

Accidental damage

QBE Insurance (Australia) Limited

Product disclosure statement and
Home & contents insurance policy



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Introduction

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

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

Please take the time to read through this booklet and if you have any questions or need more information, call us on 1300 133 024 or the phone number at the top of your Policy Schedule.

Thank you for making QBE your first choice.

About this booklet

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

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

Updating our product disclosure statement

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

About QBE Australia

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

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

Important Information

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

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

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

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

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

Duty of disclosure

New business

What you must tell us

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

Who needs to tell us

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

If you do not tell us

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

Renewals, variations, extensions and reinstatements

Once your insurance is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your insurance, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under this insurance, and if so, on what terms.

You do not have to tell us about any matter:

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

Non-disclosure

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

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

You must disclose to us all previous claims

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

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

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

For example, we may be entitled to:

- charge you an additional premium;
 - impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
-

- decline to insure your building, contents or valuables;
- refuse a claim.

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

- claims;
- insurance; or
- criminal history.

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

Your sum insured may not be adequate

The Policy provides replacement or reinstatement conditions for home and contents which means that claims are settled without contribution for age, depreciation or wear and tear. It is important that the sums insured you select cover the cost of replacing your home and contents on a new for old basis. The sums insured that you select must make allowance for structural improvements (such as sheds, pergolas, and fencing), GST and any additional benefits that are included in the sum insured such as removal of debris. It is recommended that you use the free, sum insured calculator, available on our website to determine your building sum insured.

It is important that you read the sub-limits in the Terms and Conditions for items such as works of art, items of jewellery and collections. If you have any of these items that will cost more than the sub-limit to replace, then you will need to nominate them to ensure that they are covered for more than the sub-limit.

For example, there is a sub-limit on jewellery of \$5,000 per item, and in total, 25% of the unspecified contents sum insured. If it would cost more than this to replace your jewellery as new, then you must specify your jewellery item(s) to ensure that you are covered for your jewellery's full value.

Policy not suitable for landlords or holiday homes

This Policy is issued on the basis that that you live in the home and it is not used to let to tenants or as a holiday home. There are limitations on the cover provided by this Policy if you do not tell us that you let the home to tenants or you use the home as a holiday home.

If you let the home to tenants or use the home as a holiday home, you must tell us beforehand. Should this occur, we will cancel this Policy and replace it and offer you an alternative cover.

If you let the home to tenants or use it as a holiday home and you do not tell us, we will not insure you for malicious damage, accidental damage, or any of the following specified events:

- (a) implosion,
- (b) subterranean fire,
- (c) volcanic eruption,
- (d) Impact,
- (e) sonic boom,
- (f) falling objects.

The cost of this policy

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

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

- where the home or contents are located, the sum insured and your previous insurance and claims history.

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

How to make a claim

Please contact your appointed financial services provider to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim. Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet.

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

Cooling off information

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

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

Privacy

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

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

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

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

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

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

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

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

In addition we will:

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

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

To make a complaint email: complaints@qbe.com.

The General Insurance Code of Practice

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

The Code aims to:

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

Dispute resolution

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

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

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

Financial claims scheme

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

More information may be obtained from APRA - www.apra.gov.au or 1300 55 88 49.

Policy Wording

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

Our agreement with you

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

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

Your Policy

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

Please check the Policy Schedule details to ensure it accurately states what you have insured. Be sure to check that the sum insured for the various areas of cover are adequate.

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

Providing proof

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

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

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

Other party's interest

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

Paying your premium

You can pay your premium:

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

Overdue premium

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

Paying your annual premium

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

Paying your instalment premium

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

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

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

Details of your instalments are shown on your Policy Schedule.

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

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

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

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

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

Preventing our right of recovery

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

A claim may be refused

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

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 (1) section of the Policy, we will describe their special meaning in that section.

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

Word or expression	Meaning
Excess	the first amount of any claim, which is your responsibility to contribute. We deduct the Excess shown in the Policy Schedule or 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.
Flood	the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ol style="list-style-type: none"> 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.
Negotiable instruments	treasury notes, savings certificates, stamps, money orders, gift certificates and any other negotiable instruments.
Occupied	the home is furnished such that it is comfortably habitable and you, your family or someone with your consent has resided in the home overnight. To be occupied the home must: <ul style="list-style-type: none"> contain at least one usable bed/mattress,

Word or expression	Meaning
	<ul style="list-style-type: none"> • contain at least one dining table or bench, a chair and some other furniture, • contain a functioning refrigerator, • be connected to the electricity supply, and • be connected to hot and cold running water.
Period of insurance	The period shown in the current Policy Schedule.
Policy Schedule	the document we give you which sets out the details of your cover which are personal to you. It forms parts of the Policy. It shows the cover and any options that you have selected. When your Policy is changed or renewed, we will give you a new Policy Schedule. The information on your Policy Schedule can modify the terms set out in this Policy.
Site	the address shown on your Policy Schedule where your home is located or your contents are kept.
We, our, us	QBE Insurance (Australia) Limited, ABN 78 003 191 035.
Your family	any member of your family who lives permanently with you, including your partner.
You, your	the person(s), companies or firms named on the current Policy Schedule as the 'Insured'.

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

Home

Your Policy 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 the Policy Schedule.

'Home' includes the following:

- (a) outbuildings, fixtures and structural improvements including in-ground swimming pools, tennis courts, in-ground spas, saunas,

- a fixed solar photovoltaic or hot water system, jetties and pontoons all of which are used for domestic purposes;
- (b) fixed light fittings, fixed wall coverings, fixed ceiling coverings and fixed floor coverings;
 - (c) 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;
 - (d) landscaping, paved pathways and paved driveways, 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), curtains or internal blinds;
- (b) earth or gravel pathways or driveways or other unpaved surfaces;
- (c)
 - a hotel, motel, nursing home or boarding house,
 - buildings of flats or caravan (whether fixed to the site or not), unless this is expressly endorsed on your Policy Schedule,
 - strata title, company title or community units with respect to insuring the building, however we will insure contents contained within these units,
- (d) any building used for any business or trade, except a dwelling used principally as a place of residence that also contains an office or surgery,
- (e) a building in the course of construction,
- (f) a building in the course of being demolished, or that is vacant pending demolition,
- (g) a temporary building or structure,
- (h) trees, shrubs and any other plant life including grass or lawns, or soil, sand, gravel, bark or mulch.

Contents

Your Policy 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
- a sum insured for specified contents.

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

What 'Contents' means

'Contents' means, items (a) to (g) below, while they are at the site, 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), personal effects, cash, coins and negotiables,
- (b) articles of special value which you have listed on the Policy Schedule under 'contents specified items',
- (c) if you live in a strata title building, the internal paint work, wallpaper and any fixture or structural improvement within or attached to that residence which the Body Corporate is not required by law to insure,
- (d) if you are a tenant, landlord's fixtures and fittings for which you are legally liable and fixtures and fittings installed by you for your own use,
- (e) any of the following equipment if it does not require registration:
 - golf buggies;
 - motorcycles up to 125cc engine capacity;
 - garden equipment; or
 - motorised wheelchairs
- (f) canoes, kayaks, surfboards, surfskis or sailboards, and any other watercraft up to:
 - four (4) metres in length, and
 - ten (10) horsepower.

This means that if the watercraft is not a canoe, kayak, surfboard, surf-ski or sailboard and it is either longer than 4 metres, or, is powered by a motor or engine that is greater than ten (10) horsepower, it is not covered.

A watercraft motor:

- no more than ten (10) horsepower, and
- not attached to a watercraft, and
- at the site,

will be treated by us as a watercraft accessory. If it is over ten (10) horsepower, it is not covered by this Policy

- (g) furniture and equipment of an office or surgery used by you or your family in your own business in the home and tools and equipment used for earning income by you or your family.

What 'Contents' does not mean

'Contents' does not include:

- (a) fish, birds or animals of any description;
 - (b) trees, shrubs and any other plant life including grass or lawns, or soil, bark or mulch (other than pot plants);
 - (c) any caravan or trailer;
 - (d) motorised vehicles other than those listed in point (e) under the heading 'What contents means';
 - (e) watercraft other than those listed in point (f) under the heading 'What contents means';
 - (f) aircraft or their accessories (other than a non-pilotable model aircraft);
 - (g) accessories or spare parts, keys or remote locking or alarm devices of motor vehicles (including motorcycles and motor scooters), caravans, trailers, aircraft or watercraft while they are in or on the motor vehicle, caravan, trailer, aircraft or watercraft;
 - (h) photographic and video equipment and musical instruments or musical equipment used for earning any income;
 - (i) any property:
 - illegally in your possession,
 - stored in a dangerous and illegal way, or
 - any equipment connected with growing or creating any illegal substance,
 - (j) commercial or retail trade stock other than business stock temporarily stored inside the home for a maximum period of thirty (30) days;
 - (k) your home or any part of your home.
-

Section 2: Cover for your Home & Contents - Accidental damage

What you are insured against, and what you are not

You are insured against malicious damage, accidental loss or damage (including the specified events listed below) to your home, contents or both at the site during the period of insurance.

There is also some extended cover provided for your contents under Additional benefit 1 - 'Cover for Contents when away from the site', for when your contents are away from the site.

Specified events

'Specified events' means loss or damage directly caused by the following Events (a) to (r):

- (a) fire,
- (b) lightning,
- (c) thunderbolt,
- (d) explosion,
- (e) Implosion,
- (f) earthquake or tsunami.
'Tsunami' means a sea wave caused by a disturbance of the ocean floor or by seismic movement,
- (g) subterranean fire,
- (h) volcanic eruption,
- (i) impact ('impact' means a collision of two or more objects),
- (j) aircraft and/or other aerial devices and/or articles dropped from them,
- (k) sonic boom,
- (l) theft,
- (m) breakage of glass,
- (n) the acts of persons taking part in riots or civil commotion or of strikes or of locked-out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising,
- (o) falling objects,
- (p) water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes,
- (q) storm, tempest, rainwater, flood, wind, hail, tornado, cyclone or hurricane, freeze or weight of snow,
- (r) power surge.

You are not insured against loss or damage caused by tenants or tenant's visitors or a tenant's family.

Whether you have selected cover for your home, contents or both is shown on your Policy Schedule.

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

In addition, you are insured for loss or damage to your home, contents or both at the site, caused directly by any of the events set out in the left column of the following table (except to the extent indicated in the right column of the table).

You are insured against	But not
<p>(a) 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 rewinding the motor, or at our option, replacing it. For refrigerators and air conditioning units, we pay for the replacement of refrigerant gas and refrigerant driers, only if replacement of the refrigerant gas or drier is made necessary because of the fusion.</p>	<p>Motors more than fifteen (15) years from the date of purchase when new or more than fifteen (15) years from the date of rewinding.</p> <p>The cost of repair or replacement of additional parts or service items, including worn or broken bearings or switches.</p> <p>Leakage of refrigerant gas and maintenance of refrigerant driers.</p> <p>Lighting elements (for example, light bulbs or fluorescent tubes or heating elements, solenoids, fuses or protective devices (for example a fuse or circuit breaker).</p> <p>Electrical contact points where sparking or arcing occurs during ordinary use.</p> <p>The cost of retrieving, removing or replacing the pump section of pool or pressure pumps or the cost of retrieving submersible pumps or their driving motors.</p> <p>Electronic controllers or other electronics.</p>
<p>(b) Spoilage of food If this Policy insures your contents, we also pay for spoilage of food or legally prescribed pharmaceutical drugs that require</p>	<p>Spoilage as a result of:</p> <ul style="list-style-type: none"> ○ Strikes ○ switching off or disconnecting the electricity supply.

You are insured against	But not
refrigeration in domestic refrigerators or freezers at the site caused by: <ul style="list-style-type: none"> ○ breakdown of the refrigerator or freezer ○ failure of the electricity supply to the home. 	
(c) Erosion, subsidence, landslide or earth movement but only if it is directly as a result of one (1) of the following 'Specified events' <ul style="list-style-type: none"> ○ (d) explosion ○ (f) earthquake or tsunami ○ (p) water and/or other liquid discharged ○ (q) storm, tempest or flood. and it occurs no more than seventy two (72) hours after the insured event.	Any other erosion, subsidence, landslide or earth movement.

How we will pay

Home

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

If your home is 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 your home being damaged beyond economic repair, the Policy is exhausted and comes to an end.

Special benefit - Home sum insured safeguard

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

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

This Special benefit applies only if:

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

Catastrophic event means a suddenly occurring, major, natural disaster that is insured by this policy, where the resultant damage to property in the vicinity of your home and generally is so extensive and widespread that the resultant surge in demand for the materials and labour required to repair buildings causes a surge in the prices of building repairs.

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

- (b) You may choose to have the home replaced at another site, but we do not pay more than the sum insured.

- (c) If your home is damaged beyond economic repair and you do not commence rebuilding within six (6) months of the damage occurring, (or any other period which we agree with you in writing) you may have to pay any increase in cost caused by your delay.
- (d) 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 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 white, wall tiles in the bathroom. As a result of a burst pipe, eight (8) bathroom wall tiles are damaged. We would pay only the reasonable cost to repair or replace the 8 damaged tiles to a condition substantially the same as when new.

(In addition, we would pay for damage sustained in locating the leak-Additional benefit 27).

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 160 undamaged wall tiles by way of salvage. We would not pay to replace any tiles located in a room other than where the loss or damage occurred.

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

Contents

- (a) At our option we:
- repair the damaged items, or
 - replace the items with items 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 Policy Schedule.

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

- (b) If we agree to pay a claim where film, photos, home movies or home videos or any similar recorded material is destroyed, we pay for the replacement with new, blank film, videos or similar (e.g. If a compact disc upon which you had photos stored is destroyed, we would replace it with a new, blank compact disc). We do not pay to reconstruct any circumstances or conditions.
- (c) If we agree to pay a claim where software is lost, damaged or destroyed, we pay the cost to replace it with the nearest equivalent new software. We do not pay for any software that was acquired by you at no cost.
- (d) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we:
- replace the item with the nearest equivalent or similar new item available in Australia or overseas, or
 - pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.
- (e) The maximum we pay on the following contents items is shown in the table below. You may obtain higher limits for (a), (b), (c), (f) or (g) (except for cash) by having any of these items specified on your Policy Schedule. Additional conditions may be imposed, for example, it may be required to keep items in a safe when not being used. We will pay up to the amount specified for each item.
-

Contents where a maximum limit applies	Maximum limit
(a) Works of art, pictures, tapestries, rugs	\$25,000 per item and in total 25% of the sum insured for unspecified contents
(b) Items of jewellery, gold or silver articles, furs, watches	\$5,000 per item and in total 25% of the sum insured for unspecified contents
(c) Collections of any kind	\$20,000 per collection and in total 25% of the sum insured for unspecified contents
(d) Office or surgical equipment used by you or your family in your or their own business in the home	\$25,000 in total
(e) Other equipment used by you or your family for earning income	\$7,500 in total including a maximum of \$2,000 for business stock temporarily stored inside the home for a maximum period of thirty (30) days
(f) Accessories, or spare parts of motor vehicles (including motor cycles and motor scooters), caravans, trailers and watercraft, not in or on the motor vehicle, caravan, trailer or watercraft. We include motor vehicle keys, remote locking or alarm devices as accessories while they are not in or on the motor vehicle, but we do not pay for any recoding of devices or changing of vehicle locks	\$2,000 per item up to \$4,000 in total
(g) Cash, coins, negotiable instruments or bullion	\$1,500 in total

Note:

Where an item could be classified under more than one (1) of the above Maximum limits, (a) through to (g), the lower or lowest limit applies. For example, a piece of gold jewellery may be considered to be a work of art, however the jewellery sub-limit would be applied.

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

Antiques

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

For example:

An antique sterling silver claret jug created in 1880 is stolen and we agree to pay the claim. The antique jug has a current valuation for \$11,000. To replace the item with the closest, similar new item would cost \$2,100. At the time of the loss, our enquiries indicate that to replace that antique item at market value would be approximately \$11,000 but there is no equivalent item currently for sale in Australia or overseas. The market value of the item is higher than the new replacement cost due to the item's antiquity and rarity. In this instance, we would pay you \$11,000 for the jug rather than \$2,100. The sum we pay you would be subject to any applicable excess.

- (f) Floor and wall coverings, blinds and curtains
For wall coverings, and carpets and other floor coverings, curtains and internal blinds, we pay only for items in the room, hall or passage, where the damage occurred.
 - (g) Pairs and sets
A 'pair or set' means two (2) or more articles the collective value of which exceeds the sum of their individual values.
If any item lost or damaged is part of a pair or set, we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set, or for any reduction in value of the remaining part or parts.
-

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) the death of, or bodily 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 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 and, the home is 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) the death of, or bodily 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.

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 (1) original source or cause as one (1) occurrence.

Additional benefits - Liability

The 'Motor vehicle liability' and 'Committee member of a social or sporting club' additional benefits apply only when you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence.

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 member of your family become legally liable to pay for:

- the death of, or bodily 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;
- any motorised wheelchair;
- any 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:

- death or bodily injury caused by you or your family solely as a result of you or your family being passengers in a registered vehicle;
- death or bodily injury caused by 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:

- (a) if you or your family are entitled to be wholly or partly insured by any compulsory statutory insurance or accident compensation scheme, or would have been, but for failure to register the vehicle or to apply for cover under the scheme or to comply with a term or condition of the scheme,
 - (b) if you or your family are entitled to be wholly or partly protected by any other Policy of insurance which specifically covers the vehicle (except where this exclusion would contravene s.45 of the *Insurance Contracts Act 1984* (Cth)).
-

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 expenses which you or the member of your family become legally liable in Australia to pay for an alleged or actual act or omission arising out of your position as a committee member of a sporting club or social club.

We will not pay if you receive any payment or remuneration of any kind for holding the position.

The most that we will pay under this additional benefit in any one (1) period of insurance is \$10,000.

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

- (a) any act or omission for which you or your family receive reimbursement from the sporting or social club, or
- (b) 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.

Liability cover for the site continues following a home total loss

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

- any construction commencing at the site,
 - the sale of the site or any part of it,
 - another Policy that includes liability cover being taken out in relation to the site,
 - the commencement of construction of a home to replace the insured home at another site, or
 - six (6) months from the date of the damage that caused the total loss.
-

What you are not covered against

(applies to 'Legal liability' and 'Additional benefits - liability')

When we do not insure you or your family

We do not insure you or your family:

- (a) against any liability caused by or arising directly or indirectly, out of or in connection with the actual or alleged use or presence of asbestos,
- (b) against 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 that complies with the relevant *Residential Tenancies Act* or similar,
- (b) death of or bodily injury to you or to any person who normally lives with you.

In this exclusion we consider that a person normally lives with you, if that person:

- has lived with you in your home as their primary residence for sixty (60) days or more out of any ninety (90) consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence, or
 - has lived with you in your home and intends or intended to use your home as their primary residence for sixty (60) days or more out of any ninety (90) consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence,
 - (c) death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment,
 - (d) damage to property belonging to you or any person who normally lives with you or to your or their employees,
 - (e) any workers' compensation legislation, 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 your home, provided that your home is freestanding and solely occupied by you and your family), aerial device or aircraft (except model aircraft or toy kites), aircraft landing area, boat exceeding four (4) metres in length (except canoes, surfboards, surf skis or sailboards) or motorised watercraft in excess of ten (10) horsepower,
 - (g) the conduct of any activity carried on by you or your family for reward except for letting the home for domestic purposes or babysitting on a casual basis.
-

Babysitting cannot be considered to be on a casual basis where:

- 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;
- there is a registered business associated with the babysitting.

This exclusion does not apply to 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 sold in domestic quantities;
- the sale does not form part of any business, trade or profession;
- the goods sold at the garage sale by you or your family have not been purchased for the sole purpose of re-sale, and;
- you do not hold more than one (1) garage sale per period of insurance. (A garage sale over one (1) weekend would be considered as one (1) garage sale);

- (h) vibration or the weakening of, removal of or interference with support to land, buildings or other property,
 - (i) building work, construction or demolition of a building, including the home if the value of the work exceeds \$100,000,
 - (j) death or bodily injury to any person arising out of pregnancy or the transmission of any communicable disease by you or your family unless the action was reasonable and to prevent or reduce loss, damage or injury to property or persons,
 - (k) the ownership of land, buildings or structures other than the home insured by this Policy. If you have insured your contents only, then you are not covered for any legal liability arising from the ownership of any land, buildings or structures,
 - (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 the action was reasonable and to prevent or reduce loss, damage or injury to property or persons,
 - (m) the lawful seizure, confiscation, nationalisation or requisition of the property insured,
 - (n) destruction of or damage to property by any government or public or local authority,
 - (o) the ownership or use of any motor vehicle other than under the cover given by the 'Additional benefit - Motor vehicle liability',
 - (p) any act or omission that is knowingly illegal, dishonest, fraudulent, wilful, malicious or done with reckless disregard for their consequences by you, your family or a person acting with the consent of you or your family.
-

What we will pay

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

Section 4: Additional benefits

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

We pay additional benefits 1 to 20 as part of the sums insured for home or contents, depending on the type of cover you have chosen:

1. Cover for contents when away from the site

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

We insure your contents anywhere:

- in Australia or New Zealand while you have temporarily removed them from the site, and
- in the rest of the world while you have temporarily removed them from the site, for a period of up to 100 days, in any one (1) period of insurance.

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

But, under this additional benefit 1, we do not insure:

- (a) the following items:
 - contents in transit during a permanent removal from the site (other than as described in Additional benefit 10 - Contents being conveyed to your new residence),
 - contents permanently removed from the home (other than as provided in Additional benefit 8 - Change of Site),
 - aircraft, aerial devices or equipment normally associated with them,
 - property used in connection with a profession, trade or business,
 - motor vehicles (including motor cycles and scooters), caravans and trailers and their spare parts and accessories.

or

(b) the following items and their accessories or spare parts while they are contained in or on or attached to a tent, vehicle, watercraft, aircraft or in the open air:

- canoes, kayaks, surfboards, surf skis & sailboards or other watercraft,
- ride on golf buggies and ride on mowers.

'Open air' includes non lockable structures and non lockable parts of structures not at the site.

The maximum we pay for items of:

- (i) jewellery, gold or silver articles, furs, watches,
- (ii) collections of any kind, or
- (iii) mobile phone (1)s, portable electronic equipment (including such things as portable computers, PDAs, hearing aids)

while they are temporarily removed from your site, is \$5,000 per item, and, in total \$20,000, unless you have specified them and they appear on your Policy Schedule under the valuables option and you have paid any additional premium.

For items other than (i), (ii) and (iii) above, the maximum amount we pay for items while they are temporarily away from your site is subject to the limits described under 'How we will pay'.

We do not pay more under this additional benefit than if the items were lost or damaged at the site.

2. Fees

If this Policy insures your home, and

- it is damaged as a result of an event insured under this Policy, and
- we agree to pay a claim

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

3. Removal of debris

If this Policy insures your home, and

- it is damaged as a result of an event insured under this Policy, and
- we agree to pay a claim

we pay the reasonable costs of demolition and removal of debris from the site to the nearest authorised facility.

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

- we agree that the remaining tree or branch is unsafe,
- the remaining tree or branch only became unsafe as a direct result of the event covered under this Policy causing damage to the tree, and
- 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:

- 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
- not removing the stump would interfere with repairing or replacing the damaged part of the home required to settle your claim.

If this Policy insures your contents, and

- they are damaged as a result of an event insured under this Policy, and
- we agree to pay a claim

we pay the reasonable costs of removal of contents debris from the site to the nearest authorised facility.

4. Extra costs of reinstatement

If this Policy insures your home, and it is damaged as a result of an event insured under this Policy, 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.

If only part of your home is damaged, we pay only the extra costs you incur in repairing that part.

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.

5. Illegal use of credit card or financial transaction card

If this Policy insures your contents in your primary residence and a credit card or financial transaction card is lost or stolen, we pay up to \$7,500 towards any legal liability you incur from its unauthorised use.

We do not pay if:

- the card does not belong to you or your family,
- you have not complied with the card issuer's requirements,
- the unauthorised user of the card is someone living at the site.

6. Visitors' contents

If this Policy insures your contents in your primary residence we also insure contents up to \$5,000 in total belonging to any visitors temporarily living with you at the site for up to thirty (30) consecutive days.

We do not pay:

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

7. Replacement of locks and keys

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

- locks to your home are damaged, or
- keys to your home are lost, damaged or stolen from anywhere in Australia.

8. 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 thirty (30) 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.

You must tell us of your new address within thirty (30) days of first moving to it. If you wish to insure your contents at your new address after that thirty (30) days we must agree to insure them at that address.

You must pay us any additional premium we ask for and comply with any conditions we impose.

9. Contracting purchaser

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

- when they become liable for any damage to the home until the contract is settled or terminated, or
- until the purchaser insures the home,

whichever happens first.

10. Contents being conveyed to your new residence

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

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

- theft from the conveying vehicle involving the use of violent force,
- fire on the conveying vehicle,
- collision and/or overturning of the conveying vehicle,
- flooding of the conveying vehicle,

while your contents are in transit by land 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,
- for damage to china, glass, earthenware or any other item of a brittle nature,
- for damage caused by scratching, denting, bruising or chipping,
- outside Australia.

11. Trees, shrubs and plants

If you occupy the home insured by this Policy as your primary residence, we pay up to \$1,500 for loss or damage to any one (1) tree, shrub or plant up to \$10,000 in total in any one (1) period of insurance caused directly by malicious damage or any specified event (a) through to (p), listed under Section 2 'What you are insured against, and what you are not'. We do not insure grass or lawn. We do not insure you for damage caused by storm or flood or any weather event included in specified event (q), or any event that is not sudden, accidental and unforeseen. We only repair or replace trees, plants or shrubs, that are so damaged that they die, are permanently disfigured or not recovered after being stolen.

12. Veterinary expenses for domestic cats and dogs

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we pay the reasonable veterinary expenses incurred by you if your domestic cat or dog, normally kept at the site, is accidentally injured as a result of a road accident, fire, lightning or earthquake.

We will not pay:

- more than \$1,250 in total in any one (1) period of insurance,
- costs or expenses resulting from the physical loss, theft or death of an animal including but not limited to postmortem, disposal, burial or cremation,
- routine elective or preventative veterinary treatment such as vaccinations, spaying or heart-worm testing,
- for treatment of any preexisting condition,
- for treatment of injury or illness arising from or connected with a sporting event, cat or dog show, business, occupation or commercial activity, including but not limited to guard dog services, commercial breeding, hire or renting out of the animal, or
- if the injured cat or dog was not registered and/or micro-chipped as required by any law or regulation made by any government or public authority.

13. 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 accountant's fees which you reasonably incur as a result of your personal taxation affairs being audited by the Australian Taxation Office.

The maximum we pay is \$5,000 for any one (1) audit.

We do not pay or reimburse you for:

- any fines, penalties or shortfall in the amount of tax payable,
- any audit conducted in relation to criminal activity,
- any audit not commenced during the period of insurance
- any fees incurred outside any statutory time limit,
- any 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 leading to a tax shortfall penalty or imposition of additional tax exceeding 25%;
- any 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
- any fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit,
- any fees in relation to any Self Managed Superannuation Fund (SMSF) audits .

14. 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 (1) 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, or 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, industrial award or agreement, or statutory accident compensation scheme or compulsory third party insurance,
- 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.

15. 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.

16. Monitored alarm attendance after theft

If this Policy insures your contents in your primary residence, we will pay up to \$2,500 for the reasonable costs actually incurred by you for the security firm that monitors your burglar alarm to attend your home during or immediately after an actual or attempted theft from your home if:

- there is evidence of forcible or violent entry,
-

- the theft or attempted theft is not committed by any person who is living at the site, and
- you report the incident to Police as soon as possible and in any event, no more than twenty four (24) hours after the theft or attempted theft occurred.

We do not pay:

- for any false alarms, or
- where there is no evidence of a theft or an attempted theft, or
- more than \$2,500 in any period of insurance.

17. Replacement of documentation

If this Policy insures your contents in your primary residence we will pay up to \$2,500 for the reasonable costs to replace the following documentation directly damaged as the result of an event that has caused a claim that we agreed to pay:

- Title Deeds.
- Birth Certificates.
- A Marriage Certificate.
- Passports.
- Drivers Licences.
- Proof of Age Card.

18. New replacement residence – temporary cover

If this Policy insures your home, we will provide cover for the carpets, curtains and internal blinds and other contents items included in the sale contract of an additional residential building when you purchase it, for a maximum of forty two (42) 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 Policy Schedule. We only provide this cover when the residential building is replacing the home on your Policy Schedule as your primary residence.

19. Building materials

If this Policy insures your home, which is your primary residence, we will pay up to \$2,000 in any one (1) period of insurance if your unfixed building materials are lost or damaged at the site due to an event covered by this Policy. Cover only applies to building materials intended to be used for repairs, alterations or additions to your home at the site. (We do not insure soil, sand, gravel, bark or mulch or any similar materials.) We do not cover any gas or electrical appliances unless they are in a locked and fully enclosed building where those items are not visible from the outside of the building.

20. Identity fraud

If this Policy insures your contents in your primary residence and your identity is stolen by someone knowingly using your personal details without lawful authority for fraudulent use and/or financial gain, we will pay up to \$5,000 per period of insurance for your costs and expenses incurred to restore your identity from its unauthorised use. Our liability under this additional benefit 20. is limited to:

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

We will not pay any claim where the identity theft;

is caused by:

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

or arises out of:

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

Claims are only payable under this additional benefit 20 if;

- you are an Australian resident,
- the identity fraud occurs within Australia, and
- all losses and expenses are incurred within Australia.

We do not re-pay any loans or other amounts fraudulently procured in your name. We do not pay any fines or for any infringements or penalties imposed. We do not pay any costs that are or could be reimbursed from another party, for example, a financial institution.

We pay additional benefits 21 to 28 over and above your sum insured for home or contents, depending on the type of cover you have chosen.

21. Temporary accommodation

If your home is so damaged by an event for which we agree to pay a claim that it cannot be lived in, we pay up to:

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

whichever is the highest, for the additional cost of:

- reasonable temporary accommodation,
- emergency removal and storage of your contents,
- emergency accommodation of your pets

where the home is your principal place of residence.

Forced evacuation by Government Authority

If you occupy the home insured by this Policy as your primary residence, and if your home cannot be lived in because a Government Authority prohibits you from using it, we pay any increase in your living expenses for up to sixty (60) days that is necessary and reasonable to maintain your household's normal standard of living. The Government's prohibition must be as a direct result of damage to neighbouring premises that would be classed as insured damage under this Policy.

22. Automatic reinstatement of sum insured

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

Following payment of a claim other than a claim for total loss the sums insured will be reinstated, unless:

- you request otherwise,
- we tell you otherwise.

23. Inflation adjustment

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

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

24. Compensation for death

If this Policy insures your contents in your primary residence:

- 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 event at the site,

if the event that caused the death also caused damage for which we agree to pay a claim.

We do not pay in any one (1) period of insurance more than \$15,000 in total under this additional benefit.

25. Modifications to the home

If you occupy the home insured by this Policy as your primary residence, or this Policy insures your contents in your primary residence, and as a direct result of an event occurring at the site for which we agree to pay a claim:

- you, or
- a member of your family normally living with you

permanently become a paraplegic or quadriplegic, we pay up to \$25,000 for the cost incurred by you in modifying your home or in relocating you to a suitable home.

By the terms 'paraplegic' and 'quadriplegic', we mean paraplegia and quadriplegia that continues for a period of twelve months and for which there is a prognosis made by a qualified and registered medical practitioner that it will continue for an indefinite period.

26. Legal costs

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.

27. Location costs - escaping liquid

If this Policy insures your home and we pay for damage caused by liquid escaping from any fixed basin, shower base, or other fixed apparatus, fixed tanks, or fixed pipes used to hold or carry liquid, we will also pay the reasonable costs of locating the cause of the damage, and of reinstating the property damaged or disturbed in the course of work.

We do not pay for repair or replacement of the apparatus, tank or pipe itself.

28. Environmental upgrade benefit

Applicable only when this Policy insures your home

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

- Rain water tank.
- Solar power system (solar hot water heating system or photo-voltaic electricity system).
- Hot water heat exchange system.
- Grey water recycling system.

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

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

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

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

Applicable only when this Policy insures your contents

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

- refrigerator,
- freezer,
- washing machines (but not clothes dryers),
- dishwashers,

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

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

Section 5: 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

1. Valuables

If you have selected and paid for this valuables option, we insure you and your family:

- anywhere in Australia or New Zealand, and
- for up to 100 days in any one (1) period of insurance, anywhere in the world

against loss, theft or damage to specified valuables items including:

- (i) jewellery, gold or silver articles, furs, watches
- (ii) collections of any kind
- (iii) mobile cellular telephones, portable electronic equipment (including portable computers, PDAs, hearing aids).

This Policy automatically covers these items (i), (ii) and (iii) while they are temporarily removed from the site under additional benefit 1, up to \$5,000 per item, and, in total \$20,000 (subject to the sub-limits in the table under 'How we will pay - Contents'). However, if you wish to insure items while they are temporarily removed from the site for amounts greater than this, then you need to select and pay for this specified valuables option.

You can also select valuables cover for other portable items that have sub-limits in the table in the section 'How we will pay'.

Please note: Contents other than (i), (ii) or (iii) above and those that do not have a sub-limit do not need to be insured under this specified valuables option. There is no unspecified valuables option under this Policy, as it is made unnecessary because the cover provided under Additional benefit 1.

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

There are some limitations below and under 'When you are not covered', which you must read.

What we do not insure

The following items are not covered under this valuables option:

- cash, negotiables or financial transaction cards
- unset precious or semi-precious stones
- items being cleaned, repaired, restored, or on exhibition away from the site.

How much we will pay for loss or damage

- (a) At our option we:
- repair the damaged item,
 - replace the lost or damaged item with an item substantially the same as, but not better than when new,
 - 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 Policy Schedule against the item.

If we choose to pay to replace a specified valuables 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 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) If we agree to pay a claim where film, photos, home movies or home videos or any similar recorded material is destroyed, we pay for the replacement with new, blank film, videos or similar (e.g. If a compact disc upon which you had photos stored is destroyed, we would replace it with a new, blank compact disc). We do not pay to reconstruct any circumstances or conditions.
- (c) If we agree to pay a claim where software is lost, damaged or destroyed, we pay the cost to replace it with the nearest equivalent new software. We do not pay for any software that was acquired by you at no cost.
- (d) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we:
- replace the item with the nearest equivalent or similar new item available in Australia or overseas, or
 - pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.

(e) Pairs and sets

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

A 'pair or set' means two (2) or more articles, the collective value of which exceeds the sum of their individual values.

2. Domestic workers' compensation

(Applicable only in States or Territories where domestic workers' compensation can be offered in conjunction with a Home and Contents Policy.)

Your Policy 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 Policy 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.

Section 6: What you must pay if you make a claim - Excess

'Excess' means the first amount you must contribute to any claim you make under this Policy.

We deduct the excess shown in the Policy document or on the current Policy Schedule from the amount of your claim.

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 \$6,000 was stolen from the home and it has not been specified, the \$5,000 per item jewellery sub-limit would apply. If a \$400 excess was applicable, this would be applied to the \$6,000 claim, rather than the \$5,000 sub-limit. Therefore, \$5,000 would be payable.

If the ring had been specified for \$6,000, we would pay \$5,600 - the \$6,000 claim less the \$400 excess. If the stolen ring was worth only \$1,500, we would pay \$1100 - \$1,500 less the \$400 excess.

For earthquake and tsunami claims the excess is \$250, or the amount shown on your Policy Schedule, whichever is greater.

All loss, destruction or damage occurring within a period of seventy two (72) hours of the earthquake is regarded as the one (1) event.

When you will not have to pay an excess

You will not have 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.

Section 7: When you are not covered

General exclusions applying to this Policy

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

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
 2. any act(s) of Terrorism that is directly or indirectly caused by, contributed to by, or in any way involves or is connected with biological, chemical, radioactive, or nuclear pollution or contamination.
-

For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any Organisation(s) or Government(s) of the day or de facto, and which:

- involves violence against one (1) or more persons, or
 - involves damage to property, or
 - endangers life other than that of the person committing the action, or
 - creates a risk to health or safety of the public or a section of the public, or
 - is designed to interfere with or to disrupt an electronic system.
3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

Sanction Limitation and Exclusion Clause

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

Additional exclusions applying to this Policy

These additional exclusions apply to cover for your home, contents, additional benefits and valuables (if you have chosen that option).

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
 - storm, rainwater, flood or wind, to:
 - retaining walls,

- free standing walls,
- fences, or
- gates

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

- brick, concrete, masonry, stone or steel, or
- timber but are twenty (20) years old or less
- erosion, subsidence, landslide or earth movement other than as a direct result of:
 - (q) storm, tempest, rainwater, flood,
 - (f) earthquake or tsunami,
 - (d) explosion,
 - (p) water and/or other liquid discharged,

and occurring no more than seventy two (72) hours after the specified event,

- the action of the sea, high water, tidal wave,
- water seeping through a wall or floor,
- water entering the home through an opening made for the purpose of alterations, additions, renovations or repair,
- inherent defects, structural defects, faulty workmanship, faulty design or any gradual process,
- wear, tear, rust, corrosion, depreciation or gradual deterioration,
- fungus, mildew, mould, algae, atmospheric or climatic conditions (other than storm),
- settling, shrinkage or expansion in buildings, foundations, walls or pavements,
- the removal or weakening of supports or foundations for the purpose of alterations additions, renovations or repair,
- mechanical, electrical or electronic breakdown with the exception of fusion to electric motors as described under event (a), What you are insured against, and what you are not, or if a claim is payable as the result of a lightning strike or power surge under specified event (r),
- any consequential loss other than that specifically provided by this Policy,
- any process of cleaning involving the use of chemicals other than domestic household chemicals,
- rodents, vermin, or insects (at any stage of their life cycle). For example: If a mouse was to chew through an electrical wire, which led to a fire, the damage caused directly by the fire would be covered by this Policy, however any damage caused by the mouse's chewing would not be covered by this Policy,
- any gnawing, biting, chewing, pecking, clawing, scratching or in any way soiling or polluting;
 - your contents outside the home, or

- any exterior part of your home, or
- any part of the interior of your home that is not fully enclosed,
- any part of the interior of your home if you or the occupier has permitted an animal to enter your home,
- by any animal kept by you or your family,
- the deliberate application of heat (for example, this would include where an element under or forming part of a ceramic cook-top causes damage to the cook-top)
- tree roots.

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

(c) loss or damage to:

- sporting equipment while in use or play,
- bicycles while they are being used for any competition or contest including racing, pace-making time trial or hill climb,
- the tyres of bicycles whilst being ridden,
- the appearance of the bicycle caused whilst the bicycle is being ridden such as scratching, denting, chipping or defacing. This does not include damage that materially affects the performance of the bicycle,
- items for sale on consignment,
- electronic data unless the loss or damage is caused by a specified event (a) through to (r) listed under 'What you are insured against, and what you are not'.

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

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

Section 8: General conditions

Changing your Policy

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

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

Other interests

- You must not transfer any interests in this Policy without our written consent.
- Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of this Policy.

Cancelling your Policy

How you may cancel this policy

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

How we may cancel your policy

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

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

Notices

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

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

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

Changes

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury.

Examples of circumstances where the risk of loss, damage or injury may increase include where:

- you no longer are the owner occupier of the home, because you now let the home to tenants or use the home as a holiday home,
 - you are having renovations undertaken,
-

- the home is left vacant or unoccupied for a period exceeding 100 days,
- the home falls into a state of disrepair,
- your home is opened up to the public for an exhibition or similar event (including if it is not for reward), or
- you are participating in a public exhibition (including if it is not for reward).

Unoccupancy

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

If you do not do so, the cover for home and contents is limited to lightning, thunderbolt, riot and civil commotion, damage directly caused by impact by a vehicle, waterborne craft, space debris, aircraft, rocket, satellite, a branch, or tsunami and earthquake for the period in excess of 100 consecutive days during which the home has been left unoccupied. However, we do not insure you against any subsequent resultant damage such as rain water entering any opening made by impact or looting subsequent to a riot.

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

'Occupied' means that the home is furnished such that it is comfortably habitable and you, your family or someone with your consent has resided in the home overnight.

To be occupied the home must:

- contain at least one (1) usable bed/mattress,
- contain at least one (1) dining table or bench, a chair and some other furniture,
- contain a functioning refrigerator,
- be connected to the electricity supply, and
- be connected to hot and cold running water.

Salvage

We are entitled to obtain and retain any items or materials that are salvaged or recovered after you make, and we agree, to pay a claim by replacing or paying to replace any items or materials. We may sell the items or materials and keep the proceeds. We may choose to sell the items or materials to you, if you agree to pay the market price for the items or materials.

Burglary protection

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

If any of these devices is removed, altered, or left inoperative while you are absent from the site, without our prior consent, we may have the right to:

- decline, or
- reduce

a claim to which this action contributes.

Please see your Policy Schedule for details.

Care and maintenance

If you do not take reasonable care to:

- protect and maintain the property insured,
- prevent damage or injury to others or their property,
- minimise the cost of any claim under this Policy, or
- comply with all statutory obligations and by-laws or regulations relating to the safety of person or property,

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

Adjustment of premium on renewal

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

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 Policy Schedule,
- (b) the amount to repair the damage to a condition similar to but no better than when new,
- (c) if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate insurance pays and the cost of the damage, or
- (d) the amount sufficient to discharge the mortgage held by you over the unit at the date of damage.

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

We only pay a claim if:

- (a) a claim would be payable under this Policy (and not subject to any exclusion or other limitation in the Policy),
- (b) the Policy of the body corporate or similar does not apply or only partially covers the loss, and
- (c) the mortgagee requires you to discharge your mortgage.

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

- (a) no additional benefits are payable under this Policy,
 - (b) no legal liability cover is provided, and
 - (c) no optional covers such as domestic workers' compensation, or valuables cover are provided.
-

Section 9: 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 immediately if any of your property is lost, stolen, or maliciously or intentionally damaged,
- tell us or your financial services provider as soon as possible. You will be provided with a claim form and advice on the procedure to follow,
- supply us with all information we require to settle or defend the claim,
- notify us of any other insurance covering the same loss, damage or liability,
- co-operate with us fully in any action we take if we have a right to recover any money payable under this Policy from any other person,
- advise us of your correct Australian Business Number and Taxable Percentage, if applicable. Any GST liability arising from your incorrect advice is payable by you. When we pay a claim, your GST status will determine the maximum amount we pay. We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

In an emergency outside normal business hours you may ring our emergency service on 1800 023387 for assistance.

If in doubt at any time, ring us or your financial services provider for advice.

What you must not do

You must not:

- authorise repairs to or arrange replacement of any of the property insured in connection with any claim without our consent, other than emergency repairs necessary to prevent further loss. If we agree to pay your claim, we will pay for these repairs, but you must retain all receipts,
 - admit liability if an accident occurs which is likely to result in someone claiming against you.
-

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 the Policy Wording or on the Policy 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 Policy 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 (1) section of the Policy.

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.
-

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This policy is underwritten by QBE Insurance (Australia) Limited
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