD player, crockery) and personal possessions that you take with you when using your caravan (for example, clothing, linen, CDs/DVDs).

Under this additional benefit we do not cover money, unset gemstones, gold or silver nuggets, any animal, bird or fish, trade tools, stocks or samples, mobile phones or two way radios, or GPS or personal music devices if stolen from your caravan whilst parked.

Subsection 2 - Third party liability

Liability for property damage

We will pay your legal liability to pay compensation for accidental loss of or damage to someone else's property which is your fault and the liability arises out of the use of your motor vehicle, a substitute vehicle or anything legally attached to, or being towed by, your motor vehicle or a substitute vehicle.

The insurance for liability for property damage includes:

1. any person who is driving, using, or in charge of your motor vehicle with your permission;

2. the transportation of dangerous goods. The maximum amount we will pay for property damage is \$1,000,000 unless shown elsewhere in your Policy Schedule;
3. any passenger travelling in your motor vehicle or who is getting out of or into your motor vehicle;
4. your principal, partner or employer arising out of the use of your motor vehicle.

We will also pay the legal costs and expenses to defend any civil proceedings arising from accidental loss or damage insured by the Policy provided we have approved the costs and expenses.

What we will not pay for

We will not pay:

1. legal costs to defend criminal acts or fines for breaches of road traffic statutes, regulations or by-laws;
2. for aggravated, punitive or exemplary damages;
3. for loss of or damage to property:
 - (a) arising out of a vehicle which is unregistered at the time of the occurrence;
 - (b) when your motor vehicle is being used as a tool of trade;
 - (c) which is in your or the driver's possession, custody or control except damage to:
 - (i) a building that you are renting, or which is on loan to you;
 - (ii) employees' or visitors' vehicles and their contents while contained in a car-park provided by you;
4. loss of or damage to your property or the property of the driver of the vehicle;
5. if you or the driver is insured, or required by law to be insured, for the loss or damage by a statutory or government policy or scheme;
6. your legal expenses or court costs related to any prosecution or other action for infringement of any legislation, regulation, by-law or court order;
7. your liability for fines, penalties, punitive, aggravated or exemplary damages.

Liability for personal injury

We will pay your legal liability to pay compensation (including legal costs and expenses approved by us) for personal injury to other persons arising out of the use of your motor vehicle, a substitute vehicle, or anything legally attached to, or being towed by, your motor vehicle or a substitute vehicle which cannot be insured by:

1. any compulsory third party liability insurance or government scheme;
2. any insurance that you are required by law to have relating to your motor vehicle.

The insurance for liability for personal injury also applies to:

1. any person who is driving, using or in charge of your motor vehicle with your permission;
2. any passenger travelling in your motor vehicle or who is getting out of or into your motor vehicle;
3. your principal, partner or employer arising out of the use of your motor vehicle.

We will also pay the legal costs and expenses to defend any proceedings arising from personal injury to other persons resulting from an occurrence arising out of the use of your motor vehicle, a substitute vehicle, or anything legally attached to, or being towed by, your motor vehicle or a substitute vehicle, provided we have approved the costs and expenses.

What we will not pay for

We will not pay:

1. for personal injury to:
 - (a) a family member of, or any person who normally resides with, the driver of your motor vehicle;
 - (b) family, or any person who normally resides with you;
 - (c) any person who is employed by you and is entitled to any workers' compensation benefits;
2. for personal injury if:
 - (a) your motor vehicle is unregistered at the time of the occurrence;
 - (b) your motor vehicle is being used as a tool of trade at the time of the occurrence;
3. if you or the driver of your motor vehicle:
 - (a) are insured for the occurrence by any statutory or government policy or scheme, even if any such benefit has been refused; or
 - (b) should have been insured for the occurrence by any statutory or government policy or scheme but you or the driver of your motor vehicle did not take out the relevant statutory or government policy or scheme cover;
4. your legal expenses or court costs related to any prosecution or other action for infringement of any legislation, regulation, by-law or court order;
5. your legal liability for fines, penalties, punitive, aggravated or exemplary damages;
6. legal costs to defend criminal acts or fines for breaches of road traffic statutes, regulations or by-laws;
7. for aggravated, punitive or exemplary damages.

The maximum we will pay

We will pay up to \$32.5 million under Subsection 2 - Third party liability per accident and/or occurrence.

Additional benefit applicable to this subsection

1. Uninsured motorist's benefit

At our option we will either:

- (a) repair your motor vehicle to its condition immediately prior to the time of loss; or
- (b) pay you the cost of repairs to your motor vehicle,

resulting from accidental loss or damage to your motor vehicle if you can satisfy us that the accident which gave rise to the claim was totally the fault of the driver of another vehicle; and

- (c) you tell us the registration number of the other vehicle and the name and address of the driver of the other vehicle; and

- (d) at the time of the loss or damage:
 - (i) the driver of the other vehicle was not insured for their third party liability, and
 - (ii) the other vehicle was not owned or registered in your name or in the name of a person who is a relative of yours or a person with whom you normally reside.

The maximum amount we will pay under this additional benefit for all claims from any one accident or series of accidents arising out of the one occurrence is:

- (a) \$5,000; or
- (b) the market value of your motor vehicle immediately prior to the loss or damage;

whichever is the lesser.

If we pay you the market value of your motor vehicle, then your motor vehicle in its damaged condition will become (at our option), our property.

What we will not pay for

We will not pay a claim for:

1. loss, damage or liability if at the time of the occurrence your motor vehicle is:
 - (a) not reasonably secured against further damage or theft, following an occurrence;
 - (b) being driven or operated by anyone who:
 - (i) is under the influence of alcohol or drugs, or whose blood alcohol level exceeds the legal limit permitted by law;
 - (ii) refuses to submit to any tests to determine the level of alcohol or drugs in the blood when requested to by a legally authorised person;
 - (iii) does not hold a driving licence as required by law at the time and place of the occurrence;
 - (iv) is less than 10 years of age.

However, we will insure your motor vehicle in accordance with subsection 1. Motor vehicle if you allowed your motor vehicle to be driven or operated by a person other than you and you did not know and could not be reasonably expected to know that they were not licensed or would be under the influence of alcohol or drugs;

- (c) modified in a manner that increases its designed top speed or performance, unless the modification has been disclosed to us, or you can prove that the modification did not cause or contribute to the occurrence;
- (d) being driven or operated whilst it is unsafe or not in a roadworthy condition unless you can prove the condition of the motor vehicle did not cause or contribute towards the loss, damage or liability;
- (e) towing a vehicle that is unsafe or not in a roadworthy condition, unless you can prove that this did not cause or contribute to the loss, damage or liability;
- (f) being used to carry more passengers or carry or tow a heavier load than it was designed for, unless you can prove that this did not contribute to the loss, damage or liability;
- (g) being used or tested for racing, pace making, reliability trial, experiment, a defensive driving course, or demonstration (other than a demonstration for the purpose of selling the motor vehicle);

- (h) being driven in a manner whereby the driver has recklessly contributed to the potential consequences so that the occurrence cannot reasonably be regarded as accidental;
 - (i) a vehicle running on rails or which is being operated as a watercraft.
2. damage to your motor vehicle's tyres caused by application of breaks, road punctures, cuts or bursting, unless the damage was caused by an accident, theft or by a malicious act by a person who does not permanently or temporarily reside with you;
 3. depreciation, wear, tear, rust or corrosion;
 4. the cost of repairing structural, mechanical or electrical failures or breakdowns, unless caused by an accident, theft or malicious act by a person who does not permanently or temporarily reside with you. We will pay for any resultant loss or damage caused by the breakdown or failure provided the loss or damage is insured by the Policy;
 5. loss of or damage to your motor vehicle or liability where the transportation of any goods or substances which are mentioned as dangerous goods, irrespective of the quantities, are not being carried in accordance with the requirements of The Australian Code for the Transport of Dangerous Goods by Road and Rail;
 6. loss of or damage to your motor vehicle:
 - (a) including any liability, resulting from use of your motor vehicle when let out on dry hire (hired by you to a third party without an operator) unless we have agreed in writing to provide dry hire cover;
 - (b) if reasonable steps to protect or safeguard your motor vehicle had not been taken;
 - (c) that occurred prior to the period of insurance;
 7. loss of or damage to your motor vehicle resulting from the incorrect fuel being utilised;
 8. loss of or damage to parts of your motor vehicle, which have been removed from your motor vehicle prior to being lost or damaged;
 9. the lawful seizure of your motor vehicle;
 10. the reduction in functionality, availability or operation of any electronic equipment that is insured by the Policy;
 11. the loss of use of your motor vehicle;
 12. an occurrence if your motor vehicle is outside Australia.

Specific condition applying to this section

1. If your vehicle's circumstances change

If there is any change or alteration to any of your motor vehicles insured by us, you are to notify us in writing as soon as practicable. If we are not advised of the change or alteration, we may refuse to pay a claim if the change or alteration is not acceptable to us.

Any change or alteration you propose to make is only insured by us when we have accepted the change or alteration and you have agreed to pay any additional premium due.

Specific clauses applying to this section

The following specific clauses will apply only if shown in your Policy Schedule.

1. Dangerous goods

It is agreed that provided that the transportation of dangerous goods is limited to classes 2, 3, 4, 5, 6, 1, 8 and 9 as listed under The Australian Code for the Transport of Dangerous Goods by Road and Rail, the maximum amount we will pay under Subsection 2 - Third party liability 'Liability for property damage' is amended for dangerous goods:

- (a) to the amount;
- (b) for the registration number(s) of your motor vehicle(s);

shown in your Policy Schedule.

2. Non-owned trailers

It is agreed that we will cover you for loss or damage to any one trailer and its dolly (if applicable) under your lawful custody or control whilst being used by you in conjunction with your farm business. The basis of cover is as per Subsection 1 - Motor vehicle and Subsection 2 - Third party liability.

This specific clause 2. Non-owned trailers is limited, at all times to the:

- (a) sum insured; or
- (b) market value;

whichever is the lesser;

as shown in your Policy Schedule for non-owned trailers liability.

An excess of \$2,500 will apply to any one trailer and/or its dolly in total as the standard excess. Additional excesses may apply as shown in this Policy or in your Policy Schedule.

3. Heavy vehicle hire costs following an accident

If your motor vehicle is damaged in an accident which is covered under this Policy, and we have agreed to pay your claim, we will reimburse you for the costs you incur of hiring a vehicle up to the limit shown in your Policy Schedule whilst your motor vehicle is being repaired or if it is deemed a total loss.

We will reimburse you an amount up to the limit shown in your Policy Schedule:

- (a) for a maximum of 30 days; or
- (b) until your motor vehicle is repaired; or
- (c) until we pay your claim;

whichever happens first.

This cover will commence two days after the date your motor vehicle is taken to the repairer provided we are notified at that time and you have hired a substitute vehicle.

You will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will pay you.

If the cost of the hire vehicle is more than the maximum daily rate shown in your Policy Schedule, you will have to pay the difference.

We do not pay for:

- (a) additional hiring costs;
- (b) running costs, including the costs of fuel;
- (c) damage to the hire vehicle;
- (d) any insurance, insurance excess or other costs you may be liable for under the hire vehicle rental agreement.

We will not cover you under this special clause if:

- (a) the only damage to your motor vehicle is to its windscreen or window glass; or
- (b) your motor vehicle is stolen, because you may be able to claim under the 'Hire vehicle costs following theft' additional benefit.

4. Radius restriction

It is agreed that in respect of the motor vehicle excess that no additional excess applies, whilst operating within the kilometre radius of your farm, shown in your Policy Schedule.

Section 8 – Farm liability

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Aircraft	Any machine designed to fly, float, glide or move on a cushion of air or move through the air.
Buildings	Buildings on your farm that are not used primarily as a place of residence and are listed in your Policy Schedule. Buildings include: (a) landlord's fixtures and fittings for which you are legally liable under the terms of your rental or leasing contract; (b) water or fuel tanks, and stock yards attached to or adjacent to your farm buildings; (c) fixed services of water, sewerage, garden irrigation, gas, electricity, telephones, radio receiving equipment owned by you, or for which you are responsible for; (d) grain or feed silos including fixed elevators. Buildings does not include: (a) machinery; (b) fences which are not attached or adjacent to the buildings.
Geographical limit	(a) anywhere within Australia; and (b) elsewhere in the world, but only: (i) when you or your employees (who normally reside in Australia) are travelling outside of Australia and undertaking neither manual work nor supervisory work of any kind, (ii) if your products are exported to elsewhere in the world.
Goods carrying vehicle	A vehicle such as a utility, van, tray top utility, tipper utility, truck or a vehicle designed to carry or lift more than one tonne of goods, other than self propelled tractors or harvesters and attachments of self propelled tractors and harvesters.
Medical practitioner	Includes qualified medical practitioners, nurses, dentists and first aid attendants.
Personal injury	(a) bodily injury (including death and illness), disablement, shock, fright, mental anguish, mental injury; (b) wrongful entry or eviction, false arrest, wrongful detention, wrongful imprisonment; (c) assault provided you did not commit the assault or direct the assault unless the assault occurred whilst preventing personal injury or property damage; (d) libel, slander or defamation of character;

Word or term	Meaning
	(e) invasion of right of privacy which occurs during the period of insurance; and (f) latent personal injury (as described in 6a.) that is first diagnosed by a qualified medical person during the period of insurance.
Products	Any goods, products and property after they have ceased to be in your possession or under your control, which was (or is deemed by law to have been) manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed by you in connection with your farm business including their packaging materials.
Professional service	Service, advice, counselling, diagnosis, treatment of persons or animals, prescription, or service provided by you which is normally provided for a fee by professional persons.
Property damage	Physical loss of or damage to tangible property and/or loss of use of tangible property arising out of physical loss of or damage to tangible property that occurs during the period of insurance.

Excess

For each occurrence which gives rise to a claim under this section of the Policy you will have to pay an excess. The amount of the excess is shown in your Policy Schedule.

What we will pay for

1. Legal liability

We will pay your liability to pay compensation for personal injury or property damage occurring:

- within the geographical limit;
- within the period of insurance; and
- as a result of an occurrence in connection with your farm business;

up to the sum insured shown in your Policy Schedule.

2. Additional costs we pay

In addition to the sum insured, we will pay the following costs and expenses:

- legal costs and expenses that we incur;
- all reasonable expenses (not including loss of earnings) that you have incurred and we have agreed in writing to pay; and
- expenses incurred by you for emergency first aid treatment for personal injury to others caused by an occurrence.

3. Additional costs you have to pay

- If we pay the full sum insured, then you must pay your proportion of additional costs. The proportion is calculated by dividing the total of the sum insured by the cost of the total amount required to dispose of or settle the claim (but not the amount of additional costs) against you.

4. Products liability sum insured aggregate

We will not pay more than the aggregate of the sum insured shown in your Policy Schedule, for all liability that is caused by your products from all occurrences during any one period of insurance.

5. Defending claims

- (a) We will defend any claim or legal action against you seeking damages for personal injury and/or property damage in your name and on your behalf if the action is groundless or fraudulent.
- (b) In the conduct of your defence we reserve the right to investigate, negotiate and settle any claims or suit as we consider appropriate.
- (c) We will not defend any proceedings after the sum insured has been exhausted.

Additional benefits applying to this section

1. Aircraft landing areas

What we will not pay for **1. Aircraft** point c. is modified to extend insurance to include your legal liability to pay for property damage and personal injury claims that arise out of ownership, occupancy or control of any aircraft landing area on your farm.

We will not pay any amount if:

- (a) the aircraft landing area does not comply with all relevant regulations, statutes and by-laws in force; and
- (b) you receive payment for the use of the aircraft landing area from the operator of the aircraft; or
- (c) a contract between you and the user of the aircraft landing area exists.

2. Property in your physical and legal control

What we will not pay for **21. Property in your physical and legal control** point b. is modified to extend insurance to include your legal liability to pay for damage to property in your physical or legal control arising out of an occurrence in connection with your farm business and in relation to:

- (a) buildings which you rent (including the landlord's fixtures and fittings) and for which you are not required to insure for property damage;
- (b) buildings (and their contents) which you do not own or rent but which you temporarily occupy to carry out work in or on the premises in connection with your farm buildings (except for property damage to that part of the buildings or their contents on which you are working);
- (c) self-propelled tractors or harvesters and items that normally can be attached to or towed by tractors or harvesters;
- (d) animals which are not owned, leased or rented to you;
- (e) employee's property;
- (f) other property which is not owned by you but is in your physical or legal control, which you are not required to insure under a contract or agreement. This does not apply to any property on which you are or have been working.

The maximum amount we will pay for claims for property damage to property in your physical or legal control arising out of the one occurrence is:

- (a) \$500,000 for buildings (including permanent fixtures) which are leased or rented to you during the period of insurance;
- (b) \$10,000 per animal, and up to the amount shown in the Policy Schedule for Property in control - Animals;
- (c) the amount for all property (other than buildings and animals) shown in the Policy Schedule for Property in control - Other.

3. Registered vehicles

What we will not pay for **23. Vehicles** point a. is modified and subject to the following. We will not pay for any claims for personal injury or property damage which arise out of the ownership, possession, operation or maintenance by you of any vehicle, which is required under any legislation to be registered or in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance has been affected).

However, we will pay claims for:

- (a) personal injury where:
 - (i) that compulsory liability insurance or statutory indemnity does not provide indemnity; and
 - (ii) the reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity do not involve a breach by you of legislation relating to vehicles;
- (b) property damage:
 - (i) arising out of and during the loading or unloading of goods to or from any vehicle;
 - (ii) caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling while being operated or used by you or on your behalf within the confines of your farm;
 - (iii) caused by the use of any tool or plant forming part of or attached to or used in connection with any vehicle, at any work site;
 - provided the vehicle is not being driven or towed;
- (c) property damage or personal injury arising out of the ownership, possession, operation or maintenance by you of any mobile farm machinery which is:
 - (i) on your farm or a farm where you are working in relation to your farm business; or
 - (ii) being driven or operated between farms owned by you and insured by us; or
 - (iii) being driven or operated between your farm and a farm where you are working in relation to your farm business; or
 - (iv) being driven or operated between your farm and a workshop for the purpose of repair or service; or
 - (v) in the course of delivery to your farm after purchase or sale;
- (d) property damage and personal injury claims arising from your use of a registered vehicle as a tool of trade on a work site.

What we will not pay for

We will not pay any amount for which you are, or are required to be insured by any law relating to the compensation of persons for injuries received in motor vehicle accidents.

4. Overspray damage

We will pay for property damage claims arising as a result of ground based spraying operations carried out in connection with your farm business, however we will not pay:

- (a) for property which you own or have any interest in; and
- (b) claims for any environmental impairment that may result from the spraying.

Optional benefits applicable to this section

The optional benefits, as described below, are insured if you have selected them and they are shown in your Policy Schedule.

1. Farm hosting

The definition of 'farm business' is extended to include the provision of leisure activities, accommodation or meals to guests of your farm for which you receive payment.

We will not insure you for any legal liability arising out of:

- (a) any guest who:
 - (i) is riding horses or any other animal;
 - (ii) is riding in or on an animal drawn vehicle or implement where the person in control of the animal(s) is not the named insured or a director of the insured entity;
 - (iii) is riding or using any motor cycle, motorised buggy or any motor vehicle operating on fixed tracks;
 - (iv) participates in an activity on, in or under water other than fishing from a jetty, bank or wharf;
 - (v) is guided or directed into underground mines, shafts, caves or caverns;
 - (vi) participates in rock climbing or abseiling activity;
 - (vii) participates in any activity involving weapons, including firearms;
- (b) the use of any motor cycle or motor vehicle which is required by law to be insured for liability for personal injury and the occurrence is, or would be, insured by such insurance;
- (c) any motor cycle or motor vehicle activity where the person driving is not the named insured or a director of the insured entity.

2. Aerial spraying

What we will not pay for **1. Aircraft** point a. is modified to extend insurance to include your legal liability to pay compensation arising out of any aerial spraying application to your land or crops conducted by a licensed aerial spraying contractor engaged by you or on your behalf, provided that:

- (a) you do not own or operate the aerial spraying business;
- (b) the aircraft used is not owned or operated by you or your employees nor is it in your physical or legal care, custody or control;
- (c) you or your employees do not perform the aerial spraying application.

What we will not pay for

We will not pay for any legal liability:

1. Aircraft

caused directly or indirectly by or arising from:

- (a) ownership, possession, maintenance, repair, operation or use by you or on your behalf of an aircraft;
- (b) any of your products which are incorporated into the structure, machinery or instruments of any aircraft; or
- (c) your ownership, occupancy or control of any aircraft landing area (other than the insurance described in additional benefit 1. Aircraft Landing Areas).

2. Asbestos

caused directly or indirectly by or arising from:

- (a) the inhalation of asbestos fibre(s); or
- (b) any illness, injury or disease caused or contributed to by exposure to asbestos; or
- (c) damage to or loss of use or reduction in value of property due to the presence of asbestos.

3. Boats

caused by or arising directly or indirectly from the use, ownership, possession, manufacture or repair of any boats which exceed 8 metres in length.

4. Building operations

arising directly or indirectly from the construction, erection, alteration, demolition of and/or addition to buildings by you or on your behalf when the total cost of the work exceeds \$500,000.

5. Contractual Liability

- (a) assumed under a contract or agreement other than liability for personal injury and property damage that you would have been liable for by law if the contract or agreement had never existed;
- (b) for your guarantees and warranties of fitness, performance, durability or quality of your products even if they are implied by law;
- (c) for delay in or lack of performance by you or on your behalf arising from any contract or agreement even if the contract or agreement is implied by law.

6. Defamation

arising from the publication, utterance or distribution of libellous, slanderous or defamatory material:

- (a) that you knew to be false and was released with your approval;
- (b) arising from publishing of books, newspapers, magazines and similar material;
- (c) arising from publishing any political or social material;
- (d) arising from radio or television broadcasting or any other medium of public transmission such as Internet, telephone or dedicated landlines.

7. Defective design

arising from any defective design or error in specification or formula in any of your products but we insure you for products you did not manufacture but were sold, supplied or distributed by you and manufactured by someone else.

8. Employers liability

- (a) for personal injury or property damage to any of your employees arising from or in the course of their employment in your farm business; or
- (b) for personal injury to any person that is covered, or is required to be covered, by any workers' compensation legislation or similar laws; or
- (c) for claims made against you under the provisions of any workers' compensation legislation, industrial award, or employment agreement.

9. Excluded persons

for personal injury:

- (a) to you or your family;
- (b) where you are a company, to:
 - (i) any director of your company; or
 - (ii) any family of a director of your company.

10. Faulty workmanship

- (a) arising directly or indirectly from or in connection with the cost of performing, completing, reworking, correcting or improving any service or work done or promised to be done by you or someone else on your behalf;
- (b) for property damage to your products.

11. Genetically modified organisms (GMOs)

that arises directly or indirectly out of genetically modified organisms which you manufacture, import, or conduct trials of, or for services you provide in the manufacture of genetically modified organisms. For the purpose of this exclusion manufacture does not include growing genetically modified crops authorised or approved by the State or Territory in which your farm is located.

12. Horse riding and training and events

caused directly or indirectly by or arising out of or in any way connected to:

- (a) horse riding or training activities that are conducted for reward or payment; or
- (b) any equine event organised by you or held on your farm.

13. Internet operations

arising directly or indirectly out of your internet operations.

14. Latent personal injury

arising from latent personal injury which was not first medically diagnosed during the period of insurance.

15. Loss of use of property

for loss of use of property that has not been physically damaged or destroyed and is caused directly or indirectly by:

- (a) delays, non-completion or poor performance by you or any other person acting on your behalf; or
- (b) the failure of your products to meet performance, specifications, quality, fitness or durability that you have implied or promised unless your products are damaged suddenly and accidentally.

16. Participants in events

for personal injury to, or damage to property owned by, persons or organisations whilst they are participating in any organised and competitive sporting exercise or activity.

17. Penalties

- (a) for fines, penalties, or cost of actions imposed on you due to the application of government legislation or order of a court of law; or
- (b) for punitive, exemplary, or aggravated damages; or
- (c) for any additional damages resulting from the multiplication of compensatory damages against you.

18. Pollution

arising directly or indirectly out of:

- (a) the discharge, seepage, dispersal, release or escape of pollutants;
- (b) the cost of removing, nullifying, cleaning up, testing, monitoring, treatment, neutralising or detoxification of pollutants.

This exclusion does not apply to liability caused by a sudden happening which is unintended and takes place at a specific time and entirely at one specific location within Australia.

19. Product recall

for all direct, indirect and consequential costs resulting from the recall, withdrawal, removal, inspection, repair, reconditioning, replacement or loss of use of your products or any property of which they form a part if such products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

20. Professional liability

arising out of your rendering of, or your failure to render, professional service, or any related error or omission.

This exclusion does not apply to a medical practitioner you employ to provide first aid or other emergency medical services at your farm, provided such professional advice or service is not given for a fee.

21. Property in your physical and legal control

- (a) for damage to property owned by, leased to or rented to, you;
- (b) for damage to property not belonging to you but in your physical and legal control other than the property described in the additional benefit 2. Property in your physical and legal control.

22. Treatment or dispensing

for personal injury or property damage arising from:

- (a) the treatment by you or on your behalf of humans or animals for any physical or mental deficiency, injury, illness or disease; or
- (b) the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

Except as provided under What we will not pay for 20. Professional liability under this section.

23. Vehicles

caused by or arising directly or indirectly from the use of, ownership or possession of any vehicle which is:

- (a) registered or required by law to be registered (other than the insurance described in additional benefit 3. Registered vehicles);
- (b) insured for compulsory personal injury insurance or required by any government legislation to be insured for personal injury liability;
- (c) being driven or operated by a person who:
 - (i) is under 10 years of age and is driving or operating the vehicle with your expressed or implied permission;
 - (ii) has their faculties affected by intoxicating liquor or drugs;
 - (iii) who does not hold a current licence required by legislation to operate or drive the vehicle at the time and place of the occurrence.

24. Exports USA or Canada

arising from claims for personal injury or property damage caused by or arising out of the products knowingly exported by you or your agents or servants to the United States of America or Canada.

Specific conditions applying to this section

1. Discharge of liabilities

We may at any time discharge our total liability to you for all claims against you under Section 8 - Farm liability which arise out of one occurrence or a series of occurrences by paying to you or on your behalf whichever of the following amounts is the lowest:

- (a) the sum insured less any amounts already paid or incurred by us for the defence or negotiation of the settlement of the claim(s);
- (b) the total amount sought by the claimant(s) in the claim(s); or
- (c) the total amount for which the claim(s) can be settled.

In addition to such payment we will also pay your charges, expenses and defence costs for the defence or negotiation of the settlement of the claim(s) incurred up to the date of our payment if we have agreed previously in writing to pay such charges, expenses and defence costs.

Once we have made payment to discharge our liability as stated above:

- (a) we will relinquish the conduct and control of the claim(s) to you;
- (b) we will not be liable to pay any further amounts under Section 8 - Farm liability in connection with the claim(s);
- (c) you will pay us any charges, expenses and defence costs we are entitled to from you that were incurred prior to the date of our payment which discharged our liability; and
- (d) we remain entitled to exercise our subrogation rights as outlined in the general conditions of this Policy.

2. Joint insureds /Cross liability

Where you comprise more than one person or a company, we will treat each as a separate insured. The words you or your will apply to each in the same manner as if a separate Policy had been issued to them.

This does not alter or increase the sum insured for this section for any occurrence or period of insurance and is subject to What we will not pay for 9. Excluded persons in this section.

Section 9 - Theft

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Farm property	Farm property as defined in Section 5 - Farm property of this Policy.
Mobile machinery	Mobile machinery as defined in Section 5 - Farm property of this Policy.

Cover

We will pay for loss of or damage to the farm property you have or could have insured under Section 5 - Farm property caused by theft (including attempted theft) from your farm during the period of insurance.

Excess

For each occurrence which gives rise to a claim, you must pay the excess shown in your Policy Schedule in relation to that occurrence.

What we will pay for

We will pay you up to the sum insured shown in your Policy Schedule for theft.

If you make a claim for a total loss or if the sum insured is exhausted by any occurrence, then all insurance provided by this section ceases and you will not be entitled to any refund of premium.

Property not recovered or not repairable

If the farm property is not found within a reasonable time after the loss, or cannot be economically repaired, we will pay your cost to repurchase the farm property.

If the farm property is not replaced by you we will pay you the indemnity value.

Property that can be repaired

If the farm property can be repaired for less than the cost to repurchase, at our option we will pay:

- the cost to repair the farm property up to the cost to repurchase; or
- the indemnity value of the farm property after deducting its remaining value.

Additional benefits applying to this section

The following benefits are included in the sum insured.

1. Automatic reinstatement of sum insured

If the sum insured is reduced following payment of a claim, we will automatically reinstate the sum insured from the date of the loss or damage.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

2. Contents in auctioneer's store

We will pay for theft of farm property (excluding livestock) from an auctioneer's store following actual violent and forcible entry into that store, if the farm property:

- is still owned by you; and
- has not been sold by the auctioneer at the time of the theft.

We will pay what it would cost to buy an item of a similar, make, model and condition at auction.

3. Temporary removal

We will extend cover for farm property while it is temporarily removed from your farm to elsewhere in Australia.

We will not pay for farm property when:

- removed permanently from the farm.

4. Replacement of locks and keys

We will pay up to \$2,000 for the cost:

- of recoding or replacing locks which are damaged or when keys belonging to you and used for your farm business are stolen in the course of a theft; or
- of replacing the keys which are stolen in the course of a theft or if there are reasonable grounds to suspect your keys have been copied following a theft; and
- to replace or recode any safe owned by you and used for your farm business if there are reasonable grounds to suspect its combination has been stolen during an occurrence.

We will only pay for:

- locks which secure external doors, windows and other external openings of the farm buildings;
- the cost of locks of similar type and quality.

5. Temporary protection

We will pay up to \$5,000 per occurrence, for the cost of temporary repairs to farm property following loss or damage insured by this section for the purpose of securing the premises and safeguarding farm property from further loss.

What we will not pay for

We will not pay for:

- theft or attempted theft:
 - committed by:
 - you or your family;
 - paying guests or residents who lawfully reside on your farm; or
 - or in any way contributed to by, dishonest acts by your directors, partners or employees.
 - of:
 - money, or loss resulting from the dishonouring of a cheque or negotiable instrument which was given to you in connection with your farm;
 - jewellery, furs, bullion, property made of gold or silver or precious stones;
 - motor vehicles, caravans, trailers, motor cycles or mobile machinery;
 - boats and aircraft including their spare parts and accessories;
 - property that is or can be insured by:
 - Section 1 - Home; or
 - Section 13 - Working dog;
 - property that is insured for theft elsewhere in the Policy;
- loss due to unexplained shortages or resulting from clerical or accounting errors or shortages in the supply of materials.

Section 10- Transit

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Conveying vehicle	A road vehicle or trailer owned by you or in the control of you or your employee.
Flood damage	Physical damage to the conveying vehicle and/or trailer or goods caused by flood or the interruption of the journey due to flood.
Goods	Farm produce, livestock, hay, silage, grain, wool, machinery, plant, farm equipment, farm supplies and domestic supplies.

Excess

For each occurrence which gives rise to a claim, you must pay the excess shown in your Policy Schedule or the Policy in relation to that occurrence.

What we will pay for

We will pay for loss or damage to your goods caused by an insured event while they are in or on the conveying vehicle or trailer and whilst being loaded or unloaded from the conveying vehicle or trailer during the period of insurance up to the sum insured shown in your Policy Schedule.

We will pay up to \$1,500 per animal unless otherwise stated in your Policy Schedule.

Insured events

You are insured against loss or damage caused directly by the following insured events:

1. collision or overturning of the conveying vehicle;
2. fire or explosion in, on or in the immediate vicinity of the conveying vehicle or trailer;
3. flood damage;
4. riots, strikes, civil commotion and malicious damage;
5. theft, provided there is visible evidence of forcible entry to the conveying vehicle or trailer or a building in which the conveying vehicle or trailer is garaged;
6. damage to goods falling from the conveying vehicle or trailer whilst in transit, provided the goods were securely fastened or restrained at the commencement of the journey.

Additional benefits applying to this section

1. Removal of debris

We will pay you for the reasonable costs you incur up to a maximum of \$50,000 per occurrence for the cost of removing debris which results from an occurrence insured by this section.

If livestock is lost or damaged and the loss or damage is insured by this section, we will pay for the reasonable cost to:

- (a) destroy animals for humane reasons;
- (b) dispose of carcasses.

2. Temporary agistment

We will pay you for the reasonable costs you incur up to a maximum of \$5,000 each occurrence for the herding or temporary storage of any livestock to prevent straying following loss or damage due to collision or overturning of a conveying vehicle, fire or explosion.

What we will not pay for

We will not pay for loss of or damage to your goods if:

1. at the time of the occurrence the conveying vehicle or trailer is being driven or operated by a person who:
 - (a) has their faculties impaired by any drug or intoxicating liquor;
 - (b) does not have a current licence as required by legislation to operate or drive the conveying vehicle and/or trailer at the time and place of the occurrence;
 - (c) is under 10 years of age and is driving or operating the conveying vehicle or trailer with your express or implied permission;
 - (d) has a blood alcohol reading which exceeds the legal limit; or
 - (e) following an accident refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory in which the accident occurred.

We will pay your claim if you can prove you did not know that the driver was affected by alcohol or drugs or was unlicensed and you could not reasonably have known this.

2. at the time of the occurrence the conveying vehicle or trailer is:
 - (a) carrying, towing or lifting a heavier load or carrying more than it is designed for or is permitted by law;
 - (b) unsafe or unroadworthy.
3. at the time of the occurrence your livestock is being transported by someone, other than you, for financial reward.
4. the occurrence is insured by another policy.

Section 11 - Machinery breakdown

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Breakdown	<p>Unforeseen and sudden physical damage to plant and machinery from any cause which requires repair or replacement to enable normal operation to continue and which is not excluded by the Policy.</p> <p>We will pay you for damage to other property belonging to you or in your care, custody and control for which you are responsible which results from impact from fragments of the plant and machinery.</p>
Cold chamber	Any insulated refrigerator or freezer or any room, container or vat that is refrigerated by plant and machinery.
Plant and machinery	<p>Unspecified machinery cover</p> <p>(a) 'Electrical and mechanical items' Items driven by motors with capacity not exceeding 7.5 kilowatts (10HP), including electronic and other integral parts of the insured items including boilers, pressure vessels and pressure pipe systems as defined in b. below. If your Policy Schedule shows your farm business as a dairy then the capacity is increased to 15HP.</p> <p>(b) 'Boilers, pressure vessels and pressure pipe systems' Permanent structure of insured items which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes, with respect to boilers, the rotating, reciprocating or electrical apparatus attached to them.</p> <p>Specified machinery items cover</p> <p>Items selected including electrical and other integral parts of the insured items.</p> <p>Plant and machinery does not include:</p> <p>(a) submersible pumps - with respect to unspecified machinery cover;</p> <p>(b) motor vehicles or mobile plant;</p> <p>(c) computers, electronic data processing equipment, office equipment, telecommunication transmitting and receiving equipment, audio visual amplification and surveillance equipment;</p> <p>(d) research, diagnostic and electro medical equipment;</p> <p>(e) domestic appliances;</p> <p>(f) televisions, videos, gambling or amusement machines;</p> <p>(g) lifts or escalators.</p>

Excess

For each occurrence which gives rise to a claim, you must pay the excess shown in your Policy Schedule in relation to that occurrence.

If selected, you must also pay the excess shown in your Policy Schedule in relation to optional benefit 1. Deterioration of stock in cold storage.

Automatic reinstatement

If the sum insured is reduced following payment of a claim, other than a claim for the total loss of any specified plant and machinery listed on your Policy Schedule, we will automatically reinstate the sum insured from the date of the loss or damage.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

Salvage

If any replaced plant and machinery or parts are worth more than the amount which would be paid by scrap metal merchants, then the value of the plant and machinery or parts will be deducted from the amount we pay.

What we will pay for

In the event of breakdown under this section we will pay you, up to the sum insured or limit any one loss for the reasonable cost of repairs or replacement necessary to return the plant and machinery to its former state of operation including the cost of dismantling, re-erection and removal of debris.

Our liability inclusive of these additional costs will not exceed the sum insured or limit any one loss shown in your Policy Schedule.

All damage which can be repaired must be repaired, however should the plant and machinery be uneconomical to repair due solely to the nature of the damage, settlement will be as follows:

Unspecified machinery

For unspecified machinery less than 6 years old, we will pay the lesser of:

- the cost to replace the plant and machinery with an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the plant and machinery when new; or
- the limit any one item shown in your Policy Schedule, if you have selected unspecified machinery cover.

For unspecified machinery more than 6 years old, we will pay the installed value of the item depreciated by 10% per annum for each year of service to a maximum of 70%.

Specified machinery

For specified machinery items, we will pay the lesser of:

- the cost to replace the plant and machinery with an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the plant and machinery when new; or
- the sum insured for the plant and machinery item shown in your Policy Schedule, if you have selected specified machinery items covers.

Additional benefits applying to this section

1. Loss of refrigerant

We will pay for the cost of flushing, drying and replacing:

- (a) refrigerant; and
- (b) lubricating oil;

as a direct result of breakdown to items of refrigeration plant and machinery.

These costs are included in the sum insured.

2. Newly installed items

We will temporarily extend cover provided by this section to cover additional items of plant and machinery that are installed during the period of insurance, provided that this temporary cover is limited to the lesser of:

- (a) 30 days from the date you installed the additional items of plant and machinery; or
- (b) the expiry date of the current period of insurance.

You must provide to us full details of the new items of plant and machinery within 30 days of the commencement of this temporary cover. If we agree to continue the cover you must pay any additional premium that we may require.

The maximum we will pay for this additional benefit is 50% of the sum insured shown in your Policy Schedule.

3. Overtime and express freight

We will pay the cost of overtime and express freight if the plant and machinery is required immediately for the operation of your farm business.

We will pay up to \$10,000 per item of plant and machinery.

These costs are in addition to the sum insured.

4. Temporary repairs

If plant and machinery suffers a breakdown which is insured by this section we will pay the necessary and reasonable cost:

- (a) to hire a replacement machine;
- (b) or temporary repairs.

We will pay up to \$10,000 per machine. This is in addition to the sum insured.

5. Deterioration of milk

If plant and machinery suffers a breakdown which is insured by this section and your farm business is a dairy, we will pay for deterioration of milk.

We will pay up to \$5,000 for this additional benefit. This is in addition to the sum insured.

Optional benefit applying to this section

If you select the following optional benefit it will be shown in your Policy Schedule. An additional premium will apply.

1. Deterioration of stock in cold storage

What we will pay for

We will pay you up to the sum insured for loss of or damage to the stock as specified in your Policy Schedule while the stock is contained in cold storage spaces refrigerated by the plant and machinery shown in your Policy Schedule or an item covered under warranty or maintenance agreement and caused by deterioration or putrefaction as a result of:

- (a) breakdown of the refrigeration machinery;
- (b) sudden and unforeseen failure of the public power supply;
- (c) operation or failure to operate, of controls or protective devices within the refrigeration machinery, but this does not include loss caused by the manual operation or manual setting of controls or protective devices;
- (d) contamination of the stored stock by the accidental escape of refrigerant into the cold chamber;
- (e) contamination of milk from any cause, other than:
 - (i) one that is excluded by the General exclusions applicable to all sections of the Policy on pages 76 & 77;
 - (ii) infectious diseases borne by your animals; or
 - (iii) by chemicals prior to milking.

If milk is contaminated by antibiotics, the maximum we will pay is \$5,000 or the sum insured shown in your Policy Schedule (whichever is the lesser).

- (f) sudden leakage of refrigerant from the refrigeration machinery or pipe system forming part of the refrigeration machinery;

occurring during the period of insurance at your farm.

Basis of settlement

- (a) We will pay you the indemnity value or the contracted price from your usual customer whichever is the higher for lost or damaged stock calculated immediately prior to the loss or damage occurring, but we will not pay more than the sum insured shown in your Policy Schedule for the stock less the applicable excess.
- (b) The amount we will pay for each claim will be reduced by the amount of the excess shown in your Policy Schedule.

What we will not pay for

We will not pay for:

- (a) any loss or damage due to shrinkage, inherent defects or diseases;
- (b) loss or damage:
 - (i) caused by improper storage, collapse of the packing material or storage structure;
 - (ii) following loss of public electricity supply due to:
 - (A) the deliberate act of any public electricity supply authority;
 - (B) the decision by any public power supply authority to restrict or withhold supply;
- (c) loss of or damage to:
 - (i) embryos or semen; or
 - (ii) any living animal, plant, fungus or organism;
- (d) penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever.

What we will not pay for

We will not pay for:

1. loss or damage caused by or arising from:
 - (a) fire, smoke or soot;
 - (b) extinguishing a fire including subsequent demolition or repair work;
 - (c) lightning;
 - (d) a chemical explosion (other than explosion of flue gas in boilers);
 - (e) impact of motor vehicles, aircraft or watercraft;
 - (f) earthquake, subterranean fire or volcanic eruption;
 - (g) landslip or subsidence;
 - (h) storm, tempest, flood, windstorm or cyclone;
 - (i) water escaping, discharged or leaking from any source which is external to the plant and machinery insured;
 - (j) theft or burglary;

- (k) intentional or malicious damage; or
 - (l) the carrying out of tests involving abnormal stresses, including overloading of any insured items.
2. the cost of:
- (a) replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, thermal expansion valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media;
 - (b) replacement of component parts worn through normal machine operation;
 - (c) adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
 - (d) repairs to piping and other ancillary systems due to cracking of pipe work;
 - (e) replacement of refractory or brickwork forming part of plant or machinery unless necessary as part of the rectification of breakdown;
 - (f) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
 - (g) alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
 - (h) modification or alteration of plant and machinery which has suffered breakdown to enable it to operate with a more ozone friendly refrigerant gas as required by the UNEP (United Nations Environmental Protection) Montreal Protocol with respect to substances which deplete the ozone layer;
 - (i) replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - (j) replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting;
 - (k) repair of scratches or painted or polished surfaces unless caused by the breakdown;
 - (l) repair of slowly developing deformation or distortion of any part;
 - (m) repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - (n) damage caused to plant and machinery or items caused by any hydraulic testing;
 - (o) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - (p) repairs to shaft keys requiring tightening, fitting renewal;
 - (q) damage caused by the movement of foundations, masonry or brick work; or
 - (r) removal and subsequent replacement of underground or submersible pump installations and well casings, unless specifically shown in your Policy Schedule.

For submersible or bore pumps specifically listed/shown on your Policy Schedule, we will not pay for any removal or reinstatement costs unless the bore or well is fully lined. Where the bore or well is fully lined, we will pay up to \$2,000 towards removal or installation.

- 3. consequential loss of any kind or description whatsoever.
- 4. breakdown of any item being moved caused by dual lifting.
- 5. costs you are entitled to recover for labour and parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer or any other person.
- 6. loss or damage to any combustion engine insured by this section unless such engine is fitted with an effective automatic safety engine monitoring device and such device stops the engine in the event of a lubricating or cooling fault or failure.

Specific conditions applying to this section

1. Inspection

You must permit us or our representative at all reasonable times the right to inspect and examine any items insured by this section.

You or your repairer must keep all plant and machinery or parts for a period of 30 days after you have reported (in writing) a breakdown to us and allow us access, at our cost, to inspect the plant and machinery or parts. If you do not keep the plant and machinery or parts, we may refuse to pay part or all of a claim.

Your repairer will be required to make written records showing adequate details of loss or damage to plant and machinery, cause of breakdown, work done and parts replaced. If you do not ensure the repairer complies with the request, we may refuse to pay part or all of a claim.

This cover only applies after completion of successful initial commissioning.

2. Operating damaged plant

Our legal liability will cease for any plant and machinery that has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

3. Reasonable steps

On the happening of any breakdown which might give rise to a claim under this section, in addition to complying with general conditions applicable to all sections of the Policy for claims you must:

- (a) take all reasonable steps to minimise the extent of the loss; and
- (b) preserve any damaged or defective plant and machinery and make them available to us for inspection.

4. Replacement

Before you authorise the replacement of your plant and machinery or any of its parts, you must be certain that the plant and machinery or the parts cannot be repaired.

Section 12 - Electronic equipment

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Breakdown	Sudden and unexpected electronic, electrical or mechanical failure of electronic equipment which requires repair or replacement to enable normal operation to continue.
Electronic data	(a) software programs and information stored on magnetic tapes, magnetic hard or floppy discs, flash drives and compact discs; (b) magnetic tapes, magnetic floppy discs, flash drives and compact discs.
Electronic equipment	The electronic equipment shown in your Policy Schedule as insured items.

Cover type

If you select Section 12 - Electronic equipment you have the option to extend cover to include optional benefit 1. Restoration of data and/or 2. Increased cost of working.

If you select either of these optional benefits an additional premium will apply.

If you have selected either of these optional benefits they will be shown in your Policy Schedule.

Excess

For each occurrence which gives rise to a claim, you must pay the excess shown in your Policy Schedule in relation to that occurrence.

Method of settlement

All damage which can be repaired, must be repaired, however, should the item be uneconomical to repair due solely to the nature of the damage, settlement will be as follows:

- the sum insured for the electronic equipment items shown in your Policy Schedule; or
- for electronic equipment less than six years old the cost of replacement of the item with an item of similar, function, type, capacity and quality and in a condition equal to but not better than, the condition of the insured item when new; or
- for electronic equipment more than six years old, the installed value of the item will be depreciated by 10% per annum for each year of service to a maximum of 70%.

Our liability will be the lesser of 1., 2., or 3, less the applicable excess.

Salvage

The value of any salvage will be subtracted from the amount payable under this section.

Total loss or destruction

If we pay a claim for total loss or destruction of an item of electronic equipment then all cover on that electronic equipment ceases and you will not be entitled to any refund of premium.

What we will pay for

We will pay the cost to repair or replace insured items of electronic equipment to its former state of operation following a breakdown.

What we will not pay for

We will not pay more than the sum insured shown in your Policy Schedule for each item.

We will not pay for:

- loss or damage caused by or arising from:
 - fire, smoke or soot;
 - extinguishing a fire including subsequent demolition or repair work;
 - lightning;
 - a chemical explosion (other than explosion of flue gas in boilers);
 - impact of motor vehicles, aircraft or watercraft;
 - earthquake, subterranean fire or volcanic eruption;
 - landslip or subsidence;
 - storm, tempest, flood, windstorm or cyclone;
 - water escaping, discharged or leaking from any source which is external to the plant and machinery insured;
 - theft or burglary;
 - intentional or malicious damage; or
 - the carrying out of tests involving abnormal stresses, including overloading of any insured items.
- Breakdown:
 - of electronic data unless you have electronic equipment insured under this section, and you have selected optional benefit 1. Restoration of data;
 - caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to or malfunction of air conditioning equipment.
- The cost of:
 - replacement of expendable items such as batteries, belts, ribbons, toner, ink, filters, fuses and data storage discs and tapes which are not fixed internally in the electronic equipment;
 - replacement of component parts worn through normal use or operation;

unless necessary as part of the rectification of the breakdown not otherwise excluded under this section;

 - maintenance work;
 - alterations, overhauls, improvements or additions whether carried out in the course of repairs covered under this section or as a separate operation;
 - parts which are damaged gradually over a period of time caused by wear, tear, gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - replacement or repair of any parts which have suffered only scratching, scoring, cavitation or pitting of surfaces, unless the damage was caused by a breakdown;

- (g) temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs;
 - (h) anything to the extent you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant electronic equipment or any other person.
4. consequential loss, other than the insurance provided in optional benefits 1. Restoration of data and 2. Increased cost of working if selected by you and shown in your Policy Schedule.

Optional benefits applying to this section

If you select any of the following optional benefits an additional premium will apply. The optional benefits you have selected will be shown in your Policy Schedule.

1. Restoration of data

If your Policy Schedule shows that you have optional benefit 1. Restoration of data, we will pay the cost to replace or reconstruct your electronic data that has been lost or damaged due to a breakdown.

We will pay up to the sum insured shown in your Policy Schedule, to:

- (a) replace devices containing electronic data;
- (b) replace software and programs;
- (c) reconstruct business information stored on your computer at the time of the occurrence.

We will not pay for the cost of restoring data that has not been backed up on an alternative device in the three months prior to the occurrence causing the loss of data.

2. Increased cost of working

If your Policy Schedule shows that you have optional benefit 2. Increased cost of working, we will pay any reasonable additional costs you incur during the period of insurance, and 90 days after the period of insurance, to prevent a reduction in your turnover caused by a breakdown which occurs during the period of insurance.

We will pay up to the sum insured shown in your Policy Schedule.

We will not pay for additional costs incurred during the first 48 hours following breakdown.

Specific conditions applying to this section

1. Follow manufacturers instructions

You must maintain, service and use the electronic equipment in accordance with the manufacturers instructions. If you do not we may reduce the amount we pay in the event of a claim.

2. Inspection

You will permit us or our representative at all reasonable times the right to inspect and examine any electronic equipment insured by this section.

Section 13 - Working dog

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Working dog	A dog used by you for your farm business.

Method of settlement

We will pay you up to the sum insured shown in your Policy Schedule to replace your working dog.

Excess

For each occurrence which gives rise to a claim, you must pay an excess of \$100 or as shown in your Policy Schedule in relation to that occurrence.

What we will pay for

We will pay for the theft or death (due to an accident or illness) of your working dog during the period of insurance.

We will also pay the reasonable cost incurred to:

1. prevent the death of your working dog following a life threatening accident;
2. euthanize your working dog for humane reasons based on veterinary advice following a life threatening accident;
3. remove and dispose of the carcass following the death of your working dog.

If we pay a claim for the total loss (by way of theft or death) of your working dog then all cover on your working dog ceases and you will not be entitled to any refund of premium.

What we will not pay for

We will not pay for:

1. the death of a working dog:
 - (a) less than 1 year old;
 - (b) more than 10 years old;
 - (c) resulting from neglect, overwork or abuse;
2. veterinary care unless it is included under What we will pay for.

Section 14 - Equine

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Condition	Any affliction that causes your horse discomfort, dysfunction, distress, including injuries, disabilities, disorders, syndromes, infections, isolated symptoms, deviant behaviours, and atypical variations of structure and function and/or death.
Clinical signs	Changes in your horse's normal healthy state, condition or appearance or its bodily functions.
Dies or death	Your horse that dies and includes slaughter for humane reasons.
Foal	A horse up to one year of age.
Illness	Any change to your horse's normal healthy physical state or appearance, sickness or disease first diagnosed during the period of insurance.
Injury	A physical injury resulting solely and directly from an accident, not any injury that happens over a period of time or is of a gradual nature.
Loss	Death from accident, illness, disease or, with our written consent, destruction for humane reasons where such reasons are certified by a vet.
Pre-existing condition	Any condition(s) or symptoms or signs of that condition occurring or existing in any form prior to the Policy commencement date, or any injury, illness or symptoms or signs of that injury or illness occurring or existing in any form during the waiting period.
Specified illness	Any of the following illnesses: anthrax, adenovirus, anaplasmosis, babesiosis, blue tongue, caprine arthritis encephalitis, distemper, footrot, johnes disease, hepatitis, parvo, pleuro pneumonia, swine fever, tuberculosis and rinderpest.
Situation	The place specified in the Policy Schedule and while temporarily removed anywhere within Australia including transit thereto.
Veterinarian / Vet	A registered, qualified veterinarian, specialist veterinarian, vet practice, clinic, hospital, centre including referral hospitals, licensed to practice in Australia, other than one who may be the insured.
Veterinarian fees	The amount vets in general or referral practice reasonably and generally charge.
Veterinary treatment	Any examination, consultation, advice, tests, x-rays, legally prescribed medication, surgery and nursing required to treat an illness or injury that is provided by a veterinary practice or a vet nurse or another member of the vet practice, under the supervision of the vet, which is not routine or elective treatment.
Your horse	Your horse(s) described in your Policy Schedule.

Excess

For each occurrence payable for each horse insured under this section which gives rise to a claim, you must pay an excess of \$100 or as shown in your Policy Schedule in relation to that occurrence.

Cover

What we will pay for

We will pay the sum insured shown in your Policy Schedule, or the market value, whichever is the lesser, in the event of:

- the death or slaughter on humane grounds of your horse described in your Policy Schedule, resulting from any injury or illness sustained or contracted and notified during the period of insurance; provided death or slaughter on humane grounds occurs during the same period of insurance or within 30 days of the expiry date;
- loss by theft or straying of your horse and your horse is not found within 30 days provided that:
 - as soon as possible after the theft or straying which may give rise to a claim under the Policy, you must notify the Police and advertise at your expense the loss of your horse;
 - if your horse is recovered and we have paid your claim in the previous 30 days, you must immediately refund to us the amount paid;
- destruction of your horse whilst in transit, such destruction being carried out by or on the order of the responsible authority at the time, and confirmed by a sworn statement that in their opinion your horse was so uncontrollable as to present an imminent threat or danger to the public.

We will also pay the cost to remove and dispose of your horse's body following death or euthanasia as a result of an injury that happens or an illness that first shows clinical signs during the period of insurance.

If we pay a claim for death, other than by accident, we will also reimburse your post mortem expenses up to an amount of \$1,000.

Method of settlement

Where payment is to be made in settlement of a claim and any other party has an interest in your horse, then payment may be made to such other party to the extent of that interest. The discharge in respect of such payment will be full and final in respect of interests of all parties.

If we have settled your claim, we reserve the right to deduct from the claim amount, any amount due to us.

What we will not pay for

We will not pay for any loss caused or contributed to by:

- intentional death, euthanasia caused or theft by you or persons who are:
 - members of your family;
 - living on your farm;
 - your employees; or
 - looking after your horse;
- the use of your horse for any purpose other than that shown in your Policy Schedule;

3. your horse being a stallion and you:
 - (a) turn it loose with mares or other animals;
 - (b) do not keep them in a stable, enclosed yard or paddock, when not in use or travelling;
4. any pre-existing conditions;
5. improper use;
6. wilful neglect or unskilled treatment;
7. death or euthanasia of your horse if it happens more than 12 months after the date of the injury happening or the first clinical signs of the illness were noticed that led to the death or euthanasia;
8. a condition becoming apparent within 30 days of inception of the Policy and receipt of the original vet certificate which, in the opinion of our veterinary surgeon may have been concealed by the presence of non steroid anti-inflammatory or analgesic medication, unless a blood test has been carried out at inception and the results have been shown to be negative for the medications as stated above.

We will not cover you:

1. for veterinary expenses;
2. when your horse is not in Australia;
3. if your vet or our vet believes the illness or injury your horse is suffering can be treated;
4. if the death or euthanasia of your horse results from a vice or from your horse's behaviour;
5. if the death of your horse is a result of complications during pregnancy or foaling;
6. for any other financial loss, legal compensation, costs or expenses as a result of the death or euthanasia of your horse;
7. for the cost of a post mortem examination;
8. if the death or euthanasia of your horse results from an injury or an illness while taking part in an activity not shown or covered in your Policy Schedule or covered in this section;
9. if the death or euthanasia of your horse results from an illness:
 - (a) first showing clinical signs; or
 - (b) which is the same as, or has the same diagnosis or clinical signs as, an illness which first showed clinical signs; or
 - (c) that is caused by, relates to or results from an injury, illness or clinical signs which first showed clinical signs:
 - (i) within 30 days:
 - (A) of your horse's cover starting; or
 - (B) of the date of the Policy being endorsed to include any additional or replacement horse; or
 - (ii) no matter where the injury, illness or clinical signs were noticed or happened on your horse's body;
10. if the euthanasia of your horse is carried out before you tell us about your or your vet's decision for euthanasia, unless your vet believes there was not time for you to tell us because your horse was in so much pain that it needed immediate euthanasia;
11. if your horse is euthanized unless the vet performing the service complies with the Equine Veterinarians Australia (EVA) guidelines.

Special conditions applying to this section

1. Compliance with veterinary advice

If your horse is ill or has an accident, it is your duty immediately to seek the advice of your veterinary surgeon, and notify us by telephone or email. You must then follow the recommendations made by the attending veterinary surgeon or of any second opinion as to treatment, rest and rehabilitation. You must also forward a report by the attending veterinary surgeon on the condition of your horse as soon as possible.

You agree that any vet that holds information about your horse has your permission to release any information we ask for. If the vet makes a charge for this, you must pay the charge.

2. Post mortem

You agree, at your own expense, to arrange a post mortem examination made by a qualified veterinarian of any horse that dies from any cause other than an accident.

3. Prompt notification

You agree to report all claims to us within 48 hours of you becoming aware of the death, accident, injury or illness. If you do not, we can reduce the amount of our payment, or not pay at all, if the delay:

- (a) prevents us from investigating the:
 - (i) cause; or
 - (ii) amount of the claim;
- (b) increases our costs to investigate the claim;
- (c) increases the amount of the loss.

4. Reasonable care

You must:

- (a) take proper care of your horse and take all reasonable steps to maintain your horse's health;
- (b) arrange and pay for your horse to have a yearly dental examination and any veterinary treatment normally recommended by a vet to prevent injury or illness;
- (c) arrange and pay for your horse to be kept vaccinated against tetanus, strangles and equine influenza and wormed as regularly as normally recommended by a vet. If you do not keep your horse vaccinated or wormed, we will not pay any claims that result from an illness that would not have occurred if your horse has been vaccinated and wormed;
- (d) arrange for a vet to examine and treat your horse as soon as possible after it shows clinical signs of an injury or illness. And if we decide, you must take your horse to a vet we choose.

5. Reasonable precautions

Take all reasonable precautions to:

- (a) prevent further disease, death, accident, injury or illness of your horse;
- (b) preserve any things which might prove necessary or useful by way of evidence in connection with any claim and so far as may be reasonably practicable, retain such evidence until we have had an opportunity of inspection.

6. Waiting period

A period of 30 days starting from the inception date shown in your Policy Schedule of the initial period of insurance during which an illness or condition first occurs or shows clinical signs will be excluded from cover unless otherwise stated in your Policy Schedule. The waiting period will not apply for any policy that is a renewal of this Policy.

Section 15 - Tax audit

Words with special meaning

There are some words in this section that have a special meaning. These words and their meanings are listed below.

Word or term	Meaning
Additional costs	(a) professional fees paid to accountants and solicitors who are not your employees;
	(b) fees charged to you for preparation of evidence by your financial service providers;
	(c) overtime paid by you to your employees to prepare for or represent you in any audit or investigation;
	(d) travelling and accommodation expenses incurred by you or your employees in relation to an audit or investigation.

What we will pay for

If your Policy Schedule shows that you have Section 15 - Tax audit cover, we will pay for any reasonable additional costs you incur following notice during the period of insurance of an audit or investigation by a federal or state Commissioner of Taxation relating to your liability to pay:

1. income tax;
2. fringe benefits tax;
3. capital gains tax;
4. GST;
5. payroll tax.

We will not pay you more than the sum insured shown in your Policy Schedule during the period of insurance.

Excesses

For each occurrence which gives rise to a claim under this section, you must pay the excess shown in your Policy Schedule in relation to that occurrence.

What we will not pay for

1. We will not pay for any liability, court costs, fines, penalties, tax, penalty tax or interest.
2. We will not pay for additional costs incurred:
 - (a) after the audit or investigation has been completed;
 - (b) six months or more after the date the audit or investigation was first notified to you;
 - (c) as a result of your refusal or failure to comply with any lawful request made by a state or federal Commissioner of Taxation for the production of documents or the supply of information;
 - (d) from audits or investigations under customs legislation;
 - (e) from audits or investigations which you were notified of or knew of prior to the period of insurance;

- (f) as a result of audits or investigations relating to income received or earned outside Australia;
- (g) as a result of any fraudulent act or omission committed by you or on your behalf.

Special conditions applying to this section

1. Errors

If you or any person acting on your behalf becomes aware of any error in any return of income or other documents supplied to a state or federal Commissioner of Taxation, you must notify the Commissioner of Taxation without any unreasonable delay.

If you do not notify the Commissioner of Taxation without delay we may refuse to pay all or part of your claim.

2. Tax returns

You must submit all returns and documents within the time limits prescribed by all relevant statutes, regulations and as lawfully required by a Commissioner of Taxation.

If you do not submit your returns on time we may refuse to pay all or part of your claim.

3. Income disclosure

You must make full and complete disclosure of all income, turnover and expenses required by any tax legislation. If you do not, and the incomplete disclosure was made to avoid payment of tax, we will not pay your claim.

4. Claims

If you have a claim under this section you must:

- (a) keep us fully informed of all matters in relation to your claim;
- (b) send us copies of all correspondence in relation to your claim within five days of receiving them;
- (c) instruct your accountants and solicitors to provide us with all relevant documents and information in relation to your claim;
- (d) permit us when necessary to instruct your accountants and solicitors in matters relating to your claim and for the cost of these instructions to form part of your claim. This does not mean we will take over or represent you in the audit or investigation.

General exclusions

These general exclusions apply 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, or
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.

Intentional damage

Damage or liability intentionally caused or incurred by:

- (a) you;
- (b) a member of your family; or
- (c) a person acting with your express or implied consent or that of a member of your family.

Admitted insurance

Claims made or actions instituted within any Country, State or Territory (outside Australia) that require insurance to be issued or secured with an insurer or organisation licensed in that Country, State or Territory to grant such insurance.

Sanctions limitation and exclusion clause

You're 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.

Additional exclusions

This Policy does not cover loss arising from any claim against you caused directly or indirectly by or arising out of:

1. Asbestos

- (a) the inhalation of asbestos fibre(s);
- (b) any illness, injury or disease caused or contributed to by exposure to asbestos; or
- (c) damage to or loss of use or reduction in value of property due to the presence of asbestos.

2. Aircraft

- (a) ownership, possession, maintenance, repair, operation or use of an aircraft by you or on your behalf; or
- (b) any of your products which are incorporated into the structure, machinery or instruments of any aircraft.

3. Pollution

- (a) the discharge, dispersal, release or escape of pollutants;

this exclusion 3. a. does not apply in the event of a sudden happening which is unintended and takes place entirely at one specific location within Australia; or
- (b) any enforcement action or proceeding in respect of a pollutant and the cost of removing, nullifying, cleaning up, testing, monitoring, treatment, neutralising or detoxification of pollutants.

4. Atomic energy

- (a) the use of nuclear reactors including atomic piles, particle accelerators or generators or similar devices;
- (b) the mining, use, storage, handling or transportation of radioactive materials;
- (c) the use, storage, handling or transportation of any weapon of war or explosive device that uses nuclear fission, fusion or radioactive materials;
- (d) any other operation or process that uses nuclear fission, fusion or radioactive materials; or
- (e) any product that contains or uses nuclear fission, fusion or radioactive materials;

this exclusion does not apply to legal liability for personal injury or property damage covered under Sections 1, 2, 3 and 4 of this Policy, arising from radio isotopes or radium compounds when used incidentally in the ordinary course of your farm business.

5. Internet operations

- (a) your internet operations.

6. Penalties

- (a) for fines, penalties, or cost of actions imposed on you due to the application of government legislation or order of a court of law;
- (b) for punitive, exemplary, or aggravated damages; or
- (c) for any additional damages resulting from the multiplication of compensatory damages against you.

7. Watercraft

- (a) the use, ownership, possession, manufacture, repair of any watercraft which exceeds 8 metres in length, or the fitting, installing or repair of any equipment on or belonging to any watercraft which exceeds 8 metres in length.

General conditions

There are conditions set out in this General conditions section, in the Claims section and under each particular cover and section. If any of these conditions aren't met, we may refuse a claim, reduce the amount we pay or in some circumstances we may cancel your Policy. When making a claim, you must have met and then continue to comply with the conditions of your Policy. Any person covered by your Policy, or claiming under it, must also comply with these conditions.

If you, or someone covered under your Policy, don't meet these conditions or make a fraudulent claim we may:

- Refuse to pay your claim or reduce what we pay for your claim
- Cancel your Policy.

Assistance and co-operation

At all times when you deal with us you must:

- Provide us with all reasonable assistance we may need
- Be truthful and frank
- Not behave in a way that's abusive, dangerous, hostile, improper or threatening
- Co-operate fully with us, even after we've paid a claim.

Adjustment of premium on renewal

If a claim occurs in the previous period of insurance and you do not notify us until after the premium for the current period of insurance was calculated, then you must pay any additional premium that would have been calculated had you told us about the claim on the day that the claim occurred. This condition does not affect any other rights that we have, including the rights that we have under your duty of disclosure.

Alteration

Unless our written consent is obtained, we will not cover loss, damage or liability caused or contributed to by any alteration after the commencement of this Policy:

1. in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
2. whereby your interest ceases by will or operation of law;
3. whereby the farm business is wound up or carried on by an insolvency practitioner or permanently discontinued.

If you alter the risk in any of these ways we may cancel your Policy.

Automatic reinstatement

After we have admitted liability for loss or damage (other than for the total loss of a risk or item listed on your Policy Schedule, or for claims in respect of products liability under section 8), we automatically reinstate the sum insured to the amount shown in your Policy Schedule at the time of loss unless:

1. you request otherwise; or
2. we tell you otherwise; or
3. we state otherwise in the relevant section.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

Care and maintenance

If you do not take reasonable care to:

- protect and maintain the property insured
- prevent damage or injury to others or their property
- minimise the cost of any claim under this Policy, or
- comply with all statutory obligations and by-laws or regulations relating to the safety of person or property

we will not pay for loss, damage, liability or injury to which this failure to take reasonable care contributes.

Changes to your circumstances

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury.

Examples include:

- you no longer are the owner occupier of the home, because you now let the home to tenants or use the home as a holiday home;
- you are having renovations undertaken;
- your home or your farm is left vacant or unoccupied for a period exceeding 100 days;
- your home or your farm falls into a state of disrepair;
- your home or your farm is opened up to the public for an exhibition or similar event (including if it is not for reward);
- you modify your motor vehicle and increase its top speed or performance;
- the main driver of your motor vehicle changes;
- the use of your motor vehicle changes;
- there is any significant change in the condition or use of your boat.

When you tell us of any changes to your Policy we will issue you with a revised Policy Schedule and you may be asked to pay additional premium.

If you fail to tell us of all changes, unfortunately, your Policy may not provide the cover you need and we may not pay part or all of a claim.

Excess

An excess is the amount you may be required to pay if you have a claim. The excesses you may be required to pay are set out in your Policy and Policy Schedule.

You may be able to reduce the excess you pay in the event of a claim by paying a higher premium, or if you elect to pay a higher excess in the event of a claim, your premium may be lower. Please discuss these options with your financial services provider.

Other interests

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

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

Other party's interests

You must tell us of the interest of all parties (eg financiers, lessors or owners) who'll be covered by your Policy. We'll protect their interests only if you've told us about them and we've noted them on your Policy Schedule.

Your obligations

You must:

1. maintain all property, fittings, appliances and equipment in sound condition;
2. obtain certificates of inspection for all equipment required by any statute or regulation to be so certified.

Claims

This section describes what you must do, as well as conditions that apply when you make a claim and at the time loss or damage occurs which is likely to give rise to a claim.

Please contact your broker or agent to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have advised us beforehand and we have accepted our claim.

What you must do

You must follow these procedures if something happens which causes loss or damage or injury which may lead to a claim. If you do not, we may refuse your claim or reduce the amount we pay you.

1. When loss or damage occurs

You must:

- (a) take all reasonable steps to reduce the loss or damage and to prevent further damage;
- (b) immediately make a full report to the Police if:
 - (i) you know or suspect that property has been stolen;
 - (ii) someone has broken into your premises; or
 - (iii) someone has caused malicious damage to your property.
- (c) not make any admission of liability, offer, promise or payment in connection with any event;
- (d) promptly inform us by telephone or in person;
- (e) preserve any damaged property and make it available for inspection by our representative or agent (including a loss adjuster); and
- (f) not authorise the repair or replacement of anything without our agreement.

2. If you want to make a claim

You must:

- (a) fill in our claim form if we require you to do so;
- (b) return it to us within 30 days of the event that gave rise to the claim;
- (c) give us all the information and documentation which we request. If we ask for it, you must provide us with a statutory declaration verifying the truth of your claim and any matters connected with it; and
- (d) immediately send us any court document or other communication you receive about the claim. Do not take any action yourself or ask anyone else to do so on your behalf.

3. Proceedings and negotiations

- (a) We control all claims.
- (b) We require that you give us all information and assistance we may need:
 - (i) to settle or defend claims; or
 - (ii) to recover from others any amount we have paid for a claim.
- (c) You must allow us to:
 - (i) make admissions, settle or defend claims on your behalf; and
 - (ii) take legal action in your name against another person to recover any payment we have made on a claim.

We may keep any amount we recover in priority to your right to recover any amount that you have lost which is not insured under this Policy, whether or not we have paid your claim in whole or in part.

4. Discharge of our liabilities

At any time we can pay to you or on your behalf, for all claims made against you for any one occurrence:

- (a) the limit of liability of the section under which the claim is made, after deducting any amounts already paid; or
- (b) any lower sum for which the claim may be settled.

If we do so the conduct of any outstanding claim(s) will become your responsibility.

We will not be liable to pay any further amounts other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

5. Limits and excess

- (a) We will not pay more than the sum insured in respect of any claim other than those benefits that are identified as payable in addition to the sum insured, or unless we agree in writing to pay legal costs or expenses in relation to a claim.
- (b) You must pay the amount of any excess shown in your Policy Schedule for each claim you make. Payment of your excess may be requested when you lodge your claim or may be deducted from our payment to you.
- (c) If you suffer damage which leads to a claim under more than one section of this Policy:
 - (i) the highest applicable excess is payable; but
 - (ii) only one excess is payable (other than Section 14 - Equine).

6. Inspection

You must give us access to your property at the address or make them available to us for inspection if you make a claim.

Contribution

If at the time of any loss, damage or liability there's any other insurance (whether effected by you or by any other person) which covers the same loss, damage or liability you must provide us with any reasonable assistance we require to make a claim for contribution from any other insurer(s).

Other insurance

You must notify us of any other insurance which will or may, whether in whole or in part, cover any loss insured under your Policy.

Policy comes to an end following a total loss

If we declare your home, contents, motor vehicle, boat, or farm property a total loss and agree to pay your claim, then insurance for the lost or damaged item(s) will come to an end and you will not be entitled to make any further claim under this Policy in relation to the item(s) and:

1. where the premium has been paid in full for the period of insurance there will be no refund of any premium in relation to the item(s); or
2. where the premium is paid by instalments, we are entitled to deduct from any claim paid or payable, the balance of the unpaid premium or instalments of premium in relation to the item(s).

Preventing our right of recovery

If you've agreed not to seek compensation from any person liable to compensate you for loss, damage or liability covered by your Policy, we won't cover you for that loss, damage or liability.

Providing proof

You must be able to prove to us you've suffered a loss covered by your Policy before we'll pay you for it. We may ask you for this proof if you make a claim under your Policy. So your claim can be assessed quickly, make sure you keep the following:

- receipts of purchase or proof of the value of all property insured by this Policy.

Recovery action & uninsured loss

If you've suffered loss that wasn't covered by your Policy as a result of the incident, we may offer to attempt to recover this. You may also specifically ask us to recover this for you. You'll need to give us documents supporting your loss. Before we include any uninsured loss in the recovery action we'll also ask you to agree to the basis on which we'll handle your recovery action. You may need to contribute to legal costs in some circumstances.

Salvage

We're entitled to obtain and retain any items or materials salvaged or recovered after you make, and we agree, to pay a claim by replacing or paying to replace any items or materials. We may sell the items or materials and keep the proceeds. We may choose to sell the items or materials to you, provided you agree to pay market price.

Subrogation

We may at any time, at our expense and in your name, use all legal means available to you of securing reimbursement for loss or damage arising under your Policy. In the event we do so, you agree to give all reasonable assistance for that purpose.

If we don't take possession of the damaged property, you can't abandon your responsibilities for the property.

Taxation implications

If you're a business you must tell us if you're registered, or are required to be registered, for GST. When you do this, we need you to give us:

- Your ABN
- The percentage of any input tax credit you will claim, or will be entitled to claim, on your premium.

When we pay a claim, your GST status will determine the amount we pay you. Your claim settlement amount will be adjusted to allow for any ITC entitlement.

Unless we say otherwise, all amounts in your Policy are inclusive of GST. There may be other taxation implications affecting you, depending upon your own circumstances. We recommend you seek professional advice.

Other terms

These other terms apply to how your Policy operates.

Cancelling your Policy

You can cancel your Policy at any time by telling us. If there are other people named as insured on your Policy, we only need a request to cancel it from one of you.

We may cancel your Policy in any of the circumstances permitted by law (eg failure to pay the premium by the due date) by informing you in writing.

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

If you've paid your premium in advance, we'll refund you the proportion of the premium for the remaining period of insurance, less any administration fees.

Changing your Policy

Changes to this Policy only become effective when we agree to them and send you a new Policy Schedule detailing the change.

Joint and co-insureds

If more than one person is insured under your Policy, we'll treat a statement, act, omission, claim, request or direction by that person as having been made by all insured.

We only need a request from one person insured to cancel or change your Policy.

Jurisdiction

This Policy will be governed and construed in accordance with the laws of the State or Territory in Australia in which your registered address is located. You agree to submit the non-exclusive jurisdiction of the courts of that State or Territory.

Notices

Any notice we give you will be in writing, and will be effective once it's delivered to you personally or to your last known address (including when it's an electronic one).

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

