

Home and Contents

• SILVER STAR •

PRODUCT DISCLOSURE STATEMENT

Issued by:



Insured by:



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About this booklet

This booklet contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. The PDS contains information about charges, our dispute resolution process, your cooling off rights and other relevant information, and the terms, conditions, exclusions and obligations attaching to this product. Please read this booklet carefully as it forms the contract of your insurance with us.

Updating this PDS

The information in this PDS was current at the date of preparation. Vero may update some of the information in the PDS that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by contacting Vero on 1300 794 133 or your insurance broker. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a supplementary or replacement PDS.

Our agreement with you

This PDS and the Schedule form the legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, during the Period of Insurance shown on your Schedule. Please keep them in a safe place for future reference.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General conditions' apply to the whole contract including all types of loss, damage or liability.

The excesses set out in the section headed 'The amount you pay towards a claim' apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be either set out in the PDS or shown on your Schedule.

If you require further information about this product, please contact Vero or your insurance broker.

Welcome to Vero

Vero can trace its origins back to 1833 in Australia. Since then we have successfully protected our customers' personal and business assets.

Vero aims to provide our customers with certainty and peace of mind, through innovative, specialised and expert insurance offerings.

About IBNA

This insurance policy is distributed by insurance brokers who are licensed members of IBNA Limited ABN 43 086 563 055.

The IBNA Network origins go back to 1984 to give individual general insurance brokers the opportunity to enjoy the benefits of a larger group, yet still maintain that all important feel of independence. With a total turnover of over \$1.3 billion dollars in general insurance premiums, the IBNA Network ranks within the top general insurance broking groups in Australia.

IBNA Limited (IBNA) has entered into an arrangement with Vero to develop financial products and services that are distributed by IBNA members.

More information regarding IBNA can be sourced from our web-site www.ibna.com.au

IBNA HOME AND CONTENTS – INSURED EVENTS

Insurer

AAI Limited, ABN 48 005 297 807, AFS Licence No. 230859 trading as Vero Insurance, is the insurer and issuer of the Policy and issuer of this PDS.

For the Domestic Workers Compensation insurance the insurer and issuer is AAI Limited ABN 48 005 297 807, AFSL No 230859, trading as GIO.

How you contact us

You may contact Vero by calling:

- the telephone number shown in your Schedule;
- your insurance broker; or
- 1300 794 133;

or alternatively by writing to us at:

Vero Insurance Limited
GPO Box 1453
Brisbane Qld 4001

You should keep your PDS and Schedule together in a safe and convenient place for future reference.

Communicating with you

We may agree to send your policy documents and policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and policy communications will be provided to you in this way until you tell us otherwise or we tell you it is no longer suitable. If we agree to communicate with you electronically, you will need to provide us with your current email address and your Australian mobile phone number.

Each electronic communication will be deemed to be received by you at the time it leaves our information system.

Exclusion for new business policies

We do not insure you for bushfire, storm, flood or tsunami in the first **72** hours of your policy.

But we will cover these events if this policy began on the same day:

- you bought your home or unit; or
- that another policy covering your home or contents expired, but not when you cancelled the policy prior to its expiry date, and only up to the sums insured covered under the expired policy (any increase in sums insured will not be covered for these events for the first **72** hours specified).

Who is this product designed for?

This insurance product is specially designed for people who own and live in their home and for people who want to insure their contents inside a home or unit.

This policy may not be suitable for covering your investment home or contents in a unit let out to your tenants. For example, this policy does not provide cover for your legal liability towards anyone usually living at the insured address, such as a tenant.

Please ask your Insurance Broker about our Vero Secure Landlord Insurance Policy.

More than one named insured

If there is more than one named insured on your schedule, we will treat a statement, act, omission, claim, request or direction (including to alter or cancel your policy) made by one as a statement, act, omission, claim, request or direction by all those named as insured on your schedule.

About your premium

The premium is the amount you pay us for this insurance and it includes stamp duty, GST, other government charges and any fire services levy that applies. The total amount payable will be shown on your schedule or, if you pay by instalments, the amount due each month will be shown on your schedule as 'your monthly insurance premium'.

In addition to your sum insured, we use many factors about you and your home and contents to work out your premium. These are called premium factors. The premium factors we use reflect the likelihood of you making a claim together with other factors related to our cost of doing business.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because premiums are affected by other things such as our expenses of doing business and changes in our approach to how we calculate your premium.

Your premium includes any discounts we have given you.

Paying your premium

We will tell you how much you have to pay and how much time you have for payment on your schedule. You must pay the premium by the due date to get this insurance cover. You can pay in one annual payment or if we agree, by instalments.

Unless we tell you, any payment reminder we send you does not change the expiry or due date. If you do not pay the full amount, we may reduce the period of insurance so it is in line with the amount you paid.

If you make a change to your policy details it may affect your premium that you need to pay for the remainder of your period of insurance.

Late annual payments

If you do not pay your premium by the due date in the first year of insurance with us, we will give you a written notice of policy cancellation where we are required by law to do so.

If you do not pay the premium amount due on renewal by the due date, you will have no cover from the due date.

If we accept your late payment, we might recommence your cover from the date we receive your payment. If so, you will have no cover for the period from the due date until the date of payment.

Overdue instalments

If you pay your premium by instalments and your instalment is overdue, we can do one or both of the following:

- refuse to pay a claim if an instalment is **14** days (or more) overdue;
- cancel your policy without notifying you in advance if an instalment is **1** month (or more) overdue.

Important things to remember when paying by instalments

If we have agreed you can pay your premium by instalments:

- you must be an authorised signatory on the account nominated for your instalment payments;
- you must ensure that your nominated account has sufficient funds to meet each payment at each due date.

Your financial institution may apply its own fees (including dishonour fees). Those fees are your responsibility.

When you first commence paying by instalments, or when you change your account details, it may take up to **14** days for us to take the first instalment payment.

If you want to ask us to change or cancel your instalment payment arrangements, you need to contact your Insurance Broker at least **7** days before the next instalment is due.

If you want to cancel the instalment payment arrangements completely, you will need to contact your Insurance Broker and make alternative arrangements for payment of the total amount due for the rest of the period of insurance. If you do not, you may not be covered.

If you ever think we have made a mistake in relation to an instalment payment, please contact us.

The amount you pay towards a claim

An excess is an amount you are required to pay in the event of a claim. The amount of any excess that applies to your Policy will be either set out in the PDS or shown on your Schedule.

Depending on the circumstances, you might have to pay more than one type of excess when you claim. You must pay the excess in full (if we ask for it) before we pay the claim.

We will decide if you pay the excess to us (when we ask for it) or to the repairer or supplier. We can also choose to deduct the excess from the amount we pay you or from the amounts we must legally pay another person to compensate them for injury or loss of or damage to their property.

Where a sub-limit is applicable, the excess will be applied to the claim prior to applying the sub-limit. For example, if a ring worth \$17,000 was stolen from the home and it has not been specified, the \$10,000 per item jewellery sub-limit would apply. If a \$100 excess was applicable, this would be applied to the \$17,000 claim, rather than the \$10,000 sub-limit. Therefore, \$10,000 would be payable. If the ring had been specified for \$17,000, we would pay \$16,900 – the \$17,000 claim less the \$100 excess. If the stolen ring was worth only \$1,000, we would pay \$900 – \$1,000 less the \$100 excess.

There are three different kinds of excess:

Basic Excess:

We determine the basic excess that applies at the time the policy is taken out based on the type of cover you have chosen. It is often a set amount however, it can also vary depending on a number of factors such as our assessment of the risk, your claims history or if you wish to insure a high value item or a unique or unusual type of item.

Different basic excesses may apply to different sections of your policy and/or if you have the Valuables option. You may be entitled to vary your basic excess from our range of excess options. If you choose a higher basic excess on your policy this will decrease your premium.

Unless we tell you otherwise, the basic excess applies to all claims. If you make a claim under more than one section of your policy for the same event you will pay only one basic excess. If your basic excesses are different, you will pay the higher amount.

Earthquake & Tsunami:

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

If your claim is for earthquake or tsunami you pay the earthquake or tsunami excess in addition to any basic excess that applies.

If you make an earthquake or tsunami claim under more than one section of your policy for the same event you will only pay one earthquake or tsunami excess.

Unoccupied excess

This excess applies in addition to any other excess, unless stated otherwise in the PDS, if you claim for loss or damage to your home or contents, which occurs when the home or unit has been unoccupied for more than **100** continuous days.

For further details please refer to our IBNA Silver Star Home and Contents Insurance Premium & Excess Guide available at www.vero.com.au/PED. A copy of the IBNA Silver Star Home and Contents Insurance Premium & Excess Guide can be provided to you on request, at no charge, if you contact Vero on 1300 794 133.

How to make a claim

As soon as possible after the event that causes the loss or damage, or legal liability, you must follow the steps set out on page 70 of the PDS.

Contact your Insurance Broker or Vero on the number shown on your Schedule and tell us what happened. We will advise you of the claims process and assist you through the next steps.

How a claim payment is calculated

When we pay a claim we consider a number of aspects in calculating the amount. These can include the:

- amount of loss or damage or liability;
- excess;
- sum insured;
- policy limit; and
- terms and conditions of the policy.

For customers who are registered for GST

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur. When we calculate a payment to you for your claim, we can reduce it by any ITCs you are, or would be, entitled to receive.

Definition

'GST' and 'input tax credit' have the meanings given in the A New Tax System (Goods and Services Tax) Act 1999.

Important information

It is important that you:

- read all of the policy before you buy it to make sure that it gives you the protection you need, and
- are aware of the limits on the cover provided and the amounts we will pay you (including the total excess that applies).

Your responsibilities

You must:

- keep your home, unit and contents well maintained;
- take all reasonable care to prevent theft, loss, damage or legal liability;
- follow all the terms and responsibilities set out in your policy;
- provide honest and complete information for any claim, statement or document supplied to us;
- ensure that your home complies with local government or other statutory requirements at all times.

Not meeting your responsibilities

If you do not meet your responsibilities, it may lead us to do one or both of the following:

- reduce or refuse to pay your claim;
- cancel your insurance policy.

Unoccupancy

When the home or unit will be unoccupied for more than **100** days, we will apply the unoccupied excess to each incident covered by your policy unless this policy states that no excess applies to your claim if, at the time of the incident, the home or unit has been unoccupied for more than **100** continuous days.

A period of unoccupancy starts when the home or unit becomes unoccupied and comes to an end when you, or someone nominated by you, has occupied the home or unit for at least **2** consecutive nights. You may be asked to prove the occupancy of the home or unit in the event of a claim. This may be supported by the usage of the utilities that are connected to the home or unit. Sometimes we might ask for other evidence of occupancy. We will decide if the unoccupied excess applies in this circumstance.

If you have to pay an unoccupied excess it is payable in addition to any other excess that applies to your claim. For more details about the unoccupied excess, see page 8.

When you need to contact us

You must contact us when:

- you start to operate or intend to operate a business activity at the insured address;
- there are changes to any business activity you operate at the insured address, such as:
 - you change the type of business activity;
 - people start to come to the insured address;
 - you install business signage;
 - you need to store chemicals for the business activity.
- any detail on your schedule is no longer accurate, such as the insured address;
- you purchase a new home;
- you intend to demolish your home, have lodged an application to do this, or a government authority has issued a demolition order;
- you move out and let your home to tenants;
- trespassers (squatters) occupy your home;
- you commence building or renovations at the insured address if the value of the work exceeds **\$50,000**;
- anything else happens that increases the chance that loss, damage or injury will occur at the insured address.

What we will do when you contact us

When you contact us and tell us about these changes, we may decide to impose an additional excess, charge an additional premium or apply a special condition to your policy. In some cases, it could mean we can no longer insure you and we will cancel your policy.

How we resolve your complaints

If you have a complaint about our products or services (even if through one of our service providers) or our complaints handling process, please let us know so that we can help.

You can contact us:

- **By phone: 1300 794 133**
- **In writing: Vero Insurance
GPO Box 1619
Adelaide SA 5001**

Please include the full details of your complaint and explain what you would like us to do.

When we receive your complaint, we will consider all of the facts and attempt to resolve your complaint by the end of the next business day.

If we are not able to resolve the matter to your satisfaction, it will be referred to the relevant team leader or manager, who will review your complaint and contact you within 5 business days of us receiving your complaint.

If you remain dissatisfied the matter will be referred to our Internal Dispute Resolution (IDR) team. Our IDR team will review your complaint, and provide you with their final decision within 15 business days of your complaint being referred to them.

The contact details for our IDR team are: by phone: 1300 264 470 (for the cost of a local call), in writing: Internal Dispute Resolution, Vero, PO Box 14180, Melbourne, VIC, 8001, by email: idr@vero.com.au

If we require additional information for our assessment or investigation of your complaint, we will agree with you a reasonable alternative timeframe to resolve your complaint.

If we are unable to resolve your complaint within 45 days, you may take your complaint to the Financial Ombudsman Service (the FOS), even if we are still considering it. The contact details for the FOS are set out on the next page.

What if you are not satisfied with our final IDR decision?

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the FOS. The FOS is an independent external dispute scheme and their service is free to you. Any determination the FOS makes is binding on us, provided you also accept the decision.

You do not have to accept their decision and you have the option of seeking remedies elsewhere.

The FOS is available to customers who fall within their terms of reference. The FOS will advise if they can help you.

You can contact FOS:

- **By phone: 1800 367 287 (for the cost of a local call)**
- **By Fax: (03) 9613 6399**
- **By email: info@fos.org.au**
- **In writing: Financial Ombudsman Service
GPO Box 3
Melbourne, VIC, 3001**

Cancelling your Policy

Cancellation by you

You may cancel this policy at any time. If you cancel this policy and a refund of **\$10** or more is due, you will be refunded the unexpired portion of the premium, less any non-refundable government charges. If you pay by instalments, we will debit any premium you owe us for this policy, up to the date of cancellation.

Cancellation by us

We can cancel your cover where the law allows us to do so. We will refund any money we owe you, less any non-refundable government charges. If we cancel your policy due to fraud, we will not refund any money to you.

Cooling-off information

After this insurance begins or you renew your policy for another period of insurance, you have **30** days to consider the information in your PDS. This is called the 'cooling off period'. If you wish, and provided you have not made a claim, you can cancel your insurance within **30** days from the day cover began or was renewed. We will then refund in full any money you have paid.

General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. You can get a copy of the code from the Insurance Council of Australia website (insurancecouncil.com.au) or by phoning **(02) 9253 5100**.

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at www.apra.gov.au or by calling 1300 55 88 49.

Providing proof

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

- receipts or other confirmation of purchase, and
- valuations.

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

Refer to page 72 to 73 for more details.

Preventing our right of recovery

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

Words with special meanings

Some key words and terms used in this Policy have a special meaning.

If words and terms are only used in one Section of the Policy, we will describe their special meaning in that Section.

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

Word or Term	Meaning
Accidental loss or damage	means damage that occurs without intent.
Actions or movements of the sea	means: <ul style="list-style-type: none">• rises in the level of the ocean or sea;• sea waves;• high tides, high water or king tides;• any other actions or movements of the sea. Actions or movements of the sea do not include a tsunami or storm surge.
Common property	means land or areas at the site that both you and other people are entitled to use (e.g. common property in a multi-dwelling development).
Damage	any form of physical harm to the insured property but does not include wear and tear.
Excess	the first amount of any claim, which is your responsibility to contribute. We deduct the Excess shown in the Schedule or this PDS from the amount of your claim. When a sub-limit is applicable, the Excess will be applied to the claim prior to applying the sub-limit.

Word or Term	Meaning
Flood	<p>means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <ul style="list-style-type: none"> • a lake (whether or not it has been altered or modified); • a river (whether or not it has been altered or modified); • a creek (whether or not it has been altered or modified); • another natural watercourse (whether or not it has been altered or modified); • a reservoir; • a canal; • a dam.
Impact	a collision of two or more objects.
Incident	means a single event, accident or occurrence which you did not intend or expect to happen.
Negotiables	Treasury notes, saving certificates, stamps, money orders, cheques, gift certificates and any other negotiable instruments.
Open Air	<p>is restricted to the site and includes any area that is:</p> <ul style="list-style-type: none"> • not fully enclosed, and • not able to be locked up
Period of insurance	the period that we insure you for under your policy. You will find this Period of insurance as the start date and the end date shown in the Schedule.

Word or Term	Meaning
Schedule	the most recent document we give you which sets out the details of your cover which are personal to you. It forms the cover and any options that you have selected. When your Policy is changed or renewed, we will give you a new Schedule.
Site	we cover your home and contents at the insured address. The site is the address/location shown on your schedule. It also includes all land adjoining the insured address that you have a legal right to occupy, if the land adjoining the insured address is not subject to any communal or common property conditions (e.g. community title/strata title arrangements). The insured address does not include common property.
Storm surge	means a rush of water onshore associated with a low pressure system and caused by strong winds pushing on the ocean's surface.
Strata title	means any form of land title which allows for multiple titles to exist or on a block of land where the common property is held under a single separate title.
Sum Insured	the total amount that you have insured your property for under each section of your policy. You will find the amount of the sum insured for each section shown in either your Schedule or in this PDS or both.
Unoccupied and occupied	<p><u>unoccupied means:</u></p> <ul style="list-style-type: none"> • the home or unit is not furnished enough to be lived in; or • no-one is eating, sleeping and living at the home or unit; or • the home or unit is not connected to utilities.

Word or Term	Meaning
Unoccupied and occupied (cont.)	<p><u>occupied means:</u></p> <ul style="list-style-type: none"> • the home or unit is furnished enough to be lived in; and • someone is eating, sleeping and living at the home or unit; and • the home or unit is connected to utilities. <p><u>furnished enough to be lived in means the home or unit contains at least:</u></p> <ul style="list-style-type: none"> • a bed; and • a clothes and linen storage area; and • an eating table or bench; and • a refrigerator and a cooking appliance.
We, our, us and Vero	AAI Limited, ABN 48 005 297 807 AFS Licence No. 230859.
You or your	<p>any of the following people:</p> <ul style="list-style-type: none"> • the person(s), companies or firms named on the Schedule as the 'Insured' • any member of your family who normally lives with you. <p>Where we write about paying you, "you" includes any person we pay to repair the loss or damage (for example, tradespeople) or to replace your home, contents or personal valuables.</p>
Your family	<p>any member of your family who normally lives with you, including:</p> <ul style="list-style-type: none"> • your partner • student children of yours or of your partner, boarding at school or university • domestic workers employed by you who ordinarily live with you.

Cover for your Home & Contents – Insured events

This part of the Policy contains the following three sections:

- Section 1: What 'Home' and 'Contents' mean
- Section 2: Cover for your Home & Contents –
Accidental Damage
- Section 3: Cover for your Legal Liability

SECTION 1: What 'Home' and 'Contents' mean

Home

Your Schedule indicates whether your home is insured and the sum insured.

What 'home' means

Your 'home' is the dwelling used entirely or primarily as a place of residence at the site shown on your Schedule.

'Home' includes the following:

- (a) outbuildings, fixtures, structural improvements and permanent additions including in-ground swimming pools, tennis courts, in-ground spas, saunas, pergolas and gazebos, and garden sheds;
- (b) wharves, jetties and pontoons and their attachments and accessories which are located within the boundaries of the insured address or where part of their structure begins or terminates on the site;
- (c) fixed light fittings, fixed wall coverings, fixed ceiling coverings and fixed floor coverings;
- (d) services (whether underground or not) that are your property or which you are liable to repair or replace or pay the cost of their repair or replacement;
- (e) landscaping, hedges, trees, shrubs, plants, paved pathways and paved driveways, free standing walls, retaining walls, fences and gates entirely or partly on the site.

What 'home' does not mean

'Home' does not include:

- (a) carpets (whether fixed or not) unless you lease out the home on an unfurnished basis;
- (b) earth or gravel pathways and earth or gravel driveways;
- (c) a hotel, motel, boarding house or caravan (whether fixed to the site or not).

Contents

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

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

- unspecified contents; and if applicable,
- specified contents.

Specified contents are items of particular value that you have individually listed as specified items and that are listed on the Schedule under 'Specified Contents'.

What 'contents' means

'Contents' mean any of the items listed below, and which belong to you or your family or for whose loss or damage you or your family are legally liable.

Contents are:

- (a) all household goods including carpets (whether fixed or not), floor rugs, furniture and furnishings, portable household electrical appliances, personal effects, cash, coins, financial transaction cards, negotiables, bullion and documents;
- (b) any curios, collections of stamps, medals, coins, or other collectables that can be sold or issued as part of a set or collection;
- (c) any watches, pieces of jewellery, gems or furs;
- (d) any items made of, or containing, gold or silver;
- (e) articles of special value which you have listed on the Schedule under 'Specified Contents';
- (f) clothing or personal belongings (but not sporting clothing or sporting equipment whilst they are being used);
- (g) free-standing swimming pools that can be moved from the site;
- (h) if you live in a strata titled building, the internal paintwork, wallpaper and any fixture, fitting or structural improvement within or attached to that residence which the Body Corporate is not required by law to insure;
- (i) if you are a tenant, landlord's fixtures and fittings for which you are responsible or legally liable and fixtures and fittings installed by you for your own use;
- (j) any of the following equipment (provided it does not require registration):
 - golf buggies;
 - ride-on lawn mowers;
 - motorcycles, trail bikes, quad bikes and mini bikes up to **250cc** engine capacity;
 - garden equipment; or
 - wheelchairs and mobility scooters;

(k) watercraft (and attached watercraft motors) as follows:

- canoes, surfboards, surf-skis or sailboards; and
- any other watercraft up to 4 metres in length.

This means that if the watercraft is not a canoe, surfboard, surf-ski or sailboard and it is longer than 4 metres, it is not covered.

To avoid doubt, a watercraft motor:

- not attached to a watercraft; and
- at the site;

will be treated by us as a watercraft accessory.

- (l) property (including furniture and equipment) used by you or your family in connection with your own business or occupation carried on in a surgery or office in the home and tools, equipment and stock used for earning income by you or your family;
- (m) any glass that forms part of your furniture, which is not permanently fixed in your home.

What 'contents' does not mean

'Contents' does not include:

- (a) fish, birds or animals;
- (b) trees, shrubs and any other plant life (other than potted plants);
- (c) any caravan or trailer;
- (d) motorised vehicles other than those listed in point (j) under the heading 'What contents means';
- (e) watercraft other than those listed in point (k) under the heading 'What contents means';
- (f) aircraft or their accessories (other than a non-pilotable model aircraft);
- (g) accessories or spare parts of motor vehicles, caravans, trailers, watercraft or aircraft while they are in or on the motor vehicle, caravan, trailer, watercraft or aircraft;
- (h) your home or any part of your home other than as listed in points (h) or (i) under the heading 'What contents means'.

SECTION 2: Cover for your home and contents – Insured events

If you have selected cover for your home or your contents or both, you are insured for loss or damage to your home, your contents or both, as applicable, caused directly by any of the ‘insured events’ set out in the left column of the following table except to the extent indicated in the right column of the table. Whether you have selected cover for your home, your contents or both is shown on your Schedule. Property that belongs to your family or for which you or your family are legally responsible will be treated as though it is your property.

There are also some limits and exclusions described under ‘How we will pay’ and ‘When you are not covered’, which you must read.

You are insured against loss or damage caused directly by the following insured events	But not
(a) Fire or explosion	
(b) Storm, rain or flood	<p>Loss or damage caused by flood to retaining walls.</p> <p>Loss or damage to your home resulting from or caused by the actions or movements of the sea, highwater, tidal wave or storm surge, but we will cover loss or damage caused by storm surge if it occurs at the same time as damage caused by the storm.</p> <p>Loss or damage to your home caused by water seeping or running:</p> <ul style="list-style-type: none"> • through the earth (hydrostatic water seepage); • down the sides of earth or earth fill that is up against your home;

You are insured against loss or damage caused directly by the following insured events	But not
<p>(b) Storm, rain or flood (cont.)</p>	<ul style="list-style-type: none"> • down the sides or underneath swimming pools or spas causing them to move, change shape, lift or leak through their hydrostatic valves; • against or through retaining walls and forcing them to move or crack; • from agricultural pipes. <p>More than \$2,000 for damage to contents in the open air caused by storm but this \$2,000 limit does not apply to spas or above ground pools that are full.</p>
<p>(c) Lightning, including power surge caused by lightning, or thunderbolt</p>	<p>Loss or damage caused by fluctuations in the power supply not caused by lightning.</p>
<p>(d) Earthquake or tsunami</p> <p>All destruction or damage occurring within a period of 72 hours of the earthquake or tsunami is regarded as the one insured event.</p> <p>If we agree to pay any earthquake claim under both your Home and Contents policy:</p> <ul style="list-style-type: none"> • for the same 72 hour period, and • at the same insured address, then we will only apply one earthquake excess. 	

You are insured against loss or damage caused directly by the following insured events	But not
(e) Theft or attempted theft	<p>More than \$1,000 for cash and negotiables.</p> <p>More than \$2,000 for theft of contents in the open air.</p> <p>Loss or damage caused by theft by any person who normally lives in the home unless there is evidence of forcible entry.</p>
(f) Deliberate or malicious acts	<p>Loss or damage intentionally caused by a tenant, or a tenant's family, but we will cover loss or damage to the extent it would be covered by additional benefit '33. Malicious Damage by Tenants'</p>
(g) Any riot, civil commotion, or industrial or political disturbance or demonstration	

<p>You are insured against loss or damage caused directly by the following insured events</p>	<p>But not</p>
<p>(h) The accidental escape of liquid from any:</p> <ul style="list-style-type: none"> • canal, • dam or reservoir, • stormwater channel, • water main or pipe, • gutter or guttering, • tank, • bath, basin or sink, • shower base or shower recess, • waterbed, • fixed heating or fixed cooling system, • washing machine or dishwasher, • toilet or toilet cistern, • refrigerator or freezer, or • aquarium. <p>If we agree to pay your claim for this type of loss or damage, we also will pay the reasonable cost of locating the cause of the damage or leakage and to repair or reinstate any damage done in locating that source of leakage or cause of damage.</p>	<p>Loss or damage caused by gradual leakage of any kind.</p> <p>We will also not pay for repair or replacement of the apparatus, tank or pipe itself.</p>

You are insured against loss or damage caused directly by the following insured events	But not
<p>(i) Impact by:</p> <ul style="list-style-type: none"> • a vehicle, an aircraft or a waterborne craft, • space debris or debris (including anything dropped) from an aircraft, spacecraft, rocket or satellite, • an animal, • any television or radio aerial or dish, or its fitting or mast, or • falling power or communication poles, towers or lines. 	
<p>(j) A falling tree or part of a tree</p> <p>We will also pay the cost of removing and disposing of fallen trees or parts and costs of treating the stump to prevent regrowth (excluding stump removal).</p>	<p>Loss or damage caused by felling or lopping trees done by you or done with your consent.</p>
<p>(k) Sonic boom or thunderclap</p>	

You are insured against loss or damage caused directly by the following insured events	But not
<p>(l) Breakage of:</p> <ul style="list-style-type: none"> • any fixed glass, fixed ceramic material, ceramic bathroom implements, shower base, basin, sink, bath, lavatory pan, toilet or cistern, solar panel, or skylight, safety glass or shatterproof glass if this Policy insures the home, • glass forming part of an item of furniture or, domestic telephones, if this Policy insures the contents, or • window tinting or shatter proofing attached to the broken glass. 	<p>Any item that is chipped or scratched prior to the breakage.</p>

You are insured against loss or damage caused directly by the following insured events	But not
<p>(m) Fusion of an electric motor</p> <p>Fusion is the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by an electric current.</p> <p>We will pay the cost of repairing or replacing the motor.</p>	<ul style="list-style-type: none"> • Motors greater than 15 years of age. This age is based on 15 years from brand new or 15 years from date of rewinding. • Repair or replacement costs of additional parts or items. • Gas leakage other than by fusion. • Driers maintenance other than by fusion. • Lighting elements, heating elements, solenoids, fuses, protective devices (circuit breaker). • Electrical contact points where sparking or arcing occurs during ordinary use. • The cost of retrieving, removing, replacing the pump section of pool or pressure pumps or the cost of retrieving submersible pumps or their driving motors. • Electronic controllers or other electronics.

You are insured against loss or damage caused directly by the following insured events	But not
<p>(n) Power surge to domestic appliances or domestic equipment, directly caused by an identifiable source outside your home, for example – a lightning strike, an object contacting power lines, the resumption of power following a blackout caused by a storm or unexpected interference with a power company transformer by an animal.</p>	<p>Domestic appliances or domestic equipment more than 15 years from the date of purchase when new.</p> <p>Power surges caused at the site.</p>
<p>(o) Spoilage of food and medications</p> <p>If this Policy insures your contents, we also pay for spoilage of food and medications in your refrigerators or freezers caused by:</p> <ul style="list-style-type: none"> • breakdown of the refrigerator or freezer, • failure of the electricity supply to the home or site, • contamination by lubricant oil or refrigerant, or • accidental damage to your freezer or refrigerator. <p>The most we will pay for medications is \$1,000.</p>	<p>Spoilage as a result of:</p> <ul style="list-style-type: none"> • strikes, or • intentionally switching off or disconnecting the electricity supply.

You are insured against loss or damage caused directly by the following insured events	But not
<p>(p) Erosion, subsidence, landslide or earth movement but only if it is directly as a result of one of the following insured events:</p> <ul style="list-style-type: none"> (a) explosion, (b) storm, rain or flood, (d) earthquake or tsunami, or (h) accidental escape of liquid, <p>and it occurs no more than 72 hours after the insured event.</p>	<p>Any other erosion, subsidence, landslide or earth movement.</p>

How we will pay

Home

(a) At our option we:

- repair the home;
- replace the home to a condition substantially the same as, but not better than when new, except for built in dishwashers and air conditioners with less than a **3** star energy rating which we will, if you agree, replace with a minimum **3** star energy rating if this is available. It can be a different brand;
- pay the reasonable cost to repair or replace the home so that it is returned, as far as possible, to its condition and extent when new, or if it has been renovated, to its condition and extent when last renovated; or
- pay up to the sum insured shown on your Schedule.

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

- (b) If the home is totally destroyed and you choose to replace it with a smaller home, we will pay the reasonable costs incurred to rebuild the replacement home plus a cash settlement. The cash settlement will be limited to the market value of the land and home before the loss or damage less the market value of the land and home after the replacement home has been built.
- (c) If you decide not to replace, rebuild or repair your home and we agree, we will pay you the market value of your home and land:
- just before the loss or damage; less
 - what it was after the loss and damage occurred.
- (d) If you choose to have the home replaced at another site, and we agree, we will not pay more than the sum insured (plus GST if applicable).
- (e) If your home is damaged beyond economic repair and you do not commence rebuilding within 6 months of the damage occurring, (or any other period which we agree with you and confirm in writing), you may have to pay any increase in cost caused by your delay.

- (f) Wherever possible, we will match the materials used in replacing, rebuilding or repairing your home with those originally used. However, where it is not possible to match materials, we reserve the right to pay for the nearest equivalent or similar materials.
- (g) If part of your home is damaged and we agree to pay your claim, we pay only for the part or parts of the home that actually sustained damage. We do not pay to replace any undamaged materials.

However, if:

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

then we will replace both the damaged and undamaged material.

Example 1

There are 300 matching, wall tiles in the bathroom. As a result of a burst pipe, 8 bathroom wall tiles are damaged. It is possible to locate tiles that reasonably match the remaining 292 undamaged tiles. We would pay only the reasonable cost to repair or replace the 8 damaged tiles to a condition substantially the same as when new.

We would not pay to replace any tiles located in a room other than where the loss or damage occurred.

In addition, we would pay the reasonable cost of locating the leak and to repair or reinstate any damage sustained in locating the source of the leak (see insured event (h)).

Example 2

There are 300 superseded, matching, wall tiles in the bathroom. As a result of a burst pipe, 140 wall tiles are damaged. It is impossible to locate tiles that reasonably match the remaining 160 tiles. Over 40% of the matching wall tiles have been damaged. Therefore, we would pay the reasonable cost to repair or replace all 300 tiles (140 damaged and 160 undamaged) to a condition substantially the same as when new. We would be entitled to keep the undamaged wall tiles.

We would not pay to replace any tiles located in a room other than where the loss or damage occurred.

In addition, we would pay the reasonable cost of locating the leak and to repair or reinstate any damage sustained in locating the source of the leak (see insured event (h)).

Limits on what we pay - Home

If we accept your claim, the most we will pay for loss or damage to the home is the sum insured shown on your schedule, unless a limit in the table below or a different limit elsewhere in your policy applies. The limits shown in the table below cannot be increased.

Fixed limits apply to	Limits for any one insured incident
Uninstalled building materials (e.g. tiles stored in the shed or an oven that is not yet installed)	Up to \$2,000 in total
Fencing*	Up to 2 kilometres
Driveway and sealed roads*	Up to 500 metres
Additional benefits	The amount or limit shown for that additional benefit (see pages 46 to 60)

* But we will not pay for more than the home sum insured shown on your insurance schedule.

Lifetime guarantee on home repairs

We guarantee that if a defect arises in the lifetime of your home as a result of poor quality workmanship or use of incorrect or poor quality materials, when we replace, repair or rebuild your home, provided that we:

- have directly authorised the replacement, repairs or rebuilding;
- have arranged the replacement, repairs or rebuilding; and
- have paid, or have a legal liability to pay, the supplier, repairer or builder directly for this work;

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

This guarantee does not apply to:

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

Contents

(a) At our option we:

- repair the damaged items;
- replace the items with items substantially the same as, but not better than when new, except for refrigerators, freezers, free-standing dishwashers and air conditioners, washing machines and dryers with less than a **3** star energy rating which we will, if you agree, replace with a minimum **3** star energy rating if this is available. It can be a different brand;
- pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new; or
- pay up to the sum insured shown on your Schedule, plus any amount for Additional benefits, plus GST, less any excess.

We will try to match materials or items used in repairing or replacing, with the original item. But if this is not possible, we reserve the right to use nearest equivalent or similar materials or items.

If your contents are damaged beyond economic repair, we will pay no more than the reasonable cost of replacement when new even if you have insured for an amount greater than the reasonable cost of replacement when new. When we pay your claim for all your contents being damaged beyond economic repair, the Policy is exhausted and comes to an end. We will not pay more than the total contents sum insured for all contents lost or damaged.

(b) Floor Coverings

For carpets and other floor coverings, we pay only for items in the room, hall or passage where the damage occurred.

(c) Pairs and Sets

Where an item forms part of a set, we will only pay the replacement value of that item. We will not pay to replace the entire set. In the event of a total loss of any item or items which are part of a pair or set, we agree to pay you – at your option, exercisable after the loss – the full amount of the value of such pair or set, provided that you agree to surrender the remaining item or items of the pair or set to us.

If you elect not to surrender the remaining part of the pair or set to us, then we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.

Limits on what we pay – contents

If we accept your claim the most we will pay for loss or damage to all contents is the contents sum insured (which includes any specified contents) plus any personal valuables sum insured (as shown on your schedule). There are also limits that apply to individual contents items or types of items. These limits are set out in the tables below.

Contents where a maximum limit applies	Maximum Limit
(a) Works of art, pictures or tapestries	\$20,000 per item.
(b) Items of jewellery, gold or silver articles, watches, collections of coins and medals	\$5,000 per item and, in total for all items, 25% of the sum insured for unspecified contents. This means that if the sum insured for unspecified contents is \$40,000, the maximum limit in total for all items is 25% of \$40,000 = \$10,000 (maximum limit in total).
(c) Equipment (other than office or surgical equipment) used by you or your family for earning income	\$10,000 in total or 10% of the sum insured whichever is greater. This means that if the sum insured is \$150,000, the maximum limit in total will be calculated as follows: 10% of \$150,000 = \$15,000 (maximum limit in total).
(d) Accessories, or spare parts belonging to your motor vehicles (including motor cycles), or watercraft while they are not in or on the motor vehicle or watercraft	\$1,500 in total
(e) Cash, coins or negotiables or bullion	\$1,000 in total
(f) Storm damage to or theft of contents in the open air	\$2,000 , except for storm damage to above ground swimming pools or saunas that are full.

Contents where a maximum limit applies	Maximum Limit
(g) Stock used in your trade, business or profession	\$7,500 in total

Note:

Where an item of equipment (other than office or surgical equipment) used by you or your family for earning income could be classified under limit (f) (Storm damage to or theft of contents in the open air) as well as any other maximum limit(s), the lower limit of \$2,000 under (f) applies. For example, if a tool used by you in your trade was stolen from the home while it was in the backyard and we agreed to pay the claim, the maximum limit of \$2,000 for theft of contents in the open air would apply. If the item has been specified for \$11,000, then we would pay up to \$11,000 to replace the item. The sum we pay you would be subject to any applicable excess.

You may obtain higher limits for (a), (b), (c), (d) or (g) by having any of these items specified on your Schedule. The most you can claim for a specified item is the amount listed next to it in the Schedule, plus GST.

SECTION 3: Cover for your Legal Liability

What you are covered against

If this Policy covers your home

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

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

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

In this section we include the bordering footpath, land, trees, shrubs and other plant life on the site as part of your home.

If this Policy covers your contents

If this Policy covers your contents in your primary residence, we insure you and any member of your family against any claim for compensation or expenses which you or the member of your family become legally liable to pay for:

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

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

Block of land when your home was damaged

We will cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an incident which happens at the site during the period of insurance when:

- both your home and contents are insured with us at the time your home is badly damaged or destroyed by an insured incident; **and**
- we pay you the home sum insured and the cover for your home stops.

You must take reasonable precautions to keep the site free of obvious hazards for anyone coming onto your site. This includes fencing off or securing damaged buildings and fencing any swimming pool or we will refuse to pay a claim.

We will continue to cover your legal liability resulting from an incident which happens at the site for up to **12** months under your contents policy.

This cover ends immediately if:

- any building work commences at the site; **or**
- repairs or rebuilding worth more than **\$100,000** in total commence at the site; **or**
- you cease to insure your contents under this policy.

Definitions applying to Section 3

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

'Personal injury' means bodily injury, death, sickness, disease, shock, fright, mental anguish, psychiatric or psychological disorder or mental injury;

'Property damage' means:

- (a) physical damage to, or loss or destruction of, tangible property including any resulting loss of use from the damage or destruction;
- (b) loss of use of tangible property, which has not been physically damaged or destroyed, provided the loss of use is as a direct result of an occurrence.

Additional benefits – Liability

Motor Vehicle Liability

What we insure you against

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

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

arising from the ownership, custody, or use of any:

- vehicle which is a type that is not required to be registered by law;
- motorised wheelchair;
- domestic trailer not attached to any vehicle;

resulting from an occurrence during the Period of insurance.

- (b) We also insure you or any member of your family against claims for personal injury caused by:
- you or your family solely as a result of you or your family being passengers in a registered vehicle; and
 - any registered vehicle if the occurrence causing the death or bodily injury takes place at the site, during the Period of insurance.

When we do not insure you or your family

We do not insure you or your family if you or your family are entitled to be wholly or partly:

- (a) insured by any compulsory statutory insurance or accident compensation scheme, or would have been, but for failure to register the vehicle or to apply for cover under the scheme or to comply with a term or condition of the scheme; or
- (b) protected by any other policy of insurance which specifically covers the vehicle (except where this exclusion would contravene s.45 of the Insurance Contracts Act 1984).

Committee Member of a Social or Sporting Club

What we insure you against:

We insure you and any member of your family against any claim for compensation or expense which you or the members of your family become legally liable to pay for an alleged or actual act or omission arising out of or in connection with your position as a committee member of a sporting, social or service club.

We will not pay if you receive more than **\$1,000** per year for holding the position as a committee member. We only pay for a claim made as a result of an occurrence during the Period of insurance.

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

When we do not insure you

We do not insure you or your family against liabilities arising from any act or omission which is committed or alleged to have been committed prior to the Period of insurance commencing or after it has ended.

What you are NOT covered against

(applies to both the 'Cover for your Legal liability' and 'Additional benefits – liability')

When we do not insure you or your family

We do not insure you or your family against:

- (a) any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos; or
- (b) fines, penalties, or punitive, aggravated, multiple or exemplary damages.

We do not insure you or your family against liabilities arising from:

- (a) any agreement, unless liability would have attached to you or your family if that agreement did not exist, or, unless the agreement is a lease agreement for your residential tenancy;
- (b) Personal injury to you or your family who normally lives with you;
- (c) Personal injury to anyone employed by you or by someone who lives with you if the personal injury arises out of their employment;
- (d) damage to property belonging to you or to your family or to your or their employees. We will extend the liability cover to you or your family if you are the tenant and you or your family cause the loss or damage to any property that:
 - is owned by your landlord; and
 - has been left in your home for use by you or your family;
- (e) any workers compensation legislation (except to the extent cover is provided under the Domestic Workers Compensation option), industrial award or agreement, or statutory accident compensation scheme;
- (f) the ownership, custody, or use of any lift, other than a lift that exclusively services the home provided that the home is freestanding and solely occupied by you and your family, aerial device or aircraft (except model aircraft or toy kites) or aircraft landing area;
- (g) the conduct of any activity carried on by you or your family for reward except for letting the home for domestic purposes or as a club committee member, provided you do not receive more than **\$1,000** per year for holding the position, or babysitting on a casual basis.

Babysitting cannot be considered to be on a casual basis where any of the following apply:

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

This exclusion does not apply to your liability for personal injury to persons while they are attending a domestic garage sale provided:

- the garage sale is held at the site;
- the goods sold belong to you or your family or immediate family members that do not live with you;
- the goods sold are second hand domestic goods only sold in domestic quantities;
- the sale does not form part of a business trade or profession;
- the goods sold have not been purchased for the sole purpose of re-sale.

- (h) vibration or the weakening of or removal of support to land or buildings;
- (i) construction or demolition of the home if the value of the work exceeds **\$100,000**;
- (j) personal injury to any person arising out of the transmission of any communicable disease by you or your family;
- (k) the ownership of land, buildings or structures other than the home insured by this Policy;
- (l) loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of any member of your family unless it was reasonable to reduce loss, damage or injury that otherwise would have occurred;
- (m) the lawful seizure, confiscation, nationalisation or requisition of the property insured;
- (n) destruction of or damage to the property insured by any government or public or local authority; or
- (o) the ownership or use of any motor vehicle, other than under the cover given by the 'Additional benefit – Motor Vehicle Liability'.

What we will pay

We will pay:

- (a) up to **\$20,000,000** for any one occurrence;
- (b) legal costs and expenses for which we have provided prior written approval; and
- (c) court appearance expenses incurred at our request and which we have approved. Court appearance expenses shall be limited to a maximum of **\$250** per day (excluding the first day where no court appearance expenses will be paid), up to a total of **\$5,000** in any one Period of insurance for proven income lost by you or a member of your family. Provided that we will only reimburse income loss incurred on days when you are not able to conduct any income-earning activity whatsoever on the day of the court appearance.

Additional benefits

We give you the following additional benefits. For any additional benefits to be payable, you must suffer or incur the relevant loss, damage or liability during the Period of insurance.

We pay all additional benefits 1 to 34 over and above your sum insured for home or contents, depending on the type of cover you have chosen:

There are some things we do not cover under these additional benefits and these are described in the additional benefits and in 'When you are not covered'.

1. Contents away from your home

If this Policy insures your contents, we also insure them:

- (a) while away from your home for up to **180** days in any dwelling or residential flat, boarding house, boarding school, hotel, motel, club, nursing home or hospital where you or your family are residing; and
- (b) in a bank or safe deposit, or in a secured storeroom on the premises of a sporting club, where you or your family are a member; and
- (c) when the contents are contained in your student children's locked residence while they are temporarily residing and studying away from home.

We do not pay for any loss or damage to property used in connection with a business.

We pay up to **25%** of the unspecified contents sum insured shown on the Schedule. This means that if the sum insured for unspecified contents is \$40,000, the maximum limit will be calculated as follows: 25% of \$40,000 = \$10,000 (maximum limit).

However, the sub-limits will also apply as set out in the table under 'Limits on what we pay – Contents' point (b) on page 38.

Contents are not covered for loss or damage if you have permanently removed them from the home, other than as provided under 'Additional benefit 10 – Change of site' or 'Additional benefit 11 - Contents being conveyed to your new residence'.

2. Contents in storage

If this Policy insures your contents, we pay for loss or damage to them caused by an insured event when they are in storage provided you obtain our written agreement before they are put in storage.

We do not pay for:

- your contents stored in open plan storage premises, including furniture repositories, warehouses, factories or other industrial premises;
- your contents stored in shipping containers; or
- any jewellery or negotiable instruments whilst they are in storage.

3. Building fees and related costs

If this Policy insures your home; and

- it is damaged as a result of an insured event; and
- we agree to pay a claim;

we pay any reasonable building fees and other related costs which are necessary to repair, replace, rebuild or preserve your home including temporary protection of your home.

What is reasonable will depend on the type of fee or cost that is necessary and the extent of the temporary protection required.

4. Removal of debris

If this Policy insures your home, and

- it is damaged as a result of an insured event; and
- we agree to pay a claim;

we pay the reasonable costs of demolition and removal of debris from the site.

If the damage is caused directly by a fallen tree that has, as a result of the insured event, become debris, we will remove the tree from the site. We will remove a standing tree or branch that formed part of the tree that caused the insured damage only if:

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

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

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

If it is not necessary to remove the stump to repair or replace your home, then we will pay the cost of treating the stump to prevent re-growth.

If this Policy insures your contents, and

- they are damaged by an insured event; and
- we agree to pay a claim.

we pay the reasonable costs of removal of contents debris from the site.

What a reasonable cost of removal is will depend on the type, nature and extent of the debris and the location of the debris, as well as the factors referred to above.

5. Extra costs of reinstatement

If this Policy insures your home, and it is damaged as a result of an insured event and we agree to pay a claim, we pay the extra costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your home at the site. What extra costs are necessary will depend on the nature of the requirements of the statutory authority.

We do not pay any extra costs which resulted from any notice which a statutory authority served on you before your home suffered loss or damage.

6. Illegal use of credit card or financial transaction card

If this Policy insures your contents and a credit card, financial transaction card, mobile phone SIM card or cheques are lost or stolen, we pay up to **\$5,000** towards any legal liability you or your family incur from any unauthorised use of these items.

We do not pay if:

- the card or cheque does not belong to you or your family;
- you have not complied with the card issuer's security and loss reporting requirements; or
- the unauthorised user of the card or cheque is someone living at the site.

7. Visitors' or employees' contents

If this Policy insures your contents in your primary residence we also insure contents up to **\$5,000** in total, for any one event, belonging to any visitors temporarily living with you or domestic employee staying with you at the site.

We do not pay for visitors' contents that are insured under another policy taken out by someone other than you or your family.

8. Accessories and spare parts

If this Policy insures your contents we pay up to **\$1,500** in total for loss or damage to accessories, or spare parts belonging to your motor vehicles (including motor cycles) or watercraft while they are not in or on the motor vehicle or watercraft.

9. Replacement of locks and keys

We pay up to **\$1,000** to replace/alter locks or keys or remote control devices to your home or motor vehicle, if

- they are damaged by someone breaking into your home; or
- stolen.

10. Change of site

If this Policy insures your contents and you are moving into a new home within Australia, we insure your contents at both sites for a maximum of **45** days. The maximum we pay at each site will be the proportion of the sum insured that the value of the contents at that site bears to the total value of the contents at both sites.

For example, if your sum insured for contents is \$50,000 and the total value of the contents still at the site is \$30,000, the most we will pay for loss or damage to the contents at your new home is \$20,000.

If you wish to insure your contents at your new address after that **45** days, you must ask us to change the insured address on the Schedule to the address of your new residence.

Otherwise, your contents insurance will continue to apply to the site shown in the Schedule.

For example, if you buy a new home, we will not only continue to insure contents still at your old home for the Period of insurance, we will also insure you – for a **45** day period – against loss or damage to contents you move to your new home.

11. Contents being conveyed to new residence

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

We insure loss or damage to your contents directly by:

- theft from the conveying vehicle;
- fire;
- flood; or
- collision and/or overturning of the conveying vehicle;

whilst your contents are in transit by road to:

- your new, principal place of residence; or
- a storage facility at which your contents or some of your contents will be temporarily located pending conveyance to your new principal place of residence;

within Australia.

We do not insure your contents for removal to any residence other than one intended to be occupied by you as your principal residence.

12. Contracting purchaser

If this Policy insures your home, and you have entered a contract to sell the home, this Policy insures the purchaser(s) for their respective rights and interests until:

- the sale is completed;
- the purchaser takes possession of the home; or
- the purchaser insures the home; or
- the sale is terminated,

whichever happens first.

13. Trees, shrubs, hedges, lawns and plants

If you occupy the home insured by this Policy as your primary residence, we pay for loss or damage to trees, shrubs, hedges, lawns or plants up to **\$5,000** in total in any one Period of insurance caused as the result of an insured event described in 'What you are insured against, and what you are NOT'.

14. Monitored alarm attendance after theft

When you have home or contents cover we will pay the fee charged by your security provider to respond if your monitored alarm at the insured address is activated by:

- an illegal break in;
- an attempted break in;
- malicious damage or acts of vandalism;

and you can provide supporting evidence that one of these incidents caused the alarm.

The most we will pay for any one incident is **\$1,000**.

15. Replacement documents

We will pay to reinstate, reproduce or restore your documents if they are damaged as a result of an insured incident while contained at the insured address or in a bank vault, such as:

- title deeds;
- birth, marriage or death certificates;
- passports;
- driver's licences.

This includes the information contained on the documents.

The most we will pay for any one incident is **\$1,000**.

16. Robbery away from home

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

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

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

The maximum we will pay under this additional benefit is:

- (a) for the handbag or wallet, up to **\$250** each;
- (b) for personal effects contained in the handbag or wallet, excluding cash and negotiables, up to **\$250**;
- (c) for cash or negotiables contained in the handbag or wallet, up to a maximum of **\$300**; and
- (e) a total of **\$800** in any Period of insurance.

17. Taxation audit

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we will pay or reimburse you for accountants fees which you reasonably incur as a result of your personal taxation affairs being audited by the Australian Taxation Office.

The maximum we pay is **\$5,000** for any one audit. We do not pay or reimburse you for any:

- fines, penalties or shortfall in the amount of tax payable;
- audit conducted in relation to criminal activity;
- audit not commenced during the Period of insurance;
- fees incurred outside any statutory time limit;
- fees incurred as a result of any fraudulent act or fraudulent admission or any statement made by you or on your behalf to a taxation officer which:
 - is false or misleading in a material particular; and
 - can be attributed to deliberate evasion or recklessness;
- audit conducted in relation to any facts or circumstances of which you were aware, or ought to have been aware, prior to the commencement of this Policy which were likely to lead to your making a claim under this Policy; or
- fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit.

18. Legal defence costs

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we will pay or reimburse you for your legal fees, costs, and expenses which you reasonably incur in legal proceedings initiated against you by a third party (and defended by you) but only where the proceedings are commenced in Australia during the Period of insurance.

The maximum we pay is **\$5,000** for any one claim or series of claims arising from the same cause or event.

We do not pay or reimburse for proceedings or claims:

- for or relating to fines, penalties, punitive damages;
- by family members including spouse, ex-spouse, partner, or ex-partner;
- for or relating to divorce, separation, child visiting, maintenance, property disputes;
- for or relating to dishonesty, intentional violence, misconduct;
- for or relating to defamation or slander;
- relating to facts or occurrences, occurring prior to the commencement of the Policy which you knew or ought to have known at the time of commencement of this Policy, would, or might, give rise to a claim;
- initiated, threatened or commenced prior to the commencement of this Policy;
- under or relating to any workers compensation legislation (except to the extent cover is provided under the Domestic Workers Compensation option), industrial award or agreement, or statutory accident compensation scheme or compulsory third party insurance; or
- which could have been made under Section 3 'Your legal liability' if you had chosen to insure your home (if you own it) or your contents.

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

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

20. Loss of rent or temporary accommodation

We pay the following benefit if your home is so damaged by an event for which we agree to pay a claim that it cannot be lived in, or let to tenants:

If this Policy insures your home

We pay for:

- additional cost of reasonable temporary accommodation where the home is your principal place of residence, and the cost of temporary accommodation for your pets in a commercial boarding establishment when we have agreed to pay a claim for your temporary accommodation under this additional benefit. What is reasonable will depend on where your home is and the type of home you live in; or
- loss of rent or rental value, if the home is tenanted or is between tenants at the time the loss or damage occurred. The amount of the loss or rent or rental value will depend on the amount of rent you lose under a lease in place with your tenants or would have, if the home had been tenanted at the time the loss or damage occurred.

We pay up to:

- **\$20,000**; or
- **20%** of the sum insured for your home;

whichever is the higher.

If this Policy insures your contents

We pay for:

- additional cost of reasonable temporary accommodation where you are a tenant or strata title owner permanently residing in the home, and the cost of temporary accommodation for your pets in a commercial boarding establishment when we have agreed to pay a claim for your temporary accommodation under this additional benefit; or
- loss of rent or rental value, if the home is a strata title residence and it is tenanted or is between tenants at the time the loss or damage occurred.

We pay up to:

- **\$10,000**; or
- **10%** of the sum insured for your contents;

whichever is the higher.

Forced Evacuation by Government Authority

- If this Policy insures the home that you let to tenants, and if your home cannot be lived in because a government authority prohibits you from using it, we pay any resultant rent lost. We pay for a maximum of **60** days for your home for loss of rent or rentable value if the home is tenanted or is between tenants at the time the loss or damage occurred. The prohibition must be as a direct result of loss or damage to neighbouring premises that would be classed as insured damage under this Policy. We do not cover loss due to cancellation of a lease or agreement including if a tenant decides to leave without giving proper notice.
- If you cannot live at the site because a government authority denies you access, we will pay any increase in your living expenses that is necessary and reasonable to maintain your normal standard of living for up to **60** days. The denial must be as a direct result of damage to neighbouring premises that would be classed as insured damage under this Policy. We will not cover loss due to cancellation of a lease or agreement.

Under Additional Benefit 20, we do not pay for:

- loss of rent if the home has been untenanted for 30 consecutive days immediately before the loss;
- any rent lost after the home is capable of being tenanted;
- any rent lost later than **12** months after the damage occurs.

If you are a tenant, “additional costs” means costs over and above the amount for which you were renting the home when it was fit to live in.

21. Landlord's furnishings

If this Policy insures your home we will pay up to **5%** of the building sum insured for loss or damage to a landlord's furniture, fixtures, fittings and carpets if you:

- lease out your home;
- you are not living in your home at the time of the loss or damage;
- the items are in your home for your tenant to use; and
- the tenant is not responsible for loss or damage to these items under the lease.

22. Automatic reinstatement of sum insured

This benefit applies to the sums insured for home and unspecified contents as shown on your Schedule.

Following payment of a claim other than a claim for total loss the sums insured will be reinstated, unless you request otherwise. No additional premium is payable during the Period of insurance for the reinstated sums insured if this benefit applies.

23. Inflation adjustment

This benefit only applies to the home and contents sums insured as shown on your Schedule.

During each Period of insurance we increase the home and contents sums insured by 0.4 of 1% of the relevant sum insured shown on your current Schedule per month until the next renewal date.

There will be no additional premium payable during the Period of insurance. However, at the end of each Period of insurance the renewal premium for the next Period of insurance will be calculated on the amount of an increased sum(s) insured.

24. Compensation for death, quadriplegia or paraplegia

If this Policy insures your contents:

- we pay to the legal representative of the deceased person up to **\$15,000** in the event of death of you or a member of your family normally living with you as a direct result of physical injury caused by an insured event at the site, provided that the event that caused the death caused loss or damage for which we agree to pay a claim;
- we will pay you up to **\$15,000** if you or a member of your family normally living with you suffer quadriplegia or paraplegia as a direct result of an insured event occurring at the site, provided that the event that caused the disablement caused loss or damage for which we agree to pay a claim.

We do not pay in any one Period of insurance more than **\$15,000** in total under this additional benefit.

25. Modifications to the home

If you or a member of your family normally living with you are permanently and totally disabled as a direct result of an insured event occurring at the site provided that the event that caused the disablement caused loss or damage for which we agree to pay a claim, we pay up to **\$25,000** for the cost incurred by you in modifying your home, or in relocating you to a suitable home if you are a tenant.

Permanent and total disablement means:

- total paralysis of both legs and a part of or the whole of the lower half of the body; or
- total paralysis of both legs and both arms, which continues for a period of **12** months and after that time is considered to be of indefinite duration.

26. External aerials and satellite dishes

If your home is insured by this Policy we will pay up to **\$700** to repair or replace an external aerial or satellite dish which is broken or has collapsed.

27. Professional fees

We pay professional fees, which you incur with our consent, in the preparation of any claim you make under this Policy.

The maximum we pay in one Period of insurance is:

- **20%** of your total claims cost; or
- **\$5,000;**

whichever is the lesser.

28. Legal costs for discharge of mortgage

If this Policy insures your home, we pay the reasonable legal costs incurred in discharging your mortgage following settlement of a claim for total loss.

29. Veterinary expenses for pets

If this policy insures your contents, we pay the reasonable veterinary expenses incurred by you, if your pet is injured during the Period of insurance as a result of fire, lightning, earthquake or a road accident.

We will not pay under this Additional benefit more than **\$750** in total in any one Period of insurance.

30. Temporary Protection

If you make a claim for loss or damage to your contents due to an insured incident and we agree that the undamaged contents cannot be kept at the insured address, we will also pay the reasonable cost to store the undamaged contents until the contents can be kept at the insured address.

The most we will pay for the storage of undamaged contents is **5%** of the general contents sum insured.

We will pay for any accidental loss or damage to the undamaged contents while they are at the place of storage but only up to the general contents sum insured shown on your schedule (less any amount paid for loss or damage to your contents as part of the original claim). This cover stops when your policy is cancelled or lapses. All the conditions, limits and exclusions of this policy apply to this cover.

We do not pay for:

- storage costs once we decide the contents could be returned to the insured address;
- storage of contents outside Australia;
- loss or damage that is excluded by this policy;
- if your temporary accommodation is the place of storage.

31. Building Materials

We will pay up to **\$2,000** in any one Period of insurance for loss incurred by you if building materials are lost or damaged at the site during the period of insurance due to an insured event. Cover only applies to building materials intended to be used for repairs, alterations or additions to your home at the site.

32. New Replacement Residence – Temporary Cover

We will provide cover for an additional residential building when you purchase it for a maximum of **30** days from the date you sign a contract of purchase. The amount of cover provided is limited to the sum insured on your home shown on your Schedule. We only provide this cover when the residential building is replacing the home on your policy schedule as your primary residence.

33. Malicious Damage by Tenants

Loss or damage to the building or your landlord contents caused by malicious acts or vandalism by your tenants or their guests during the period of insurance less an amount equal to four (4) times the weekly rental amount or **\$500** whichever is the greater. The most we will pay per period of insurance under this additional benefit is:

- **\$20,000** if you have building cover; or
- the lesser of **\$20,000** or your landlord contents sum insured if you do not have building cover.

We do not pay for:

- accidental or unintended loss or damage;
- loss or damage to the building if you do not have building cover or to landlord contents if you do not have landlord contents cover;
- the cost of cleaning, repairing or restoring the building or landlord contents caused by neglect, or untidy, unclean or unhygienic habits of the tenant or their guests, such as the cost of cleaning, repairing or removing:
 - liquid (including urine) or food stains;
 - odours;
 - abandoned items or rubbish;
 - drawing or painting on walls;
 - water damage and stains from over-watering plants;
 - water damaged carpets, flooring, cupboards or vanity units caused by water splashing from showers, sinks or baths.
- loss or damage when we have accepted a previous claim under this cover in respect of the same tenant.

Note: 'Same tenant' means that at least one common person was usually residing at the insured address when the incidents giving rise to the claims occurred.

34. Environmental Improvements

We provide cover for the costs associated with the purchase and installation of environmental improvements at the site such as a rainwater tank, solar system or compost equipment when all of the following applies:

- we have accepted a claim under this Policy for loss or damage to the home and declared it a total loss; **and**
- the home does not already have the relevant environmental equipment; **and**
- we are authorising or arranging the repairs or replacement of the home; **and**
- you have sought our agreement prior to purchasing or installing the relevant environmental equipment.

The most we will pay is up to **\$5,000** of your net costs* in purchasing and installing the approved environmental improvement.

*Net cost is the amount you spend after deducting any government subsidy to which you are entitled to at the date of the loss, whether you claim this subsidy or not. You must supply us with proof of the amount you spent before we will pay you.

We do not pay for:

Any amount covered under any other Additional benefit.

Options you can choose for additional premium

The following options may be obtained on application, and for an additional premium:

1. Valuables
2. Domestic Workers Compensation

Valuables

This option is available only if this Policy insures your contents in your primary residence.

If you have selected and paid for this valuables option, we insure you and your family anywhere in the world against loss, theft or damage to unspecified or specified valuables items belonging to you, your family or for which you or they are legally responsible.

You can choose to insure your valuables as:

- unspecified valuables;
- specified valuables; or
- a combination of both.

Your Schedule shows whether you have chosen this option and whether you have selected unspecified valuables or specified valuables or both. The Schedule also shows the basic excess that applies.

You can select unspecified valuables without having to specify individual items. If you select unspecified valuables, you are required to nominate a total unspecified valuables sum insured. The maximum amount we will then pay for a claim under the unspecified valuables option is limited up to:

- (a) **\$5,000** per item; and
- (b) the total sum insured for unspecified valuables for any one loss.

If you select specified valuables, then you must specify each item you wish to insure as a specified valuable and provide valuations or receipts, unless we tell you that a valuation or receipt is not required. There are some limitations below and under 'When you are not covered', which you must read.

What we insure

Unspecified valuables

Unspecified valuables are items of personal property specifically designed to be worn or carried, which includes:

- jewellery;
- gold or silver objects;
- watches;
- sporting equipment (except while in use or play);
- bicycles;
- camping equipment, back packs and sleeping bags;
- photographic equipment including video equipment;
- musical equipment;
- battery operated sound equipment;
- binoculars;
- clothing;
- wheel chairs, crutches and walking sticks;
- prams or strollers;
- luggage;
- personal mobile cellular phones, portable computers and other portable electronic equipment;
- hearing aids, contact lenses, eye-glasses; and
- portable leisure equipment.

Specified valuables

Specified valuables, if you have chosen to insure them, are those items shown as 'Specified valuables' on the Schedule.

What we do not insure

The following items are not covered under this valuables option:

- vehicles (including motor cycles and motor scooters) except for unregistered vehicles and bicycles listed as specified valuable items, aircraft or watercraft except for, surfboard or windsurfers listed as specified valuable items;
- musical instruments and photographic equipment used in connection with a profession, trade or business, or otherwise for reward;
- cash or negotiables; and
- items being cleaned involving the use of chemicals other than domestic chemicals.

When we will not pay

We will not pay for loss or damage to an item if it is caused by:

- mechanical or electrical breakdown; or
- dampness or weather conditions.

How much we will pay for loss or damage

(a) At our option we:

- repair the damaged item; or
- replace the lost or damaged item with an item substantially the same as, but not better than when new; or
- pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new; or
- pay up to the sum insured shown on your Schedule.

This means:

- if the loss or damage is to unspecified valuables, we will pay up to the total sum insured for unspecified valuables, but we will not pay more than **\$5,000** per item.
- for specified valuables, we will pay up to the sum insured shown on the Schedule against the item insured.

If we choose to pay to replace a specified valuable item, we will pay no more than the amount that it would cost us to replace the item with an item substantially the same as, but not better than when new, even if you have specified the valuable for a higher amount, whether or not you have supplied a valuation. We have negotiated special arrangements with various suppliers to purchase items for less than retail cost. Premiums are therefore based upon us replacing items at less than retail cost.

When we pay your claim for all your valuables items on the Policy being damaged beyond economic repair (or not being recovered), the valuables section of the Policy is exhausted and comes to an end.

(b) Pairs and Sets

Where an item forms part of a pair or set, we will only pay the replacement value of that item. We will not pay to replace the entire set.

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

If you elect not to surrender the remaining article(s) of the pair or set to us, then we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.

2. Domestic Workers Compensation

(Available in WA and Tasmania only)

Your Schedule indicates whether you have chosen this option.

If you employ a domestic worker, on a casual basis or otherwise, you may be required by law to provide that person with workers compensation insurance.

If you fail to do so, and your employee is injured in the course of their employment by you, you may be liable to compensate them.

Where shown on the Schedule, this Policy includes statutory domestic workers compensation cover according to the legislation in your state or territory, up to the amount required by your state or territory's legislation. On request, we will provide you a copy of the statutory policy. When this cover is provided, the insurer and issuer is AAI Limited ABN 48 005 297 807, AFSL No 230859, trading as GIO.

When you are not covered

General exclusions applying to this Policy

The following General exclusions apply to all sections of this Policy.

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following:

1. Revolution, war
 - revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), military coup; or
 - any looting or rioting following these events.
2.
 - Any act(s) of terrorism that is directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the legal liability, loss, damage, cost or expense, or
 - Any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

For the purpose of this exclusion, an act of terrorism means an act, including but not limited to the use of force of violence and/or the threat of these, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste.

Additional exclusions applying to this Policy

These additional exclusions apply to cover for your home, contents, additional benefits and 'Options you can choose for an additional premium'.

This Policy does not cover:

- (a) loss or damage intentionally caused by you or a member of your family or a person acting with your consent or the consent of any member of your family,
- (b) loss or damage resulting from or caused by:
 - the lawful seizure, confiscation, nationalisation or requisition of the property insured,
 - destruction of or damage to property by any government or public or local authority other than a fire brigade responding to an event insured under this policy,
 - faulty workmanship or faulty design,
 - wear, tear, rust, corrosion or gradual deterioration,
 - mildew, wet or dry rot or rising damp,
 - any consequential loss other than that specifically provided by this Policy
 - vermin or insects gnawing, biting, chewing, pecking, clawing, scratching or in any way polluting or contaminating your home or contents,
For example: If a mouse was to chew through an electrical wire, which led to a fire, the damage caused directly by the fire would be covered by this Policy, however any damage caused by the mouse's chewing would not be covered by this Policy.
 - erosion, subsidence, landslide or earth movement other than as a direct result of one of the following insured events (refer to items (a), (b), (d) and (h), under 'What you are insured against, and what you are NOT'):
 - explosion
 - storm, rain or flood
 - earthquake
 - escaping liquidand occurring no more than **72** hours after the event.
- (c) loss or damage to sporting equipment (other than bicycles) while in use or play.
- (d) following a storm or flood the cost of cleaning your undamaged home or contents or the insured address unless we decide it is required to carry out repairs.

- (e) loss or damage due to a defect, structural fault or design fault that you knew about (or should reasonably have known about) and did not fix before the loss or damage occurred (e.g. if there are signs that a defect previously caused damage, we will not pay a later claim for further damage from this defect).
- (f) loss or damage during building extensions, alterations or renovations to your home or unit. Specifically we do not cover:
- damage caused by cracking, collapse, subsidence or damage to your home or contents caused fully or partially by the building work;
 - damage caused by storm, flood or water entering your home or unit through openings in the walls or roof or other unfinished parts of your home or unit whether or not they are temporarily covered at the time of the damage;
 - damage caused by storm or flood to any part that is not fully built;
 - theft or damage by someone who enters or leaves through an unlockable or unsecured part of your home or unit.

General conditions

The following General conditions apply to all Sections of this Policy.

Changing your Policy

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

- agree to it, and
- give you a new Schedule detailing the change.

Notices

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

- delivered to you personally, or
- delivered or posted to your address last known to us.

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

Care and maintenance

If you do not take reasonable care to:

- protect and maintain the property insured,
- prevent damage or injury to others or their property, or
- comply with all statutory obligations and by-laws or regulations relating to the safety of person or property,

we will not pay for loss, damage, liability or personal injury to which this failure to take reasonable care contributes.

Strata title mortgagee's interest

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

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

We will pay the mortgagee the lowest of:

- (a) the sum insured shown on the Schedule,
- (b) the amount we must pay for that kind of loss or damage under our home section,
- (c) if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate's insurance pays and the cost of the damage, or
- (d) the amount sufficient to discharge the mortgage held by you over the unit at the date of damage.

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

We only pay a claim if:

- (a) a claim would be payable under this Policy (and not subject to any exclusion or other limitation in the Policy),
- (b) the policy of the body corporate or similar does not apply or only partially covers the loss, and
- (c) a mortgagee cannot get back the full amount you owe it under a mortgage when it sells your home.

Claims

What you must do

If an event happens which may give rise to a claim you must:

- take all reasonable precautions to prevent further loss, damage or liability,
- notify the police as soon as possible of:
 - any theft or attempted theft of the insured property or malicious damage to the insured property, or
 - you becoming aware that you have become a victim of identity fraud,
- tell us or your Insurance Broker as soon as possible. You will be provided with a claim form and advice on the procedure to follow, and
- supply us with all information we require to settle or defend the claim.

In an emergency outside normal business hours you may ring our emergency service on 1300 888 073 for assistance.

If in doubt at any time, contact Vero or your Insurance Broker for assistance.

What you must not do

- do not dispose of any damaged parts or items of your home or contents without our consent;
- do not carry out or authorise repairs without our consent unless you cannot contact us and need to make emergency repairs to protect your home or contents;
- do not wash or clean or remove debris from any area damaged by fire without our consent unless you need to do this to prevent further loss;
- do not admit liability or responsibility to anyone else unless we agree;
- do not negotiate, pay or settle a claim with anyone else unless we agree;
- do not accept payment from someone who admits fault for loss or damage to your home or contents. Refer them to us instead.

If you do not comply

If you do not comply with 'What you must do' and 'What you must not do' we can reduce or refuse your claim or cancel your policy.

If we decline a claim

We will provide reasons for our decision to decline and if you decide to lodge a claim, we will send you written confirmation of our decision.

What we do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

What can affect a claim

We will reduce the amount of a claim by the excess shown in this PDS or on the Schedule.

We may refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Schedule.

We pay only once for loss or damage from the same event covered by this Policy even if it is covered under more than one section or part of the Policy. However, we will pay the highest amount that you are covered for under this Policy for that loss or damage.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent, or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.

We own salvaged home and contents items

We can take and keep any recovered or salvaged item and sell it and keep the proceeds after we have replaced the item or paid you for it.

Our right to recover claims we pay from those responsible

After we pay a claim under this policy, we can decide to take legal action in your name to recover money from the person or entity which caused loss, damage or liability. You must give us all the help we need to do this. If we recover money that belongs to you and was not part of the claim we paid, we will give this to you.

How to prove ownership and value

For lost, damaged or stolen items that are no longer available for inspection, you must validate your claim by giving us details of when and where they were purchased and reasonable proof of ownership and value.

We have minimum proof requirements for some items set out below and on page 73. Sometimes we might ask for more evidence to substantiate your claim to our reasonable satisfaction.

Jewellery

Up to \$500

Details of when and where purchased and the price paid.

If you are claiming for more than **\$1,000** in total, we may ask you for more proofs.

Over \$500 to \$1,000

One of the following:

- proof of purchase that identifies the item;
- a close-up photograph clearly showing the item;
- a full description and value from a jeweller obtained before the loss occurred.

Over \$1,000 to \$3,000

Proof of purchase that identifies the item plus a full description of the item in writing from the jeweller you bought it from or a professional valuer.

Over \$3,000

Proof or purchase that identifies the item plus a valuation by a qualified jeweller or professional valuer. A close-up photograph might also help us.

Watches

Up to \$1,000

If purchased over 12 months ago

Details of when and where purchased and the price paid.

If purchased in the last 12 months

One of the following:

- proof of purchase that identifies the item;
- a certificate of authenticity;
- an original operating manual;
- the manufacturer's box;
- a close-up photograph.

Over **\$1,000** to **\$2,000**

One of the following:

- proof of purchase that identifies the item;
- a certificate of authenticity;
- an original operating manual;
- the manufacturer's box;
- a close-up photograph

Over **\$2,000**

One of the following:

- proof of purchase that identifies the item;
- a warranty, guarantee or certificate of authenticity showing the model or serial number;
- a manufacturer's box if it has the model or serial number showing;
- a valuation by a licenced member of the Auctioneers and Valuers Association of Australia.

Paintings, pictures, works of art, sculptures and art

Up to **\$2,000**

If purchased over 12 months ago

Details of when and where purchased and the price paid.

If purchased in the past 12 months

Proof of purchase that identifies the item.

Over **\$2,000**

One of the following:

- proof of purchase that identifies the item;
- a valuation by the Auctioneers and Valuers Association of Australia.

Dealing with defects

If a known defect is the cause of the damage

We do not pay for loss or damage caused by a defect, structural fault or design fault at your home that you knew about (or should reasonably have known about) and did not fix before the loss or damage occurred.

If an unknown defect is the cause of the damage

If an event covered by your policy damages your home and an unknown defect was the cause or part of the cause, we will pay for the resulting damage. If the unknown defective part of your home is also damaged by the same event, we will fix this as well.

We do not rectify structural or design faults

When we accept a claim, we will not pay extra to rectify a structural or design fault at your home that you knew about (or should reasonably have known about). We will only pay you what it would have cost us to fix the damage from the event covered by your policy or if we agree, you can pay us the extra amount it costs to rectify the structural or design fault at your home.

If undamaged defective parts of your building will not support repairs

If undamaged defective parts of your home you knew about (or should reasonably have known about) will not support repairing the damage caused by an event covered by your policy, we will only pay what it would have cost us to repair the damage had your home not been defective.

For known defects or faults

Once you become aware of a defect, structural or design fault at your home, you must rectify it as soon as possible because there is no cover for loss or damage due to that defect. If you do not rectify the defect or fault, you may not be covered or we might not offer a renewal of your policy.

Report insurance fraud

Insurance fraud is not a victimless crime. It imposes additional costs on honest policy holders and wastes the valuable resources of our community. This means it affects everyone.

We actively pursue fraudulent and inflated claims in order to keep your premiums as low as possible.

Fraudulent claims will be investigated and may be reported to the police.

Help us fight insurance fraud by reporting:

- inflated vehicle or home repair bills;
- staged vehicle or home events;
- false or inflated home or vehicle claims;
- home or vehicle fires which may be intentionally started, including by someone known to you.

To report suspected insurance fraud call: **1300 881 725**.

Let's work together to reduce the impact of insurance fraud on the community.

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