



AUSTRALIAN DEFENCE
CREDIT UNION

MemberCare™ Investor Insure Policy

Product Disclosure Statement
incorporating the Policy Wording



*Your premium landlord
protection*

Preparation Date: 01 March 2005

MEMBERcare™

Welcome to CUNA Mutual General Insurance

CUNA Mutual General Insurance is part of the CUNA Mutual Group, one of the leading financial services providers 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

Australian Financial Services Licence Number: 237988

The Australian Defence Credit Union (ADCU) can issue, vary, renew, and cancel this policy under a binder given to it by CUNA Mutual General Insurance who is the insurer. A binder allows ADCU to enter into contracts that are risk insurance products on behalf of the insurer as insurer. This means that the insurance policy issued to you by ADCU is binding on the insurer just as if it had issued the policy itself.

Confirmation facility

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

Product Disclosure Statement

This Product Disclosure Statement (PDS) which incorporates *your policy wording* 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 all the terms, conditions and limitations of this insurance policy.

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.

Words throughout this PDS and *policy wording* written in *italics* have special meaning. Please refer to pages 14-17 for these meanings.

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 this Policy?

The insurer of this policy is CUNA Mutual General Insurance.

How You can Contact Us

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

CUNA Mutual General Insurance
Level 9, 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 *we* accept *your* application, *you* will receive a *policy schedule* that identifies the insured, 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* vary, renew, extend, reinstate or replace *your* insurance policy.

1. Your Duty of Disclosure when you first enter into this 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 that *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 or refuse to pay a claim or cancel the policy. If *you* answer *our* questions fraudulently, *we* may refuse to pay a claim and treat the policy as never having been in force.

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

Before *you* renew, extend, vary, reinstate or replace this insurance policy with *us*, *you* have a duty 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 contract in respect of a claim or may cancel the contract. If *your* non-disclosure is fraudulent, *we* may also have the option of avoiding the contract from its beginning.

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, 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 send *you* information on 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 *your* policy or investigate and assess any claims. The parties to whom we may disclose *your* personal information include (but are not limited to) reinsurers, health providers, loss assessors, investigators, 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*.

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 Panel. If we are unable to resolve *your* 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

The following information lists some of the significant features and benefits available under *our* policy. For full details of the features and benefits of this insurance cover *you* need to take the time to read the *policy wording*.

Your Investor Insure *home* cover:

- New for old cover.
- *Flood* cover.
- \$20m liability insurance worldwide.
- No Average clause for under-insurance.
- Cover for loss of rent automatically included.
- Cover for malicious damage and *theft* by tenants.
- Cover for rent default and intentional damage by tenants.

Your Investor Insure *contents* cover:

- New for old cover.
- *Flood* cover.
- \$20m liability insurance worldwide.
- No Average clause for under-insurance.
- Cover for malicious damage and *theft* by tenants.
- Cover for rent default and intentional damage by tenants.

Significant Risks of this Insurance

The following information lists some of the significant risks arising under *your* 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 this 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 on *your policy schedule*.

Excesses

An *excess* is the amount *you* have to pay in the event of a claim under *your* policy. *You* may be subject to one or more *excesses* under this policy. A full description of all the *excesses* that may apply can be found on page 18 of the *policy wording*.

Disclosure

You have disclosure obligations under this contract of insurance, which are set out on page 6 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*.

Related tenant

This contract of insurance does not provide cover in some circumstances where *your tenant* is a member of *your family* or employed 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 this policy, subject to the Insurance Contracts Act 1984, *we* have the right to cancel *your* policy. See General Conditions on pages 47-49 for full details and consequences if *you* elect to pay by instalments.

Standard Cover

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

General Exclusions of this Insurance

The insurance *we* offer to *you* under this policy provides cover for certain events. There will be situations where this *policy* provides no cover at all. Those situations are set out in the *policy wording*. For full particulars of all these exclusions, *you* must take the time to read this in detail. The following information lists some of the general exclusions of this policy:

- any amounts in excess of the *sum insured*;
- faulty workmanship, faulty design, structural defects;
- the action of the sea, subsidence or erosion;
- wear and tear, gradual deterioration, lack of adequate maintenance;
- consequential loss of any kind.

Taxation Information about this Insurance

CUNA Mutual General Insurance lists all taxes and charges individually on all schedules (e.g. Stamp Duty, Goods and Services Tax). Details on how the Goods and Services Tax affects *your* claim is included in the *policy wording* on page 49.

How We Price this Insurance Product

Our product pricing philosophy is based on a number of risk factors including the location, construction type and the age of the building. The premium *we* charge is subject to Commonwealth and State taxes and/or charges. These may include Stamp Duty, Fire Services Levy and the Goods and Services Tax. 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 this policy, relating to a claim, *our* service or that of *our* agents or any one 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 5. 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 5 working days.

If the response does not resolve the complaint to *your* satisfaction, at *your* request, the matter will be referred to *our* Internal Dispute Resolution Committee (IDR). This is a free service to *you*. The members of the IDR have the authority to review all aspects of the dispute. A written notice setting out the final decision will be issued within 15 working days of the dispute arising.

This notice will also provide details of further action that *you* may take if the dispute is not resolved to *your* satisfaction.

If a dispute exists in relation to a claim or dispute after we have had the opportunity to resolve the matter internally, then *you* may contact:

Insurance Ombudsman Service Limited

PO Box 561, Collins Street West, MELBOURNE VIC 8007
Telephone 1300 78 08 08 (local call fee applies)

The **Insurance Ombudsman Service** consists of a group of specialist advisers that are independent from insurance companies and 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 **Insurance Ombudsman Service** at www.insuranceombudsman.com.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 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 a claim within this period or there is a claim pending.

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

Making a Claim

Full details of what to do in the event of making a claim can be found on page 50 in the *policy wording*. *Our* contact details are on page 5.

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* by an amount to take account of the prejudice we suffer by *you* not following *our* instructions.

Section 2

The Policy Wording

Our Agreement with You

If we accept *your* application, we agree to provide *you* with the cover as set out in the *policy schedule* and the *policy wording* 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 of the words that appear throughout the PDS have special meanings, which are outlined below. Whenever these words appear they will be highlighted in *italics*.

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

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

Burglary means stealing following forcible or violent entry.

Excess means the amount *you* must pay towards the claim. The categories of excess that may apply are explained on page 18 of the *policy wording*.

Flood means the inundation of normally dry land by water overflowing from the normal borders of any lake, natural or man-made watercourse, canal, reservoir or dam.

Words that have Special Meanings (cont.)

High risk items means:

1. works of art or paintings;
2. collections of any kind;
3. any item containing gold or silver;
4. plasma display, rear projection or LCD flat panel televisions and LCD projectors.

Insured events means the events covered under this policy, as listed on pages 21-24.

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.

Malicious act(s) means an act or acts by one or more persons which causes damage to *your home* and/or *your contents* with the deliberate and direct intention of denying *you* the use or benefit of *your home* and/or *your contents*.

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 the *policy schedule*.

Policy schedule means *your* most recent schedule. *We* give *you* a 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 rainwater that has collected or pooled as a result of overflowing from stormwater gutters, drains, swimming pools, saunas or spas.

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.

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 the *policy schedule*.

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

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, aerials, satellite dish, clothes line.

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 *your* policy is paid in full as a result of a claim for loss or damage.

Unoccupied means that *you* or *your tenant* have not stayed in *your home* for a period of 60 days or more unless *you*, *your tenant* or someone with *your* consent has stayed in *your home* for at least 2 consecutive nights in that 60 day period.

We, our, us means CUNA Mutual General Insurance - a business name owned by CUMIS Insurance Society Inc. (Incorporated in Wisconsin USA. The members of the Society have no liability.)

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.

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 furniture and furnishings, internal blinds, drapes and 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. bicycles, surfboards, canoes, surf skis or other non-motorised watercraft less than 3 metres in length;
8. computer equipment and licensed software;
9. ride on lawn mowers, scooters, motorised golf buggies, wheelchairs if they are not required to be registered;
10. photographic equipment, binoculars, telescopes;
11. *high risk items*;
12. *specified contents*;
13. fixtures *you* have installed for *your* own use if the risk address is a strata title property and are not insurable by the body corporate.

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.

Your tenant means the person(s) residing in *your home* that pay(s) *you* rent on a periodic and regular basis under a current written lease or rental agreement but excluding any member of *your family* or anyone employed by *you*.

Explanation of Excesses

As explained in “Words that have Special Meanings” on page 14, *excess* means the amount *you* must pay towards the claim. The amount of any *excess* payable will be deducted from any cash settlement paid by *us* to *you*.

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 wording* indicates otherwise.
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 this 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.
The amount of any *excess* payable in relation to the above categories is shown in *your policy schedule*.

There is an additional *excess* that applies for *tenant* damage. For details refer to “*Your Home: What is Covered*” No. 11 on page 26 and No. 9 on page 32 plus “*Your Contents: What is Covered*” No. 13 on page 34 and No. 9 on page 42.

These *excesses* are cumulative and will apply to any claim made under this 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. *You* must pay any *excess* before we pay *your* claim.

Cover Applicable to You

There are 3 types of cover available in the MemberCare Investor Insure *policy*. The following table indicates which sections of the *policy wording* apply to the 3 types of cover. The type *you* have selected is shown in *your policy schedule*. *You* should read carefully all the sections of the *policy wording* and note those sections that apply to *your policy*.

SECTION OF POLICY	TYPE OF COVER		
	Home	Contents	Home and Contents
2A <i>Your Home and Extra Benefits</i>	✓	✗	✓
2B <i>Your Contents and Extra Benefits</i>	✗	✓	✓
2C Legal Liability	✓	✓	✓
2D Exclusions	✓	✓	✓
2E General Conditions	✓	✓	✓
2F What to do in the event of a claim	✓	✓	✓
2G Strata Title Mortgage Protection Endorsement	If <i>your policy schedule</i> indicates that <i>you</i> have cover for strata title mortgage protection the endorsement contained in Section 2G (pages 51-52) will apply to <i>your policy</i> and those provisions will be added, but not otherwise. Words that have Special Meanings (pages 14-17), Section 2D – Exclusions (pages 45-46), Section 2E – General Conditions (pages 47-49), and Section 2F – What To Do in the Event of a Claim (page 50), all apply to Section 2G.		

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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

5. Flood

What we won't pay for

Loss or damage caused by:

1. Fire or explosion

- (a) if *your home* was *unoccupied* 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.

5. Flood

- (a) to retaining walls, paths, driveways or tennis court surfaces;
- (b) if *your home* was *unoccupied* at the time of loss or damage;
- (c) by the action of the sea including high tide, high water, tsunami, tidal wave and storm surge;
- (d) by water seeping into or entering *your home* due to defects in its structure, design or workmanship or as a result of structural alterations, additions, renovations or repairs.

Insured Events (cont.)

What we will pay for

Loss or damage caused by:

6. Malicious acts

7. Riot or civil commotion

8. Escape of liquid from any

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

9. Theft or burglary

10. 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:

6. Malicious acts

- (a) if *your home* was *unoccupied* at the time of loss or damage;
- (b) by *you, your family* or anyone employed by *you*.

8. Escape of liquid

- (a) 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* at the time of loss or damage.

9. Theft or burglary

- (a) if *your home* was *unoccupied* at the time of loss or damage;
- (b) by *you, your family* or anyone employed by *you*.

10. 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 19 “Cover Applicable to *You*” - to see if this section applies.

See *Your Home*: Extra Benefits pages 27-32 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*) for 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 6 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 2D – Exclusions on pages 45-46;
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. the first \$500 of any claim under *insured events* 6 and 9 on page 23 for loss or damage caused by *your tenant* or someone who is at the *site* with the consent of *you* or *your tenant*. This amount is in addition to any other excess(s) shown on *your policy schedule* that may apply.
12. loss or damage to any part of *your home* that has not suffered direct physical damage from an *insured event*.

Section 2A – Your Home: Extra Benefits

Extra Benefits 1, 2, 3, 4, & 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 this policy.

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

What we will pay for

1. Professional and other fees incurred in the 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 replacement 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 \$5,000 for the purposes of this Extra Benefit only.

2. Loss of rent.

If we are satisfied that *your home* is unfit to live in and, at the time of the loss or damage *your home* was tenanted, we will pay an amount equal to *your* loss of rent. Any amount that we pay you for this 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.

4. Landlord's fixtures and fittings.

The definition of "*your home*" is extended to include *your* domestic furnishings, carpets, fixtures and fittings whilst contained in *your home*.

What we won't pay for

2. Loss of rent.

We will not pay for any amounts:

- (a) after 12 months from the date of loss or damage,
- (b) which exceeds 20% of the *sum insured* on *your home*, or;
- (c) if *you* choose not to rebuild *your home*.

3. Exploratory costs.

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

4. Landlord's fixtures and fittings.

We will not pay for:

- (a) any amount that exceeds 5% of the *sum insured* of *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.

Section 2A – *Your Home*: Extra Benefits (cont.)

What we will pay for

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. 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*.

7. 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 benefit.

What we won't pay for

6. 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 contents*;

7. Locks.

We will not pay for:

- (a) more than \$1,000 for any one claim;
- (b) if *you* have already claimed this benefit under any part of Section 2B - *Your Contents: What is Covered* on pages 33-34.

What we will pay for

8. Rent Default.

We will pay for *your* rental shortfall if *your tenant* defaults on rent payments during the *period of insurance* and fails to rectify the shortfall after *you* have issued the appropriate notices which may be required under the current lease or rental agreement or to comply with the requirements of any statutory authority.

Cover under this Extra Benefit will only apply if there is a *sum insured* for the weekly amount shown in *your policy schedule*.

9. Damage by Tenants.

We will pay for the intentional or deliberate damage to *your home* caused by *your tenant*.

10. Accidental breakage.

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.

What we won't pay for

8. Rent Default.

We will not pay for:

- (a) any claim in excess of the rent default cover weekly amount shown on *your policy schedule*;
- (b) more than 6 weeks rental of the weekly amount shown on *your policy schedule* for any one claim;
- (c) any rental shortfall after another *tenant* takes up residence in *your home*;
- (d) any claim if *you* have already claimed this benefit under Section 2B - *Your Contents: What is Covered* on page 33;
- (e) any amount claimed which is recovered or recoverable under any bond held in accordance with a tenancy agreement.

9. Damage by Tenants.

We will not pay for:

- (a) any amount that exceeds \$5,000 for any one claim;
- (b) any amount that is claimable under *insured event 6 "Malicious Acts"* on page 23;
- (c) any claim if *you* have already claimed this benefit under Section 2B - *Your Contents: What is Covered* on page 33;
- (d) the first \$500 of any claim. This amount is in addition to any excess specified in *your policy schedule*.

10. Accidental breakage.

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 2B – Your Contents: What is Covered

Refer to page 19 “Cover Applicable to You” - to see if this section applies.

See *Your Contents*: Extra Benefits pages 35-42 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 *your* 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 2D – Exclusions on page 45;
3. cash, negotiable instruments, money orders, postal notes and stamps;
4. 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 \$2,000 per item, set or collection and in total more than 25% of the *sum insured* for *your contents*, 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. the first \$500 of any claim under *insured events* 6 and 9 on page 23 for loss or damage caused by *your tenant* or someone who is at the *site* with the consent of *you* or *your tenant*. This *amount* is in addition to any *excess(s)* shown on *your policy schedule* that may apply;
14. building materials.

Section 2B – *Your Contents: Extra Benefits*

Refer to page 19 “Cover Applicable to *You*” to see if this section applies.

Extra benefits 1, 3, 4 and 6 will only apply where loss or damage is directly caused by one of more *insured events* occurring during the *period of insurance* and is not otherwise excluded by this policy. Unless stated otherwise in the Extra Benefit, the limits specified are included in the *sum insured* for *your contents* stated in the *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. Contents in *open air*.

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

2. New location.

If *you* are permanently moving to a new location in Australia we will automatically cover *your contents* moved to the new location.

3. 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.

What we won't pay for

1. Contents in *open air*.

We will not pay for:

- (a) any amount that exceeds \$500 for any one claim under *insured events* 2, 4, 5 or 9 (pages 21-24);
- (b) any amount that exceeds 20% of the *sum insured* for *your contents* for all other *insured events*;
- (c) cash and negotiable instruments.

2. 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.

Section 2B – Your Contents: Extra Benefits (cont.)

What we will pay for

4. 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.

5. 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*.

What we won't pay for

4. Contents whilst temporarily removed

We will not pay:

- (a) loss or damage to *high risk items*, any more than \$1,000 per item, set or collection, and in total more than 15% of the *sum insured* for *your contents* unless the *high risk items* are noted as *specified contents* in *your policy schedule*;
- (b) for claims relating to *accidental breakage to glass*;
- (c) for claims under *insured events* 2, 4, 5 or 9 (pages 21-24);
- (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 or flood;
- (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.

5. 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 manufacturer's 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*.

Section 2B – Your Contents: Extra Benefits (cont.)

What we will pay for

6. 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.

7. 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 benefit.

8. Rent Default.

We will pay for *your* rental shortfall if *your tenant* defaults on rent payments during the *period of insurance* and fails to rectify the shortfall after *you* have issued the appropriate notices which may be required under the current lease or rental agreement or to comply with the requirements of any statutory authority. Cover under this Extra Benefit will only apply if there is a *sum insured* for the Rent Default Cover weekly amount shown in *your policy schedule*.

What we won't pay for

6. Contents in recognised storage facility.

We will not pay for:

- (a) any amount in excess of 20% of the *sum insured* for *your contents*;
- (b) claims under *insured event 5* (page 21);
- (c) any loss or damage caused by *theft*;
- (d) cash and negotiable instruments;
- (e) any *high risk items*;
- (f) any loss or damage where *you* have shared *your* storage area with anyone who is not insured under *your* policy;
- (g) *accidental breakage to glass*;
- (h) electric motor burnout.

7. 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 benefit under Section 2A - *Your Home: What is Covered* on pages 25-26 of *your* policy.

8. Rent Default.

We will not pay for:

- (a) any claim in excess of the rent default cover weekly amount shown on *your policy schedule*;
- (b) more than 6 weeks rental of the weekly amount shown on *your policy schedule* for any one claim;
- (c) any rental shortfall after another *tenant* takes up residence in *your home*;
- (d) any claim if *you* have already claimed this benefit under Section 2A - *Your Home: What is Covered* on pages 25-26;
- (e) any amount claimed which is recovered or recoverable under any bond held in accordance with a tenancy agreement.

Section 2B – Your Contents: Extra Benefits (cont.)

What we will pay for**9. Damage by Tenants.**

We will pay for the intentional or deliberate damage to *your home* caused by *your tenant*.

10. 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 benefit is in addition to the *sum insured* on *your contents*.

11. Accidental breakage.

We will pay for *accidental loss or damage* to any glass forming part of *your* furniture.

What we won't pay for**9. Damage by Tenants.**

We will not pay for:

- (a) any amount that exceeds \$5,000 for any one claim;
- (b) any amount that is claimable under *insured event 6* "Malicious Acts" on page 23;
- (c) any claim if *you* have already claimed this benefit under Section 2A - *Your Home: What is Covered* on pages 25-26;
- (d) the first \$500 of any claim. This amount is in addition to any excess specified in *your policy schedule*.

10. 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.

11. Accidental breakage.

We will not pay for loss or damage:

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

Section 2C – Legal Liability

What we will pay for

1. When *you* are insured under Section 2A of this 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 this policy we will cover *you* for *your* legal liability as owner of *your contents* 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 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 this 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 *your* policy.

What we won't pay for

We will not pay for:

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 that 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 as a lessor;

- (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, lawnmowers, 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 that 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 the 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*.

Section 2D – Exclusions

These exclusions apply to all sections of **your** 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. cracking, chipping, scratching, fading, shrinkage, settling or expansion;
5. the action of insects, vermin or birds;
6. the action of trees, plants or their roots;
7. any process involving the use of chemicals;
8. mechanical or electrical breakdown or failure except as defined under electrical motor burnout in Section 2A – *Your Home: What is Covered* and Section 2B – *Your Contents: What is Covered*;
9. consequential loss of any kind suffered by *you*;
10. fines, penalties or forfeitures;
11. aggravated, exemplary or punitive damages;
12. the action of the sea, including high tide, high water, tsunami, tidal wave and storm surge;
13. vibration, erosion, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth-movement;
14. the lawful confiscation, destruction, detention or seizure of *your home* or *your contents*;
15. war, whether war be declared or not, hostilities or rebellion or war-like activities;
16. 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;
17. 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;
18. 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;
19. any event that does not take place during the *period of insurance*;
20. 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;
21. any event which is not an *insured event* except as otherwise specifically provided for in the *policy wording*.

Section 2E – General Conditions

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

1. **Sum insured after a claim.**

The *sum insured* for any section of this 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 *your policy*. We are entitled to receive this 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.

5. **Taking precautions.**

You must take all reasonable precautions to safeguard *your home* and *your contents* 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 this policy.**

You may cancel this 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 *your* 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 this policy.

We may only cancel this policy under the provisions provided by the Insurance Contracts Act. 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 your premium by instalments.**

If *you* are paying *your* premium by instalments:

- (a) if an instalment remains unpaid for a period of 14 days or longer, any claim arising from an event occurring after the due date of the instalment may be refused;
- (b) if an instalment remains unpaid for a period of one month or longer, we will cancel this policy from when the instalment was due for payment;
- (c) if a claim is settled on a *total loss* basis, any outstanding instalments will be deducted from the amount we pay *you*.

9. **Notification of change of risk.**

You must notify *us* in writing or by phone as soon as possible but no later than at renewal if, during the *period of insurance* a change is made to *your home* or *your contents* that might materially affect the nature of the risk against which *you* are covered under this policy.

We may charge an extra premium, add special conditions or cancel *your* policy if these changes occur.

10. **Breach of policy.**

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

11. **Right of recovery (Subrogation).**

We have the right, subject to the Insurance Contracts Act, 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.

Section 2E – General Conditions (cont.)

12. Goods and Services Tax (GST).

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

If *you* make a claim under this 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 *your* 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 this policy any defence available against any of *you*.

Section 2F – 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, 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 damage, *theft*, attempted *theft*, *burglary* or any other crime.

4. Notification of an incident.

You must advise *us* as soon as possible of an incident that may give rise to a claim under this policy.

5. Retain evidence of loss or damage.

You must retain any evidence of any loss or damage to *your* insured property and make this evidence available to *our* representative for inspection. *You* must provide *us* with all reasonable assistance with *your* claim and give *us* all the information and assistance *we* require.

Section 2G – Strata Title Mortgage Protection Endorsement

The following strata title mortgage protection endorsement will apply only when indicated on *your policy schedule*. *Your* 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 this 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 this policy.

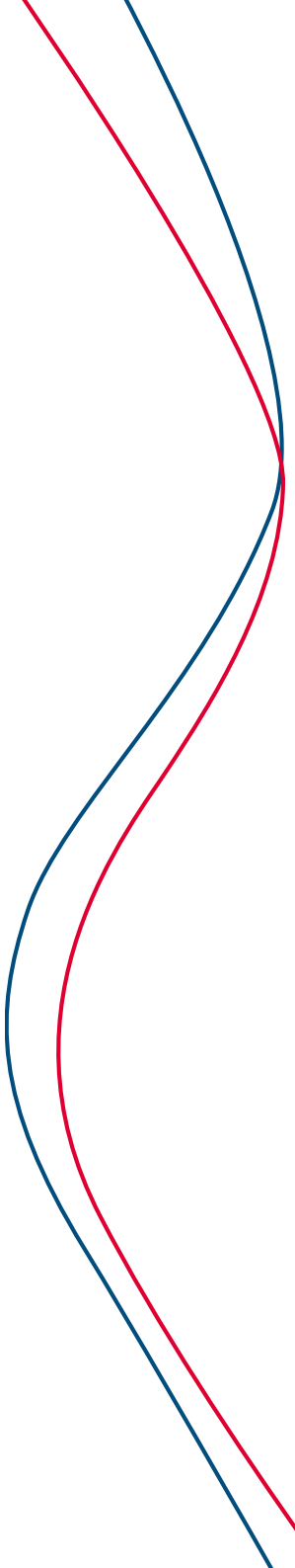
For the purposes of this endorsement, *your* unit means the space inside the walls, ceilings and floor of *your* strata titled unit, townhouse or duplex at the risk address stated in the most recent *policy schedule*, including any garage or storage area that *you* own that belongs with the unit, townhouse 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

We will not 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 *excess* specified in *your policy schedule*;
4. any loss or damage excluded under Section 2D – Exclusions on pages 45-46;
5. any amount in excess of that owed by *you* under *your* mortgage to the mortgagee;
6. any amount relating to loss or damage to common property.

End of Policy Wording



CUNA Mutual General Insurance
is a business name owned by
CUMIS Insurance Society Inc.
ABN 72 000 562 121 AFSL 245491
(Incorporated in Wisconsin USA. The
members of the Society have no liability.)

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