



This Product Disclosure Statement is issued by:
CUMIS Insurance Society Inc.
ABN 72 000 562 121 AFSL 245491
(Incorporated in the United States.)
The members of the Society have no liability.)
Trading as CUNA Mutual General Insurance.

Level 10, The Landmark Building
345 George Street
Sydney NSW 2000
Telephone 1800 730 121

Preparation Date: 1 December 2008

MemberCare[®] Home Insure Policy

Product Disclosure Statement
incorporating the Policy Wording



AUSTRALIAN DEFENCE
CREDIT UNION

we understand you!

About the CUNA Mutual Group

CUNA Mutual Group is a leading international financial services provider to community based financial institutions such as Credit Unions, Building Societies, Co-operatives, and Community Banks and their members worldwide.

Established in 1935, the CUNA Mutual Group operates in over 10 countries. Starting its Australian operation in 1969, today it provides insurance and insurance-related products to over 90% of Australia's Credit Unions.

We are committed to providing Australian community based financial institutions and their members with strong personal and financial protection through our MemberCare range of products and services as well as specialist insurance support.

About the Australian Defence Credit Union

As a holder of the Australian Financial Services Licence (AFSL No. 237988), the Australian Defence Credit Union can issue, vary, renew and cancel this insurance policy under a "binder" provided by the Insurer. A "binder" is an agreement that allows the Australian Defence Credit Union, as agent of the Insurer, to enter into contracts of insurance on behalf of the Insurer. This means that the insurance policy issued to you by the Australian Defence Credit Union is binding on the Insurer just as if it had issued the policy itself.

How you can contact the Australian Defence Credit Union

For policy enquiries phone 1300 132 328 or email insurance@adcu.com.au

Product Disclosure Statement

This Product Disclosure Statement (PDS) is issued by the insurer CUMIS Insurance Society Inc. ABN 72 000 562 121 AFSL 245491 (Incorporated in the United States. The members of the Society have no liability.) trading as CUNA Mutual General Insurance.

It is designed to help you understand the policy and to decide whether to purchase this insurance product. To assist with your decision we have divided this PDS into two sections:

- The first section highlights important information about this insurance policy including its significant features and benefits, the risks and some information about how the premium is calculated.
- The second section is the policy wording and sets out the standard terms, conditions and limitations of this insurance policy.

It is up to you to choose the cover you need and ensure it is appropriate for your objectives, financial situation or needs. Because of this, it is important that you read both of these sections carefully before you apply for this insurance, to make sure you understand the insurance cover provided and the policy's limitations.

If you apply for this insurance without reading the whole of this PDS, you should ensure that you read it as soon as possible and in any case, before the cooling-off period expires.

Some words throughout this PDS have special meanings and you should refer to the section "Words that have Special Meanings" which commences on the first page of Section 2.

For future reference, you should retain this PDS in a safe place.

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Section 1

Significant Policy Information

Who is the Insurer of the Policy?

CUMIS Insurance Society Inc. ABN 72 000 562 121, AFSL No 245491 (Incorporated in the United States. The members of the Society have no liability.) trading as CUNA Mutual General Insurance is the insurer of the policy.

How You can Contact Us

You may contact us by phone or by writing to us at:

CUNA Mutual General Insurance
Level 10, 345 George Street
Sydney NSW 2000
GPO Box 1276
Sydney NSW 2001

Policy enquiries: 1800 730 121
Claims enquiries: 1300 660 727

General Insurance Code of Practice

CUNA Mutual General Insurance is committed to and supports the objectives and principles of the General Insurance Code of Practice. This Code is a self-regulatory code which was introduced to raise general insurance industry standards of practice and service in respect of policy documents, training and claims handling procedures and to promote good relations between insurance companies, their agents and customers. More information on the Code is available by contacting us.

How to Apply for this Insurance

Before you apply for this insurance it is important that you read, understand and accept your duty of disclosure and our privacy promise. You can apply for this insurance by completing our application process that is administered by the Direct Insurance Network (DIN) located at your financial institution.

If your application is accepted, you will receive a policy schedule that identifies the insured(s), the insurer, the period of insurance, the premium, the taxes and stamp duty paid in the premium, the cover(s) selected, the limits of liability, any excesses and other important information.

Your Duty of Disclosure

The Insurance Contracts Act 1984 imposes a duty of disclosure on you when you first enter into an insurance policy with us, and you renew, vary, extend, reinstate or replace your insurance policy.

1. Your Duty of Disclosure when you first enter into the policy with us.

What you must tell us

When answering our questions, you must be honest. You have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, 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 you want to be covered by the policy.

If you do not tell us

If you do not answer our questions in this way, we may reduce our liability under the policy in respect of a claim and/or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

2. Your Duty of Disclosure when you renew, vary, extend, reinstate or replace the policy.

Before you renew, vary, extend, reinstate or replace this insurance with us, you have a duty under the Insurance Contracts Act 1984, to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of business, ought to know;
- where we waive your requirement to comply with your duty.

If you do not tell us

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may refuse to pay a claim and treat the policy as never having worked.

Our Privacy Promise

We are committed to protecting your personal information.

What information do we collect?

The proposal for this insurance only asks you for the information that is necessary for us to assess your application for this insurance. We may also obtain personal information about you from another insurer, financial institution, an insurance reference service or as permitted or required by law.

If you don't give us the information

If you do not give us all the information requested, we may not be able to process or accept your application for insurance.

How we use the information

We use the information we collect about you to assess your application for insurance and the risk involved. If we issue you with a policy, we will also use the information to administer your policy and assess any claims. From time to time we may use your information to inform you of offers relating to other insurance products.

Disclosure to third parties

We will only disclose information about you to a third party if we need to in order to process your application, administer the policy, investigate and assess any claims or if we have appointed a third party to provide a service or otherwise act on our behalf. The parties to whom we may disclose your personal information include (but are not limited to) reinsurers, health providers, loss assessors, investigators, other outsourced service providers, legal advisors and external complaints and dispute resolution bodies.

We will also disclose information about you to a third party if required to by law.

Access to information

You are entitled to access your personal information, except in some limited circumstances outlined in the Privacy Act 1988. You can request access to your personal information by writing to us. We may charge you a fee for provision of this information.

Privacy enquiries or complaints

We have internal procedures in place to ensure that any concerns you may have relating to the privacy of your information are resolved promptly, including access to our Internal Dispute Resolution Committee.

If we are unable to resolve your privacy complaint internally, you can direct your complaint to:

The Director, Compliance
Office of the Federal Privacy Commissioner
GPO Box 5218, Sydney NSW 2001.
Tel: 1300 363 992

Please ask us if you have any queries on what personal information we collect or how it will be used. A copy of our Privacy Policy is available on request.

Significant Features and Benefits of this Insurance

Under the policy you can apply for home, contents and valuables cover. The following information lists some of the significant features and benefits available for the home and contents covers. For full details of the features and benefits of this insurance cover, you need to take the time to read the policy wording.

Your Home Insure home cover:

- New for old cover.
- \$20m liability insurance world-wide.
- No Average clause for under-insurance.
- Cover for trees and plants.
- Cover for replacement of locks.

Your Home Insure contents cover:

- New for old cover.
- \$20m liability insurance world-wide.
- No Average clause for under-insurance.
- Cover for veterinary expenses.

Significant Risks of this Insurance

The following information lists some of the significant risks arising under the policy. It is important that you take the time to carefully read the policy wording in full before applying for this insurance. If you breach or do not comply with the terms of the policy, subject to the Insurance Contracts Act 1984, we may refuse to pay your claim or reduce any payment.

Automatic adjustment of sum insured

We automatically adjust your sum insured on renewal in line with the annual CPI for the year immediately prior to your renewal. Any CPI increase advised by us is optional and you may choose a different sum insured to suit your current requirements.

Under-insurance

It is important that the sum insured you select for your home and/or your contents reflects the true replacement value, and should also make allowance for those additional costs that can be incurred in rebuilding your home. If you select a figure that is too low you may not be able to replace your home and/or your contents in the event of a total loss. If you select a figure that is too high you may be paying unnecessary additional premium.

Policy limits

Limits apply for some items, e.g. the limit for high risk items is \$2,000 for any one item and 25% of the contents sum insured for all high risk items. You can however advise us of high risk items with higher values and they will be listed in your policy schedule.

Excesses

An excess is the amount you have to pay or contribute in the event of a claim under the policy. You may be subject to one or more excesses under the policy. A full description of all the excesses that may apply can be found on page 21 of the policy wording. The actual excess amount is displayed on your policy schedule.

Disclosure

You have disclosure obligations under this contract of insurance, which are set out on page 7 of this PDS. Failure to comply with these obligations can have serious consequences in terms of your insurance cover or in the event of a claim being made by you.

Payments

Through your financial institution, we offer you various ways in which you can pay for your premium. If you fail to pay the premium for the policy, subject to the Insurance Contracts Act 1984 we have the right to cancel the policy. See General Conditions on pages 56-58 for full details and consequences if you elect to pay by instalments.

Standard Cover

The terms of this insurance contract vary from standard cover prescribed under the Insurance Contracts Act 1984.

General Exclusions of this Insurance

The insurance we offer to you under the policy provides cover for certain events. There will be situations where the policy provides no cover at all. Those situations are set out in the policy wording and in some cases in your policy schedule. The following is a list of some of the general exclusions of the policy:

- any amounts in excess of the sum insured;
- faulty workmanship, faulty design, structural defects;
- the action of the sea, subsidence or erosion;
- rust, corrosion, wet or dry rot, mildew, rising damp or seepage;
- wear and tear, gradual deterioration, lack of adequate maintenance;
- consequential loss of any kind;
- flood.

Confirmation Facility

You may obtain confirmation of any policy transaction by calling 1800 730 121 or emailing insuranceservices@cunamutual.com.au

How We Price this Insurance Product

Our product pricing philosophy is based on a number of criteria. Some factors are pre set and don't vary for each insured (e.g. amounts we take into account for certain internal costs and expenses). Some information you provide to us about your personal risk situation relevant to the policy can affect the end price, such as:

- the type of insured property (e.g. home, contents or valuables) being insured and matters relevant to it (e.g. your home's size, construction, location and use);
- the type(s) and amount(s) of cover you require, excess levels and the period for which you want the cover (where this is optional); and
- your relevant claims and insurance experience.

Factors that increase the risk to us generally increase the premium (e.g. higher sums insured or a high claims experience) and those that lower the risk, reduce the premium payable (e.g. lower sums insured, higher excesses or your level of security). If you have any queries on this you can ask us when you apply.

Your premium also includes amounts that take into account our obligation (actual or in some cases estimated) to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Fire Services Levy) in relation to the policy. Where we are required to pay an estimated amount (for example for a Fire Services Levy) based on criteria set by the government, we allocate to the policy our estimate of the amount we will be required to pay. We may over or under recover in any particular year and we do not adjust your premium because of this.

The premium charged together with the actual amount of these individual taxes and/or charges will be displayed in your policy schedule.

Our Service Commitment – Dispute Procedures

CUNA Mutual General Insurance is committed to service excellence. An integral part of our service excellence is the provision of an efficient, free and fair internal dispute resolution procedure.

Should you have a complaint in connection with the policy, relating to a claim, our service or that of our agents or anyone else acting on our behalf, please contact us directly and we will do our utmost to resolve the problem. Our contact details are shown on page 6. If the service officer receiving the complaint cannot resolve it, it will be referred to a Manager with sufficient authority to deal with the complaint. A written response will then be issued within 15 working days.

If this is not satisfactory to you, at your request, the matter will be treated as a dispute and referred to our Internal Dispute Resolution (IDR) Committee comprising persons with the appropriate experience, knowledge and authority to deal with it. This is a free service to you. A written response will be issued within 15 working days of the dispute arising. This response will also provide details of further action you may take if the dispute is not resolved to your satisfaction.

If the above internal process does not result in the dispute being resolved you may contact:

Financial Ombudsman Service Limited
GPO Box 3, Melbourne, VIC 3001
Telephone 1300 78 08 08 (local call fee applies)

The Financial Ombudsman Service consists of a group of specialist advisers who are independent from insurance companies whose purpose is to assist in the resolution of such disputes and is at no cost to you.

You can obtain further information on the Financial Ombudsman Service at www.fos.org.au

Your Cooling-Off Period

If you are not completely satisfied with this insurance product, you may cancel your policy within 21 days from the date of its commencement and receive a full refund. To take advantage of this offer we must receive a request in writing from you within 21 days of the commencement date. This offer does not apply if you have made or are entitled to make a claim within this period.

We will only return government duties and charges to you if they are recoverable by us.

Even after the cooling-off period ends you still have cancellation rights (See page 57).

Making a Claim

Full details of what to do in the event of making a claim can be found on page 59 in the policy wording. Our contact details are on page 6.

It is important that you understand and follow our instructions on what to do in the event of making a claim. Failure to comply with these obligations can have serious consequences in the event of a claim being made by you, including us reducing the amount we pay you or any interested parties by an amount to take account of the prejudice we suffer by you not following our instructions.

Changes to the PDS

Information in this PDS may need to be updated from time to time where required and permitted by law. You can obtain a paper copy of any updated information without charge by calling us on the contact details provided in this document. If the update is to correct a misleading or deceptive statement or an omission that is materially adverse from the point of view of a reasonable person deciding whether to acquire the policy, we will provide you with a new PDS or a supplementary PDS.

Other documents may form part of the PDS. Any such documents will include a statement identifying them as part of this PDS.

Section 2

The Policy Wording

Our Agreement with You

If your application is accepted, we agree to provide you with the cover as set out in the policy schedule and the policy wording (together these documents make up the insurance contract) during the period of insurance. In return you agree to pay us your premium which includes any relevant government charges.

Words that have Special Meanings

Some words throughout the policy and when used in the policy have special meanings. These words and their special meanings are set out below. You should read these meanings in detail so you understand the extent of cover provided.

Accidental breakage to glass means loss or damage which occurs and is unintended by:

1. you;
2. any person acting with your express or implied consent; or
3. persons lawfully at your home;

to any:

1. fixed glass, skylight, fixed mirror;
2. shower screen, shower base, sink, basin, lavatory pedestal or cistern;
3. permanent lighting fixture;
4. glass forming part of an oven door, stove top, cooking surface;
5. glass forming part of your furniture.

Accidental loss or damage means loss or damage which occurs and is unintended by:

1. you;
2. any person acting with your express or implied consent; or
3. persons lawfully at your home.

Burglary means stealing following forcible or violent entry.

Collection means a set or group of similar items that when gathered together have a value greater than the sum of the individual items.

CUNA Mutual General Insurance is a business name owned by CUMIS Insurance Society Inc.

Excess means the amount you must pay or contribute towards the claim. The amount of any excess payable is shown in your policy schedule. The categories of excess that may apply are explained on page 21.

Flood means the covering of land that is not normally under water by:

- (a) water that overflows or escapes from a naturally occurring or man made inland watercourse (such as a river, creek, canal or storm water channel) or a water pool (such as a lake, pond or dam), whether it is in its original state or has been modified; or
- (b) water released from a dam whether it be accidentally released or intentionally released to control, mitigate, regulate, or otherwise respond to excess water; or
- (c) water that cannot drain or run off as a result of water that is overflowing or escaping from an inland watercourse or water pool preventing the escape of water.

Guests' and domestic helpers'/employees' personal property means the property that belongs to your guests or domestic helpers/employees, or for which your guests or domestic helpers/employees are legally responsible whilst the property is located in your home, consisting of:

1. household goods and portable electrical appliances;
2. clothing and other personal effects;
3. bicycles, surfboards, canoes, surf skis or other non-motorised watercraft less than 3 metres in length.

High risk items means:

1. works of art or paintings;
2. collections of any kind;
3. items of jewellery, watches, uncut stones or gems;
4. any item containing gold or silver;
5. musical instruments;
6. documents;
7. CDs, DVDs, video tapes, records, game cartridges and discs or any other commercially recorded audio or video;
8. mobile phones.

Insured events means the events covered under the policy, as listed on pages 24-27.

Internet operations means:

1. the use of electronic mail systems by you;
2. access through your network to the world wide web or a public internet site by you;
3. the operation and maintenance of your website.

Words that have Special Meanings (cont.)

Open air means anywhere within the site which is not fully enclosed by walls and a roof and is not capable of being locked.

Period of insurance means the period stated as the period of insurance in your policy schedule.

Policy means the policy wording and the policy schedule (together these documents make up the insurance contract and we refer to it as “the policy”).

Policy schedule means the relevant schedule we give you which includes details that apply specifically to you. We give you your schedule when you first buy a policy from us, change any part of the policy or renew any policy with us.

Policy wording means this Section 2 of the PDS which sets out details of your cover and the circumstances under which you will not be covered.

Rainwater means rain falling naturally from the sky onto buildings and/or the ground including run-off.

Recognised storage facility means an individual fully lockable unit within a complex that has perimeter fencing and security access. The complex must have appropriate fire fighting facilities. The individual unit must be constructed of brick, concrete, metal or other approved non-flammable material.

Residential Building(s) means a fully enclosed residential building used for residential or domestic purposes.

Run-off means rainwater that has collected on or has flowed across normally dry ground or has overflowed from swimming pools or spas.

Site means the land which your home is built on, and the land surrounding your home that is used only for domestic purposes at the risk address stated in your policy schedule.

Specified contents means any items shown in your policy schedule as specified contents.

Specified valuables means those valuables which you requested and we agreed to list separately in your policy schedule.

Storm means violent weather and high winds (including cyclones and thunderstorms) which may be accompanied by rain, hail or snow.

Structural improvements means any permanent addition that is designed to add value to your home, including:

1. pergolas, gazebos, carports;
2. paving, terraces, garden walls, gates, fences;
3. in-ground swimming pools, spas, saunas;
4. masts, aerals, satellite dishes, clothes lines.

Sum insured means the amount specified as the sum insured in your policy schedule for the type of cover selected. We automatically adjust your sum insured on renewal in line with the annual Consumer Price Index, All Groups, weighted average of eight capital cities, as published by the Australian Bureau of Statistics (CPI) for the year immediately prior to your renewal. Any CPI adjustment advised by us is optional and you may choose a different sum insured to suit your current requirements.

Theft means stealing without forcible or violent entry.

Total loss means that the sum insured under a section of the policy is paid in full, as a result of a claim for loss or damage.

Unoccupied means:

- (a) your home is not maintained in a lived in state; or
- (b) no-one is lawfully eating, sleeping and living at your home on a daily basis.

Unspecified valuables means valuables that are not listed as specified valuables in your policy schedule but excluding mobile phones.

Valuables means items listed below that are owned by you, consisting of:

1. jewellery, watches, travel clocks;
2. sunglasses, prescription spectacles;
3. mobile phones, portable electronic and electrical devices and their accessories;
4. photographic equipment, binoculars, telescopes;
5. sporting and recreational goods and equipment;
6. furs and clothing related accessories;
7. musical instruments.

We, our, us means the insurer CUMIS Insurance Society Inc. trading as CUNA Mutual General Insurance.

Words that have Special Meanings (cont.)

You, your, yourself means the insured(s) named in your policy schedule and the following people who normally reside with the insured:

1. the insured's spouse, de facto spouse or partner;
2. the insured's children, parents, grandparents, grandchildren, brothers and sisters and their spouses, de facto spouses and partners;

and for Sections 2B and 2E of the policy includes domestic staff permanently residing with the insured.

Your contents means the property which belongs to you or for which you are legally responsible located in a residential building at your site consisting of:

1. household goods, domestic and antique furniture and furnishings, internal blinds, drapes, carpets and loose floor coverings;
2. portable electrical appliances;
3. sporting and recreational goods and equipment;
4. clothing and other personal effects;
5. a swimming pool or spa which is designed to be dismantled and moved;
6. tools used only for domestic purposes;
7. cash and negotiable instruments;
8. bicycles, surfboards, canoes, surf skis or other non-motorised watercraft less than 3 metres in length;
9. computer equipment and licensed software;
10. ride-on lawn mowers, scooters, motorised golf buggies, wheelchairs if they are not required to be registered;
11. photographic equipment, binoculars, telescopes;
12. high risk items;
13. specified contents;
14. fixtures you have installed for your own use:
 - (a) if you are a tenant and the fixtures are not insured by the owner of the premises; or
 - (b) if the risk address is a strata title property and the fixtures are not insurable by the body corporate.

If you are currently employed by the Australian Government as a member of the Australian Defence Force for the purpose of this definition "your site" is extended to include any Australian Defence Force communal residential barracks of which you are a resident.

Your home means the residential building(s) and all fixtures and structural improvements located at your site including any jetty or pontoon not in use for commercial purposes, but does not include carpets, loose floor coverings, internal blinds and drapes.

Explanation of Excesses

As explained in "Words that have Special Meanings" on pages 16-20, excess means the amount you must pay or contribute towards the claim. The amount of any excess payable is shown in your policy schedule and will be deducted from any cash settlement paid by us to you. If a cash settlement does not apply you must pay any applicable excess before we pay your claim.

Which excess applies to your claim?

1. Standard excess – we have priced this product on the basis that a standard excess will apply. This is the minimum excess that will apply unless the policy indicates otherwise, or you have paid an additional premium to remove it from the policy.
2. Voluntary excess – you may elect to take a higher excess to reduce the premium.
3. Imposed excess – we may impose an additional excess due to a higher degree of risk that may exist.
4. Earthquake excess – in addition to the other excesses you must pay under the policy, we will apply an additional \$250 excess for earthquake claims. Any damage occurring as a result of an earthquake within 48 hours of an initial earthquake will be regarded as one incident.

These excesses are cumulative and will apply to any claim made under the policy, unless indicated otherwise. Where both your home and your contents are insured with us you will only have to pay each applicable excess once for any individual claim.

Cover Applicable to You

There are three types of cover available in the MemberCare Home Insure policy.

The following table indicates which sections of the policy wording apply to the three types of cover. The type(s) you have been provided with is shown in your policy schedule. You should read carefully all the sections of the policy wording and note those sections that apply.

Section of Policy	Type of Cover		
	Home	Contents	Home and Contents
2A Your Home and Additional Benefits	✓	✗	✓
2B Your Contents and Additional Benefits	✗	✓	✓
2C Unspecified Valuables	✗	If displayed in your policy schedule	If displayed in your policy schedule
2D Specified Valuables	✗	If displayed in your policy schedule	If displayed in your policy schedule
2E Legal Liability	✓	✓	✓
2F Exclusions	✓	✓	✓
2G General Conditions	✓	✓	✓
2H What To Do in the Event of a Claim	✓	✓	✓
2I Strata Title Mortgage Protection Endorsement	If your policy schedule indicates that you have cover for strata title mortgage protection, the endorsement contained in Section 2I (page 60), will apply to the policy and those provisions will be added, but not otherwise. Section 2F – Exclusions (pages 54-55), Section 2G – General Conditions (pages 56-58) and Section 2H – What To Do in the Event of a Claim (page 59) apply to Section 2I.		

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Insured Events

What we will pay for

Loss or damage caused by:

1. Fire or explosion**2. Lightning****3. Earthquake**

Any damage occurring as a result of an earthquake within 48 hours of an initial earthquake will be regarded as one incident.

4. Storm or rainwater**What we won't pay for**

Loss or damage caused by:

1. Fire or explosion

- (a) if your home was unoccupied for a period of 60 consecutive days or more at the time of loss or damage;
- (b) which is limited to scorching and/or melting without flame;
- (c) which is loss or damage to any item which normally undergoes the application of heat.

2. Lightning

Where there is no visible evidence of damage associated with a lightning strike.

4. Storm or rainwater

- (a) to retaining walls, paths, driveways or tennis court surfaces;
- (b) to swimming pool or spa covers;
- (c) to external paintwork, if that is the only damage that has been done to that part of your home;
- (d) by water seeping or entering your home due to defects in its structure, design or workmanship or as a result of structural alterations, additions, renovations or repairs;
- (e) as a result of your home not being properly maintained;
- (f) that results in any cost for refilling or cleaning mud or debris from tanks, swimming pools or spas.

Insured Events (cont.)

What we will pay for

Loss or damage caused by:

5. Malicious acts**6. Riot or civil commotion****7. Escape of liquid from any:**

- (a) water main, fixed tank, pipe or drain;
- (b) gutter or guttering;
- (c) dishwasher, washing machine, toilet or toilet cistern;
- (d) waterbed;
- (e) fixed heating or cooling system;
- (f) aquarium.

8. Theft or burglary**9. Impact from any:**

- (a) vehicle, aircraft or watercraft;
- (b) animal;
- (c) broken or collapsed aerial or mast;
- (d) debris from space;
- (e) fallen or lopped tree.

What we won't pay for

Loss or damage caused by:

5. Malicious acts

- (a) if your home was unoccupied for a period of 60 consecutive days or more at the time of loss or damage;
- (b) by someone who is at the site with your consent or the consent of a person who lives in your home.

7. Escape of liquid

- (a) for costs incurred in replacing the apparatus, item or defective part from which the liquid escaped;
- (b) as a result of a lack of maintenance;
- (c) if your home was unoccupied for a period of 60 consecutive days or more at the time of loss or damage;
- (d) from a shower base, shower recess, shower alcove or the walls surrounding the shower;
- (e) from a bath, spa, basin or sink.

8. Theft or burglary

- (a) if your home was unoccupied for a period of 60 consecutive days or more at the time of loss or damage;
- (b) by someone who is at the site with your consent or the consent of a person who lives in your home;
- (c) theft that occurs while your contents are located in an Australian Defence Force communal residential barracks;
- (d) Any amount in excess of \$5,000 for burglary while your contents are located in an Australian Defence Force communal residential barracks.

9. Impact

- (a) by an animal kept at your site;
- (b) by a tree lopped by you or on your behalf and we will not pay for the removal of any tree stump from your site.

Section 2A – Your Home: What is Covered

Refer to page 22 “Cover Applicable to You” to see if this section applies.

See “Your Home: Additional Benefits automatically included” pages 30-35 for additional cover information.

What we will pay for

We will cover you for loss or damage to your home directly caused by one or more insured events occurring during the period of insurance.

How we will settle your claim:

We will at our option:

1. repair or rebuild the damaged part of your home to the same condition as when it was new;
2. pay (including, if we choose, to you) the reasonable cost to repair or rebuild the damaged part of your home to the same condition as when it was new;

subject to the following limitations:

1. if rebuilding does not commence within six months of the date of loss or damage, unless we agree otherwise in writing, our liability will be limited to the amount it would have cost to repair or rebuild your home at the date of loss or damage;
2. where it is not possible to use the original materials, we will use the nearest available equivalent;
3. we will not repair or rebuild or pay to repair or rebuild any part of your home which has not been physically damaged.

Rebuilding may take place at a different site provided we agree in writing.

We will also cover you for the cost of complying with any government or local authority regulations or by-laws, which arises solely as a result of repairing or rebuilding the damaged part of your home.

What we won't pay for

We will not pay for:

1. any amount in excess of the sum insured specified for your home;
2. any item included in the definition of your contents;
3. claims relating to motor vehicles, watercraft or aircraft;
4. any loss excluded under Section 2F – Exclusions on pages 54-55;
5. incorrect siting of any residential building(s);
6. demolition ordered by Government or Local Authority;
7. loss or damage occurring to part of your home where that part of your home is in the course of construction;
8. compliance costs incurred with any Government or Local Authority regulations or by-laws where you received notice requiring compliance prior to a claim;
9. fixed wall, floor or ceiling coverings located in rooms, passageways or stairwells other than the room, passageway or stairwell where the loss or damage occurred;
10. more than 50% of the cost to repair or replace a dividing fence;
11. loss or damage to any part of your home that has not suffered direct physical damage from an insured event.

Section 2A – Your Home: Additional Benefits automatically included

Refer to page 22 “Cover Applicable to You” to see if this section applies.

Additional Benefits 1, 2, 3, 4 and 5 will only apply where loss or damage is directly caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy.

Unless otherwise stated in the Additional Benefit, the amounts payable and the limits specified are included in the sum insured for your home in your policy schedule and are not additional to it.

What we will pay for

1. Professional and other fees incurred in the repair or rebuilding of your home

We will pay the reasonable costs of:

- (a) architects', engineers', surveyors' and solicitors' fees which relate directly to the repair or rebuilding of your home;
- (b) legal fees and statutory charges for the discharge and replacement of your mortgage(s);
- (c) preparing new title deed documents that have been lost or destroyed in your home; and
- (d) demolition and removal of debris from the site.

The sum insured for your home is increased by 10% for the purposes of this Additional Benefit only.

2. Temporary accommodation and loss of rent

If we are satisfied that your home is unfit to live in and, at the time of the loss or damage:

- (a) you lived in your home, we will pay the rental costs you pay for similar accommodation; or
- (b) your home was tenanted, we will pay an amount equal to your loss of rent.

Any amount that we pay for this Additional Benefit is in addition to the sum insured on your home.

3. Exploratory costs

We will pay reasonable exploratory costs to locate the cause of the loss or damage.

What we won't pay for

2. Temporary accommodation and loss of rent

We will not pay for any amounts:

- (a) after 12 months from the date of loss or damage;
- (b) which exceed 20% of the sum insured on your home; or
- (c) if you choose not to rebuild your home or you move to any alternative accommodation on a permanent basis.

3. Exploratory costs

We will not pay exploratory costs if the loss or damage is as a result of a lack of maintenance.

Section 2A – Your Home: Additional Benefits automatically included (cont.)

What we will pay for

4. Landlord's fixtures and fittings

If your home is tenanted, we will extend the definition of "your home" to include your domestic furnishings, carpets, loose floor coverings, internal blinds and drapes, fixtures and fittings whilst contained in your home.

5. Temporary repairs and protection

We will pay the reasonable costs of temporary repairs and protection, following loss or damage to your home, to prevent or minimise further loss or damage.

6. Trees and plants

We will pay the reasonable costs to replace any in-ground tree, shrub or plant which is lost or damaged as a result of one or more of insured events 1, 3, 5, 6, 8 and 9. No standard excess applies for this Additional Benefit.

7. Electric motor burnout

We will pay the reasonable cost of repairing or replacing an electric motor that burns out if that motor forms part of your home.

What we won't pay for

4. Landlord's fixtures and fittings

We will not pay for:

- (a) any amount that exceeds 5% of the sum insured on your home;
- (b) loss or damage if the sum insured on your home has been otherwise exhausted;
- (c) loss or damage to carpets which are not in the rooms, passageways or stairwells where the damage actually occurred.

6. Trees and plants

We will not pay for:

- (a) any amount which exceeds \$200 for any one item or more than \$1,500 for any one claim;
- (b) claims under insured events 2, 4 and 7 (pages 24-27).

7. Electric motor burnout

We will not pay for:

- (a) motors forming part of any apparatus used in connection with any trade or business occupation;
- (b) any repair or incidental costs associated with damage to mechanical parts of any description;
- (c) replacing fuses or protective devices, contacts, starter switches and the like which are incidental to or occur as a consequence of repairing the damage caused by the electrical current;
- (d) any parts and labour costs for motors that are more than 20 years old;
- (e) any costs associated with the hiring of a replacement appliance or machine;

Section 2A – Your Home: Additional Benefits automatically included (cont.)

What we will pay for

7. Electric motor burnout (cont.)

8. Locks

We will pay the reasonable costs of re-keying or replacement of locks or cylinders (whichever cost is less) due to the theft of the keys for the lock of any external door to your home.

No standard excess applies for this Additional Benefit.

9. Accidental breakage to glass

We will pay for accidental loss or damage to any:

- (a) fixed glass, skylight, or fixed mirror;
- (b) shower screen, shower base, sink, basin, lavatory pedestal or cistern;
- (c) permanent lighting fixture;
- (d) glass forming part of an oven door, stovetop or cooking surface.

10. Building materials

We will pay for loss or damage caused by any of the insured events listed on pages 24-27 to building materials kept at your site that are to be fitted to your home.

What we won't pay for

7. Electric motor burnout (cont.)

- (f) motors under any warranty or manufacturers' guarantee;
- (g) motors forming part of any submersible pump, transformer or rectifier;
- (h) any loss or damage caused by electrical motor burnout to any electrical motor in a household machine or appliance that forms part of your contents.

8. Locks

We will not pay:

- (a) more than \$1,000 for any one claim;
- (b) if you have already claimed this Additional Benefit under any part of Section 2B – Your Contents: What is Covered on pages 36-47;
- (c) for window locks.

9. Accidental breakage to glass

We will not pay for:

- (a) loss or damage to a glass house or conservatory;
- (b) loss or damage if the breakage does not extend through the entire thickness of the damaged item;
- (c) loss or damage to glass forming part of televisions, audio visual equipment and computer monitors.

10. Building materials

We will not pay:

- (a) more than \$1,000 for any one claim;
- (b) for loss or damage to sand, soil or gravel.

Section 2B – Your Contents: What is Covered

Refer to page 22 “Cover Applicable to You” to see if this section applies.

See “Your Contents: Additional Benefits automatically included” pages 38-47 for additional cover information.

What we will pay for

We will cover you for loss or damage to your contents directly caused by one or more insured events occurring during the period of insurance.

How we will settle your claim:

We will at our option:

- (a) pay (including, if we choose, to you) the reasonable cost of repairing an item that in our opinion can be economically repaired;
- (b) replace an item, that in our opinion cannot be economically repaired or has been stolen, with an item that in our opinion matches the damaged or stolen item as near as reasonably practical;
- (c) pay (including, if we choose, to you) the reasonable cost to replace an item that in our opinion, cannot be economically repaired or has been stolen.

We will not repair or replace or pay to repair or replace any part of your contents which has not been physically damaged.

You must provide us with a copy of the valuation certificate for those items valued at more than \$1,000 that have a valuation/receipt date shown on your policy schedule for specified contents, when you make a claim for these items under the policy. If you do not have a copy of the relevant valuation certificate(s) or the description, value or valuation date shown on the valuation certificate(s) differs from that displayed in your policy schedule, we may refuse to pay any claim in relation to these items.

What we won't pay for

We will not pay for:

1. any amount in excess of the sum insured specified for your contents in your policy schedule;
2. any loss or damage excluded under Section 2F – Exclusions on pages 54-55;
3. cash, negotiable instruments, money orders, postal notes and stamps in excess of \$500 for any one claim;
4. carpets, loose floor coverings, internal blinds or drapes located in rooms, passageways or stairwells other than the room, passageway or stairwell where the loss or damage occurred;
5. loss or damage to high risk items, any more than:
 - \$300 per mobile phone;
 - \$2,000 per item, set or collection;
 - 25% of the sum insured of your contents in total; unless the high risk items are noted as specified contents in your policy schedule;
6. anything falling within the definition of your home;
7. claims relating to motor vehicles, motor cycles, trailers, caravans, aircraft, watercraft (other than non-motorised less than 3 metres in length) and their attached accessories;
8. plants, trees, shrubs or landscaping;
9. any pet or animal of any kind;
10. unregistered or unlicensed firearms;
11. damage to sporting and recreational goods and equipment whilst in use or play;
12. musical instruments or photographic equipment used for professional or trade purposes;
13. building materials;
14. hearing aids.

Section 2B – Your Contents: Additional Benefits automatically included

Refer to page 22 “Cover Applicable to You” to see if this section applies.

Additional Benefits 1-12, 15 and 17 will only apply where loss or damage is directly caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy.

Unless stated otherwise in the Additional Benefit, the amounts payable and the limits specified are included in the sum insured for your contents stated in your policy schedule and are not additional to it.

We will pay the reasonable costs for loss or damage occurring or arising out of the following circumstances or events, during the period of insurance.

What we will pay for

1. Temporary accommodation

If you are a tenant and we are satisfied that your home is unfit to live in as a result of loss or damage, we will pay for the reasonable cost of temporary accommodation of a similar style which is payable by you in excess of those costs you would have had to incur if you continued to live at your home.

Any amount we pay for this Additional Benefit is in addition to the sum insured for your contents.

2. Office equipment

We will pay for loss or damage to your office equipment whilst located in a residential building at your site.

3. Guests' and domestic helpers'/employees' personal property

We will pay for loss or damage to your guests' and domestic helpers'/employees' personal property whilst located in a residential building at your site.

4. Tools and equipment

We will pay for loss or damage to your tools and equipment used in your current occupation or business whilst stored within a residential building at your site.

What we won't pay for

1. Temporary accommodation

We will not pay for:

- (a) costs incurred beyond the time it would reasonably take to repair or rebuild your home;
- (b) any amount that exceeds 20% of the sum insured for your contents;
- (c) any amount if you move to any alternate accommodation on a permanent basis.

2. Office equipment

We will not pay for any amount that exceeds \$10,000 or 25% of the sum insured for your contents, whichever is less.

3. Guests' and domestic helpers'/employees' personal property

We will not pay for:

- (a) any amount in respect of which there is an entitlement to claim under another insurance policy other than an insurance policy entered into by you;
- (b) cash and negotiable instruments;
- (c) mobile phones;
- (d) any amount that exceeds \$3,000 for any one claim.

4. Tools and equipment

We will not pay for any amount that exceeds \$2,000 for any one claim.

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

5. Stock

We will pay for loss or damage to stock used in your business, trade or profession whilst stored within a residential building at your site on a temporary basis.

6. Contents in open air

We will pay for loss or damage to your contents whilst in the open air at your site.

7. Accessories and spare parts

We will pay for loss or damage to accessories and spare parts temporarily removed from your motor vehicle or watercraft and stored in a residential building at your site.

8. Accidental death benefit

If as a direct result of an insured event, you suffer an accidental injury that results in your death we will pay \$10,000 to your estate.

9. New location

If you are permanently moving to a new location in Australia we will automatically cover your contents at your current address and your new address for 14 days. If you are currently employed by the Australian Government as a member of the Australian Defence Force this period is extended to 30 days.

10. Temporary repairs and protection

We will pay the reasonable costs of temporary repairs and protection, following loss or damage to your contents, in order to prevent or minimise further loss or damage.

11. Counselling services

We will pay the reasonable costs for counselling services if you are injured as a direct result of a burglary at your home.

What we won't pay for

5. Stock

We will not pay for any amount that exceeds \$1,000 for any one claim.

6. Contents in open air

We will not pay for:

- (a) any amount that exceeds \$1,500 for any one claim under insured events 2, 4 and 8 (pages 24-27);
- (b) any amount that exceeds 20% of the sum insured for your contents for all other insured events;
- (c) cash and negotiable instruments.

7. Accessories and spare parts

We will not pay for any amount that exceeds \$1,000 for any one claim.

8. Accidental death benefit

We will not pay more than one death benefit in any one period of insurance.

9. New location

We will not pay for any loss, damage or liability that occurs after a period of 14 days from the date of commencement of moving, unless you tell us and we agree in writing to cover your contents at the new location. If you are currently employed by the Australian Government as a member of the Australian Defence Force this period is extended to 30 days.

11. Counselling services

We will not pay for:

- (a) any costs that are claimable under any health fund or statutory scheme;
- (b) any amount in excess of \$5,000 for any one claim.

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

12. Contents whilst temporarily removed

We will pay for loss or damage to your contents whilst temporarily removed from your site up to a period of 120 successive days as long as your contents are located in any residential building, motel, hotel, boarding house, hospital or nursing home.

13. Food spoilage

We will pay for food spoilage as a result of your refrigerator or freezer breaking down due to mechanical, electrical or electronic malfunction or failure, the escape of refrigerant or the public electricity supply failing to reach your home.

14. Credit cards

We will pay for your liability for the unauthorised use of your credit or other financial transaction card or card number which occurs anywhere in the world. No standard excess applies for this Additional Benefit.

What we won't pay for

12. Contents whilst temporarily removed

We will not pay for:

- (a) any more than \$1,000 per item and in total more than 20% of the sum insured for your contents;
- (b) claims under insured events 2, 4 and 8 (pages 24-27) unless the loss or damage occurs in the room or rooms (in which you are temporarily residing) of any residential building, motel, hotel, boarding house, hospital or nursing home;
- (c) claims relating to accidental breakage to glass;
- (d) cash and negotiable instruments;
- (e) your contents whilst they are in transit except for loss or damage caused by or arising out of collision or overturning of the vehicle carrying them or fire;
- (f) your contents that have been removed permanently from the site;
- (g) your contents whilst removed for hire, storage or sale;
- (h) motor vehicle accessories or spare parts.

13. Food spoilage

We will not pay for:

- (a) any amount that exceeds \$1,000 for any one claim;
- (b) any loss or damage caused by or arising out of the failure of or interruption to the power supply that is directly attributable to industrial action;
- (c) any loss or damage arising from the breakdown or failure of any motor more than 20 years old;
- (d) accidental disconnection or switching off of the electricity supply.

14. Credit cards

We will not pay for:

- (a) any amount in excess of \$1,000 for any one claim except where the card is one issued or branded by the financial institution that provided this insurance, in which event we will not pay for any amount in excess of \$5,000 for any one claim;
- (b) loss or damage arising from failure to comply with the conditions of use in respect of your card.

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

15. Contents in recognised storage facility

We will pay for loss or damage to your contents whilst they are temporarily stored within a recognised storage facility up to a period of 90 successive days.

16. Veterinary expenses

We will pay the reasonable cost for veterinary expenses for your domestic pet kept at your site injured as a result of vehicle impact. No standard excess applies for this Additional Benefit.

17. Contents in safe deposit box

We will pay for loss or damage to your contents whilst contained in a safe deposit box at a financial institution.

18. Locks

We will pay the reasonable costs associated with re-keying or replacement of locks or cylinders (whichever cost is less) due to the theft of the keys for the lock of any external door to your home. No standard excess applies for this Additional Benefit.

What we won't pay for

15. Contents in recognised storage facility

We will not pay for:

- (a) any amount in excess of 20% of the sum insured of your contents;
- (b) any loss or damage caused by theft;
- (c) cash and negotiable instruments;
- (d) any high risk items;
- (e) any loss or damage where you have shared your storage area with anyone who is not insured under the policy;
- (f) accidental breakage to glass;
- (g) electric motor burnout.

16. Veterinary expenses

We will not pay for any amount which exceeds \$500 for any one period of insurance.

17. Contents in safe deposit box

We will not pay for:

- (a) loss or damage to high risk items, any amount in excess of \$1,000 per item up to a maximum of 15% of the sum insured for your contents;
- (b) cash or negotiable instruments;
- (c) any amount in excess of 20% of the sum insured for your contents;
- (d) any loss or damage caused by or arising out of theft.

18. Locks

We will not pay for:

- (a) any amount which exceeds \$1,000 for any one claim;
- (b) any amount if you have already claimed this Additional Benefit under Section 2A – Your Home: What is Covered on pages 28-35 of the policy;
- (c) window locks.

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

19. Electric motor burnout

We will pay the reasonable cost of repairing or replacing an electric motor that burns out if that motor forms part of your contents.

20. Security firm attendance

We will pay up to \$500 towards the cost incurred by you for a security firm engaged by you or on your behalf to attend your home in response to a monitored alarm system.

Any amount we pay you for this Additional Benefit is in addition to the sum insured on your contents.

21. Accidental breakage to glass

We will pay for accidental loss or damage to any:

- (a) glass forming part of your furniture;
- (b) glass forming part of your home but only if you are a tenant and you are responsible for that glass under the terms of the lease.

What we won't pay for

19. Electric motor burnout

We will not pay for:

- (a) motors forming part of any apparatus used in connection with any trade or business occupation;
- (b) any repair or incidental costs associated with damage to mechanical parts of any description;
- (c) replacing fuses or protective devices, contacts, starter switches and the like which are incidental to or occur as a consequence of repairing the damage caused by the electrical current;
- (d) any parts and labour costs for motors that are more than 20 years old;
- (e) any costs associated with the hiring of a replacement appliance or machine;
- (f) motors under any warranty or manufacturers' guarantee;
- (g) motors forming part of any submersible pump, transformer or rectifier;
- (h) any loss or damage caused by electrical motor burnout to any electrical motor in a household machine or appliance that forms part of your home.

20. Security firm attendance

We will not pay for security firm attendance unless the attendance was in connection with a burglary or theft, the subject of a claim which we have agreed to pay.

21. Accidental breakage to glass

We will not pay for:

- (a) loss or damage to a glass house or conservatory;
- (b) loss or damage if the breakage does not extend through the entire thickness of the damaged item;
- (c) loss or damage to glass forming part of televisions, audio visual equipment and computer monitors.

Section 2C – Unspecified Valuables

Refer to page 22 “Cover Applicable to You” to see if this section applies.

What we will pay for

We will cover you for accidental loss or damage to your unspecified valuables anywhere in the world during the period of insurance.

At our option we will:

1. pay (including, if we choose, to you) the reasonable cost of repairing an unspecified valuable that in our opinion can be economically repaired;
2. replace an unspecified valuable that, in our opinion, cannot be economically repaired or has been lost or stolen, with an item that in our opinion matches the damaged, lost or stolen item as near as reasonably practical;
3. pay (including, if we choose, to you) the reasonable cost to replace an unspecified valuable that, in our opinion, cannot be economically repaired, or has been lost or stolen.

What we won't pay for

We will not pay for:

1. any valuables that you have listed under Section 2D Specified Valuables on pages 50-51;
2. any loss or damage excluded under Section 2F – Exclusions on pages 54-55;
3. claims relating to motor vehicles, watercraft or aircraft of any kind;
4. any amount in excess of the sum insured shown on your policy schedule relating to unspecified valuables;
5. cash and negotiable instruments, postal notes, money orders, stamps;
6. films, compact discs, audio or video tapes, digital video discs, any portable memory device;
7. furniture or household items;
8. accidental loss or damage to sporting and recreational goods and equipment whilst in use or play;
9. any accidental loss or damage to any item as a result of the electrical or mechanical breakdown of that item;
10. any item used for professional or trade purposes;
11. more than the replacement value of the item itself when an item is part of a pair, set or collection that is lost or stolen;
12. mobile phones, and hearing aids.

Section 2D – Specified Valuables

Refer to page 22 “Cover Applicable to You” to see if this section applies.

What we will pay for

We will cover you for accidental loss or damage to your specified valuables anywhere in the world during the period of insurance.

At our option we will:

1. pay (including, if we choose, to you) the reasonable cost of repairing a specified valuable that, in our opinion, can be economically repaired;
2. replace a specified valuable that, in our opinion, cannot be economically repaired or has been lost or stolen, with an item that in our opinion matches the damaged, lost or stolen item as near as reasonably practical;
3. pay (including, if we choose, to you) the reasonable cost to replace a specified valuable that, in our opinion, cannot be economically repaired or has been lost or stolen.

You must provide us with a copy of the valuation certificate for those items valued at more than \$1,000 that have a valuation/receipt date shown on your policy schedule for specified valuables, when you make a claim for these items under the policy. If you do not have a copy of the relevant valuation certificate(s) or the description, value or valuation date shown on the valuation certificate(s) differs from that displayed in your policy schedule, we may refuse to pay any claim in relation to these items.

What we won't pay for

We will not pay for:

1. any loss or damage excluded under Section 2F – Exclusions on pages 54-55;
2. claims relating to motor vehicles, watercraft or aircraft of any kind;
3. any amount in excess of the sum insured shown on your policy schedule relating to specified valuables;
4. cash and negotiable instruments, postal notes, money orders, stamps;
5. films, compact discs, audio or video tapes, digital video discs, any portable memory device;
6. furniture or household items;
7. accidental loss or damage to sporting and recreational goods and equipment whilst in use or play;
8. any accidental loss or damage to any item as a result of the electrical or mechanical breakdown of that item;
9. any item used for professional or trade purposes;
10. more than the replacement value of the item itself when an item is part of a pair, set or collection that is lost or stolen.

Section 2E – Legal Liability

What we will pay for

1. When you are insured under Section 2A of the policy we will cover you for your legal liability as owner of your home and your site to pay compensation for accidental bodily injury, death or illness and accidental loss or damage to property arising from one occurrence, or series of occurrences arising out of any one event, during the period of insurance.
2. When you are insured under Section 2B of the policy we will cover you for your legal liability to pay compensation for accidental bodily injury, death or illness and accidental loss or damage to property arising from one occurrence, or series of occurrences arising out of any one event, during the period of insurance but not in respect of your legal liability as:
 - (a) owner of your home;
 - (b) owner of any other real property;
 - (c) occupier of any real property outside your site.
3. When you are insured under either Section 2A or 2B of the policy we will also pay legal fees incurred with our written consent in defence of any legal action brought against you in respect of which you are entitled to indemnity under the policy.
 - (f) any liability assumed under an agreement or contract that you have entered into, other than a lease or rental agreement, unless such liability would have attached anyway;
 - (g) motorised vehicles other than the following, provided they do not have to be registered: golf buggies, lawn mowers, wheelchairs, mobility scooters;
 - (h) watercraft, (other than any non-motorised watercraft less than 3 metres in length), aircraft, or any facilities for the landing or storage of such craft;
 - (i) any building, construction, alteration, renovation, addition or repair work to your home or your site where the total value of the work exceeds \$50,000;
 - (j) property that is in your care, custody or control or the care, custody or control of any person who normally resides with you;
 - (k) any claims in connection with the contamination or pollution of land, air or water;
 - (l) claims for property damage, bodily injury, sickness or death attributable to or constituted by the consumption of alcohol, tobacco or drugs of any kind;
 - (m) claims for aggravated, punitive or exemplary damages, fines or penalties;
 - (n) claims resulting from the existence of asbestos;
 - (o) claims brought against you in the United States of America or Canada or their administered territories and any judgements or awards made by those countries' courts, which are enforceable anywhere in the world;
 - (p) claims arising directly or indirectly, out of, or in any way involving your internet operations.

What we won't pay for

We will not pay:

1. any amount, under this and any other policy we have issued to you covering your legal liability, which exceeds in total the sum of \$20 million (inclusive of legal costs and expenses) arising from one occurrence, or series of occurrences arising out of any one event.
2. your legal liability arising from or in connection with:
 - (a) bodily injury, illness or death to you or any person who normally resides with you, or any employee or deemed employee of yours;
 - (b) vibration or weakening of support to land, buildings or any other property;
 - (c) transmission of any disease by you;
 - (d) pregnancy;
 - (e) any occupation, business, trade or profession carried on by you or your family, other than casual babysitting or as a lessor;

Section 2F – Exclusions

These exclusions apply to all sections of the policy.

We will not pay for any loss, damage, injury or liability for, occurring from or arising out of:

1. gradual deterioration, wear and tear, lack of maintenance, faulty workmanship, faulty design or structural defects;
2. any act intended to cause liability, injury, loss or damage by you, or any person who normally resides with you, or a person who is acting with your consent or the consent of anyone who normally resides with you;
3. rust, corrosion, wet or dry rot, mildew, rising damp or seepage;
4. malicious, unlawful or dishonest acts by you, tenants or anyone lawfully at your site;
5. cracking, chipping, scratching, fading, shrinkage, settling or expansion;
6. the action of insects, vermin or birds;
7. the action of trees, plants or their roots;
8. any process involving the use of chemicals;
9. mechanical or electrical breakdown or failure except as covered under electric motor burnout in Section 2A – Your Home: What is Covered and Section 2B – Your Contents: What is Covered;
10. consequential loss of any kind suffered by you;
11. fines, penalties or forfeitures;
12. aggravated, exemplary or punitive damages;
13. the action of the sea, including high tide, high water, tsunami, tidal wave and storm surge;
14. vibration, erosion, subsidence, landslip, landslide, mudslide, collapse, shrinking or any other earth-movement (other than earthquake);
15. the lawful confiscation, destruction, detention or seizure of your home, your contents, specified valuables or unspecified valuables;
16. war, whether war be declared or not, hostilities or rebellion or war-like activities. If you are currently employed by the Australian Government as a member of the Australian Defence Force this exclusion will not apply to Section 2C – Unspecified valuables or Section 2D – Specified Valuables, whilst you are on peace keeping duties;
17. the use of nuclear weapons or material or ionising radiation from or contamination by radioactivity from any nuclear fuel or waste or from the combustion of nuclear fuel;
18. any act of terrorism which means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purpose or reasons;
19. any equipment or machinery which is a computer, containing or comprising any computer technology (including a computer chip or control logic) that fails to perform or function in the precise manner for which it was designed or for any reason arising from the performance or functionality of such computer technology;
20. any event that does not take place during the period of insurance;
21. fire or explosion to any item which normally undergoes the application of heat. This exclusion is limited to loss or damage to the item itself;
22. any event which is not an insured event except as otherwise specifically provided for in the policy wording;
23. flood.

Section 2G – General Conditions

The following are important conditions you must comply with and apply to all sections of the policy.

1. Sum insured after a claim

The sum insured for any section of the policy will be reinstated following loss or damage without payment of additional premium. In the case of a total loss where the sum insured is paid in full, cover will cease under that section of the policy from the date of the total loss, and you will not be entitled to any premium refund.

2. Legal representation and costs

We have the right at our discretion to represent or defend you in respect of any legal liability as we see fit.

3. Hazardous or dangerous goods storage

If you are storing hazardous or dangerous goods at your site, you must comply with all relevant laws and regulations.

4. Retaining evidence of the value and proof of ownership of the insured property

Wherever possible you should keep evidence of the value and ownership of all property covered under the policy. We are entitled to receive this and other evidence if you make a claim. Receipts and valuations will be some evidence of the value of your property, whilst photographs and instruction books will be some evidence of ownership. If you are unable to produce such evidence we may not pay your claim.

5. Taking precautions

You must take all reasonable precautions to safeguard your home, your contents, specified valuables and unspecified valuables from damage, maintain them in good condition and avoid risks of injury arising from them.

6. Security devices and burglar alarms

We will not pay for loss or damage caused by or arising out of theft or burglary if any security device installed or declared to be installed is not:

- (a) maintained in an efficient working order; and
- (b) in operation whenever your site is unattended.

7. Cancelling the policy

You may cancel the policy at any time by advising us in writing or by phone. We will refund to you the unexpired portion of the premium less any administration cost.

We may have the right to cancel the policy if you have:

- (a) failed to comply with your duty of disclosure;
- (b) failed to comply with a condition of the policy;
- (c) made a fraudulent claim under this or any other policy of insurance; or
- (d) not paid the premium for the policy.

We may only cancel the policy in a manner permitted by the Insurance Contracts Act 1984. We will provide you with written notice of the cancellation date, and will refund to you the unexpired portion of the premium from the date of the cancellation.

8. Paying by instalments

If you are paying your premium by instalments:

- (a) if an instalment remains unpaid for a period of one month or longer, we will cancel the policy;
- (b) if a claim is settled on a total loss basis you must pay all remaining instalments to the expiry date. We will deduct these amounts from the amount we pay.

9. Notification of change of risk

You must notify us in writing or by phone if, during the period of insurance a change is made to your home, your contents, specified valuables or unspecified valuables that might materially affect the nature of the risk against which you are covered under the policy.

You must notify us in writing or by phone as soon as possible but no later than renewal if, during the period of insurance you are charged with or convicted of any criminal offence.

We may charge an extra premium, add special conditions or cancel the policy if any of these changes occur.

10. Breach of policy

If you are in breach of or do not comply with the terms of the policy, subject to the Insurance Contracts Act 1984, we may refuse to pay your claim, in whole or in part.

Section 2G – General Conditions (cont.)

11. Right of recovery (Subrogation)

We have the right, subject to the Insurance Contracts Act 1984, to instigate recovery proceedings in your name against another person who we believe is responsible for the loss, damage or liability and you must give us any information and help that we may reasonably require. We will include any excess you have paid in this recovery action, but your excess will not be refunded to you until we have recovered the full amount of the claim plus any costs we incur in the recovery action.

12. Goods and Services Tax (GST)

If you make a claim under the policy and a payment is to be made by us which results in an acquisition of goods or services or some other supply, whether or not the acquisition is made, we will reduce any payment to be made by the amount of any input tax credit to which you would or will be entitled to if you were to purchase replacement goods or services.

If you make any claim under the policy, you must inform us of any entitlement you may have to claim an input tax credit for the GST amount charged on the policy, and the proportion of the GST that you can claim as an input tax credit.

If you make a claim under the policy where a payment is to be made by us and instead of making a payment for the acquisition of goods, services or other supply, we make a payment as compensation, we will reduce the amount of any payment by an amount equal to any input tax credit to which you would or will be entitled to as if the payment had been made to acquire any such goods, services or other supply.

13. Persons bound

Any person who may be entitled to make a claim under the policy is bound by these terms and conditions.

Any statement, act, omission or claim by any of you is a statement, act, omission or claim by all of you.

We shall be entitled to raise against any of you and against any other entity entitled to make a claim under the policy any defence available against any of you.

Section 2H – What To Do in the Event of a Claim

We may not pay your claim if you do not obey these conditions:

1. Do not admit liability

Whatever the circumstances you may encounter, you must not:

- (a) make any admissions; or
- (b) offer to negotiate, to settle or pay a claim.

2. Prevent further damage

You must take all reasonable steps to reduce the loss or damage, and to prevent further loss or damage.

3. Contact the police

You must inform the police as soon as possible following discovery of loss or damage caused by malicious act(s), theft, attempted theft, burglary or any other crime.

4. Notification of an incident

You must advise us as soon as possible of any incident that may give rise to a claim under the policy.

5. Retain evidence of loss or damage

You must retain any evidence of any loss or damage to your property and make this evidence available to our representative for inspection.

6. Co-operation

You must furnish us with all information and assistance we request in relation to the claim.

Section 2 – The Policy Wording

Section 2I – Strata Title Mortgage Protection Endorsement

The following strata title mortgage protection endorsement will apply only when indicated on your policy schedule. The policy will be amended to include the following additional provisions.

What we will pay for

When you are required to pay your mortgage in full following loss or damage, we will pay to your mortgagee up to the amount you owe on your mortgage, but no more than the sum insured specified for this endorsement in your policy schedule:

1. if your unit suffers loss or damage caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy;
2. the body corporate has not or not sufficiently insured for the loss or damage or has not insured the building of which your unit forms a part for damage that you can claim for under the policy.

For the purposes of this endorsement, your unit means the space inside the walls, ceilings and floor of your strata titled unit, townhouse or duplex at the risk address stated in the most recent policy schedule, including any garage or storage area that you own that belongs with the unit, townhouse or duplex. This also includes any structure or fixture that is built on or attached to and forms part of your unit after the strata plan is registered.

What we won't pay for

1. any amount for loss or damage to your unit that the Body Corporate has insured for;
2. any amount in excess of the sum insured specified for this endorsement in your policy schedule;
3. any loss or damage excluded under Section 2F – Exclusions on pages 54-55;
4. any amount in excess of that owed by you under your mortgage to the mortgagee;
5. any amount relating to loss or damage to common property.

End of Policy Wording