

# Accidental Damage

**QBE Insurance (Australia) Limited**

Product disclosure statement and  
Home insurance product policy





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## CONTENTS

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<b>Introduction</b>	<b>3</b>
<b>About this booklet</b>	<b>3</b>
Updating our PDS	3
About QBE Australia	4
About Steadfast Group Limited	4
<b>Important information</b>	<b>5</b>
<b>Duty of disclosure</b>	<b>5</b>
<b>Privacy promise</b>	<b>7</b>
<b>The cost of this Policy</b>	<b>8</b>
<b>Keep receipts</b>	<b>9</b>
<b>How to make a claim</b>	<b>9</b>
<b>The General Insurance Code of Practice</b>	<b>9</b>
<b>Cooling off information</b>	<b>9</b>
<b>Dispute resolution</b>	<b>10</b>
<b>Financial claims scheme</b>	<b>10</b>
<b>Policy Wording</b>	<b>11</b>
<b>Our agreement with you</b>	<b>11</b>
<b>Your Policy</b>	<b>11</b>
<b>Paying your premium</b>	<b>11</b>
<b>Preventing our right of recovery</b>	<b>12</b>
<b>Other party's interests</b>	<b>12</b>
<b>Providing proof</b>	<b>13</b>
<b>A claim may be refused</b>	<b>13</b>
<b>Changing your policy</b>	<b>13</b>
<b>Cancelling your policy</b>	<b>13</b>
<b>Words with special meaning</b>	<b>14</b>
<b>Section 1: Buildings and contents</b>	<b>16</b>
Accidental damage cover	16
What is covered	16
What we will not pay for	16
Additional things we will pay for when you have insured your buildings	17
Additional things we will pay for when you have insured your contents	21
Additional things we will pay for when you have insured your buildings and/or contents	24

What are your buildings	26
What are not your buildings	26
What are your contents	26
What are not your contents	28
Moving your contents to a new situation	28
Cover for your contents away from your situation	28
<b>Your liability cover</b>	<b>29</b>
What you are covered for	29
Limit of your liability cover	31
<b>Additional benefits - Liability</b>	<b>31</b>
What you are not insured against	33
<b>Strata title mortgage protection</b>	<b>35</b>
<b>Section 2: Options you can choose for an additional premium</b>	<b>36</b>
Valuable items	36
What are valuable items	36
What are not valuable items	36
When we will pay	36
When we will not pay	36
How we pay a claim for a valuable item	37
Limit for valuable items	37
<b>What Section 1 and Section 2 of the Policy do not cover</b>	<b>38</b>
Additional exclusions	39
<b>Section 3</b>	<b>40</b>
Workers' compensation	40
<b>Claims</b>	<b>41</b>
Excesses that apply when you make a claim	41
The most we will pay for your buildings or your contents	41
How we pay a claim for your buildings	42
How we pay a claim for your contents	43
<b>How to make a claim</b>	<b>44</b>
What you must do when you make a claim	44
What you must not do when you make a claim	44
You give us your rights to claim from anyone else	45
<b>General conditions</b>	<b>46</b>
Other interests	46
Unoccupancy	46
What you are required to do for us	46
How the Goods and Services Tax affects your claim	46
The law that applies to this Policy	47

## Introduction

We understand how important it is to be comfortable with your cover so we are glad you chose QBE to take care of your insurance. As the largest Australian owned general insurer and reinsurer, we have been taking care of the insurance needs of Australians since 1886. Safe, strong and secure, you can be confident you've made a great choice.

Inside, you will find the information you need to know about your Policy. We explain what your Policy covers, information about discounts and excesses and importantly, how to make a claim. Remember, whether you call us for a quote, or to report a claim, or to change your details, you can rely on our friendly team to help you.

Please take the time to read through this booklet and if you have any questions or need more information, please contact your financial services provider.

Thank you for making QBE your first choice.

## About this booklet

This booklet is a Product Disclosure Statement (PDS) and is also the Policy Wording. Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

This booklet has two (2) parts: Important Information to help you understand the insurance, and the Policy Wording, which sets out terms and condition of the cover provided. It is up to you to choose the cover you need. Any advice in this booklet is general in nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it is right for you.

## Updating our PDS

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

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## About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide insurance solutions that are focused on the needs of policyholders.

QBE is a respected name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

## About Steadfast Group Limited

Steadfast Group Limited (Steadfast) is a public company. It includes a large network of insurance brokerages who operate in Australia as Steadfast Brokers. This policy is available exclusively to you through a Steadfast Broker.

Steadfast Group Limited does not issue, guarantee or underwrite this Policy.

### **Important information about Steadfast's advice**

Any advice Steadfast gives about this Policy does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on Steadfast's advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decisions about whether to acquire this Policy we recommend you read this PDS.

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## Important information

The information provided in this section includes high level information about the options in cover you can choose from, as well as factors that affect the cost, our dispute resolution process, your duty of disclosure, cooling off rights, how to make a claim and other relevant information.

The Policy Wording section sets out the detailed terms, conditions and exclusions relating to the insurance.

If we issue you with a Policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Wording.

The Policy Wording and Policy Schedule form your legal contract with us so please keep them in a safe place for future reference. You should check the Policy or Renewal Schedule when you receive it to ensure it accurately states what you have insured.

If you require further assistance or information about this product, please contact your financial services provider.

## Duty of disclosure

### New business

#### What you must tell us

When answering our questions, you must be honest and you have a duty under the law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under this insurance and on what terms.

#### Who needs to tell us

It is important that you understand you are answering our questions in this way for yourself and anyone else who is an insured under this insurance.

#### If you do not tell us

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel your insurance. If you answer our questions fraudulently, we may refuse to pay a claim and treat the insurance as never having worked.

### Renewals, variations, extensions and reinstatements

Once your insurance is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your insurance, to tell us everything you know and that a reasonable person in the circumstances could be expected to

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know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under this insurance, and if so, on what terms.

You do not have to tell us about any matter:

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

## **Non-disclosure**

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

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

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

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

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

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

For example, we may be entitled to:

- charge you an additional premium;
- impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
- decline to insure your building, contents or valuables;
- refuse a claim.

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

- claims;
- insurance; or
- criminal history.

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

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## Privacy promise

All companies in the QBE Group are committed to safeguarding your privacy and the confidentiality of your personal information. QBE collects only that personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claim made by you. QBE will only use and disclose your personal information for a purpose you would reasonably expect. We will request your consent for any other purpose.

Without this personal information we may not be able to issue insurance cover, administer your insurance or process your claim. Our aim is to always have accurate and up-to-date information. When you receive a Policy Schedule, Certificate of Insurance, Renewal or other document from us, you should contact us if the information is not correct.

QBE uses the services of a related company located in the Philippines to provide Call Centre sales and claims handling, accounting and administration services to QBE in Australia.

QBE or our authorised agent may collect or disclose your personal information from or to:

- any person authorised by you;
  - a mail house, records management company or technology services provider (for printing and/or delivery of mail and email, including secure storage and management of our records). These companies may be located or the records stored using 'Cloud' technology overseas, including in India, Ireland, USA or the Netherlands;
  - a financier whose name appears on your Policy Schedule (for the purpose of confirming the currency of your Policy or when you have a claim and the insured property is a total loss, to confirm if the financier has a current interest);
  - an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transactions or confirming payments made by you to us);
  - a financial services provider or our agent who is arranging your insurance (for the purpose of confirming your personal and insurance details);
  - another person named as a co-insured on your Policy (for the purpose of confirming if full disclosure has been made to us);
  - another insurer (to obtain confirmation of your no claim bonus or to assess insurance risks or to assist with an investigation);
  - our reinsurer that may be located overseas (for the purpose of seeking recovery from them);
  - a dispute resolution organisation such as the Financial Ombudsman Service (for the purpose of resolving disputes between QBE and you or between QBE and a third party);
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- a company to conduct surveys on our behalf for the purpose of improved customer services; and
- an insurance reference bureau (to record any claims you may make upon us).

In addition to the above, in the event of a claim, QBE or our authorised agent may disclose your personal information:

- to a repairer or supplier (for the purpose of repairing or replacing your insured items);
- to an investigator, assessor (for the purpose of investigating or assessing your claim);
- to a lawyer or recovery agent (for the purpose of defending an action by a third party against you or recovering our costs including your excess or seeking a legal opinion regarding the acceptance of a claim);
- to a witness to a claim (for the purpose of obtaining a witness statement);
- to another party to a claim (for the purpose of obtaining a statement from them or seeking recovery from them or to defend an action by a third party).

Personal information (about you) may also be obtained from the above people or organisations.

In addition we will:

- give you the opportunity to find out what personal information we hold about you and when necessary, correct any errors in this information. Generally we will do this without restriction or charge; and
- provide our dispute resolution procedures to you, should you wish to complain about how we handle your personal information.

To obtain further information about our Privacy Policy or to request access to or correct your personal information, please email: [compliance.manager@qbe.com](mailto:compliance.manager@qbe.com).

To make a complaint email: [complaints@qbe.com](mailto:complaints@qbe.com).

## The cost of this Policy

The total premium is the amount we charge you for this insurance policy. It includes the amount we have calculated for the risk and the taxes and government charges applicable. The premium will be shown on the policy schedule.

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

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

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

## Keep receipts

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

## How to make a claim

Please contact your appointed financial services provider to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim. 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.

In an emergency outside normal business hours you may ring our emergency service on 1800 023 387 for assistance.

## The General Insurance Code of Practice

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

The Code aims to:

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

## Cooling off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your financial services provider electronically or in writing within twenty one (21) days from the date the Policy commenced.

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This cooling off right does not apply if you have made or are entitled to make a claim. Even after the cooling off period ends, you still have cancellation rights however your financial services provider may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention. We have a complaints and dispute resolution procedure which undertakes to provide an answer to your complaint within fifteen (15) working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist. If you are not happy with our answer, or we have taken more than fifteen (15) working days to respond, you may take your complaint to the Financial Ombudsman Service (FOS), an ASIC approved external dispute resolution body.

FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE is bound by the determination of FOS but the determination is not binding on you.

## Financial claims scheme

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

More information may be obtained from APRA - [www.apra.gov.au](http://www.apra.gov.au) or 1300 55 88 49.

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## Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney NSW 2000.

## Our agreement with you

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

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

## 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 sum insured for the various areas of cover are adequate.

If you need any further information about any part of your Policy, please ask us or your financial services provider.

## Paying your premium

You can pay your premium:

- in one (1) annual payment to your appointed financial services provider according to their business practices, or
- in monthly instalments by direct debit from your credit card or from your account with your financial institution which facility can be arranged by your financial services provider.

### Overdue premium

You must pay your premium on time otherwise your Policy may not operate.

### Paying your annual premium

You must pay your annual premium by the due date to your financial services provider. If your premium is unpaid by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

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## **Paying your instalment premium**

If you are paying your premium for the first time by instalments we will deduct instalments each month on the day of the month that you nominate as your payment date.

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

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

Details of your instalments are shown on your Policy Schedule.

If your first instalment of premium when you take out your Policy or renew it is dishonoured, this Policy will not operate and there will be no cover.

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

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

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

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

## **Preventing our right of recovery**

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

## **Other party's interests**

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

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## Providing proof

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

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

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

## A claim may be refused

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

## Changing your policy

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

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

## Cancelling your policy

### How you may cancel this policy

- You may cancel this policy at any time by telling us in writing that you want to cancel it.
- Where 'you' involves more than one person, we will only cancel the policy when a written agreement to cancel the policy is received from all persons named as the insured.

### How we may cancel your policy

- We may cancel this policy in any of the circumstances permitted by law (e.g. failure to pay the premium by the due date) by informing you in writing
- We will give you notice in person or send it to your address (including an electronic address) last known to us.

Where you have paid your premium in advance of the date you wish to cancel from, we will refund to you the proportion of the premium for the remaining period of insurance. Unless directed otherwise by all insured, the refund will be made payable to all insured.

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## Notices

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

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

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

## Words with special meaning

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

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

Words	Meanings
Your buildings	This is described under 'What are your buildings'.
Your contents	This is described under 'What are your contents'.
Excess	This is the amount of money you will pay if you have a claim. We will reduce the amount we pay you for your claim by the amount of your excess. The amount of your excess is shown on your Policy Schedule and the earthquake excess is shown under 'Excesses that apply when you make a claim'.
Flood	the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ol style="list-style-type: none"> <li>a lake (whether or not it has been altered or modified);</li> <li>a river (whether or not it has been altered or modified);</li> <li>a creek (whether or not it has been altered or modified);</li> <li>another natural watercourse (whether or not it has been altered or modified);</li> <li>a reservoir;</li> <li>a canal;</li> <li>a dam.</li> </ol>

Words	Meanings
Insured (You, your)	<p>The person whose name is set out in the Policy Schedule. The following people are also insured, as long as they normally live with the insured:</p> <ul style="list-style-type: none"> <li>• the insured's partner;</li> <li>• children of the insured;</li> <li>• children of the insured's partner;</li> <li>• the insured's parents; and</li> <li>• the insured's partner's parents.</li> </ul> <p>In this Policy all these people are called 'you' or 'your'.</p>
Occupied	<p>Your buildings are occupied if they are furnished so that they are comfortably habitable and you or someone with your consent has resided in the buildings overnight.</p>
Policy Schedule	<p>This is the most current document we give you which sets out the details of your insurance cover. You receive a Policy Schedule when you first take out your insurance and again when the Policy is renewed or changed. Your Policy Schedule may be called a Policy, renewal or endorsement schedule.</p>
Situation	<p>This is the place where the buildings and/or contents are located and is shown on your current Policy Schedule. We will show this place on all Policy Schedules we give you.</p>
Valuable items	<p>This is described under 'Valuable items' and 'What are valuable items'.</p>

## Section 1: Buildings and contents

### Accidental damage cover

#### What is covered

Your buildings and/or your contents as set out in your Policy Schedule are covered if they are destroyed, lost or damaged. They are covered only if you own them, or are liable for them.

If you only cover your buildings, the cover provided under the Policy for destruction, loss or damage does not apply to your contents.

If you only cover your contents, the cover provided under the Policy for destruction, loss or damage does not apply to your buildings.

Your buildings and your contents are covered while at your situation. Cover for your contents while away from your situation is provided subject to the conditions and limitations set out under 'Cover for your contents away from your situation'.

We will cover your buildings and your contents for accidental loss or accidental damage. There is some loss or damage we will only cover under specific conditions. This is accidental loss or accidental damage caused by:

- Landslide or subsidence. Cover only applies when the landslide or subsidence occurs within seventy two 72 hours after a direct result of one (1) of the following:
  - Storm, flood, tsunami, rainwater, hail, snow or wind.
  - Explosion.
  - Earthquake.
  - Liquid that escapes from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank apparatus or a drain.

This cover also applies to gates, fences or retaining walls that are entirely or partly at the situation.

- Burning out of an electric motor. If an electric motor burns out, we will repair, reinstate or replace it. We decide which one we will do. We will only do this if the electric motor is fifteen (15) years old or less.

#### What we will not pay for

We will not cover your buildings and your contents for any accidental loss or accidental damage caused by:

- Landslide or subsidence, except as described in this Policy.
  - Settling, shrinkage or any movement of earth.
  - Erosion.
  - Water entering your buildings:
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- through an opening made for any building, renovation or repair work,
- because of a structural defect, faulty design or faulty workmanship when your buildings were constructed.
- Rust, corrosion, gradual deterioration, depreciation, wear or tear.
- Rats, mice or insects.
- Roots from trees, plants, shrubs or grass.

However, this exclusion applies only to damage caused directly by roots. For example, if tree roots damage and block a pipe, we will pay for the resultant damage to the building caused by water overflowing in the building. We will not pay for the damage to the pipe.

- Any process of cleaning involving the use of chemicals other than domestic household chemicals.
- A defect in an item, faulty workmanship, structural defects or faulty design.
- Malicious damage or vandalism by a tenant.
- Theft by a tenant.
- Deliberate or intentional acts by a tenant.
- Mechanical or electrical breakdown other than an electric motor burning out, except for resultant loss or damage to your buildings or contents.

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

If you have cover for your buildings, the following will be paid in addition to the sum insured as listed on your Policy Schedule.

We will pay these costs when they relate to loss or damage caused by or arising from accidental loss or accidental damage that is covered by this Policy:

- If you are unable to live in your buildings after loss or damage has occurred:
  - we will pay for you to rent another property.
  - we will pay an amount equal to the amount that your buildings could have been rented out for each week if the loss or damage had not occurred.
  - we will also pay the costs of alternative accommodation for your pets, and additional living expenses up to \$1,000.

The most we will pay for these costs is 20% of your buildings sum insured, as listed on your Policy Schedule.

We will only pay these costs if your buildings are unable to be lived in after loss or damage has occurred. We will reduce the amount we pay you, or stop paying you, if:

- you receive any payment for rent from another source, or

- you do not need to rent another property, or
- you are able to live in your buildings.

If your building is so damaged that it cannot be lived in by tenants, we will pay up to 20% of the sum insured for your building, for loss of rent or rentable value if the home is tenanted or is between tenants at the time the loss or damage occurred.

### **Forced evacuation by government authority**

If this Policy insures the building that you let to tenants, and if your building cannot be lived in because a government authority prohibits you from using it, we pay any resultant rent lost. We pay up to a maximum of 20% of the sum insured for your home for loss of rent or rentable value if the home is tenanted or is between tenants at the time the loss or damage occurred. The prohibition must be as a direct result of damage to neighbouring premises that would be classed as insured damage under this Policy. 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 do not pay for:

- (a) loss of rent if the home has been untenanted for sixty (60) consecutive days immediately before the loss,
- (b) any rent lost outside the period of untenantability,
- (c) any rent lost later than twelve (12) months after the damage occurs.

- We will pay to make modifications to your buildings if you are injured as a result of loss or damage to your buildings. We will only pay for modifications if the injury results in permanent paraplegia or permanent quadriplegia and the modifications are required for you to continue to live at the situation. The most we will pay is \$25,000.
  - If any trees, plants, shrubs or lawns are damaged by accidental damage that is insured by this Policy, other than storm or flood, we will pay to replace the trees, plants, shrubs or lawns. We will not pay for damage caused by a weather-related event.
  - We will pay your legal costs to discharge your mortgage if your claim is for a total loss.
  - We will pay to replace the Certificate of Title to your situation if it is destroyed or damaged.
  - We will pay the reasonable costs of demolishing, removing and disposing of any buildings debris when damage or loss occurs.
  - We will pay the reasonable costs of architects, surveyors and engineers and also pay any legal fees that arise from reinstating your buildings when loss or damage occurs.
  - If a key to an external door lock of your buildings or a key to an external window lock of your buildings, is stolen, lost or you have reason to believe that they have been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item. We decide which one we will do.
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- If we agree to pay you for loss or damage to your buildings, we will increase your sum insured for your buildings by half of 1% of the sum insured shown on your current Policy Schedule per month since you took out your Policy or last renewed it until the next renewal date.
- You are fully insured again for your buildings for the amount shown in your Policy Schedule following a claim unless your claim is for a total loss. If your claim is for a total loss and we pay you the sum insured, then the cover for your buildings will end, however liability cover will remain in force until the expiry date of the Policy. However, liability cover in relation to your buildings formerly occupied by you will continue until the earliest of:
  - (i) any construction commencing at the situation,
  - (ii) the sale of the situation or any part of it,
  - (iii) another Policy that includes liability cover being taken out in relation to the situation,
  - (iv) the commencement of construction of a building to replace the insured building at another situation, or
  - (v) six (6) months from the date of the damage that caused the total loss,

if your Policy expires before all of the above (i) to (v) occurring.

- We will pay the costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing the buildings at the situation. We will not pay any costs which resulted from any notice which a statutory authority served on you before loss or damage to your buildings occurred. The most we will pay in any one (1) period of insurance is \$25,000.
- If you have cover for your buildings and you have entered a contract to sell your home, we will extend your building's cover under the Policy to the purchaser from when the purchaser becomes liable for any damage to the home until the contract is settled or terminated, or until the purchaser insures the home, whichever happens first.

### **Building materials**

- If this Policy insures your building, which is your primary residence, we will pay up to \$2,000 in any one (1) period of insurance if your unfixed building materials are lost or damaged at the situation 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 building at the situation. (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 part of the building where those items are not visible from the outside of the building.

## **Environmental benefit - Applicable only when you have buildings cover**

- If your buildings has been totally destroyed by an insured event and we have agreed to rebuild your buildings, we will pay up to a maximum of \$5,000 of the cost to you, after deduction of any rebate you are eligible for under any government or council rebate scheme, to install any combination of the following:
  - Rainwater tank;
  - solar power systems - including solar hot water or photo-voltaic (PV) power or hot water heat exchange or grey water recycling.

### **A rainwater tank facility includes:**

- a rainwater tank;
- water pump and wiring;
- foundation or tank stand;
- pipes connecting the roof to the tank; and
- installation costs.

### **A solar power system includes:**

- solar or PV panels;
- water tank, pump;
- electrical wiring;
- foundation or tank stand;
- pipes connecting the roof solar panels to the tank; and
- installation costs.

### **A hot water heat exchange system includes:**

- heat exchange system;
- electrical wiring;
- foundation or tank stand;
- water pipes; and
- installation costs.

### **A grey water recycling system includes:**

- recycling system;
- distribution pipes and connectors;
- outlet housings; and
- installation costs.

Any payment we make under this benefit will be in addition to any amount we pay on a buildings claim.

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

If you have cover for your contents, the following will be paid in addition to the sum insured as listed on your Policy Schedule. We will pay these costs when they relate to loss or damage caused by or arising from accidental loss or accidental damage that is covered by this Policy.

- If any of your credit, debit or stored value cards are fraudulently used after they are lost or stolen or are fraudulently used on the Internet, we will pay up to \$7,500 in total to the financial institutions that issued them. We will only pay if you complied with the terms on which the credit cards were issued.
  - We will pay the reasonable costs of alternative accommodation and additional living expenses up to \$1,000. The most we will pay for these costs is the greater of \$20,000 or 20% of your contents sum insured, as listed on your Policy Schedule. We will only pay for these costs when, and only for the period for which, you are unable to live at your situation after loss or damage has occurred. We will reduce the amount we pay you, or stop paying you, if:
    - We pay you for rent following damage to your buildings.
    - You receive any payment for rent or accommodation from another source.
    - You do not need to pay for alternative accommodation.
  - If you are unable to live at your situation after loss or damage has occurred, we will pay the reasonable costs to remove and store your contents while your situation is being repaired. We will pay this for up to twelve (12) months. We will also cover your contents while they are in storage. We will only pay for this when you are unable to live at your situation.
  - If guests, employees, exchange students or visitors to your situation bring their own contents with them, we will regard those contents as belonging to you. The most we will pay is \$5,000 if these contents are lost or damaged. This cover is subject to the list of contents items and limits shown under 'What are your contents'. We will not pay if these contents are already insured under another policy by someone other than you.
  - If money or negotiable instruments belonging to guests, employees, exchange students or visitors are lost or damaged, we will regard that money or negotiable instruments as belonging to you. The most we will pay is \$1,500. We will not pay if the money or negotiable instruments are already insured under another policy by someone other than you.
  - We will cover your contents for loss or damage while they are in a commercial storage facility in Australia up to the total contents sum insured, as listed on your Policy Schedule. However, we will not cover jewellery, money or negotiable instruments. You must tell us that your contents are in a commercial storage facility before they are put into storage and we must have agreed to cover them.
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If we agree to cover your contents in a commercial storage facility, it will be listed on your Policy Schedule.

- We will cover your contents for loss or damage while they are being transported by a vehicle to your new situation, or to a commercial storage facility within Australia, up to the contents sum insured as shown on your Policy Schedule, during your period of insurance.

We will only cover your contents if there is a theft following violent or forcible entry, or loss or damage occurs as a result of fire, flood, collision or overturning of the vehicle that is transporting your contents.

We will not cover loss or damage:

- To glassware, crystal, crockery mirrors or china, or
- Caused by denting, scratching, chipping or bruising.
- If a key to an external door lock of your buildings, or a key to an external window lock of your buildings, is stolen or lost, or you have reason to believe that they have been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item. We decide which one we will do.
- We will pay the reasonable costs of removing any contents debris when damage or loss occurs.
- We will pay the reasonable costs you have to pay a security firm to attend your situation in response to your monitored burglar alarm system. We will only pay these costs when there is:
  - A burglary.
  - An attempted burglary.

We will not pay these costs when there is:

- A false alarm.
- No evidence of an attempted burglary.

The most we will pay is \$2,500.

- If we agree to pay you for loss or damage to your contents, we will increase your sum insured for your contents by half of 1% of the sum insured shown on your current Policy Schedule per month since you took out your Policy or last renewed it until the next renewal date.
- We will pay to reinstate, reproduce or restore your documents if they are damaged while contained at the situation or in a bank vault. This includes the information contained on the documents.
- You are fully insured again for your contents for the amount shown in your Policy Schedule following a claim unless your claim is for a total loss. If your claim is for a total loss and we pay you the sum insured then the cover for your contents will end.

However, if your claim is for a total loss and we pay you the sum insured then temporary cover for your contents will be reinstated for a sum insured of \$5,000 to provide cover for

replaced contents. This temporary cover for your replaced contents will end three (3) months from the date of damage that caused the total loss.

## Identity fraud

If this Policy insures your contents in your primary residence and your identity is stolen by someone knowingly using your personal details without lawful authority, for fraudulent use and/or financial gain, we will pay up to \$5,000 per period of insurance for your costs and expenses incurred to restore your identity from its unauthorised use. Our liability under this additional benefit is limited to:

- Legal expenses for defence against a business or its collection agency from which goods or services have been purchased fraudulently.
- Legal expenses for removal of any wrongfully recorded civil or criminal prosecutions or to challenge consequent incorrect information available on your consumer credit report.
- Loss of wages up to \$2,000 per week, up to \$5,000 in total; that would have been earned but were not, solely because it was necessary for you to rectify records in relation to your true name or identity.
- Loan application fees incurred as a result of re-applying for loans because you have been allotted incorrect credit information due to fraud.
- Costs for notarising affidavits, telephone calls and certified mail expenses to law enforcement and/or financial institutions.
- Reasonable legal fees and court costs, if incurred with our approval.

We will not pay any claim where the identity theft is caused by:

- you or your collusion;
- your family or their collusion;
- an ex-partner;
- someone who normally lives with you;

arises out of:

- you or your family committing an illegal or dishonest act;
- you breaching any security requirements or conditions imposed by any financial institution, such as in relation to your password or personal identification number or personal access number;
- business interruption in relation to any business.

Claims are only payable under this additional benefit if:

- you are an Australian resident;
  - the identity fraud occurs within Australia; and
  - all losses and expenses are incurred within Australia.
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We do not repay any loans or other amounts fraudulently procured in your name. We do not pay any fines or for any infringements or penalties imposed. We do not pay any costs that are or could be reimbursed from another party, for example, a financial institution.

### **Environmental benefit - Applicable only when you have Contents cover**

- If the claim relates to replacement of lost or damaged refrigerators, freezers, washing machines, clothes dryers and dishwashers, with less than a 3 star energy rating, we will replace these items with items that have a minimum 3 star energy rating.

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

If you have cover for your buildings or contents, or both, the following will be paid in addition to the sum insured. If you have insured your buildings and contents, we will only pay once for an event.

- We will pay the professional costs for the removal of tree stumps, fallen trees and branches and the associated disposal costs necessarily incurred in order to repair or replace insured damage caused to your buildings and contents by storm damage that we have agreed to cover. We will also pay for the removal of trees and branches from the situation if they have caused damage to landscaped gardens. We will also pay up to \$5,000 for each claim for the costs for removal and disposal of fallen trees and tree stumps incurred as a result of storm but we will not pay unless the costs exceed \$500.
  - We will pay for the fees that you must pay to an accountant when your personal financial affairs are audited by the Federal Commissioner of Taxation. You must advise us of any such audit prior to the fees being incurred. The most we will pay during any one (1) period of insurance is \$5,000. We will not pay claims for:
    - Any audit that relates to a criminal prosecution.
    - Fees where the final assessment of your taxable income for the period being audited is 20%, or more, higher than your original declaration.
    - Fees for work performed outside the time limits allowed by the Federal Commissioner of Taxation.
    - Any fines, penalties or adjustments of taxation.
  - We will pay up to \$1,250 for veterinary expenses if your pet is injured or killed as a result of a road accident, fire, lightning, earthquake, burglary or attempted burglary.
  - We will pay reasonable expenses to protect your buildings or contents from further damage following insured damage we have agreed to cover.
  - We will pay up to \$500 for the reasonable costs you have to pay the fire brigade or a similar authorised organisation to attend and protect your buildings or contents against an actual fire or other emergency.
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- If you cannot live at the situation because a government authority denies you access, we will pay any increase in your living expenses that is necessary and reasonable to maintain your normal standard of living for up to sixty (60) days. Denial must be as a direct result of damage to neighbouring premises that would be classed as insured damage under this Policy. We will not cover loss due to cancellation of a lease or agreement.
- If you or a member of your family normally living with you:
  - dies, or
  - suffers paraplegia, quadriplegia or permanent total disablement,

as a direct result of a physical injury caused by an accident within the buildings at the situation, we will pay \$15,000 to either:

- the Estate of the deceased person, or
- the person who suffered paraplegia, quadriplegia or permanent total disablement.

The most we will pay for all claims in any one (1) period of insurance is \$15,000 in total.

- If you or a member of your family requires counselling as a direct result of fire or theft at the situation, we will pay you up to \$1,000 for each claim for counselling. The most we will pay is \$1,000. We do not insure you or your family for any payment that would contravene any legislation, including but not limited to, the *National Health Act (1953)*.
- We will pay legal costs and expenses you are liable to pay following legal proceedings brought by you, or against you, in Australia. You must advise us of any legal proceedings brought by you, or against you. We will only pay claims notified to us during the period of insurance shown on your current Policy Schedule. We will only pay the legal costs and expenses incurred with our prior written consent. The most we will pay during any one (1) period of insurance is \$5,000.

We will not pay legal costs and expenses relating to:

- Spouse or partner disputes including, but not limited to, divorce, child maintenance, or custody and property disputes.
  - Claims for death, bodily injury to, or disease of, any person.
  - Claims where cover is available under a standard form of motor vehicle, house owners or householders, motorcycle, caravan or boat insurance.
  - Any criminal charge or prosecution brought against you.
  - Any alleged or actual road traffic offence or boating offence committed by you.
  - Any matter arising out of your business or profession.
  - Any matter arising out of an incident where there is insurance required by law that provides cover for your liability, or it was available to you, and you did not take it out.
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- Any award of damages made against you.
- Any penalties, fines or awards of aggravated, exemplary or punitive damages made against you.

## What are your buildings

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

## What are not your buildings

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

## What are your contents

- Household goods that are not used for earning income.
  - Goods that you use for earning your income while they are at your situation. You would normally receive a taxation deduction for these. We will pay up to \$7,500 in total for these items. This does not include office and surgery equipment.
  - Office and surgery equipment that you use for earning your income while it is at your situation. You would normally receive a taxation deduction for these.
  - Carpets, curtains and internal blinds.
  - Furniture and furnishings that are not built in.
  - Portable domestic appliances that are not built in.
  - Swimming pools, saunas and spas that are not permanently installed.
  - Accessories for any swimming pools, saunas or spas.
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- Clothing and personal effects.
- In relation to the following three (3) items:
  - Jewellery and watches.
  - Items that contain gold or silver (this does not include items thinly covered with gold or silver).
  - Collections of stamps, money or medals,

we will pay up to 25% in total of the contents sum insured listed on your Policy Schedule for the above three (3) items. The most we will pay for any one (1) item, pair, set or collection of valuable items is \$10,000.

You can increase the maximum amount that we will pay for these three (3) items by specifying them as contents or increase the maximum amount that we will pay for these three (3) items and obtain cover away from the situation by insuring these items under 'Specified valuables' under 'Section 2'.

- Items thinly covered with gold or silver that is not jewellery or watches.
  - Paintings and prints, tapestries, Persian or similar rugs, antiques and any other works of art.
  - Projectors and screens.
  - Equipment for developing and enlarging photographs.
  - Processed film, slides and prints. We will only pay the value of these items as unprocessed material, and the cost of processing them. However, if they were processed when you purchased them, we will pay the cost of replacement. We will not pay the costs of recreating any event.
  - Tapes, cassettes, cartridges and discs, including computer software. We will only pay the value of these items when blank, unless they were prerecorded when you purchased them.
  - Data stored on any computer, computer disk or computer tape (including the cost of restoring the data). We will pay up to \$2,000 in total for this.
  - Money and negotiable instruments. We will pay up to \$1,500 in total for these.
  - Accessories, spare parts for the following:
    - motor vehicles, motorcycles, caravans, trailers, watercraft and golf buggies, ride-on mowers, mobility scooters, wheelchairs, surfboards, sailboards, surf skis and canoes.

We will not pay if the accessories and spare parts are in, or on, motor vehicles, motorcycles, mini-bikes, caravans, trailers or watercraft. We will pay up to \$2,000 per item and \$4,000 in total for these items.
  - Landlords' fixtures and fittings that you are liable for under the terms of a rental agreement. We will not cover these fixtures and fittings if the body corporate has insured them.
  - Fixtures and fittings that you have installed for your own use if you are a tenant, or your fixtures and fittings if you are the owner of a strata title unit. We will not cover these fixtures and fittings if the body corporate has insured them.
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- Watercraft no more than four (4) metres long and which do not require registration under State or Territory legislation.
- Motorised golf buggies, ride-on mowers, wheelchairs and motorcycles up to 125cc engine capacity and which do not require registration.
- Surfboards, sailboards, surf skis, kayaks and canoes.
- Special contents which are listed on your Policy Schedule.

## What are not your contents

- Unset precious and semi-precious stones.
- Plants and trees growing outdoors. This does not include plants and trees growing in pots or tubs.
- Animals, including birds and fish.
- Pedal cycles while they are in use for competitive racing or pace-making.
- Equipment for taking photographs, including accessories and unprocessed film while they are being used to earn an income.
- Sporting equipment while it is being used.
- Motorcycles requiring registration.
- Motor vehicles, motorcycles exceeding 125cc engine capacity, motorised go-karts, caravans, trailers or aircraft other than model or toy aircraft.
- Motorcycles while they are used for competitive racing or pace-making.
- Watercraft more than four (4) metres long.
- Watercraft less than four (4) metres long that require registration under State or Territory legislation.
- Personal water craft (for example, jet-skis).

## Moving your contents to a new situation

If you are moving permanently to a new situation within Australia, we will cover your contents at the situation shown on your Policy Schedule and at your new situation. The most we will pay in total is the sum insured shown on your Policy Schedule. We will only cover your contents at your new situation for forty five (45) days. This cover will commence from when you first start to move your contents to your new situation. We do not provide cover for your contents while they are being moved unless we have agreed to cover them under 'Additional things we will pay for when you have insured your contents'. You must tell us that you are permanently moving your contents to a new situation within forty five (45) days from the day you first start to move.

## Cover for your contents away from your situation

Your contents are covered while they are away from your situation anywhere in Australia or New Zealand whilst temporarily removed, or in the rest of the world for up to 100 consecutive days.

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Your contents are not covered if they:

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

The following contents items are not covered while away from your situation:

- Accessories and spare parts for the following:
  - motor vehicles, motorcycles, mini-bikes, caravans, trailers, watercraft, golf buggies, mobility scooters, ride-on mowers, wheelchairs, surfboards, surf skis and canoes if they are in a tent, vehicle, watercraft, aircraft or in the open air. Open air includes non-lockable structures and non-lockable parts of structures not at the situation.
- Goods that you use for earning your income.
- Office and surgery equipment that you use for earning your income.

## Your liability cover

### What you are covered for

- If your Policy covers your buildings, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or personal injury to, any person,
  - the loss of, or damage to, property,

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

For this liability cover only, your buildings include - land, trees, shrubs and other plant life.

- If your Policy covers your contents and you live in a rented building, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
    - the death of, or personal injury to, any person,
    - the loss of, or damage to, property,
-

resulting from an occurrence during the period of insurance arising out of the ownership of your contents or occupancy of the building. This does not include any amount you have to pay because you are the owner of your buildings.

- If your Policy covers your contents and you own part of a building that is a strata titled residence, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or personal injury to, any person,
  - the loss of, or damage to, property

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

- If your Policy covers your contents, we will cover you against any claim for compensation or expenses which you become legally liable to pay for:
  - the death of, or personal injury to, any person,
  - the loss of, or damage to, property,

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

## Definitions for your liability cover

'Personal injury' means bodily injury, shock, mental anguish or mental injury, libel, slander or defamation of character, including death.

'Personal injury' does not include the publication or utterance of a libel or slander:

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

'Bodily injury' means physical bodily harm including sickness or disease that results from it and required care, loss of services and/or resultant death.

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

An 'occurrence' includes continuous or repeated exposure to substantially the same general conditions. We regard all death, personal injury or loss or damage to property arising from one (1) original source or cause as one (1) occurrence.

## Limit of your liability cover

The most we will cover for any liability claim is \$30,000,000 for any one (1) occurrence.

We do not pay more than this amount in total under all policies we have issued to you which cover the same liability.

## Additional benefits - Liability

**If your Policy covers your buildings or contents, or both, at your primary residence your liability cover includes the following additional benefits:**

### Defence costs

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

### Expenses incurred in attending court

In addition to the limit of your liability cover, we will reimburse you for reasonable expenses incurred in attending court in relation to a liability claim covered by this Policy at our request up to \$250 per day but excluding the first day, and up to a total of \$5,000 in any one (1) period of insurance for proven income loss. We will only reimburse income loss for days on which you are not able to conduct any income-earning activity whatsoever.

If you are:

- self-employed or a working director, then 'income' means the gross daily income from such personal exertion after allowing for the costs and expenses incurred in deriving that income;
- an employee, then 'income' means the gross daily income from personal exertion, excluding overtime payments, bonuses, commissions or allowances.

In each case the amount of your income will be averaged over the twelve (12) months immediately preceding our request or such shorter period during which you have been so engaged. You must provide any documentation, records, correspondence or other information that we request in support of any claim for lost income.

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## Motor vehicle liability

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

- the death of, or personal injury to, any person;
- the loss of or damage to property;

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

- Motor cycles up to 125 cc capacity;
- Mobility scooters;
- Golf buggies;
- Ride on mowers;
- Any motorised wheelchair;
- Any domestic trailer not attached to any vehicle.

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

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

The most we will pay for all claims arising out of any one (1) occurrence under this additional benefit is \$30,000,000.

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

We do not cover you

- if you are entitled to be wholly or partly insured by any compulsory statutory insurance or accident compensation scheme, or would have been, but for failure to register the vehicle or to apply for cover under the insurance or scheme or to comply with a term or condition of the insurance or scheme;
  - if you are entitled to be wholly or partly protected by any other Policy of insurance which specifically covers compulsory third party motor vehicle liability.
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## Committee members/Sporting or social clubs/Community organisations

We cover you for any claim made against you for compensation or expenses which you become legally liable in Australia to pay following an alleged or actual act or omission. We will only pay for your liability in connection with your position as a committee member of a sporting or social club or community organisation. We will not cover you if you receive more than \$1,000 per year for holding this position.

The claim must be made against you within the period of insurance stated in the Policy Schedule. The most we will pay under this additional benefit, including legal costs, during any one (1) period of insurance, is \$10,000.

### What you are not insured against

These exclusions apply to your liability cover and additional benefits - liability.

We will not cover any liability arising from:

- Use of a motor vehicle, motorcycle, aircraft or watercraft, however we will cover liability that:
  - arises from the ownership, custody or use of any:
    - (i) Model or toy aircraft.
    - (ii) Surfboard, sailboard, kayak or surf ski.
    - (iii) Watercraft no more than four (4) metres long and that do not require registration under State or Territory legislation. However, we will not cover any liability arising from personal water craft (for example, jet skis);
  - we cover under 'Additional benefits - Motor vehicle liability'.
- Use of a caravan or trailer when the caravan or trailer is attached to a motor vehicle or motorcycle.
- Any agreement or contract you enter into. We will pay for your liability if you would have been liable without the agreement or contract.
- Directly or indirectly out of or in connection with the actual or alleged use or presence of asbestos.
- Gaining a personal profit or advantage that is illegal.
- A conflict of duty or interest.
- Any act or omission that is dishonest, fraudulent, criminal, wilful or malicious.
- Any loss that can be reimbursed by your sporting or social club or community organisation.
- Any alleged or actual act or omission committed, or alleged to have been committed, prior to the commencement of the Policy.
- Any disease that is transmitted by you, or any member of your family who normally lives with you.
- Any business, profession, trade or occupation carried on by you. This does not include being a committee member of a sporting

or social club or community organisation provided that you do not receive more than \$1,000 per year for holding this position. This also does not include letting the home for domestic purposes or babysitting on a casual basis.

Babysitting is not considered to be on a casual basis if:

- the babysitting is not of a casual nature;
- any licence or other permission is required by any government body or public authority in order to legally conduct the babysitting;
- the income derived from the babysitting is the primary or only source of the household's income;
- there is a registered business associated with the babysitting.

We will not cover any:

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

The general exclusions that apply to section 1 and section 2 also apply to your liability cover and Additional benefits - Liability.

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## Strata title mortgagee protection

This cover applies only if you have arranged 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.

We will pay the mortgagee the lowest of:

- (a) the sum insured shown on the Policy Schedule,
- (b) the amount to repair the damage to a condition similar to but no better than when new,
- (c) if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate 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.

We only pay a claim if:

- (a) a claim would be payable under insured events (a) to (j) of this Policy (and not subject to any exclusion or other limitation in the 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.

If you have arranged this Policy to insure only the interest of a mortgagee in a strata title unit:

- (a) no additional benefits are payable under this Policy,
  - (b) no legal liability cover is provided, and
  - (c) no optional covers such as domestic workers' compensation, or valuables cover are provided.
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## Section 2: Options you can choose for an additional premium

### Valuable items

This section of the Policy only applies when your Policy Schedule shows that you have requested cover for valuable items.

Contents are automatically covered whilst temporarily removed in accordance with 'Cover for your contents away from your situation' on page 28 however limits apply. If cover for higher amounts is required please select this cover.

### What are valuable items

Special valuable and personal items which are listed on your Policy Schedule, including:

- Jewellery and watches.
- Items that contain gold or silver (but not items thinly covered with gold or silver).
- Collections of stamps, money or medals.

### What are not valuable items

- Motor vehicles, motorcycles, mini-bikes, caravans, trailers, aircraft, or accessories or spare parts of any of these items.
- Watercraft more than four (4) metres long.
- Watercraft less than four (4) metres long that require registration under State or Territory legislation.
- Personal water craft (for example, jet skis).

### When we will pay

Your valuable items are covered for accidental loss or damage, provided that the accidental loss or accidental damage happens within Australia or New Zealand. You only have cover for accidental loss or accidental damage that happens outside of Australia and New Zealand if the loss or damage occurs within 100 consecutive days after you leave Australia.

### When we will not pay

We will not pay if the accidental loss or accidental damage is caused by the following:

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

## How we pay a claim for a valuable item

When accidental loss or accidental damage occurs to a valuable item, we will do one (1) of the following:

- Replace the item with the nearest equivalent new item.
- Repair the item to the condition it was in when new.
- Pay you the cost of replacement or repair.

We decide which one we will do.

When a valuable item is part of a pair, set or collection, we will only pay the value of the item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set or collection. We will only pay the cost of replacing the item even though the pair, set or collection to which it belongs is less valuable because it is incomplete.

We will reduce any payment for loss of, or damage to, an item under this section by the amount we pay you for the same item under your contents cover.

## Limit for valuable items

You must advise us and the items will be listed on your Policy Schedule. The most we will pay in total for all valuable items is the amount shown on your Policy Schedule.

## Pairs and sets

If you have selected and paid for this option it will be shown on your Policy Schedule.

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

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## What Section 1 and Section 2 of the Policy do not cover

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.

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## Sanction limitation and exclusion clause

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

## Additional exclusions

We will not pay claims for loss, damage or liability arising from:

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

However, this exclusion does not apply to loss or damage to electronic data caused by fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft and/or other aerial device and/or articles dropped from them, sonic boom, power surge, theft which is a consequence of theft of any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or similar device containing such electronic data, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, storm and/or tempest and/or rainwater and/or wind and/or hail, water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes.

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

## Section 3

### Workers' compensation

This section of the Policy only applies when your Policy Schedule shows that you have cover for workers' compensation.

If you have employees, in some circumstances workers' compensation cover is compulsory. If you are unsure, check with your local Workers' Compensation Authority.

We will pay the amount you are liable to pay if a person you employ is injured while working for you. We will only pay if the person is doing domestic work for you. We will not pay if the person is working for you in your business, profession, trade or occupation.

The amount we will pay is subject to the relevant workers' compensation legislation in your State or Territory.

QBE Insurance (Australia) Limited ABN 78 003 191 035 is the insurer.

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## Claims

### Excesses that apply when you make a claim

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

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

We take into consideration a number of factors in setting the amount of the excess. These include factors relating to the type of property being insured, where the property is located, the type of construction and your previous insurance and claims history.

At the time of your enquiry or application for insurance, the amount of the excess will be advised to you.

For each claim for your buildings or your contents, we will reduce the amount we pay you for your claim by the amount of the excess. The amount of your excess is shown on your Policy Schedule.

Your excess will be the greater of \$250 or the excess shown on your Policy Schedule for any claim for damage or loss arising from an earthquake or tsunami. This loss or damage must occur within seventy two (72) hours of the earthquake.

When a claim is paid for loss or damage to your buildings and your contents, the excess amount will only be applied once. You will not be required to pay any excess in the event that your building or contents are a total loss.

When a sublimit is applicable, the excess will be applied to the claim prior to applying the sublimit.

When a claim is paid under 'Additional things we will pay for when you have insured your buildings' only, or 'Additional things we will pay for when you have insured your contents' only, your excess will not apply.

### The most we will pay for your buildings or your contents

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

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

## How we pay a claim for your buildings

When loss or damage occurs to your buildings, we will pay the cost of rebuilding your buildings or repairing the damaged portions to the same condition as when they were new.

### Special benefit - Buildings sum insured safeguard

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

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

This special benefit applies only if:

- (A) this Policy insures your buildings, and
- (B) your buildings are so damaged by an event that is insured by this Policy that it is considered by us to be a total loss, and
- (C) the cost to repair or replace your buildings is greater than your buildings sum insured because either:
  - (i) the increased cost of repairing damage to your buildings was caused directly by a catastrophic event, or
  - (ii) you correctly used the QBE home sum insured building calculator on the internet located at [www.qbe.com.au/isc](http://www.qbe.com.au/isc) (the QBE calculator) to calculate your buildings sum insured and the QBE calculator estimated an inadequate sum insured for your buildings, provided:
    - that you can demonstrate that you correctly used the QBE calculator to determine your buildings sum insured, and
    - your buildings are substantially the same as when you used the QBE calculator (for example, you have not added to nor extended your buildings), and
    - you have not reduced any sum insured that we have offered on any renewal invitation since you used the QBE calculator.

Catastrophic event means a suddenly occurring, major, natural disaster that is insured by this Policy, where the resultant damage to property in the vicinity of your buildings and generally 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.

This special benefit only relates to the buildings. It does not apply to any other insured property, Policy section additional benefit or other Policy feature including such things as additional costs to comply with company bylaws.

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

Rebuilding or repairing your buildings must commence within six (6) months of the loss or damage occurring. If it does not commence within six (6) 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.

We will pay for the damaged portions of fixed coverings to walls, floors and ceilings only in the room, hall or passage where the damage occurred.

We will try to match any material used to repair your buildings with the original materials. If we cannot, we will use the nearest equivalent available to the original materials. We will not pay any costs for replacing undamaged property.

However, if:

- 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
- 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.

If the damage was caused by liquid that escaped from a bath, basin, sauna, spa, shower base or shower wall, we will pay the costs to repair your buildings. We will not pay the costs to repair or replace the bath, basin, sauna, spa, shower base or shower wall.

## How we pay a claim for your contents

When loss or damage occurs to any of your contents items, we will do one of the following:

- Replace the item with the nearest equivalent new item.
- Repair the item to the condition it was in when new.
- Pay you the cost of replacement or repair.

We decide which one we will do.

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We will pay the cost of replacement for:

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

only in the room, hall or passage where the loss or damage occurred.

When an item is part of a pair, set, system or collection, we will only pay for the value of the item itself. The most we will pay is the value that the item has as a proportion of the combined pair, set, system or collection. We will only pay the cost of replacing the item even though the pair, set, system or collection to which it belongs is less valuable because it is incomplete.

## How to make a claim

Please contact your financial services provider when something happens that you believe you can claim for. For claims outside of business hours, please call 1800 023 387.

We pay only once for any loss, damage or liability arising out of the same event covered by this Policy even if it is covered under more than one (1) section of the Policy.

## What you must do when you make a claim

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

You must also:

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

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

You must not do any of the following:

- Repair or replace any damaged property without our consent.
  - Pay, promise to pay, or offer payment, or admit responsibility for a claim.
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## **You give us your rights to claim from anyone else**

If you have a right to claim against someone else for a claim you made under this Policy, you give us your rights to make that claim. You also give us your rights to conduct, defend or settle any legal action and to act in your name. You must not do anything which prevents us from doing this and you must give us all the information and cooperation that we require.

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## General conditions

### Other interests

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

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

### Unoccupancy

Your cover for your buildings, contents and valuable items will not apply if, for a continuous period of 100 days or more, no one has occupied your buildings, unless the loss or damage results from lightning, thunderbolt, riot and civil commotion, damage directly caused by impact by a vehicle, waterborne craft, space debris, aircraft, rocket, satellite, a branch or tsunami or earthquake. However, we do not insure you against any subsequent resultant damage such as rainwater entering any opening made by impact, or looting subsequent to a riot.

You can ask us to provide cover if your buildings are not going to be occupied for more than 100 days.

If we agree to provide cover, we will advise you in writing.

### What you are required to do for us

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

### How the Goods and Services Tax affects your claim

Where we make a payment under this Policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under *A New Tax System (Goods and Services Tax) Act 1999* in relation to that acquisition, whether or not that acquisition is actually made.

Where we make a payment under this Policy as compensation instead of payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to under *A New Tax System (Goods and Services Tax) Act 1999* had the payment been applied to acquire such goods, services or other supply.

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If, after we have assessed your claim, you are required to enter into a contract with a third party to replace or reinstate lost or damaged items that we have agreed to pay under this Policy, you will enter into that agreement with the third party as our agent unless advised otherwise.

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

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

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**QBE Australia**

82 Pitt Street  
Sydney NSW 2000 Australia  
[www.qbe.com.au](http://www.qbe.com.au)

This policy is underwritten by QBE Insurance (Australia) Limited  
ABN 78 003 191 035, AFSL 239545, of 82 Pitt Street, Sydney.