



# EssentialCover

Vital Home Insurance

Policy Document and Product Disclosure Statement



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*This insurance is provided by Allianz Australia Insurance Limited ABN 15 000 122 850 (referred to as Allianz), AFSL No 234708, 2 Market Street, Sydney NSW 2000. This insurance is arranged by Ansvar Insurance Limited ABN 21 007 216 506 AFSL No 237826, Ansvar House, Level12, 432 St Kilda Road, Melbourne VIC 3004 as an agent for Allianz. Nothing in this PDS is, or may be relied upon, as a representation of Ansvar Insurance Limited or any of its related bodies corporate. Neither Ansvar Insurance nor any of its related bodies corporate guarantees or accepts liability for any products offered by Allianz.*

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# Our Product Disclosure Statement

This policy document is also a Product Disclosure Statement (PDS). A PDS is a document required by the Corporations Act and contains information designed to help you decide whether to buy the policy.

## About the available covers

You can apply to buy:

- Buildings Cover; and/or
- Contents Cover;
- Personal Effects Cover; and/or
- Domestic Workers Compensation Cover.

## Understanding your policy and its important terms and conditions

To properly understand this policy's significant features, benefits and risks you need to carefully read:

- about each of the available types of cover and benefits in the relevant sections, including any endorsements (remember certain words have special meanings – see the “Introduction” section);
- “When we will not pay a claim” section (this restricts the cover and benefits);
- “Conditions of cover” and “Making a claim” sections (these set out certain obligations that you and we have. If you do not meet them we may be able to refuse to pay a claim); and
- “Other information” section (this contains important information on your duty of disclosure, our privacy policy and our dispute resolution process).

When you apply for the policy by completing our application we agree with you on things such as: the period of insurance; your premium; what property you want to cover; the limits you want for certain covers (if optional); excesses that will apply to you or others and whether any standard terms need to be varied (this may be by way of an endorsement). These details are recorded in the schedule we issue to you.

The base premium we charge varies according to your risk profile (e.g. where you live, the type of property being insured, amount of cover required, other persons insured and relevant claims history etc). In some cases discounts may apply if you meet certain criteria we set. You will also have to pay any compulsory government charges (e.g. Stamp Duty and GST) and Fire Services Levy (where applicable) plus any additional charges we tell you of. We tell you the total amount payable when you apply and if you effect cover, the amounts due will be confirmed in your schedule.

If you pay your premium by instalments refer to the “Conditions of cover” section for important details on your and our rights and obligations. Note that an instalment premium outstanding for 14 days may result in our refusal to pay a claim.

This policy sets out the cover we are able to provide you with. You need to decide if the limits, type and level of cover are appropriate for you and will cover your potential loss. If they are not, you may be underinsured and have to bear part of any loss you are not covered for yourself. To avoid this, people seek to set the sum insured for the relevant property being insured at its estimated replacement value.

You should also read the GST Notice to understand how GST is applied to a claim.

If you have any queries, want further information about the policy or want to confirm a transaction, please use the contact details on the back cover.



## Cooling off period and cancellation rights

Even after you have decided, you have a cooling off period and cancellation rights (see conditions of cover section for details).

## Updating the PDS

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

# Introduction

Welcome and thank you for choosing Allianz, one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a range of highly featured products and services to our customers. As members of the worldwide Allianz Group, we are committed to the continuous improvement of our products and services and strive to achieve this through knowledge transfer within the Group; dedicated technical research units; sharing globally new product developments and a wide range of risk management services. We also aspire to insurance industry best practice procedures in all aspects of our business, so you can relax knowing the power is on your side.

## What the policy consists of

Your policy consists of:

- this printed Allianz Vital Home Insurance Policy Document which sets out details of your cover and its limitations, and
- a schedule, approved by us, which sets out who is insured, the cover(s) selected, the period of insurance, the limits of liability, excesses and other important information. This is referred to as the current schedule in this policy document.

You should carefully read and retain your insurance policy document and current schedule. These documents should be read together as they jointly form the contract of insurance between you and us. Any new or replacement schedule we may send you, detailing changes to your insurance or the period of insurance, will become the current schedule, which you should carefully read and retain.

## Our agreement with you

We will insure you for:

- loss or damage caused by one or more of the insured events, and
- the other benefits,

as set out in this policy occurring during the period of insurance.

This cover will be given on the basis:

- that you have paid or agreed to pay us the premium for the cover you selected when you applied for cover and which the current schedule indicates is in force,
- of the verbal and/or written information provided by you which you gave after having been advised of your Duty of Disclosure either verbally or in writing. If you failed to comply with your Duty of Disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or we may cancel your policy. If you have told us something which is fraudulent, we also have the option of avoiding your policy from the effective date stated in the current schedule.

For your assistance we have provided a full explanation of your Duty of Disclosure and the consequences of nondisclosure, under the heading “Your Duty of Disclosure”, on pages 65 to 67.

## Words with special meanings

Some of the words in this policy have special meanings wherever they appear. These words and their meanings are defined below.

**“body corporate”** means the body corporate, owners’ corporation, corporation, strata company or strata corporation of the strata title development applicable to the strata or unit titles legislation which applies in the State or Territory where the lot is located.

**“building”** or **“buildings”** both mean the fully enclosed building or buildings at your risk address, primarily used as a place of residence.

**“burglary”** or **“housebreaking”** means theft following forcible and violent entry.

**“collection”** means a group of individual items, pairs or sets which are of a similar type and which, when assembled and displayed together as a group, take on a value greater than the sum of the individual items’, pairs’ or sets’ values.

**“common property”** means property owned by the body corporate forming part of the strata title development.

**“contents in the open air”** means contents at your risk address which are located:

- in the open air, or
- under an open sided structure or carport, or
- on a patio or verandah, or
- in or on a motor vehicle, caravan, trailer or watercraft,
- in a tent, or
- in an unlocked garage, shed or storage room.

**“excess”** means the amount you, or the person making the claim, must pay towards the claim unless we state that an excess does not apply. The amount of the excess is set out in your current schedule. You are only required to pay one excess in respect of any single claim:

- a. arising out of the same insured incident; or
- b. which involves loss or damage to both buildings and contents arising out of the same insured event.

For earthquake claims an excess of \$200 or the amount shown in the current schedule, whichever is the greater, applies to loss or damage caused by the earthquake or a series of earthquakes during any period of 48 consecutive hours.

**“flood”** means the inundation of normally dry land by water that has escaped or has been released from the normal confines of any natural watercourse, lake or lagoon whether or not altered or modified or of any reservoir, canal or dam.

**Note: This policy does not cover loss, liability, injury or damage caused by or arising from flood to buildings and/or contents.**

**“lot”** means the lot or unit in a strata title development. It includes fixtures and fittings which are not insurable by the body corporate. It does not include common property, fixtures and fittings which are insurable by the body corporate or contents as described on pages 18 to 21.

**“period of insurance”** means the period of time commencing on the effective date stated in the current schedule and ending on the expiry date stated in the current schedule or the date of cancellation, whichever is the earlier.

**“rainwater”** means rain falling naturally from the sky onto the buildings and/or ground.

**“risk address”** means the land including yard and garden areas on which your home is located at the risk address stated in the current schedule.

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

**“set”** means a group of similar or related items that belong together.

**“storm”** means violent wind (including cyclones and tornadoes), thunderstorms and hail which may be accompanied by rain or snow.

**“strata title”** means any form of land title which allows for multiple individual titles to exist in or on a block of land where the common property is held under a single separate title.

**“theft”** means theft without forcible entry.

**“we”, “our” or “us”** means Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850 of 2 Market Street, Sydney, NSW, 2000.

**“you” or “your”** means the person(s) named in the current schedule as the insured and those persons who live with you permanently who are any of the following:

- your legal spouse or de facto (meaning a de facto relationship where you and your partner are living together in a genuine domestic relationship), or
- any member of your own family and your spouse’s or de facto’s family.

# If you have buildings cover

## What are buildings

If you have selected buildings cover, the term “buildings” also includes:

1. pipes, cables, ducts, wires, meters and switches used in connection with the supply of water, drainage, sewerage, communication, electricity, cooling and heating which are your property or for which you are legally responsible;
2. fixed appliances which are permanently connected to the electrical, gas or plumbing systems such as airconditioners, dishwashers, fans, hot water services, light fittings, room heaters and stoves;
3. fixed ceiling, wall or floor coverings (except for carpets), exterior blinds and awnings;
4. building materials located at the risk address which are to be fitted to the buildings up to a total amount of \$1,000, but not sand, soil or gravel or any gas or electrical appliance;
5. when the buildings are not part of a strata title property, the term “buildings” also includes all structural domestic improvements which belong to you including:
  - a. carports, patios, gazebos and other structures which are not fully enclosed;
  - b. built-in furniture;
  - c. paved paths, paved driveways, terraces, walls, gates, fences, masts, aerials, satellite dishes, tennis courts, clothes lines and built-in barbeques;

- d. permanently fixed swimming pools, saunas and spas (including their fixed accessories); and
- e. jetties which are permanently fixed to the land at the risk address and which are your property and which have no commercial activities undertaken from them.

## What are not buildings

The following items are not buildings:

- a. portable electrical equipment which normally attaches to a power point only;
- b. carpets, loose floor coverings, curtains and internal blinds;

If your current schedule shows that you have contents insurance items, a. and b. above will be covered as contents.

- c. anything else which is covered under “What are contents” on pages 18 to 21.
- d. landscaping, trees, shrubs and plants;
- e. unpaved paths or unpaved driveways constructed of earth or gravel; and
- f. residential flats, home units or town houses, which are part of a strata development.

## Types of loss or damage your buildings are covered for

We will cover your buildings against loss or damage caused by one or more of the insured events occurring during the period of insurance. We will also cover you for the other benefits listed below. Details of the terms, conditions and exclusions which specifically relate to each insured event and other benefits are provided on the pages indicated.



<b>Insured events</b>	<b>page number</b>
1. Accidental breakage	25
2. Earthquake	26
3. Explosion	26
4. Fire or smoke	26
5. Impact damage	26
6. Lightning or thunderbolt	27
7. Malicious acts	27
8. Riot or civil commotion	28
9. Storm, rainwater or run-off	28
10. Theft, burglary or housebreaking	29
11. Water or other liquid damage	30
<b>Other benefits</b>	<b>page number</b>
2. Automatic indexation of sums insured	33
4. Compensation for death	34
7. Continuation of cover when you are selling your buildings	36
10. Environmental benefits	37
12. Landlords' contents	39
13. Legal liability – cover for injury to other people or their property	39
14. Modifications to your buildings as a result of paraplegia or quadriplegia	43
15. Mortgage discharge costs	43
16. Reinstatement of sum insured after a loss	44
17. Removal of debris, professional fees and extra costs	44
18. Rental costs after an insured event	45
19. Replacement of locks or cylinders	46

# How we will settle your buildings claim

1. At our option, we will:
  - a. repair or rebuild the damaged part of your building to the same condition as when it was new; or
  - b. pay you the reasonable cost of repairing or rebuilding any damaged part of your building to the same condition as when it was new; or
  - c. pay you up to the amount of the sum insured.

If we pay you the reasonable cost of repair or rebuilding, this means the cost of repairing or rebuilding less any discount available to us were we to repair or rebuild.

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on pages 60 to 61.

2. When it is not possible to use original materials during the repair or rebuilding process, the nearest available equivalent to the original materials will be used. We will not pay to repair or rebuild property which has not been physically damaged.
3. Unless we have agreed in writing, repair or rebuilding of your buildings must commence within six months of the loss or damage. If repair or rebuilding of your buildings is not commenced within six months of the loss or damage or any extended period to which we have previously agreed in writing, we will not be liable for any costs beyond the repair or rebuilding costs as at the date the loss or damage occurred.
4. If we have chosen to repair or rebuild your damaged buildings and you do not wish to repair or rebuild them, we will at our option:

- a. pay you the reasonable cost to repair or rebuild your damaged buildings less an amount for depreciation based on the age and condition of the buildings; or
  - b. pay you the value of the land and buildings at the risk address immediately prior to the occurrence of the loss or damage less the value of the land and buildings immediately after the the loss or damage occurred.
5. Rebuilding may be carried out on another site in the same vicinity provided that we agree in writing.
  6. If the claim relates to loss or damage to fixed wall, floor or ceiling coverings, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.
  7. If the claim relates to loss or damage to a dividing fence we will only pay half the cost of repairing the fence.

In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently under the heading “Insured events we will pay” and “Other benefits we will provide” on pages 32 to 49.

# If you have contents cover

## What are contents

In this policy the term “contents” means property which belongs to you (or for which you are legally responsible) consisting of:

### General contents

1. carpets, curtains, furnishings, furniture, household goods, internal blinds and loose floor coverings;
2. clothing and personal effects;
3. swimming pools, saunas and spas (including their fixed accessories) which are designed to be dismantled and moved;
4. mechanised or motorised golf buggies, garden equipment or wheelchairs which are not registered or do not require statutory bodily injury cover to be taken out;
5. watercraft consisting of:
  - a. canoes, sailboards, surfboards, surf skis, or
  - b. other non-motorised watercraft less than 3 metres in length;
6. bicycles;
7. sporting equipment;
8. portable electrical equipment (apart from the electrical equipment in clauses 9, 10, 11, 16 or 18a. below);
9. mobile telephones (excluding analogue mobile telephones);

10. computers (including portable computers), associated hardware and software which are only used for personal purposes;
11. tools, instruments and equipment which are only used for personal purposes;
12. where you are a tenant, landlord's/licensor's fixtures and fittings for which you are legally responsible under the terms of your lease, licence or similar agreement and fixtures and fittings which you have installed for your own use and which are not insured under another policy;
13. where your risk address is a strata title building, fixtures and structural improvements owned by you, which are not insurable by the body corporate;

### **Contents with specified limits of cover**

14. the following special items:

- a. jewellery, watches or an item containing gold and/or silver.

We will not pay more than \$2,000 for any one item, pair, set or collection unless they are separately listed in the current schedule as specified contents items;

- b. contents items consisting of:
  - i. a document of any kind,
  - ii. a collection or set of any kind other than as referred to in clause 14a. above,
  - iii. a curio, a picture, a painting or other work of art, and
  - iv. an oriental rug or carpet, or similar rug or carpet.

We will not pay more than \$5,000 for any one item, pair, set or collection unless they are separately listed in the current schedule as specified contents items.

The maximum amount we will pay for any one claim in respect of special items is \$7,500 unless they are separately listed in the current schedule as specified contents items;

15. commercially recorded audio and video: tapes records, cartridges, cassettes and discs (DVD, CD or Mini Discs) up to a total amount of \$2,500;
16. accessories and/or spare parts of motor vehicles, farm vehicles, caravans, trailers, watercraft or aircraft which are not fitted to or are not being used with a motor vehicle, farm vehicle, caravan, trailer, watercraft or aircraft up to a total amount of \$1,000;
17. money, cheques and other negotiable instruments up to a total value of \$250;
18. the following items which are used for business, trade or professional purposes:
  - a. contents consisting of:
    - computers (including portable computers), associated hardware and software, furniture and other contents of an office or workplace located in the buildings up to a total amount of \$10,000,
    - tools, instruments and equipment up to a total amount of \$2,500,
  - b. stock, held on a temporary basis, up to a total amount of \$1,500.

We will not cover stock consisting of flammable liquids or hazardous materials of any description;

### **Specified contents items which are listed in the current schedule**

19. Specified contents are those items which are listed in the current schedule as “specified contents items”. These are items which you have individually

listed due to them being of an unusual nature or of a higher value than would normally be covered. In the event of a claim you must be able to provide evidence of value and ownership of specified contents items.

## What are not contents

The following items are not covered by this policy:

- a. anything which is covered under “What are buildings” on pages 13 to 14;
- b. money, cheques or other negotiable instruments belonging to your business, trade or profession;
- c. animals, birds, fish, insects, reptiles or spiders;
- d. trees, shrubs and plants growing outdoors in the ground;
- e. motor vehicles (including motor or trail bikes, motorised minibikes and motorised go-karts) whether they are capable of being registered or not (unless they would be covered under “General contents” 4. on page 18);
- f. farm vehicles, farm trailers and mobile or motorised farming implements;
- g. caravans or trailers;
- h. boats and other watercraft (unless they would be covered under “General contents” 5. on page 18); and
- i. aircraft, other than model aircraft.

## Types of loss or damage your contents are covered for

We will cover your contents, when contained in the buildings, against loss or damage caused by one or more of the insured events occurring during the period of insurance. We will also cover you for the other benefits listed below. Details of the terms, conditions

and exclusions which specifically relate to each insured event and other benefits are provided on the pages indicated.

<b>Insured events</b>	<b>page number</b>
1. Accidental breakage	25
2. Earthquake	26
3. Explosion	26
4. Fire or smoke	26
5. Impact damage	26
6. Lightning or thunderbolt	27
7. Malicious acts	27
8. Riot or civil commotion	28
9. Storm, rainwater or run-off	28
10. Theft, burglary or housebreaking	29
11. Water or other liquid damage	30
<b>Other benefits</b>	<b>page number</b>
1. Additional cost of temporary accommodation	32
2. Automatic indexation of sums insured	33
3. Change of risk address	33
4. Compensation for death	34
5. Contents in a safe deposit box at a bank	34
6. Contents in the open air at your risk address	35
8. Credit cards – cover for loss or theft	36
9. Emergency storage of contents	36
11. Guests', visitors' and domestic helpers' property	38
13. Legal liability – cover for injury to other people or their property	39



16. Reinstatement of sum insured after a loss	44
17. Removal of debris, professional fees and extra costs	44
19. Replacement of locks or cylinders	46
20. Security firm attendance	47
21. Temporary removal of contents from your risk address	47
22. Title deeds	49
22. Veterinary costs	49

## How we will settle your contents claim

1. At our option, we will:
  - a. repair or replace your contents; or
  - b. pay you the reasonable cost of repair or replacement; or
  - c. pay you up to the amount of the sum insured.

If we pay you the reasonable cost of repair or replacement, this means the retail price of the item as if it were new less any discount available to us were we to repair or replace it.

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on pages 60 to 61.

2. When it is not possible to repair or replace a damaged item with original materials or an original item, the nearest available equivalent to the original materials or item will be used. We will not pay to repair or replace property which has not been physically damaged.
3. If the claim relates to loss or damage to carpet, loose floor coverings, curtains or internal blinds, repair or replacement is limited to the room, hall or passage in which the loss or damage actually occurred.

4. If any part of a pair, set or collection is lost or damaged, we will not pay more than the value of the part which is lost or damaged.

No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection.

5. If your contents are contained in an unlocked garage, shed or storage room the maximum amount we will pay for theft is \$1,000 or any lesser amount that applies to contents as set out under “Contents in the open air at your risk address” on page 35.
6. If the claim relates to replacement of lost or damaged refrigerators, freezers, washing machines, clothes dryers and dishwashers, with less than a 3 Star Energy Rating, we will replace these items with items that have a minimum 3 Star Energy Rating.

In no case will we pay more than the sum(s) insured shown in the current schedule (less any excess[es] which may be payable) unless we have stated differently under the heading “Insured events we will pay” and “Other benefits we will provide” on pages 32 to 49.

# Insured events we will pay

## 1. Accidental breakage

(Applicable whether you have buildings and/or contents cover)

- a. If you have buildings cover we will pay for accidental breakage of glass, glass or ceramic cooking surfaces of any kind, shower bases, wash basins, sinks, baths, lavatory pans or cisterns when they are permanently fixed to the buildings;
- b. If you have contents cover we will pay for accidental breakage of:
  - glass forming part of your furniture (including fixed or unfix ed table tops and hanging wall mirrors).

This cover will also apply if you are legally liable as a tenant for the breakage,

- telephone and answering machines, but not mobile phones.

We will also pay for fixed glass, glass or ceramic cooking surfaces or cook-tops, shower bases, wash basins, sinks, baths, lavatory pans or cisterns if you are legally liable as a tenant to pay for the accidental breakage.

We will not pay for breakage:

- of glass, fittings or equipment as detailed above, which was in a damaged or imperfect condition before the breakage happened,
- of glass forming part of any glass-house or conservatory,
- of items such as crockery, porcelain, china, hand mirrors, glassware, crystal or glass in clocks, vases, ornaments, pictures, radios, visual display units or televisions,

- if the breakage is not through the entire thickness of the damaged item.

## **2. Earthquake**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by earthquake. An excess of \$200 or the amount shown in the current schedule, whichever is the greater, applies to loss or damage caused by an earthquake or a series of earthquakes during any period of 48 consecutive hours.

## **3. Explosion**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by explosion.

## **4. Fire or smoke**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by fire or smoke.

We will not pay for damage:

- a. which arises gradually out of repeated exposure to fire or smoke;
- b. to any property as a result of its undergoing a process necessarily involving the application of heat; or
- c. to any property as a result of scorching and/or melting.

## **5. Impact damage**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by the impact of any of the following objects:

- a. a road or rail vehicle;
- b. a watercraft;
- c. an external aerial which collapses or breaks;
- d. an animal other than a domestic pet;
- e. falling trees or parts of falling trees. We will not pay if the loss or damage is caused by the lopping or felling of trees at your risk address and you have given express or implied consent for the lopping or felling;
- f. an aircraft or anything dropped or falling from an aircraft, space debris or debris from a rocket or satellite.

## **6. Lightning or thunderbolt**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by lightning or thunderbolt.

## **7. Malicious acts**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by malicious acts.

We will not provide cover if the loss or damage was caused by a malicious act by:

- you, your domestic helpers or your tenants,
- the invitees of you, your domestic helpers or your tenants, or
- any person who is acting with your express or implied consent.

We will not pay if the malicious act relates to contents which are in the internal or external common areas of residential flats, home units, town houses or any type of multiple occupancy residences.

“Malicious acts” does not mean theft.

## 8. Riot or civil commotion

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by riot or civil commotion.

## 9. Storm, rainwater or run-off

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by storm, rainwater or run-off.

**“storm”** means violent wind (including cyclones and tornadoes), thunderstorms and hail which may be accompanied by rain or snow.

**“rainwater”** means rain falling naturally from the sky onto the buildings and/or ground.

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

We will not pay for loss or damage:

a. caused by:

- flood, or
- flood water combined with run-off and/or rainwater;

**“flood”** means the inundation of normally dry land by water that has escaped or has been released from the normal confines of any natural watercourse, lake or lagoon whether or not altered or modified, or of any reservoir, canal or dam.

b. caused by action of the sea, high water, tidal wave or tsunami;

c. caused by:

- soil movement including erosion, landslide, mudslide or subsidence,

- shrinkage or expansion of earth or land, or
  - hydrostatic pressure;
- d. to gates, fences and retaining walls;
- e. to swimming pool and spa covers, their liners or their solar domes;
- f. to the external paintwork or other exterior coatings of the buildings caused by rainwater;
- g. caused by water seeping, percolating or otherwise penetrating into the buildings as a result of:
- structural defects,
  - faulty design of the buildings,
  - faulty workmanship in the construction of the buildings, or
  - your failure to adequately maintain the buildings;
- h. caused by wind, rainwater, hail or snow entering the buildings through an open window or door or any opening not made by the storm, unless the loss or damage is caused by run-off;
- i. caused by water entering your buildings through an opening made for the purpose of alterations, extensions, renovations or repairs.

## **10. Theft, burglary or housebreaking**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by theft, burglary or housebreaking.

We will not pay if the actual or attempted theft, burglary or housebreaking:

- a. is committed by:
- you, your domestic helpers or your tenants,

- the invitees of you, your domestic helpers or your tenants, or
  - any person who is acting with your express or implied consent;
- b. takes place in the internal or external common areas of residential flats, home units, town houses or any type of multiple occupancy residences;
- c. relates to the theft of money, cheques or other negotiable instruments unless there is visible evidence of forcible and violent entry into the buildings; or
- d. relates to contents in the open air, except in the circumstances set out under “Contents in the open air at your risk address” on page 35.

## **11. Water or other liquid damage**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage which results directly from the bursting, leaking, discharging or overflowing of:

- fixed apparatus,
- dishwashers,
- washing machines,
- fixed tanks,
- fixed pipes,
- waterbeds, or
- aquariums designed to hold more than 20 litres of water.

If you have buildings cover and we have agreed to pay a claim for water or other liquid damage, we will also pay the reasonable cost of locating the source of the damage.



We will not pay:

- a. for loss or damage caused as a result of the gradual escape of liquid over a period of time:
  - where you or a reasonable person in the circumstances could be expected to have been aware of such gradual escape of liquid,
  - due to lack of maintenance, wear and tear, or neglect, or
  - from a shower base, shower recess, shower alcove or the walls surrounding the shower;
- b. for the cost of repair or replacement of the defective part or parts of the fixed apparatus, dishwashers, washing machines, fixed tanks, fixed pipes, waterbeds, aquariums or installations which caused the loss or damage;
- c. for the cost of repair or replacement of any broken main or pipe; or
- d. for loss or damage caused by rust, corrosion, algae, mould or mildew.

# Other benefits we will provide

## 1. Additional cost of temporary accommodation

(Applicable only when you have contents cover)

“**additional costs**” mean those rental and other related costs which you have to incur at the location of your temporary accommodation which are in addition to the costs you would have had to incur if you continued to live at your risk address.

If you normally live in the buildings, the amount we will pay will be based on the buildings’ rentable value.

We will reimburse the additional costs you have to pay for temporary accommodation where:

- the buildings you live in are damaged by an insured event to such an extent that you cannot live in them, and
- you temporarily take accommodation at another address.

We will pay for temporary accommodation for:

- the period which we agree is reasonably necessary, or
- 12 months,

whichever period of time is the lesser.

We will also pay up to \$500 for the cost of temporary accommodation of your pets in a commercial boarding establishment when we have agreed to pay a claim for temporary accommodation.

The maximum combined total amount we will pay under this benefit and “Removal of debris, professional fees and extra costs” on pages 44 to 45 is 10% of the sum insured on your contents. Any payment we make under this benefit will be in addition to any amount we pay on your contents.

We will not pay the additional cost of temporary accommodation under this section if:

- you have insured your buildings with us and we have agreed to pay your claim for “Rental costs after an insured event” on pages 45 to 46, or
- you are the landlord of the buildings.

## **2. Automatic indexation of sums insured**

(Applicable whether you have buildings and/or contents cover)

If you make a claim during the period of insurance, the sums insured for your buildings and/or contents will be adjusted with reference to the Consumer Price Index from the effective date of the current period of insurance.

There will be no additional premium or rebate during the period of insurance. However, at the end of each period of insurance the renewal premium for the next period of insurance will be calculated on the amount of the amended sum(s) insured at that time.

## **3. Change of risk address**

(Applicable only when you have contents cover)

If you are permanently moving to a new risk address in Australia, we will cover your contents during the period of insurance under the standard terms and conditions of this policy while they are contained in the buildings at your current risk address and in the buildings at your new risk address, for up to 14 days from the date you begin to move your contents.

You will not be covered if you do not notify us of the permanent removal of your contents and provide details of the new risk address to be insured within 14 days after you have moved to your new risk address.

#### **4. Compensation for death**

(Applicable whether you have buildings and/or contents cover)

We will pay \$10,000 to your estate if during the period of insurance you suffer fatal injury at your risk address as a result of visible bodily injury caused by burglars or housebreakers or by fire and your death occurs within 90 days of the injury.

We will only pay this benefit once during any one period of insurance regardless of the number of buildings or contents insurance policies held with us.

No excess applies to this benefit.

#### **5. Contents in a safe deposit box at a bank**

(Applicable only when you have contents cover)

We will cover your contents when they are kept in a safe deposit box at a bank for loss or damage due to an insured event.

We will not pay more than \$2,000 for any one item, pair, set or collection consisting of jewellery, watches or items containing gold and/or silver.

We will pay up to a total amount of:

- a. \$250 in total for money, cheques and other negotiable instruments; or
- b. 20% of your contents sum insured for all other contents.

We will not cover loss or damage caused by theft.

Nor will we cover loss or damage to title deeds under this benefit, as specific cover for this item applies under “Title Deeds” on page 49.

## 6. Contents in the open air at your risk address

(Applicable only when you have contents cover)

We will cover your contents when they are in the open air at your risk address.

We will pay:

- a. for loss or damage caused by theft, storm, rainwater or run-off, up to a total amount of:
  - \$500 for bicycles, and
  - \$1,000 for all contents,
- b. up to a total amount of 20% of your contents sum insured for all loss or damage caused by any insured event contained on pages 25 to 31 other than “Storm, rainwater or run-off” and “Theft, burglary or housebreaking”.

We will not pay more than the maximum amounts shown under the heading “Contents with specified limits of cover” on pages 19 to 20 for any one item, pair, set or collection.

We will not pay for loss or damage to the following contents in the open air at your risk address:

- a. mobile telephones;
- b. computers (including portable computers), associated hardware and software;
- c. money, cheques and other negotiable instruments;  
or
- d. contents used for business, trade or professional purposes consisting of:
  - tools, instruments and equipment,
  - furniture and other contents of an office or workplace, or
  - stock.

## **7. Continuation of cover when you are selling your buildings**

(Applicable only when you have buildings cover)

If at the time of loss or damage to your buildings caused by an insured event, a contract for the sale of your buildings has been entered into and this policy is current, we will cover you for loss or damage to your buildings up to your buildings sum insured, until such time as:

- a. the sale is completed; or
  - b. the purchaser takes possession of your buildings;
- whichever occurs first.

## **8. Credit cards – cover for loss or theft**

(Applicable only when you have contents cover)

If your credit card or other automatic teller machine card is lost or stolen during the period of insurance and you are legally liable to pay for credit given to anyone who has found or stolen your card during the period of insurance, we will pay up to \$2,500 for any one occurrence of loss or theft of one or more of your cards.

You must have complied with the conditions under which your card was issued before we will pay you under this benefit.

No excess will apply to this benefit.

## **9. Emergency storage of contents**

(Applicable only when you have contents cover)

If the buildings you live in at the risk address are damaged by an insured event to such an extent they cannot be lived in by you, we will pay the reasonable costs to move and store your contents while the buildings are being repaired or replaced for a maximum period of 12 months.

Our maximum payment for this benefit will be limited to the balance of any sum insured remaining after payment of your claim for the damage to your contents.

## 10. Environmental benefits

(Applicable only when you have buildings cover)

If your building has been totally destroyed by an insured event and we have agreed to rebuild your building, we will pay up to a maximum amount of \$5,000 of the cost to you, after deduction of any rebate you are eligible for under any government or council rebate scheme, to install any combination of the following:

- rainwater tank;
- solar power systems, including solar hot water systems or photo-voltaic (PV) power systems;
- hot water heat exchange system; and
- grey water recycling system.

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

A rainwater tank facility includes:

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

A solar power system includes:

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

A hot water heat exchange system includes:

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

A grey water recycling system includes;

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

## **11. Guests', visitors' and domestic helpers' property**

(Applicable only when you have contents cover)

We will pay up to \$5,000 if property belonging to your guests, visitors or domestic helpers is lost or damaged by any insured event when your guests', visitors' or domestic helper's property is kept in the buildings, provided that we would have paid the claim if the lost or damaged property had belonged to you.

We will not pay for:

- a. property which is insured under another policy;
- b. money, cheques or other negotiable instruments; or
- c. items which are not listed under the heading "What are contents" on pages 18 to 21.

No excess applies to this benefit.



## 12. Landlords' contents

(Applicable only when this policy only insures buildings)

If the buildings are rented to tenants, we will pay to repair or replace carpet, loose floor coverings, curtains and internal blinds damaged as a result of an insured event.

We will not cover loss or damage caused by a deliberate, intentional, malicious or criminal act by your tenants or their invitees.

Our maximum payment for this benefit will be the lesser of \$10,000 or the balance of any sum insured after payment of your claim for the damage to your buildings.

## 13. Legal liability – cover for injury to other people or their property

(Applicable whether you have buildings and/or contents cover)

We will cover your legal liability for payment of compensation in respect of:

- death, bodily injury or illness, and/or
- physical loss of or damage to property,

occurring during the period of insurance which is caused by an accident or series of accidents attributable to one source or originating cause.

This cover applies in respect of an accident occurring:

- anywhere in Australia, or
- elsewhere in the world, when you are temporarily outside Australia provided you normally reside in Australia.

The maximum amount we will pay under this policy is \$10,000,000 (Australian) arising out of any one accident or series of accidents attributable to one source or originating cause. This limit will be reduced by any amount paid under any other buildings or contents policy you have with us providing this type of cover for the same liability, loss, occurrence or incident.

In addition we will also pay all legal costs and expenses you incur with our consent for which you are legally liable plus the cost of any lawyers we appoint.

What you are not covered for:

1. We will not cover your legal liability for:
  - a. damage to your property;
  - b. injury to any person who normally lives with you, or damage to their property;
  - c. injury to your employees, or damage to their property;
  - d. loss of or damage to property in your care, custody or control except that property in which you live as a residential tenant;
  - e. claims involving your business, trade or profession (unless you are working on a part-time temporary basis as a baby-sitter caring for children);
  - f. which you are liable because of the terms of an agreement, other than a lease or rental agreement, you have entered into (unless you would have been liable if the agreement did not exist);
  - g. damage to any land or fixed property resulting from vibration, the removal or weakening of or interference with support to land, buildings or any other property;
  - h. claims arising out of your ownership, possession or use of any:
    - aircraft or aerial device or aircraft landing area, except a model aeroplane or toy kite,  
**“aircraft landing area”** means any area in which aircraft land, take off, are housed, maintained or operated.

- mechanically propelled vehicle, except garden equipment, golf buggy or wheelchair which do not need to be registered or do not require statutory bodily injury cover to be taken out,
  - watercraft except for surfboards, sailboards, canoes and surf skis, and
  - other non-motorised watercraft more than 3 metres in length;
- i. claims involving buildings in the course of construction or any alterations, additions, demolition, repairs to or decorations of the buildings costing more than \$50,000;
  - j. claims which would not have occurred but for the existence of asbestos;
  - k. claims arising out of the discharge, dispersal, release or escape of pollutants defined as smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water.

Except for accidents happening in Canada or the United States of America, this exclusion will not apply if such a discharge, dispersal, release or escape is caused by sudden accidental unexpected and unintended happening. We will not pay expenses for the prevention of such contamination or pollution;

- l. claims for:
  - pregnancy, or
  - the transmission of disease;
- m. claims which arise out of your ownership or possession of any building except for your buildings located at the risk address shown in the current schedule.

2. We will not:
  - a. cover your legal liability arising out of breach of copyright or an act of libel, slander or assault caused by you;
  - b. cover you for any legal liability arising from any:
    - statutory, compulsory scheme or fund,
    - accident compensation scheme or workers compensation policy of insurance, or
    - industrial award,even if the amount recoverable is nil,
  - c. cover you for any legal liability which is over that recoverable under any:
    - statutory compulsory scheme or fund, or
    - accident compensation scheme or workers compensation policy of insurance, or
    - industrial award; or
  - d. pay for any aggravated, exemplary or punitive damages, fines or penalties.

**Special conditions applying to legal liability:**

1. If you own the buildings but have only insured your contents under this policy, we will not cover any legal liability you may incur as owner of the buildings. This condition does not apply if the buildings are defined as a lot and your contents are insured by this policy.
2. If you own the buildings and have only insured your buildings under this policy we will only cover any legal liability you may incur as owner of the buildings.
3. If you own the buildings, but do not live in them, we will not consider your ownership to be a business.

4. This legal liability cover will be governed by the law of the State or Territory where this policy was arranged and whose courts will have jurisdiction in any dispute.

No excess applies to this benefit.

## **14. Modifications to your buildings as a result of paraplegia or quadriplegia**

(Applicable only when you have buildings cover)

“Paraplegia” or “quadriplegia” means paraplegia or quadriplegia which continues for a period of 12 months and is then diagnosed to continue for an indefinite period.

We will pay you for the cost of modifying your buildings on confirmation of your permanent paraplegia or quadriplegia by a registered medical practitioner, if:

- a. your permanent paraplegia or quadriplegia is a direct result of loss or damage to your buildings by an insured event; and
- b. your buildings are your principal place of residence.

The maximum amount we will pay arising out of any one event for the cost of modifying your buildings in relation to your permanent paraplegia or quadriplegia incident regardless of the number of buildings or contents insurance policies held with us will be the lesser of \$10,000 or the balance of any sum insured remaining after payment of your claim for the damage to your buildings.

## **15. Mortgage discharge costs**

(Applicable only when you have buildings cover)

If your buildings are totally destroyed by an insured event and we have agreed to pay your claim, we will also reimburse your reasonable legal costs for the discharge and replacement of your mortgage(s) including legal fees and statutory government charges, up to an amount of \$5,000.

Our maximum payment for this benefit will be limited to the balance of any sum insured remaining after payment of your claim for the damage to your buildings.

## **16. Reinstatement of sum insured after a loss**

(Applicable whether you have buildings and/or contents cover)

If your sum insured or limit of liability is reduced because of any claim for loss, damage or liability which we have settled, we will automatically reinstate your sum insured or limit of liability from the date of the loss, damage or liability unless:

- a. there is a written request from you or written notice by us to the contrary;
- b. you do not pay the requested premium where required for reinstatement; or
- c. we have paid the full sum insured or limit of liability.

## **17. Removal of debris, professional fees and extra costs**

(Applicable whether you have buildings and/or contents cover)

When the buildings have been destroyed or damaged by an insured event and we have agreed to pay your claim, we will also pay the reasonable and necessary costs of:

- a. demolition and removing debris from your risk address;
- b. architects', engineers', surveyors' and solicitors' fees; and
- c. meeting the requirements of any statutory authority.

We will only pay these costs if they relate directly to the destroyed or damaged part of the buildings and we have agreed to do so before they are incurred.

The maximum combined total amount we will pay under this benefit and “Rental costs after an insured event” on pages 45 to 46 is 10% of the sum insured on the buildings plus the balance of any sum insured remaining after payment of your claim for damage to your buildings.

When your contents have been destroyed or damaged by an insured event and we have agreed to pay your claim, we will also pay the cost of removing debris from your risk address.

The maximum combined total amount we will pay under this benefit and “Additional cost of temporary accommodation” on pages 32 to 33 is 10% of the sum insured on your contents plus the balance of any sum insured remaining after payment of your claim for damage to contents.

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

We will not pay for:

- a. the removal of a tree stump from the ground, or the removal of any part of a tree that has not fallen; or
- b. the costs of complying with the requirements of any statutory authority if you received notice of the requirements or were aware of them before the loss or damage occurred.

## **18. Rental costs after an insured event**

(Applicable only when you have buildings cover)

If the buildings are damaged by an insured event to such an extent that you or your tenant cannot live in them, we will pay your rental costs for:

- the length of time which we agree is necessary to reinstate your buildings, or
- up to a maximum period of 12 months,

whichever period of time is the lesser.

If you normally live in the buildings, the amount we will pay will be based on the buildings' rentable value. If you are the landlord, the amount we will pay will be based on the weekly rent payable by your tenants as at the date of damage to the buildings.

The maximum combined total amount we will pay under this benefit and "Removal of debris, professional fees and extra costs" on pages 44 to 45 is 10% of the sum insured on the buildings. Any payment we may make under this benefit will be in addition to any amount we pay on buildings.

We will not pay for rental costs if:

- a. you have insured your contents with us and we have agreed to pay your claim for "Additional cost of temporary accommodation" on pages 32 to 33; or
- b. you are the landlord and:
  - your buildings have not been tenanted for more than 60 consecutive days immediately before the date of the loss or damage, or
  - you did not have a contract in place for your buildings to be tenanted within the 30 days immediately following the date of the loss or damage.

## **19. Replacement of locks or cylinders**

(Applicable whether you have buildings and/or contents cover)

If the key for the lock of any external door or window at your risk address is stolen during the period of insurance, or there are reasonable grounds to believe that the key(s) have been duplicated, we will pay for the replacement of the lock(s) or cylinder(s) operated by the key(s) up to a maximum amount of \$1,000.



We will not pay for the replacement of locks which can be insured by the body corporate when the property is part of a strata title development.

No excess applies to this benefit.

## **20. Security firm attendance**

(Applicable only when you have contents cover)

We will pay up to \$500 towards any fees or charges incurred for a security firm to attend the risk address in response to a monitored alarm signal if we have agreed to pay a claim for burglary, housebreaking or theft.

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

## **21. Temporary removal of contents from your risk address**

(Applicable only when you have contents cover)

We will cover your contents for loss or damage by any of the insured events, not specifically excluded, when they are temporarily removed from your risk address to another location within Australia or New Zealand for a maximum period of up to 90 days and subject to the limits detailed below.

We will pay up to a maximum amount of 20% of your contents sum insured for contents:

- a. while kept in that part of any dwelling, residential flat, hotel, motel, nursing home or hospital in which you are temporarily residing; or
- b. anywhere else in Australia and New Zealand but excluding theft.

We will not pay more than:

- a. \$500 for any ride on golf buggy or watercraft insured by this policy;
- b. \$500 for bicycles;

- c. \$250 for money, cheques and other negotiable instruments;
- d. \$2,000 for any one item, pair, set or collection consisting of jewellery, watches or an item containing gold and/or silver, up to a total amount of \$5,000; or
- e. \$1,500 for any one item, pair, set or collection for all other contents.

We will not cover:

- a. theft unless there is visible evidence of forcible and violent entry;
- b. money, cheques or other negotiable instruments:
  - in the open air, or
  - caused by theft;
- c. contents which are kept in furniture storage facilities;
- d. contents while in transit during permanent removal from the risk address;
- e. contents which have been permanently removed from the risk address;
- f. accessories, extras and/or spare parts of motor vehicles, farm vehicles, caravans, trailers, watercraft or aircraft; or
- g. watercraft insured by this policy caused by theft;
- h. contents used for business, trade or professional purposes consisting of:
  - tools, instruments and equipment,
  - furniture and other contents of an office or workplace, or
  - stock;

- i. property belonging to guests, visitors or domestic helpers; or
- j. contents in the open air or in a motor vehicle, caravan, trailer, watercraft, aircraft or tent.

Nor will we cover loss or damage to contents in a safe deposit box at a bank under this section of the policy as specific cover for this item applies under “Contents in a safe deposit box at a bank” on page 34.

## **22. Title deeds**

(Applicable only when you have contents cover)

We will pay for the cost of preparing new title deeds for your risk address if your title deeds are lost or damaged by an insured event as covered by this policy while they are at your risk address or are held in a secure envelope or a safe deposit box at a bank, up to a maximum amount of \$2,000.

## **23. Veterinary costs**

(Applicable only when you have contents cover)

If you live at the risk address, we will pay up to a maximum amount of \$500 during any one period of insurance for veterinary expenses related to the treatment of any cat or dog that is owned by you if it is injured in a road accident.

# If you have personal effects cover

(Available only when you have contents cover)

Your current schedule shows if you have selected personal effects cover and whether this relates to unspecified personal effects and/or specified personal effects.

We will insure you against accidental loss or damage to your personal effects anywhere in Australia and for a maximum of 35 days in any one period of insurance elsewhere in the world.

If a claim could be made under “Other benefits we will provide”, “Temporary removal of contents from your risk address” on pages 47 to 49 or this “Personal Effects”, we will only pay under one section. You may choose whether you claim under “Other benefits we will provide”, “Temporary removal of contents from your risk address” or “Personal Effects”.

## What are unspecified personal effects

We will cover you in respect of the following unspecified personal effects:

- a. travellers’ suitcases and bags, handbags, briefcases, wallets and purses, but not the contents of these items (apart from the property described in clauses b to m below);
- b. clothing;
- c. jewellery, watches or items containing silver or gold;
- d. cosmetics and toiletries;
- e. clocks;
- f. sporting equipment, but not watercraft or camping equipment;

- g. musical instruments;
- h. photographic or video equipment;
- i. binoculars or telescopes;
- j. writing instruments;
- k. spectacles and sunglasses;
- l. personal audio and video equipment and up to four cassettes or discs (DVD, CD or Mini Discs) used with the equipment; and
- m. pocket calculators and personal organisers, but not portable or handheld computers.

We will not cover accidental loss or damage to:

- a. mobile phones;
- b. any item used for business, trade or professional purposes; or
- c. any other item not specifically listed above.

Unspecified personal effects are covered up to the limit you have selected as shown on your current schedule under the heading “Personal Effects”.

In the event of a claim you must be able to provide evidence of the value and ownership of such unspecified personal effects.

An excess applies to all claims in respect of unspecified personal effects.

## **What are specified personal effects**

Specified personal effects are those items which you requested us to list separately in the current schedule. Specified items are covered up to the amount of their individual sum insured (less any excess[es] which may be payable) as stated in the current schedule under the heading “Personal Effects”.

In the event of a claim you must be able to provide evidence of the value and ownership of such specified personal effects.

## How we will settle your personal effects claim

At our option we will either:

- a. repair or replace your personal effects to the same condition as when they were new; or
- b. pay you the reasonable cost of repairing or replacing your personal effects to the same condition as when they were new.

If we pay you the reasonable cost of repair or replacement, this means the retail price of the item as if it were new less any discount available to us were we to repair or replace it.

We will adjust your claims payment in accordance with the GST provision noted under “Conditions of cover”, “GST Notice” on pages 60 to 61.

If any part of a pair, set or collection is lost or damaged, we will not pay any more than the value of the part which is lost or damaged. No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection.

We will not pay for damage to glass (other than lenses) or other brittle or fragile substances (other than jewellery) unless caused by fire or theft.

# When we will not pay a claim under your policy

1. This policy does not cover loss, liability, injury or damage:
  - a. **Deliberate, intentional, malicious or criminal act** caused by a deliberate, intentional, malicious or criminal act by:
    - you, your domestic helpers or your tenants,
    - the invitees of you, your domestic helpers or your tenants, or
    - any person who is acting with your express or implied consent;
  - b. **Lawful seizure** caused by lawful confiscation, destruction, detention, nationalisation, requisition or seizure;
  - c. **Heat** to any property as a result of its undergoing any process involving the application of heat;
  - d. **Nuclear** caused directly or indirectly by or arising from ionising radiation or contamination by radioactivity from:
    - any nuclear fuel or nuclear waste,
    - the combustion of nuclear fuel (including any self-sustained process of nuclear fission), or
    - nuclear weapons material;

**e. War**

caused by or arising from any war, hostilities or warlike operations (whether war be declared or not), rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy or popular or military rising;

**f. Wear and tear**

arising out of depreciation, gradual deterioration, wear and tear;

**g. Inherent defects**

caused directly or indirectly through inherent defects, faulty design, structural defects or poor workmanship;

**h. Illegal contents or personal effects**

to contents or personal effects which are acquired illegally or are illegally held.

2. Unless we state differently in your policy, we will not pay for:

a. flood as defined on page 11;

b. any loss or damage which is not caused directly by one of the insured events;

c. loss or damage caused by the action of light, atmospheric or other climatic conditions unless caused by:

- lightning or thunderbolt, or
- storm, rainwater or run-off;

d. loss of property which has been simply mislaid or is missing and for which there is no single identifiable event to account for the disappearance. This exclusion does not apply to items insured under "Personal Effects";

e. loss or damage which is caused directly or indirectly by:



- insects or birds,
  - vermin (other than loss or damage caused by fire),
  - rust, corrosion, algae, mould or mildew,
  - any process of cleaning, repairing or restoring which involves the use of chemicals;
- f. loss or damage to the following items while being used:
- model aircraft,
  - sporting equipment,
  - bicycles, or
  - watercraft;
- g. loss or damage caused by mechanical or electrical breakdown, failure or derangement;
- h. loss or damage to electronic equipment or data caused by electrical, electronic or mechanical derangement or malfunction, or by a processing error or computer virus;
- i. the cost of data recovery for any reason; or
- j. consequential loss.
3. This policy does not cover any loss or damage to any appliance, machinery, equipment or other property which is a computer or which contains or comprises any computer technology (including computer chip or control logic) and which:
- a. fails to perform or function in the precise manner for which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic); or
  - b. arises directly or indirectly from the importation of any software virus whether the importation was malicious, negligent or accidental.

# Domestic workers' compensation

(Not available in all States or Territories of Australia)

Your current schedule indicates if you have Domestic Workers' Compensation cover.

Where you employ a domestic worker, we will pay the amount you are liable to pay if they are injured while working for you.

The relevant workers' compensation legislation for your State will determine what amount we will pay.

We will not pay for workers who are working for you in your own business, trade, or profession.

When this cover is operative it is provided by:

- Allianz Australia Insurance Limited  
ABN 15 000 122 850 in the Australian Capital Territory, or
- Allianz Australia Insurance Limited  
ABN 15 000 122 850 in Western Australia, or
- Allianz Australia Insurance Limited  
ABN 15 000 122 850 in Tasmania.

# Conditions of cover

## 1. Changes to your insurance details – what you must tell us

You must tell us immediately if during the period of insurance:

- a. you commence using any part of your home for business, trade or professional purposes;
- b. you remove any security devices that were specifically required by us; or
- c. you carry out alterations, additions, demolition, repairs or decorations to the buildings costing more than \$50,000.

When we receive this information, we may:

- alter the terms and conditions of your policy,
- charge you additional premium,
- decide not to offer to renew your policy.

If you do not provide the information immediately we may not pay a claim under the policy.

## 2. Buildings not lived in for more than 60 days

If the buildings have not or will not be lived in for any period in excess of 60 consecutive days, we will not pay for loss or damage caused by insured events:

	Page number
1. Accidental breakage	25
3. Explosion	26
4. Fire or smoke	26
7. Malicious acts	27
10. Theft, burglary or housebreaking	29
11. Water or other liquid damage	30

unless you have our prior agreement in writing.

### **3. Taking precautions**

We will not pay for loss, liability, injury or damage if you do not:

- a. take all reasonable precautions to prevent the loss, liability, injury or damage;
- b. secure your buildings against unauthorised entry whenever your risk address is left unattended by you or any other person;
- c. maintain your buildings in good repair; and
- d. effectively secure tarpaulins on buildings which are undergoing renovation where the area undergoing renovation would otherwise be exposed to the effects of the weather.

### **4. Security devices and burglar alarms**

We will not pay for loss or damage caused by burglary or housebreaking if:

- a. you have not installed additional security devices (for example window locks and detection systems) as specifically required by us within a reasonable time following our request.
- b. any security device installed or declared to be installed is not:
  - i. maintained in an efficient working order; and
  - ii. in operation whenever your risk address is left unattended by you or any other person.

### **5. Cancellation rights under the policy**

- a. You may cancel this policy at any time by telephoning us.
- b. We have the right to cancel this policy where permitted by law. For example, we can cancel:
  - if you have failed to comply with your Duty of Disclosure, or

- where you have made a misrepresentation to us during negotiations prior to the issue of this policy, or
  - where you have failed to comply with a provision of your policy, including the term relating to payment of premium, or
  - where you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time that our policy covers you, or
  - where we agree to accept payment of premium by periodic instalment and at least one instalment remains unpaid in excess of one month from the date on which it was due and payable.
- c. If you or we cancel the policy we may deduct a pro rata proportion of the premium for time on risk, reasonable administrative costs related to the acquisition and termination of the policy and any government taxes or duties we cannot recover.
- d. In the event that you have made a claim under this policy and we have agreed to pay the full sum insured for your property no return of premium will be made for any unused portion of the premium.

## **6. Non payment of premium by instalments – Right to refuse a claim**

Where you pay your premium by instalments, you must ensure they are paid on time because if one instalment has remained unpaid for a period of at least 14 days, we may refuse to pay a claim. We will notify you if an instalment has not been paid.

## **7. Premium payment by direct debit**

You may have chosen to pay the premium for this insurance by direct debit from a financial institution

holding your account. If you choose this option, the financial institution may dishonour the direct debit payment due to lack of funds in your account. If this occurs, we will charge you for any direct and indirect costs which we incur arising from the payment being dishonoured.

## **8. GST Notice**

This policy has a GST provision in relation to premium and our payment to you for claims. It may have an impact on how you determine the amount of insurance you need. Please read it carefully. Seek professional advice if you have any queries about GST and your insurance.

### **Sums insured**

All monetary limits in this policy may be increased for GST in some circumstances (see below).

### **Claim settlements – Where we agree to pay**

When we calculate the amount we will pay you, we will have regard to the items below:

- Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy) we will pay for the GST amount.

We will pay the GST amount in addition to the sum insured/limit of indemnity or other limits shown in the policy or in the current schedule.

If your sum insured/limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled.

- Where we make a payment under this policy as compensation instead of payment for a relevant

acquisition, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.

- Where the policy insures business interruption, we will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by your business that is relevant to your claim.

#### **Disclosure – Input tax credit entitlement**

If you register, or are registered, for GST you are required to tell us your entitlement to an input tax credit on your premium. If you fail to disclose or understate your entitlement, you may be liable for GST on a claim we may pay. This policy does not cover you for this GST liability, or for any fine, penalty or charge for which you may be liable.

# Making a claim

## What you must do

We may not pay your claim if you do not act as follows:

### 1. Do not admit liability

You must not:

- a. admit guilt or liability, or make a promise or offer of payment in connection with any claim; or
  - b. offer or agree to settle any claim;
- without our written consent.

We are entitled to take over and conduct the defence of any claim made against you for damages by a third party. We have full discretion in conducting any negotiations, proceedings and the settlement of claims.

If the claim is for legal liability, you may make a written request to us to agree that you are covered in respect of the claim.

### 2. Prevent further damage

You must take all reasonable precautions to prevent any further loss, damage or liability.

### 3. Contact the police

Inform the police immediately of any malicious damage, theft, attempted theft, burglary or loss of insured property.

### 4. Keep evidence of the loss or damage

You must keep evidence of any loss or damage to your insured property. You may not authorise any repairs or replacement unless you are preventing further loss, damage or liability from occurring.



## **5. Contact us as soon as possible**

If there is any loss, liability, injury or damage which is likely to result in a claim, you must give us immediate notice of the full details of any loss, anticipated or alleged liability, injury or damage.

You or your representative must give us full details in the manner we request which will be either:

- a. in writing by completing our claim form which will be supplied to you when you contact us; or
- b. verbally.

You must also:

- provide us with any original receipts, proof of ownership or quotes we require to settle your claim,
- inform us if your property is insured under any other policy,
- give us immediate notice of the commencement of any legal proceedings against you.

## **What happens after you make a claim**

### **1. Assist us with your claim**

You must assist us with your claim. This means you give us all the information and assistance with your claim which we may reasonably require. If you do not we may not pay your claim or provide cover.

If we have the right to recover any amount payable under this policy from any other person, you must co-operate with us in any action we may take.

### **2. Proof of value and ownership**

When you make a claim for loss or damage to any item insured by this policy we will ask you to provide evidence of value and ownership of the property. Receipts, valuations, photographs and instruction manuals will assist you to prove that you owned the item and prove its value.

### **3. End of cover following a total loss claim**

If we accept a claim and pay an amount which:

- a. is equal to or greater than the total sum insured for any single part of the policy on the insured property;  
or
- b. is sufficient to pay you for the total loss or destruction of all the insured property under a single part of the policy,

cover under that particular part of the policy will end.

### **4. Payment of unpaid premium following a total loss claim**

If we accept your claim and pay you the total sum insured for your property:

- the amount of any unpaid premium for the period of insurance will be deducted from the amount payable to you,
- if we replace or rebuild the property, you must pay us the balance of any unpaid premium or instalments for the period of insurance.

### **5. Our rights of recovery**

We have the right to recover from any person, where permitted by law, the amount of any claim payable to you under this policy and we will have full discretion in the conduct, settlement or defence of any claim in your name. If we recover more than the amount we paid to you on your behalf, we will pay you the balance.

### **6. GST**

We will adjust your claims payment in accordance with the GST provision detailed under “Conditions of cover” “GST Notice” on pages 60 to 61.

# Other information

## Renewal procedure

Before this policy expires we will normally offer renewal by sending a renewal invitation advising the amount payable to renew this policy. You should carefully check the details contained in your renewal invitation. These details are the terms and conditions that apply to your policy, including but not limited to:

- the names of the people who are insured,
- the address of the property insured,
- specified items and the amount each item is insured for,
- any excess which you must pay towards the cost of a claim, and
- the sums insured.

Prior to sending your renewal invitation we will adjust your sum(s) insured.

It is important that you check the sums insured before renewing each year to satisfy yourself that they continue to represent current full replacement values.

## Your Duty of Disclosure

Before you enter into an insurance contract with us, the Insurance Contracts Act 1984 requires you to provide us with the information we need to enable us to decide whether and on what terms your proposal for insurance is acceptable and to calculate how much premium is required for your insurance.

The Act imposes a different duty the first time you enter into the policy with us to that which applies when you vary, renew, extend, reinstate or replace your policy. We set these two duties out below.

## **Your Duty of Disclosure when you enter into this policy with us for the first time**

You will be asked various questions when you first apply for this policy. When you answer these questions, you must:

- give us honest and complete answers,
- tell us everything you know, and
- tell us everything that a reasonable person in the circumstances could be expected to tell us.

## **Your Duty of Disclosure when you vary, renew, extend, reinstate or replace your policy.**

When you vary, renew, extend, reinstate or replace the policy your duty is to tell us before the variation, renewal, extension, reinstatement or replacement is made, every matter known to you which:

- you know, or
- a reasonable person in the circumstances could be expected to know,

is relevant to our decision whether to insure you and whether any special conditions need to apply to your policy.

## **What you do not need to tell us for either duty**

You do not need to tell us about any matter:

- that diminishes our risk,
- that is of common knowledge,
- that we know or should know as an insurer, or
- that we tell you we do not need to know.

## **Who do the above two duties apply to?**

Everyone who is insured under the policy must comply with the relevant duty.

## **What happens if you or they do not comply with either duty?**

If you or they don't comply with the relevant duty, we may cancel the policy or reduce the amount we pay if you make a claim. If fraud is involved, we may treat the policy as if it never existed and pay nothing.

## **Privacy Act 1988 – Information**

We collect your personal information directly from you where reasonably practicable or if not, from other sources. We collect it to provide our various services and products (e.g. to market, arrange and administer insurance and to handle and settle claims) and to conduct market or customer research. We also use it to develop and identify services of our related companies and alliance partners that may interest you (but you can opt out of this by calling the Allianz Direct Marketing Privacy Service Line on 13 2664 EST 8am-6pm, Monday to Friday or indicate your decision in the appropriate area of the Privacy section of our website at [www.allianz.com.au](http://www.allianz.com.au)). If you do not provide the information we require we may not be able to provide you with this service.

We disclose information to third parties who assist us in the above (e.g. insurers, insurance intermediaries, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, your agents and other persons where required by law). We prohibit them from using it for purposes other than those we supplied it for. Where you provide us with information about another person for the above purposes, you must tell us if you haven't got their consent to this. If you wish to gain access to your personal information (including to correct or update it), have a complaint about a breach of your privacy or you have any query on how your personal information is collected or used, or any other query relating to Privacy, contact us on 13 2664 EST 8am-6pm, Monday to Friday.

## **General Insurance Code of Practice – providing you with even better service**

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

We keenly support the standards set out in the Code. You can obtain more information on the Code of Practice and how it assists you by contacting us. Contact details are provided on the back cover of this policy.

## **Dispute resolution process – helping you solve any problems**

We have a free internal complaints resolution process that can be accessed by contacting us using the details on the back cover. If this process doesn't resolve the complaint we will give you information about how to access available external dispute resolution schemes.

## **Agency arrangements and agent's fee**

If your policy has been issued through our agent, or a broker who is acting under a binder agreement with us, then they are acting as our agent and not as your agent.

If your policy has been issued by a broker, other than a broker acting under a binder arrangement with us, then the broker is acting as your agent.

When this policy has been arranged through an intermediary a commission is payable by us to them for arranging the insurance.

## **Financial Claims Scheme**

In the unlikely event Allianz Australia Insurance Limited were to become insolvent and could not meet its obligations under this Policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to

eligibility criteria and for more information see APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 55 88 49.

## Phoning for assistance

If you need to clarify any of the information contained in this policy wording or you have any other queries regarding your insurance policy, please use the contact details on the back cover.

## Hints for home security

- a. Make a list of all your valuables and record their make, model and serial number. Many stolen items are recovered by the police, but cannot be positively identified by the owners.
- b. It is advisable to mark and photograph your television set, stereo equipment, computers and other valuables so that you can easily identify them. Thieves tend to avoid marked items, which are traceable.

Your Neighbourhood Watch organisation or your local police are able to provide you with guidance and assistance in this regard.

- c. Whenever you leave your home make sure all doors and windows are securely locked and all alarms or detection devices are activated.

Do not forget the garage or shed.

- d. If you are going out for the evening, leave a light switched on.
- e. If you are going on holidays, do not forget to:
  - stop the newspaper, milk and any other deliveries. Make the arrangements in person or by letter. Do not leave notes for others to read,
  - ask a trusted neighbour or friend to keep an eye on your home for you,

- take jewellery and other valuable items to your bank for safe keeping,
- lock away garden tools, ladders and anything else which could help a house-breaker,
- arrange to have your letterbox cleared frequently and for a neighbour or friend to mow your front lawn. An overflowing letterbox and long grass are sure signs that you are away, and
- leave blinds and curtains partly open to give the house a lived in appearance.



# Endorsements

The following endorsement(s) apply only when indicated on the current schedule.

## 1. Buildings – in the course of construction

If your buildings are in the course of construction we will:

- a. cover your legal liability as owner of the building as set out on pages 39 to 43; and
- b. pay for the loss or damage to the buildings including all building materials on the site caused directly by insured events:

	page number
2. Earthquake	26
3. Explosion	26
4. Fire or smoke	26
5. Impact damage	26
6. Lightning or thunderbolt	27
8. Riot or civil commotion	28

We will also pay for windstorm, and under “Other benefits we will provide”

16. Removal of debris, professional fees and extra costs	44
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No cover will apply in respect of any other insured event or benefit until your buildings are completed and lived in.

This endorsement does not apply to existing buildings which are undergoing renovation or extension.

## **2. Buildings – Strata title mortgage protection cover**

If the body corporate of the strata title development in which your lot is located:

- has either failed to insure the common property, or
- has taken out buildings insurance for an amount which is insufficient to pay the cost of rebuilding the common property,

and, during the period of insurance, the strata title development is destroyed by one or more of the insured events listed below to such an extent that it will have to be completely rebuilt, we will pay your mortgagee(s):

- a. the unpaid balance of your mortgage(s) at the date of loss or damage; or
- b. the amount of the loss or damage; or
- c. the sum insured shown in your current schedule; whichever is the lesser.

### **Insured events**

The insured events are:

- Fire,
- Lightning or thunderbolt,
- Earthquake,
- Explosion,
- Storm, rainwater or run-off (excluding flood),
- Riot or civil commotion, or
- Impact damage caused by a road or rail vehicle, watercraft, an external aerial which collapses or breaks, an animal other than a domestic pet, falling trees or aircraft.

## How we will settle your claim

1. If you have a mortgage loan(s) on your lot and the amount we have agreed to pay:
  - a. is equal to or is more than the outstanding balance of your mortgage loan(s) at the date of payment of the claim we will pay your mortgagee(s) the outstanding balance of your mortgage loan(s);
  - b. is less than the outstanding balance of your mortgage loan(s) at the date of payment of the claim we will pay your mortgagee(s) the total amount that we have agreed to pay.
2. If you do not have a mortgage loan on your lot, no monies are payable under this policy.

## Conditions of cover

1. We have the right to recover from the body corporate or any other party, where permitted by law, the amount of any claim payable to you under this policy and we will have full discretion in the conduct, settlement or defence of any claim in your name under this policy.
2. Conditions of cover – 2. “Buildings not lived in for more than 60 days” on page 57 does not apply to Strata title – mortgage protection cover.

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**Ansvar Insurance**  
**ansvar.com.au**

**Quotes and New Business Enquiries**  
**1300 650 540**

**Existing Policy, General Service and Claims Enquiries**  
**1300 761 060**

**EM** insure@ansvar.com.au

**Ansvar Insurance Ltd.**

**ABN 21 007 216 506 AFSL 237826**

Member of the Ecclesiastical Insurance Group

Underwritten by Allianz Australia Insurance Limited (Allianz)

ABN 15 000 122 850 AFS Licence No 234708



# Vital Home Insurance

## Supplementary Product Disclosure Statement (SPDS)

Preparation Date: 08/03/2013

## Important changes to your Vital Home Insurance Product Disclosure Statement and Policy Document

This document is an SPDS that updates and amends the Vital Home Insurance Product Disclosure Statement and Policy Document ("PDS"). It is issued by the insurer Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 of 2 Market Street Sydney NSW 2000. This SPDS must be read together with the PDS and any other SPDS that you are given which updates or amends the PDS.

This SPDS is made up of two Parts (which operate in different situations):

- Part 1 replaces the definition of flood in the PDS with the new Government prescribed definition in the circumstances specified in Part 1 below; and
- Part 2 only applies if your home/situation/risk address to be insured is one we offer the flood cover option for. We will advise you if the option is offered before or during your application for this insurance or in any renewal invitation.

### Part 1 – Change to what we mean by "flood"

From 19 June 2014 all insurers must apply a new Government prescribed definition of flood to all householders insurance policies, which includes this product. The prescribed definition change, which is set out below, will apply to the PDS from the earliest of the following dates:

- the date we renew/issue you with cover after providing this SPDS to you, or
- 19 June 2014.

However, if you have an existing policy when you receive this SPDS, the change applies to it from 19 June 2014, but only in relation to events which occur from that date. For example, if a flood event occurs on 21 June 2014 the prescribed definition applies. If the event occurs on or before 18 June 2014 the current flood definition in your policy will continue to apply, not the prescribed definition.

*Prescribed definition change* – In the "Words with special meanings" section and the "Insured events we will pay" section under the insured event "Storm, rainwater or run-off", the definition of flood (and any accompanying note) is deleted and replaced with:

"flood" means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- 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; or
- a dam.

## Part 2 – Flood cover

This Part 2 only applies if your home/situation/risk address to be insured is one for which we offer flood cover as an option.

We will advise you if the flood cover option is offered in relation to your home/situation/risk address:

- prior to or during the application for this insurance; or
- in any invitation to renew cover. If the optional flood cover is offered, we will automatically include it in the renewal terms offered (see the renewal schedule), unless you have previously opted out.

When we issue your policy, your schedule (including any renewal schedule) will specify if flood cover is included in relation to that home/situation/risk address.

Where Part 2 applies, the PDS is amended as follows:

*The following changes only apply in relation to the relevant home/situation/risk address if your current schedule states flood cover is included in relation to that home/situation/risk address. For any home/situation/risk address where flood cover is not included these changes do not apply.*

### “Insured events we will pay” section changes

The “**Insured events we will pay**” section is amended by including a new insured event “Flood” as follows:

#### **Flood**

(Applicable whether you have buildings and/or contents cover)

We will pay for loss or damage caused by flood or flood water combined with run-off and/or rainwater.

We will not pay for:

- a. loss or damage caused by storm, rainwater or run-off (except where the run-off and/or rainwater is combined with flood water)  
**Note: You may be covered for storm, rainwater or run-off under the insured event, “Storm, rainwater or run-off”;**
- b. loss or damage caused by action of the sea, high water, tidal wave or tsunami;
- c. loss or damage caused by:
  - soil movement including erosion, landslide, mudslide or subsidence, unless it is directly caused by and occurs within 72 hours of the flood;
  - shrinkage or expansion of earth or land; or
  - hydrostatic pressure;
- d. loss or damage to gates or fences if they are not well maintained and are not in good order and repair;
- e. loss or damage to retaining walls;
- f. loss or damage to swimming pool and spa covers, their liners or their solar domes;
- g. loss or damage to pontoons, jetties or bridges; or
- h. the cost of cleaning mud or debris out of tanks, swimming pools or spas.

### “Endorsements” section changes

The “**Buildings – Strata Title Mortgage Protection cover**” section is amended to include cover for the insured event Flood.

Please note that discounts relevant to the policy premium may not be applied to the flood component of the premium. You can contact us if you have any questions regarding your premium, the applicable discounts or the cover outlined in this SPDS.