

coles Landlord Insurance



Product disclosure
statement

coles.com.au/insurance or call **1300 265 374**

coles Financial Services

Issued by **Insurance Australia Limited** ABN 11 000 016 722 AFSL 227681,
part of Insurance Australia Group (IAG).

coles Landlord Insurance



Supplementary product disclosure statement

coles.com.au/insurance or call **1300 265 374**

coles Financial Services

Issued by **Insurance Australia Limited** ABN 11 000 016 722 AFSL 227681,
part of Insurance Australia Group (IAG).

Supplementary Product Disclosure Statement Edition 1

This Supplementary Product Disclosure Statement (SPDS) Edition 1 was prepared on 12 September 2017 and is issued by Insurance Australia Limited ABN 11 000 016 722 AFSL 227681.

The information in this SPDS updates and should be read with, the Coles Landlord Insurance Product Disclosure Statement (PDS) version COLPDS950060817 prepared on 1 May 2017.

This SPDS should be read with the PDS, any other applicable SPDS you received from us and your Policy Schedule.

This SPDS will apply to policies with a commencement date of 13 December 2018 and a renewal effective date on or after 7 January 2019.

Changes to the PDS

Complaints

Pages 5 and 6

The last paragraph under this section and the Financial Ombudsman Service Australia contact details are to be replaced with the following wording:

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

AFCA is independent and administers the external segment of the general insurance industry's alternative dispute resolution scheme, approved by the Australian Securities and Investments Commission.

Time limits may apply to lodge a complaint with AFCA, as such you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

Supplementary Product Disclosure Statement

Edition 2

This Supplementary Product Disclosure Statement (SPDS) Edition 2 was prepared on 15 May 2020 and is issued by Insurance Australia Limited ABN 11 000 016 722 AFSL 227681.

The information in this SPDS updates and should be read with, the Coles Landlord Insurance Product Disclosure Statement (PDS) version COLPDS950060817 prepared on 1 May 2017.

This SPDS should be read with the PDS, any other applicable SPDS you received from us and your Policy Schedule.

The following change will apply to policies with a commencement date on or after 12 June 2020 and a renewal effective date on or after 7 July 2020.

Changes to the PDS

Protecting your privacy

Page 7

The contact details for Customer Relations are amended to read as follows:

Email: customer.relations@iag.com.au

Free Call: 1800 045 517

Free Fax: 1800 649 290

This page has intentionally been left blank

The following change will apply to new policies with a commencement date on or after 12 June 2020 and endorsements to existing policies effective from 12 June 2020.

Changes to the PDS

Tenant's rent default cover

The 'Tenant's rent default cover' in the 'All Cover Types - Optional Benefits' on pages 46-49 of the PDS and all other references to this Optional Benefit in the PDS are deleted and this Optional Benefit is no longer offered under this policy. This applies to new business and endorsements.

WELCOME

Welcome and thank you for choosing Coles Insurance. We believe landlord insurance doesn't need to be complicated or expensive, which is why we offer real quality, great value insurance that costs less.

Coles Landlord Insurance is underwritten by Insurance Australia Limited (IAL) ABN 11 000 016 722 AFSL 227 681 part of Insurance Australia Group (IAG), Australia's largest Insurance group. Only IAL as insurer can issue, vary, or cancel Coles Landlord Insurance policies. IAL will also assess and pay claims.

This document contains all of the information you need to understand your insurance policy. If you would like further information on any of the topics covered, please contact us on 1300 265 374.

What this booklet contains

This booklet contains:

- a Product Disclosure Statement, and
- the Coles Landlord Insurance policy terms and conditions.

CONTENTS

WELCOME	2
<i>What this booklet contains</i>	2
PRODUCT DISCLOSURE STATEMENT	4
<i>Purpose of this Product Disclosure Statement</i>	4
<i>Who we are</i>	4
<i>What our words mean</i>	4
<i>How to contact us</i>	4
IMPORTANT INFORMATION	5
<i>Code of Practice</i>	5
<i>Complaints</i>	5
<i>Protecting your privacy</i>	6
<i>Cooling off</i>	7
<i>Compensation Arrangement</i>	8
<i>Financial Claims Scheme</i>	8
<i>Terrorism Insurance Act 2003 (Cth)</i>	8

HOW THIS INSURANCE WORKS	9
<i>Types of Cover</i>	9
<i>Summary of Cover</i>	10
<i>Summary of Insured Events and Optional Benefits</i>	10
<i>Cost of this Insurance</i>	12
BEFORE WE PROCEED	14
<i>You must decide</i>	14
<i>Answering our questions</i>	14
OUR AGREEMENT WITH YOU	15
<i>Updating our Product Disclosure statement (PDS)</i>	15
<i>Claim payment examples</i>	15
YOUR COVER	17
<i>Insured Events</i>	18
<i>Legal Liability Cover</i>	28
BUILDINGS COVER	30
<i>Your "Buildings" – what we will and won't cover</i>	30
<i>Buildings – what we will and won't pay</i>	32
<i>Buildings – Additional Benefits</i>	34
<i>Buildings – Optional Benefits</i>	34
CONTENTS COVER	36
<i>Your "Contents" – what we will and won't cover</i>	36
<i>Contents – what we will and won't pay</i>	40
<i>Contents – Additional Benefits</i>	42
<i>Contents – Optional Benefits</i>	42
ALL COVER TYPES	44
<i>All Cover Types - Optional Benefits</i>	44
<i>General Exclusions</i>	54
<i>Things you need to tell us</i>	57
<i>Things you need to do</i>	57
<i>Things you should know</i>	59
<i>Things we need to tell you</i>	60
CLAIMS	63
<i>What to do</i>	63
<i>The claims process</i>	64
WHAT OUR WORDS MEAN	71

PRODUCT DISCLOSURE STATEMENT

IAL is the issuer of and is responsible for this Product Disclosure Statement (PDS). It was prepared on 01 May 2017.

Purpose of this Product Disclosure Statement

This document includes the Product Disclosure Statement and the policy terms and conditions for Coles Landlord Insurance. It's been designed to help you make an informed choice before deciding to buy this insurance policy. If you buy this insurance, this document and the policy schedule forms the agreement between us.

Who we are

Insurance Australia Limited (IAL) ABN 11 000 016 722, ASFL 227681 is the insurer providing cover under your policy. IAL is an insurance company supervised by the Australian Prudential Regulation Authority and is subject to the prudential requirements of the *Insurance Act 1973* (Cth).

IAL holds an Australian Financial Services License and is authorised to issue, vary and cancel general insurance products and provide financial product advice in relation to general insurance. In relation to your insurance IAL only provides general product advice.

What our words mean

This policy uses words that have special meanings. To make sure you are aware of these words and their meanings, please read the section 'what our words mean' on pages 71-73.

How to contact us

You can phone us on 1300 265 374

or write to us at:

PO BOX 16042
Collins Street West, Victoria 8007

You can also contact us via email on
landlordinsurance@coles.com.au

or obtain more information from our website
coles.com.au/insurance

IMPORTANT INFORMATION

Code of Practice

The purpose of the Code is to raise the standards of practice and service in the general insurance industry. The objectives of the Code are:

- to commit Us to high standards of service;
- to promote better, more informed relations between Us and You;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You; and
- to promote continuous improvement of the general insurance industry through education and training.

Our commitment to you:

We have adopted and support the Code and are committed to complying with it. Please contact Us if You would like more information about the Code.

Complaints

To access our Complaints Handling Procedures, contact the Coles Insurance Contact Centre on 1300 265 374. If you have a complaint, we will do everything possible to resolve the matter on your initial contact with us.

You should first contact the person who made the decision, requesting a resolution and then he or she then has one business day to resolve it. If that person cannot resolve the dispute he or she must refer it to a manager who has a further five business days to resolve the matter. If the manager cannot resolve the matter you may ask him or her to refer it to an internal dispute resolution (IDR) officer who will provide you with a determination within 15 business days.

Details of our Complaints and Disputes procedures are set out on the Complaints Handling page on our website and in our Privacy policy. You can contact us or go to our website coles.com.au/insurance-information to obtain this information.

If we are unable to resolve your complaint through our IDR processes, you may take your complaint to the Financial Ombudsman Service Australia (FOS) which is an independent external dispute resolution service approved by the Australian Securities and Investments Commission free of charge to you. We are bound by the FOS' jurisdiction, but you

are not so bound. You have two years from our final decision letter to apply to the FOS. You may access the FOS' services by contacting them at:

Financial Ombudsman Service Australia

Telephone: 1800 367 287

Post: GPO Box 3, Melbourne, Victoria 3001

Website: www.fos.org.au

Email: info@fos.org.au

Protecting your privacy

We are committed to meeting our privacy obligation to you under the *Privacy Act 1988 (Cth)* which provides for information to be collected, used, disclosed and held according to the Australian Privacy Principles (APPs).

We and Coles Supermarkets Australia Pty Ltd ABN 45 004 189 708 AR 269259 and its associated entities ('Coles' companies'); collect your personal information directly from you or through others including entities listed in our Insurance Australia Limited Privacy Policy and the Coles Privacy Statement (Privacy Policies). These can include: other insurers, your credit institute (eg the bank you have your loan with), another party involved in a claim, investigators, our legal advisers.

You agree that we may collect, use disclose and hold your personal information as set out in the Privacy Policies.

How we use your personal information

We and Coles' companies and the parties listed in the Privacy Policies will use your personal information for the purposes it was collected for. That usually includes providing you with assistance, a product or service you requested.

Your personal information may also be used for other purposes that are set out in the Privacy Policies. You may choose to not give your personal information, however, not giving your personal information may affect our or Coles' companies' ability to provide you with a product or service, including processing an insurance claim.

Further information

We and Coles' companies may disclose your personal information to:

- related entities
- flybuys program partners
- service providers – which includes some service providers that may be based overseas, and
- other organisations as set out in the Privacy Policies.

The Privacy Policies provide more information about how your personal information is collected, from whom it is collected and how we hold, use and disclose your information. The Privacy Policies also provide information about how you can:

- access your personal information
- ask us to correct your personal information,
- or make a complaint about a breach of the APPs and how we will deal with your complaint.

If you'd like more details about the Insurance Australia Limited Privacy Policy, correct your personal information, or opt out of receiving materials we send, please contact us on 1300 265 374.

You can also view a copy of the Insurance Australia Ltd Privacy Policy on the website coles.com.au/insurance-information or contact Customer Relations at:

Email: customer.relations@iag.com.au

Mail: Customer Relations, Reply Paid 62759
Sydney NSW 2000
Free post (no stamp required)

You can also view a copy of the Coles Privacy Statement on the Coles website at coles.com.au/privacy.

Cooling off

Even after you decide to buy this insurance, you have 30 days from the date cover commences to change your mind and let us know that you want to cancel the policy. We will refund the premium you have paid, less any government charges or taxes we are unable to recover, provided you have not made a claim under the policy.

Compensation Arrangements

The *Corporations Act 2001 (Cth)* requires licensees to have arrangements for compensating retail clients for losses they suffer as a result of a breach by the licensee or its representatives of Chapter 7 of this Act, unless an exemption applies. We are exempt from this requirement because we are an insurer supervised by the Australian Prudential Regulation Authority and subject to the prudential requirements of the *Insurance Act 1973 (Cth)*.

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) and only applies in the event of an insurer becoming insolvent and the Federal Treasurer declaring that the FCS will apply to that insurer.

Payment of a claim under the FCS is subject to the FCS's eligibility criteria being met.

Information about the FCS can be obtained from
<http://www.fcs.gov.au>.

Terrorism Insurance Act 2003 (Cth)

This policy excludes cover for losses as a result of an act of terrorism.

In the event that damage to property occurs and the cause of the damage is declared a terrorist incident by the responsible Minister, then you may be afforded protection within the time limits of indemnity of this policy by virtue of the *Terrorism Insurance Act 2003 (Cth)*. The operation of this Act may also serve to reduce the settlement of your loss to a percentage of the otherwise recoverable loss. In the event that the settlement is reduced then this will be at the direction of the minister.

HOW THIS INSURANCE WORKS

This policy provides cover for your building or contents or both in Australia. These are explained on page 9. This approach gives you flexibility as you can arrange your insurance to meet your particular needs.

Before you choose, you need to understand the significant benefits of each of the cover types, when benefits will be provided to you, and how. To do this, please read this document to understand:

- the difference between the types of cover (page 9),
- the benefits of each type of cover (Buildings pages 34-35 and Contents pages 42-43),
- what is covered and what is not (pages 18-27),
- the optional benefits that you can choose from (Buildings pages 34-35, Contents pages 42-43 and all cover types pages 44-53), and
- what will happen in the event of a claim (pages 63-70).

If you do buy this insurance, there are also a number of things which:

- you need to tell us (page 57),
- you need to do (page 57), and
- you should know (page 59).

It is important for you to know that we may refuse to pay, or may reduce the amount we pay, under a claim if you:

- do not comply with the terms and conditions of this policy,
- do not answer our questions truthfully and accurately, or
- make a fraudulent claim.

There are other things which we need to tell you. These are set out on page 60.

Where our words have a particular meaning, we have explained these words are on pages 71-73. We have used capital letters to indicate sections of the document which contain relevant information, such as Types of Cover or General Exclusions. A detailed table of contents is provided on pages 2-3 and will help you locate these sections.

Types of cover

The types of cover you can choose from are:

- Buildings, or
- Contents, or
- Buildings and Contents.

This insurance policy booklet has a section for Buildings cover and a section for Contents cover. If you choose Buildings and Contents cover combined, both sections apply.

Summary of cover

The summary of cover below is subject to the terms, conditions and exclusions of the policy. You should read the wording of this product disclosure statement and policy wording to determine the scope of cover and whether it is suitable for you.

Buildings cover

Building insurance provides cover for loss or damage to the building noted on the schedule. It does not provide cover for any of your contents.

If you choose Building and Contents cover, we also include Contents insurance cover.

Contents cover

Contents insurance provides cover for loss or damage to the contents inside the building noted on the schedule. It does not provide cover for the building.

If you choose Building and Contents cover, we also include Building insurance cover.

Buildings and Contents cover

Building and Contents insurance provides cover for loss or damage to the building that is noted on the schedule. It also provides cover for loss or damage to the contents inside this building.

The policy continues for the period of insurance and covers you only for events that occur during that period. We provide cover only up to the amounts, limits and sums insured specified in the policy, less any applicable excess.

We do not cover you for anything that is the subject of exclusion.

An exclusion may be:

- in the relevant section itself,
- in the general exclusions on pages 54-57,
- in the schedule, and
- as an endorsement to the policy.

Summary of Insured Events & Optional Benefits

The table shows a list of insured events as well as a number of additional benefits included at no extra cost.

You can also choose to pay more and add Optional Benefits to increase your cover. These benefits are summarised in the table.

The events and benefits below are subject to exclusions and limitations.

Insured Events	Building	Contents
Fire	✓	✓
Flood	✓	✓
Storm	✓	✓
Accidental Glass Breakage	✓	✓
Lightning and Thunderbolt	✓	✓
Theft or Attempted Theft	✓	✓
Earthquake	✓	✓
Impact	✓	✓
Bursting, Leaking, Discharging or Overflowing	✓	✓
Vandalism and Malicious Acts	✓	✓
Animal Damage	✓	✓
Explosion	✓	✓
Riots or Civil Commotion	✓	✓
Additional Benefit	Building	Contents
Removal of debris	✓	✓
Professional fees	✓	✗
Keys & lock replacement	✓	✗
Optional Benefit	Building	Contents
Motor burn out	Optional	Optional
Damage caused by tenants cover	Optional	Optional
Tenant's rent default cover	Optional	Optional
Loss of rent cover	Optional	Optional
Legal liability Cover	Building	Contents
In connection with you owning your building	✓	✗
In connection with you owning your contents	✗	✓

Cost of this Insurance

If you decide to buy this insurance, you will need to pay a premium. This can be paid in advance, for the period of insurance or monthly, in instalments (refer page 60). You may also need to pay an excess if you make a claim.

How we calculate the premium

We rely upon you to give us complete and accurate information about you, your building and, if necessary, your contents when we calculate the premium. In calculating your premium, we consider:

- the type(s) of cover requested,
- the construction of your building and/or type of contents,
- the type of building being insured,
- the age of your building,
- the sum insured,
- the location of your building and/or contents,
- the age of the policy holder, and
- your previous insurance history,
- your years of insurance.

For Buildings cover we also consider:

- whether your building is multistorey.

For Contents cover we also consider:

- the level of security of your building, and
- the storey level of the type of building being insured if it is a multistorey building.

The choices that you make in selecting your options will also affect your premium. These include:

- the type of cover you have chosen (refer page 9),
- any Optional Benefits that you have chosen (refer Buildings pages 34-35, Contents pages 42-43 and all cover types pages 44-53),
- the level of excess you have chosen (refer page 13), and
- whether you have chosen to pay your premium in instalments (refer page 60).

The factors mentioned above do not cover all the factors we may take into account.

Minimum premiums may apply and any discount we give you (except online discount) will not reduce a premium below the minimum premium.

We also calculate and include compulsory government charges such as Goods and Services Tax (GST) and Stamp Duty.

We show the sum of the premium and government charges as the premium on your schedule, which we will send to you within 5 business days of the purchase of your policy.

Your excess

You may need to pay an excess. An excess is the amount you must contribute towards each claim you make arising out of a single incident. The excesses apply to Buildings, Contents and Buildings and Contents cover, Damage caused by tenants cover, Tenant rent default cover and Loss of rent cover.

The excesses that apply to your policy will be shown on your schedule.

If you have Building and Contents cover and make a building and contents claim for the one incident, you only have to pay one excess being the higher excess of the building or contents section.

When a claim is made for more than one incident, you will need to pay any excesses that apply for each separate incident that we have identified.

We show the excesses that apply to your policy and the amount of each excess on your schedule.

For details on when your excess is to be paid, please refer to page 68.

The excesses are:

Standard excess

A Standard excess applies to your policy. The Standard excess applies when we accept a claim from you.

Voluntary excess

You may choose to pay an additional excess amount if we offer it to you. This Voluntary excess will reduce your premium. The Voluntary excess applies in addition to the Standard excess when we accept a claim from you.

Damage caused by tenants excess

This excess applies when you make a claim for damage caused by tenants. If you pay the Damage caused by tenants excess you do not have to pay the Standard excess or any Voluntary excess you may have chosen.

Tenant rent default excess

This excess applies when you make a claim for tenant rent default. If you pay the Tenant rent default excess you do not have to pay the Standard excess or any Voluntary excess you may have chosen.

Loss of rent excess

This excess applies when you make a claim for loss of rent. If you pay the Loss of rent excess you do not have to pay the Standard excess or any Voluntary excess you may have chosen.

Bond money

We will reduce the amount we will pay for loss or damage to your building or contents, rent default or legal expenses by any bond money that you are entitled to use to pay for or reduce the cost of any loss or damage, rent default or legal expenses.

BEFORE WE PROCEED

You must decide

If you choose to buy this insurance cover, and we agree to accept the risk, you need to make a few decisions about the insurance cover that you want. Please read this document in full, to understand the cover – especially the options that you have to choose from and the limitations and exclusions that apply. If there is anything you don't understand, please contact us.

It is important that you decide whether this insurance is right for you. Any advice which we might provide is general advice only and does not take into account your personal circumstances. You should read the details on policy cover, benefits and options contained in this document in full before proceeding further.

Answering our questions

When answering our questions, you must answer for yourself and for any other person who will be insured under this policy. You must also give us complete and accurate information to allow us to decide whether to insure you and the terms on which we will insure you. If you do not do so, we may be entitled to reduce or deny any claim that you make, or even to cancel your policy.

OUR AGREEMENT WITH YOU

If you pay the premium as set out on the schedule by the due date, we will insure your Buildings, Contents or both, in accordance with the terms and conditions in this document, for the period of insurance as set out in your schedule.

When you buy this insurance, we give you this Product Disclosure Statement and Insurance policy booklet. This booklet, together with your schedule and the information you provided to us when you bought this insurance, form the contract of insurance between you and us.

You should keep this booklet and your schedule in a safe place because you may need to refer to them from time to time.

Updating our Product Disclosure statement (PDS)

From time to time, we will need to update this PDS. If the change results in a material change from the PDS you hold, we will send you another PDS or a supplementary PDS. You may request a copy of a PDS free of charge at any time by contacting us.

Claim payment examples

The following examples are designed to illustrate how a claim payment might typically be calculated and what amount you may be required to pay. The examples are for guidance purpose only, do not cover all scenarios or benefits, and do not form part of the policy terms and conditions.

The excesses applicable to your policy may vary from those set out in the examples below. You should check your schedule for the precise amount of the excesses and not rely on the amount of the excesses set out in the examples below.

Claim example – loss or damage to building and loss of rent

The building has been insured for \$300,000. You have chosen to purchase the optional benefit of loss of rent with the weekly rental amount of \$400 shown on your schedule. A total excess of \$500 applies to your building and an additional excess of \$500 for loss of rent cover. Vandals break into the building and cause extensive damage which leaves the building unfit for occupation by your tenant. We assess the cost of repairs to the building is \$50,000 (inclusive of GST). The building will be unfit for occupation for a period of 4 weeks while the repairs are carried out. The rent you collect from the tenant is \$400

per week. The lease is not due to expire for 6 months and the tenant's payment of rent is up to date. We will pay the following amounts:

\$49,500 (inclusive of GST) to the repairer of the building, and request you pay the \$500 total excess directly to the repairer. \$1,600 for loss of rent less the loss of rent excess of \$500 making a net payment to you of \$1,100.

Claim example – loss or damage to contents

You are covered for contents only with a sum insured of \$20,000 and an excess of \$500. Someone steals a washing machine worth \$1,500 from your rental property. The amount we will pay you is: \$1,500 less the total excess of \$500 giving a net claim payment to you of \$1,000.

Claim example – tenant's rent default

You have chosen to purchase the optional benefit of tenant's rent default. The tenant's rent default cover has a total excess of \$500. Your tenant leaves the site without notice 8 weeks before the expiry of the lease. Your tenants' bond amounts to 4 weeks rent. The site is re-tenanted 8 weeks after the tenant departs. The rent you were collecting from the tenant was \$400 per week. Your allowable re-letting expense amounts to \$400.

We will pay you:

\$3,200 (being the rent lost in the period between your tenant departing and the site being re-tenanted) less

\$1,200 (being the tenant's bond less \$400 for your allowable re-letting expenses) less

\$500 (being the total excess). This results in a net claim payment to you of \$1,500.

YOUR COVER

This policy provides insurance cover for your building, or contents or both.

Your schedule will indicate whether you have chosen insurance cover for your building or your contents or building and contents combined. To understand the difference between the three Types of Cover, please refer to page 9.

Your schedule will also show:

- any Optional Benefits you have chosen (Building refer to pages 34-35, Contents pages 42-43 and all cover types pages 44-53),
- what the sum insured is,
- the details of your home,
- the details of your building if you have chosen Building or Building and Contents cover,
- the details of your contents if you have chosen Contents or Building and Contents cover,
- the excess level you have chosen, and any other excesses which may apply (refer to page 13), and
- any other terms and conditions which apply to your policy.

Insured Events

This section sets out the events which this insurance policy provides cover for. It also describes what is not covered. In addition, there are General Exclusions which apply. These are described on pages 54-57.

If your schedule shows that you have Buildings or Buildings and Contents cover, your buildings are covered for loss or

damage caused by these events. For details of what is included as part of your buildings, please refer to page 30.

If your schedule shows that you have Contents or Building and Contents cover, your contents are covered for loss or damage caused by these events. For details of what is included as part of your contents, please refer to page 36.

What is covered	What is not covered
Earthquake We will cover you for loss or damage caused by an earthquake including subsidence and landslip that immediately follows the earthquake.	We will not cover you for loss or damage: <ul style="list-style-type: none">• caused by high tide, tidal wave, tsunami or other actions of the sea, or• sustained more than 72 hours after the earthquake.
Explosion We will cover you for loss or damage caused by an explosion.	We will not cover you for loss or damage: <ul style="list-style-type: none">• to the item that exploded, or• caused by any flammable substance kept at or brought onto your home or site if this is in breach of statutory regulations.
Lightning and Thunderbolt We will cover you for loss or damage caused by lightning or thunderbolt.	
Fire We will cover you for loss or damage caused by burning with flames.	We will not cover you for loss or damage caused by: <ul style="list-style-type: none">• scorching, burn marks or melting where there has been no flame, or• heat, soot, smoke or ash unless your building or contents have caught on fire. We will not cover you for loss or damage caused to a heat or fire resistant item including but not limited to: <ul style="list-style-type: none">• a heater, or• dryer, or• cooking appliance, or• an iron, if the item ignites or combusts.

What is covered	What is not covered
<p>Flood and Storm</p> <p>Flood</p> <p>We will cover you for loss or damage caused by flood.</p>	<p>We will not cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • water entering your home through an opening that was not created by the storm or flood, • water entering through an opening resulting from poor maintenance or defective workmanship, construction or design, • water entering your home due to Building alterations, additions or renovations, • gradual deterioration from rainwater, or • high tide, tidal wave, storm surge, tsunami or other actions of the sea.
<p>Storm</p> <p>We will cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • violent wind or thunderstorm (including a tornado or cyclone), • heavy rain, hail, or snow. 	<p>We will not cover you for loss or damage to any of the following:</p> <ul style="list-style-type: none"> • soil, gardens and pot plants, • outbuildings not adequately secured to their foundations, • compacted earth, gravel or pebbles on paths or driveways, • retaining or freestanding walls, • seawalls, wharves, jetties or pontoons, • the surface of a tennis court, • swimming pool covers, spa covers or plastic/vinyl pool liners (this includes liners used in ponds and/or water features), • textile awnings, blinds, external shade cloth or solar covers, or • external paintwork where there is no other damage to that part of your building. <p>We will not pay for:</p> <ul style="list-style-type: none"> • the cost of clearing debris or mud from tanks, spas or pools, or • damage to retaining walls, paths, driveways, tennis court surfaces and paved or concrete outdoor surfaces.

What is covered	What is not covered
<p>Theft or Attempted Theft</p> <p>We will cover you for loss or damage caused by a theft or attempted theft.</p>	<p>We will not cover you for theft or damage caused by:</p> <ul style="list-style-type: none"> • you or anyone who lives at the site, or • anyone who entered your site with your permission or the consent of anyone who lives at the site. <p>We will not cover you for theft or attempted theft:</p> <ul style="list-style-type: none"> • from any common property or public area, • by tenants (unless the optional cover - "Damage caused by tenants" is purchased. Refer to page 44), • by roomers, boarders or paying guests and their visitors, • from unlocked garages, common areas or storage areas of residential flats, units and the like, or • if the security devices or mechanisms you told us about were not installed, not in working order or not connected.
<p>Impact</p> <p>We will cover you for loss or damage resulting from impact caused by:</p> <ul style="list-style-type: none"> • a falling tree or branch, • an external flagpole, mast, aerial or satellite dish which breaks and collapses, • an aircraft, watercraft, motor vehicle or attached trailer, • debris from space, an aircraft, rocket or satellite, or • falling towers, power or communication lines or poles. 	<p>We will not cover you for loss or damage caused by you, your family or someone acting with your consent from:</p> <ul style="list-style-type: none"> • tree felling, • tree lopping, or • tree cutting. <p>We will not cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • the roots of trees, plants or shrubs. <p>We will not cover you for the cost of:</p> <ul style="list-style-type: none"> • removing any potentially dangerous trees which have not caused damage to your home, or • removing any tree stump from the ground.
<p>Riot, Civil Commotion and Industrial unrest</p> <p>We will cover you for loss or damage caused by a riot, civil commotion or industrial unrest.</p>	<p>We will not cover you for loss or damage arising after 72 hours from the commencement of any riot, civil commotion or industrial unrest.</p> <p>We will not cover you for loss or damage caused by you or by someone who:</p> <ul style="list-style-type: none"> • lives at your site with your consent, or • has entered your site with your consent or that of a person who lives at your site.

What is covered	What is not covered
<p>Bursting, leaking or overflowing</p> <p>We will cover you for loss or damage caused by the sudden and unexpected escape of liquid from:</p> <ul style="list-style-type: none"> • a domestic appliance, • an aquarium holding more than 60 litres of water, • fixed heating or cooling systems, • basins, sinks, toilets, baths or spa baths, • drainage or sewerage systems, or • taps, fixed pipes, water mains, fixed gutters, fixed guttering, fixed water tanks or fixed tanks. 	<p>We will not cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • seepage or slow escape of liquid over time, • a leaking or faulty shower recess or base, • condensation, • watering systems or hoses, • escape of water from a storm water pipe off the site, • storm water channel or canal, or • an inadequate drainage or sewerage system. <p>We will not cover loss or damage caused to retaining walls.</p> <p>We will not pay the cost of:</p> <ul style="list-style-type: none"> • repairing or replacing the item that the liquid escaped from, • repairing a leaking or faulty shower recess or base, or • locating the cause of the damage unless it is causing permanent damage and we have agreed to the costs beforehand.
<p>Accidental breakage of glass</p> <p>If your schedule shows that you have Buildings cover, we will either replace or pay the reasonable cost of replacing:</p> <ul style="list-style-type: none"> • any glass which is a fixed part of your building, or • any shower screen, shower base, sink, basins, bath or toilet, which is accidentally damaged. <p>Or</p> <p>If your schedule shows that you have Contents cover, we will either replace or pay the reasonable cost of replacing:</p> <ul style="list-style-type: none"> • any glass which forms part of your furniture, or • any hanging wall mirror, which is accidentally damaged. 	<p>We will not cover:</p> <ul style="list-style-type: none"> • any glass which was already damaged or in an imperfect condition, • glass forming part of a conservatory or glass house, • light globes, • a tiled shower base, • any part of a ceramic or glass cooking surface of any kind, oven doors, heaters, • any damage where the breakage is not through the entire thickness of the glass or the shower screen, shower base, sink, basin, bath or toilet, • contents items such as hand mirrors, crockery, china, glassware, porcelain, crystal, vases, ornaments, glass in pictures, • breakage of visual display units, clocks, watches, radios, televisions, or • any damage which occurred while the item was outside your home.

What is covered	What is not covered
<p>Vandalism & Malicious Acts</p> <p>We will cover you for loss or damage caused by vandalism or a malicious act.</p>	<p>We will not cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • accidental damage or accidental loss, • tenant neglect, carelessness, poor housekeeping or unhygienic living habits, • damage occurring during maintenance carried out by the tenant or anyone acting on their behalf, • damage as a result of repairs, or attempted repairs, carried out by the tenant or anyone acting on their behalf, • damage caused by the failure of your tenant to control their children, • damage caused by pets belonging to your tenant, or • scratching, denting, chipping, rubbing or chaffing. <p>We will not cover you for loss or damage by:</p> <ul style="list-style-type: none"> • you or any person who is living with you at the site, • tenants (unless the optional cover - "Damage caused by tenants" is purchased. Refer to page 44), • roomers, boarders or paying guests and their visitors, or • any person who has entered your site with your consent or the consent of a person who lives in your home. <p>We will not cover you for vandalism and malicious acts if the security devices or mechanisms you told us about were not installed, not in working order or not connected.</p>
<p>Actions of Animals</p> <p>We will cover you for loss or damage caused by the actions of animals or birds.</p>	<p>We will not cover you for loss or damage caused by:</p> <ul style="list-style-type: none"> • vermin, rodents, insects (including termites), or • any other animal or bird belonging to your tenant. <p>If your buildings are insured, we will not cover you for loss or damage caused by any animal or bird pecking, biting, chewing, clawing, tearing or soiling the exterior of any buildings or the interior of buildings which are not completely enclosed.</p> <p>If your contents are insured, we will not cover loss or damage caused by any animal or bird pecking, biting, chewing, clawing, tearing or soiling any contents in the open air or the interior of buildings which are not completely enclosed.</p>

Legal Liability Cover

This policy provides additional cover for legal liability.

What is covered

Legal Liability cover insures you against the costs of paying compensation for death or bodily injury to other people or for loss or damage to their property.

If your schedule shows you have Buildings cover, we cover your legal liability for an incident during the period of insurance:

- at the site, and
- in connection with you owning the building.

If your schedule shows you have Contents cover, we cover your legal liability for an incident during the period of insurance:

- at the site, and
- in connection with you owning the contents.

The most we will pay for all claims arising from any one incident is \$20 million. This amount includes GST and all legal and defence costs we have agreed to pay.

What is not covered

We will not cover liability for personal injury or property damage arising from, or in connection with directly or indirectly from:

- any of the General Exclusions on pages 54-57, or
- any incident that did not occur during the period of insurance, or
- the use of any aircraft, other than model aircraft with a wingspan less than 1.5 metres,
- the use of any watercraft other than canoes, surfboards, surf skis, sailboards or other non-motorised watercraft less than 3 metres in length,
- the use of any vehicle other than ride-on mowers, motorised golf carts and motorised scooters which do not require registration and do not require compulsory insurance or to be covered under a statutory scheme,
- any trade, business, occupation or employment carried on by you, your family or anyone living at your home, for reward,
- the use of your home or the site for any business purpose or farming activity,
- vibration, removal, weakening or interference with any land, buildings or other property,
- any asbestos or any products containing asbestos,
- the transmission of any disease by you or your family or any contaminated body fluid or body product,
- any illegal or unlawful activity by you or your family or anyone acting with the consent of you or your family,
- an intentional act or omission by you or your family or anyone acting with the consent of you or your family, or any act or omission with reckless disregard for the consequences,
- claims by you, your family, any person ordinarily residing with you or with whom you ordinarily reside,
- claims where there is insurance required by law that provides cover for the liability,
- liability which arises only because you or your family have agreed to take that liability on,
- defamation,
- any admission of liability you have made,
- loss or damage to any property in your care, custody or control,
- any building work, repairs or redecoration being carried out at your home or at the site, where the value of the work exceeds \$25,000,
- any civil or criminal penalties, fines, or exemplary, aggravated, punitive or multiple damages or awards for which you are liable,
- any event which you have organised or are legally responsible for, unless the event occurs in your home or at the site,
- any animal other than a domestic dog or cat kept as a pet in your home or at the site,
- any professional, recreational or amateur sporting activity,
- actions brought against you in a court outside Australia,
- the common property, where your home is a company share, stratum or strata title property,
- the supply of any alcohol or drugs,
- the consumption of any drugs or alcohol unless the consumption did not cause or contribute to the incident,
- tree lopping or tree felling on the site, or
- the discharge, dispersal, release or escape of pollutants, waste materials or other irritants and contaminants on or into land, the atmosphere or any watercourse or body of water.

BUILDINGS COVER

If your schedule shows that you have Buildings or Buildings and Contents cover, your buildings are covered against loss or damage caused by any of the events described on pages 18-27, which occur during the period of insurance. You will also be entitled to the Legal Liability cover described on pages 28-29 and the Additional Benefits set out on pages 34-35.

Your “Buildings” – what we will and won’t cover

What is meant by <i>buildings</i>	What is not meant by <i>buildings</i>
<p>“Buildings” means:</p> <ul style="list-style-type: none">• buildings used for domestic, residential purposes, and• which are fully enclosed, with walls, fully glazed windows, doors and a roof, and• which can be locked up. <p>“Buildings” includes:</p> <ul style="list-style-type: none">• outbuildings and permanent structural improvements that comply with local government or other statutory requirements,• carports, decking, pergolas, verandas and fixed gazebos,• tennis courts,• permanently installed swimming pools, saunas and spas (including their fixed accessories),• fixed wall, ceiling or floor coverings other than carpets or carpet tiles (see “Fixed Coverings” on page 33),• fixed shade sails, exterior blinds and awnings,• domestic appliances housed in purpose built cupboards or bench space, such as a dishwasher,• light fittings, alarm systems, air conditioners and domestic appliances such as a stove which are permanently connected to the electricity system,• fixed appliances which are permanently connected to the gas systems such as room heaters,• built in furniture,• fixed barbeques, clothes lines, aerials, masts and satellite dishes,• artificial lawn – up to \$1,000,• paved paths and paved driveways – up to \$10,000,• walls, gates and fencing, and• service pipes, cables, poles, wires, meters and switches that you own or are legally responsible for.	<p>“Buildings” do not mean:</p> <ul style="list-style-type: none">• a mobile home, caravan, houseboat or any temporary or demountable structure,• hotels, motels, boarding houses, commercial buildings, exhibition or display homes,• any part of the site that you use or intend to use for hobby farming activities, whether for profit or not (including stables, machinery or hay sheds, boundary or internal fences),• any part of a building or site used for conducting a business, trade or profession,• any part of a building or structure which cannot be locked because it is in the course of alteration or renovation or is being rebuilt,• a building or structure which is in the course of construction,• a building which is owned under company share, stratum or strata title,• trees, plants, lawns, shrubs and hedges, planted in the ground,• jetties, wharves or pontoons, or• unpaved paths, unpaved driveways or the loose surfaces of paths, driveways or tennis courts. <p>“Buildings” do not include “Contents” as described on pages 36-37. In particular, “Buildings” do not include:</p> <ul style="list-style-type: none">• carpets, carpet tiles or loose floor coverings,• internal blinds or curtains,• above ground swimming pools or movable spas or saunas,• electrical equipment which normally attaches to a power point only,• any item which is not fixed to the buildings.

Buildings – what we will and won't pay

If:

- your buildings are insured, and
- loss or damage to your buildings occurs as a result of an insured event during the period of insurance, and
- we agree to accept your claim,

we will, at our option, choose whether to:

- repair or rebuild your buildings, or
- pay the reasonable cost of repairing or rebuilding your buildings.

We will pay up to the sum insured of your buildings, or any lesser limit that applies, less any applicable excess.

If we choose to repair or rebuild your buildings, we can nominate the builder, repairer or supplier.

If we choose to repair your buildings, we will:

- make reasonable attempts to match the materials used when your buildings were built or last renovated,
- only repair or rebuild that part of your buildings which has been damaged, and
- not pay to repair or replace undamaged materials or sections of your building in order to create a uniform effect throughout your home.

Where we are unable to match materials, we will use or pay for materials which we believe to be of a similar kind or quality.

If we choose to rebuild your buildings, we will:

- use new materials, and
- rebuild your buildings to the same size and standard.

If we choose to pay the reasonable cost of repairing or rebuilding your buildings, we may:

- pay your builder directly, or
- pay you.

If we pay you, we will pay the lesser of:

- the costs you actually incur, or
- the amount it would have cost us to repair or rebuild your buildings.

If you do not commence repair or replacement of your buildings within six months of the date the loss or damage occurred, we will not be liable for any costs which exceed the

repair or rebuilding costs as at the date the loss or damage occurred.

If you decide not to proceed with the rebuilding or repair of your buildings, we will pay the lesser of:

- the rebuilding or repair cost as at the date of loss or damage, or
- the difference in the value of your buildings and the site before the damage occurred and the value of your buildings and the site after the damage has been sustained.

If we accept your claim for loss or damage to a dividing fence, we will only pay half the cost of repairing the fence.

Fixed Coverings

If your claim is for loss or damage to fixed coverings on walls, floors and ceilings we will pay only for the damaged part of these coverings in the room, hall or passage where the damage occurred. In open-plan homes we will pay only for the damaged part of such coverings in the functional area that we think is affected.

Buildings - Additional Benefits

What is covered	What is not covered	Cover limit
Demolition and removal of debris We will arrange for, and pay the reasonable costs of, the demolition of your home if it has been destroyed as a result of an insured event during the period of insurance.	We will not pay for: <ul style="list-style-type: none"> the removal of any tree stump, or the removal of fallen branches or trees if your home has not been damaged by such branches or trees. 	We will pay up to 10% of the buildings sum insured. This benefit is in addition to the sum insured of your buildings.
Professional fees If we agree to repair or rebuild your building, we will pay the reasonable fees of any architects, consultants, engineers, surveyors and solicitors necessary for the repair or replacement of your building.	We will not pay for the fees to rebuild any part of your home which was an illegal construction.	The most we will pay is 10% of the sum insured of your buildings. This benefit is in addition to the sum insured of your buildings.
Key and lock replacement If: <ul style="list-style-type: none"> we have accepted your claim for theft, and the keys to any external doors or windows of your home have been stolen as part of the theft, we will pay the reasonable cost of rekeying or replacing (whichever is the lesser) locks and cylinders on the doors or Windows for which the stolen keys were intended.		The most we will pay is \$500 per incident if your buildings or contents, or both are insured.

Buildings - Optional Benefit

If you choose to pay an additional premium, you can include this Optional Benefit on your policy. If you have added this Optional Benefit, it will be shown on your schedule.

What is covered	What is not covered	Cover limit
Motor burn out We will pay the reasonable cost of repairing or replacing an electric motor which forms part of your buildings if the motor burns out during the period of insurance. We will pay for the service call, parts and labour. <i>Examples of motors covered under this benefit include electric motors in a swimming pool pump or ducted air-conditioning unit.</i>	We will not pay for: <ul style="list-style-type: none"> an electric motor used for business, trade or professional purposes, an electric motor that is more than 10 years old, from date of manufacture, motors under any form of guarantee or warranty, the cost of any part, such as a bearing, filter or dryer, which does not form part of an electric motor, fuses, switches, electrical contacts or protective devices, or the removal or re-installation of a submerged or underground motor. 	The most we will pay is: <ul style="list-style-type: none"> \$2,000 per incident if your buildings are insured.

CONTENTS COVER

If your schedule shows that you have Contents or Buildings and Contents cover, your contents are covered against loss or damage caused by any of the events described on pages 18-27, which occur during the period of insurance.

Your "Contents" - what we will and won't cover

Contents cover includes insurance for the items listed, under "What is meant by contents". Contents cover only provides insurance for your contents while they are in your home.

You will also be entitled to the Legal Liability cover described on pages 28-29 and the Additional Benefits set out on pages 42-43. For payment of an extra premium, you may also choose to add cover for the Optional Benefits as set out on pages 42-43.

What is meant by contents	What is not meant by contents
<p>"Contents" means household goods:</p> <ul style="list-style-type: none">• kept in your home and used for domestic purposes, and• which are owned by you or for which you are legally responsible, and• which are not permanently attached to any building. <p>"Contents" includes:</p> <ul style="list-style-type: none">• internal blinds or curtains, furniture and furnishings,• carpet or carpet tiles,• loose floor coverings including floating floor boards,• above ground swimming pools or movable spas or saunas,• electrical equipment which normally attaches to a power point only, and• fixtures and domestic structural improvements inside a strata title unit that are not insured by the body corporate, when the contents sum insured is not otherwise exhausted.	<p>"Contents" do not include:</p> <ul style="list-style-type: none">• anything which is listed under "what is meant by buildings" on page 30,• anything kept at the site which is not in an area which is fully enclosed, with a roof and able to be secured,• clothing, bicycles and sporting equipment,• household tools and gardening equipment used for personal purposes,• ride-on mowers, motorised golf carts and motorised scooters,• musical instruments, photographic equipment and their accessories, electronic and audio visual equipment,• money and negotiable documents of any kind,• credit cards or financial transaction cards,• hand woven carpets, oriental rugs, artwork, antiques, curios, furs, collections and collectables,• computers (including portable computers), computer equipment, electronic organisers, tablets and mobile telephones,• CDs, DVDs, videos, media purchased online, licensed computer games and software,• jewellery and watches and any items containing gold or silver,• tools, instruments and equipment used for your business,• personal medical equipment, wheelchairs, artificial body parts, aids and accessories,• money or negotiable financial instruments belonging to your business, trade or profession,• travel or other tickets, coupons or gift vouchers,• stock in trade,• pets or animals of any kind,

What is meant by contents	What is not meant by contents
	<ul style="list-style-type: none"> • computer records or electronic data files, • unfixed building materials and uninstalled fixtures and fittings, • motor vehicles, motor cycles, trail bikes, motorised go karts or mini bikes, • caravans, trailers or horse floats, • boats or watercraft including jet skis, canoes, surfboards, surf skis, sailboards or their parts and accessories, • hang gliders or aircraft including model aircraft or their parts and accessories, • farm vehicles, farm trailers, farming implements or equipment, • plant or earthmoving equipment or their parts and accessories, • unset precious or semi-precious stones and bullions, • firearms, • air conditioners housed in a cavity or mounted on a wall, • coin and stamp collections, • dishwashers housed in cupboards or benches, • electronic diaries and mobile telephones, • keys to doors or window locks and the combination to safes, • loose or compacted surfaces including but not restricted to earth, gravel, pebbles, rocks, sand, soil, • bark or mulch, • office and surgery equipment and tools belonging to you and your business, • property of tenants, roomers, boarders or paying guests, • stock, money and stamps belonging to either your business or a family member's business, • travel or other tickets, coupons, gift vouchers, licenses or passports, or • trees, lawns, hedges, plants, shrubs, garden beds, rockeries and other plant life, except when growing in pots.

Contents – what we will and won’t pay

If:

- your contents are insured, and
 - loss or damage to your contents occurs as a result of an insured event during the period of insurance, and
 - we agree to accept your claim,
- we will, at our option, choose whether to:
- repair or replace your contents, or
 - pay the reasonable cost of repairing or replacing your contents, or

We will pay up to the sum insured of your contents, or any lesser limit that applies, less any applicable excess.

If we choose to repair or replace your contents, we can nominate the repairer or supplier.

If we choose to repair or replace your contents, we will make reasonable attempts to match the materials and contents. If we are unable to match materials, we will use or pay for materials which we believe to be of a similar kind or quality.

If your claim is for damage to carpets, loose floor coverings, curtains or internal blinds, we will only pay for repair or replacement in the rooms where the damage occurred. We will not pay for matching carpets, curtains or internal blinds in other rooms or areas of your home to create a uniform effect throughout your home.

If the lost or damaged item is part of a pair, set or collection, we will only pay for the repair or replacement of the part which is lost or damaged. We will not pay for any reduction in the value of the remaining part or parts of the pair, set or collection.

If we choose to replace your contents, we will replace items with those of a similar type, standard and specification as when new.

If we choose to pay the reasonable cost of repairing or replacing your contents, we may pay you if unusual circumstances exist. If we pay you, we will pay the lesser of:

- the costs you actually incur, or
- the amount it would have cost us to repair or replace your contents.

Replacement of your contents is on a new for old basis. New for old means materials or items of the same type, standard and specification as when new. If the same is not available, it means materials or items of a similar type, standard and specification when new. It does not mean of a better standard, specification or quality as new, or of the same brand.

Contents - Additional Benefit

What is covered	What is not covered	Cover limit
Removal of debris We will pay for the removal of damaged contents debris from the site after an insured event during the period of insurance.		We will pay up to 10% of the contents sum insured. This benefit is in addition to the sum insured of your contents.

Contents - Optional Benefit

If you choose to pay an additional premium, you can include this Optional Benefit on your policy. If you have added this Optional Benefit, it will be shown on your schedule.

What is covered	What is not covered	Cover limit
Motor burn out We will pay the reasonable cost of repairing or replacing an electric motor which forms part of your contents if the motor burns out during the period of insurance. We will pay for the service call, parts and labour.	We will not cover <ul style="list-style-type: none">• an electric motor used for business, trade or professional purposes,• an electric motor that is more than 10 years old, from date of manufacture,• motors under any form of guarantee or warranty,• the cost of any part, such as a bearing, filter or dryer, which does not form part of an electric motor, or• fuses, switches, electrical contacts or protective devices.	The most we will pay is: <ul style="list-style-type: none">• \$2,000 per incident if your contents are insured.

All Cover Types - Optional Benefits

If you choose to pay an additional premium, you can include any of these Optional Benefits on your policy. If you have added any Optional Benefits, they will be shown on your schedule.

What is covered	What is not covered	Cover limit
<p>Damage caused by tenants</p> <p>You can only choose this option if your buildings and/or contents are insured under this policy. If you have cover for only your buildings or contents, then this cover will only apply to your buildings if they are solely covered or to your contents if they are solely covered. If you have cover for both your buildings and contents, this cover will apply to both your buildings and contents.</p> <p>We will cover you for loss or damage to your buildings and/or contents whilst at the site and arising from a deliberate or intentional act committed by a tenant during the period of insurance, notwithstanding the General Exclusion on page 54 for unlawful, malicious, deliberate or intentional acts.</p> <p>Claims under this optional benefit</p> <p>We cover you for damage caused by tenants up to the relevant buildings or contents sum insured. Cover is provided subject to the following conditions:</p> <ul style="list-style-type: none">for claims resulting in loss or damage to your building, the basis of settlement of a claim is set out in the Buildings Cover section, All Cover Types section and Claims section of the policy; andfor claims resulting in loss or damage to your contents, the basis of settlement of a claim is set out in the Contents Cover section, All Cover Types section, and Claims section of the policy; andwe will only pay a claim when there is a lease between you and the tenant which states the term of the rental period, the amount of rent payable to you and the amount of bond money that the tenant is required to pay; andany payment we make for a claim under this section will be reduced by:<ul style="list-style-type: none">the amount of the tenant's bond money that is remaining after deducting allowable re-letting expenses you are legally entitled to receive from the tenant's bond money, andthe excess specified for this cover in the schedule; andyou and your rental agent must use all reasonable means to minimise any loss or damage.	<p>We will not cover</p> <ul style="list-style-type: none">any legal liability of whatever nature,tenant neglect, carelessness, poor housekeeping, and unhygienic living habits.	Up to the relevant buildings or contents sum insured.

What is covered	What is not covered	Cover limit
<p>Tenant's rent default cover</p> <p>We will cover you for tenant's rent default during the period of insurance if:</p> <ul style="list-style-type: none"> • your tenant vacates the site without notice before the expiration date of the lease, or • your tenant defaults in paying rent owed at the site under the terms of the lease to you or your rental agents, or • your tenant is legally evicted from the site for non-payment of rent or any other breach of the lease committed by the tenant. <p>Claims under this optional benefit</p> <p>The most we will pay for tenant's rent default during any one period of insurance is the lesser of 10 weeks rent or up to \$5,000 in total for this cover, provided:</p> <ul style="list-style-type: none"> • there is a lease between you and the tenant which states the term of the rental period, the amount of rent payable to you and the amount of bond money that the tenant is required to pay, • any payment we make for a claim under this section will be reduced by: <ul style="list-style-type: none"> ◦ the amount of the tenant's bond money that is remaining after deducting allowable re-letting expenses you are legally entitled to receive from the tenants bond money, and ◦ the excess specified for this cover in the schedule. • cover under this section will cease: <ul style="list-style-type: none"> ◦ at the earlier of the date when this site is re-tenanted or when we have paid the lesser of 10 weeks rent or up to \$5,000 in total for this cover, or ◦ in the case where your tenant vacates the site without notice before the expiration date of the lease or your tenant defaults in paying rent owed, at the earlier of the date the site is re-tenanted or the date which the lease expires or when we have paid the lesser of 10 weeks rent or up to \$5,000 in total for this cover. • a breach notice for non-payment of rent or a notice of termination for non-payment of rent must be issued as soon as practical when the rent is in arrears to the tenant by you or your rental agent, • a notice for breach of the lease or a notice of termination for breach of the lease must be issued as soon as practical when you or your rental agent become aware of the breach, • the regulations and procedures outlined in the relevant state legislation relating to ending a tenancy are strictly adhered to by you and your rental agent, 	<p>We will not cover any loss for tenant's rent default resulting from:</p> <ul style="list-style-type: none"> • termination of the lease by the tenant, where we determine that such termination is justified by a breach of the lease by you, including but not limited to, a breach of the covenant of quiet enjoyment of the site, • the termination of a lease, on the grounds that it is invalid due to non-compliance with any legal or statutory requirement, • an agreement of any nature (whether express or implied) between you and the tenant to terminate the lease, • the termination of a lease pursuant to an order of any court, tribunal or body vested with the power to legally terminate a lease, where proceedings for termination of the lease have been commenced by the tenant, • your failure to rectify a notice to remedy breach, issued by the tenant to you or your agent. <p>In respect of the following, we will not cover any claim for loss of rent under this section for any period after the earliest to occur of the following:</p> <ul style="list-style-type: none"> • the date of any order made by any court, tribunal or other body resulting from proceedings commenced by the tenant for termination of a lease, or • the date of an agreement (whether express or implied) between you and the tenant to terminate the lease, or • your building is re-tenanted, or 	<p>We will pay up to the lesser of:</p> <p>10 weeks rent, or up to \$5,000 in total.</p>

What is covered	What is not covered	Cover limit
<ul style="list-style-type: none"> • you and your agent must take all reasonable steps to ensure that any loss or damage to buildings or contents which renders the building unfit for occupation is repaired as soon as possible after it is discovered. If you do not take reasonable steps to repair any loss or damage to buildings or contents, then we will reduce the amount payable for any claim under this section by the amount we determine is the result of your failure to reasonably attend to repairs, • you and your agent must take all reasonable steps to ensure that the building is re-let as soon as possible following the building being vacated by a tenant. If you do not take reasonable steps to re-let the building, then we will reduce the amount payable for any claim under this section by the amount we determine is the result of your failure to take reasonable steps to re-let the building. 	<ul style="list-style-type: none"> • you could legally cancel the lease, or • two weeks following the tenant vacating the building in accordance with a notice to leave which was served on the tenant. <p>We will not pay you for rent default if the rent is in arrears on or before the commencement of the period of insurance or when this tenant's rent default option commences.</p>	We will pay up to the lesser of: 10 weeks rent, or up to \$5,000 in total.

What is covered	What is not covered	Cover limit
<p>Loss of rent</p> <p>Loss of rent provides cover for your rental income due to an uninhabitable or inaccessible building.</p> <p>Definition of 'building' for loss of rent</p> <p>In this Loss of rent section only, building means the insured building described in the schedule at the site being a residential dwelling, house, flat or home unit which is a tenanted property under a lease including:</p> <ul style="list-style-type: none"> • fixed coverings to walls, floors and ceilings, carpets, internal blinds and curtains, and • services (whether underground or not) including communication installations, electricity and water. 	<p>We will not pay you for loss of rent for 'uninhabitable building' or 'inaccessible building' in the following circumstances:</p> <ul style="list-style-type: none"> • if the rent is in arrears on or before the commencement of the period of insurance or when this rent default option commences, • if you have failed to rectify a Notice to remedy breach, issued by the tenant to you or your agent, • for any period after the building becomes habitable or access to the building is restored regardless of whether or not your tenants resume occupation of the building or you re-let the building, • if your property is vacant at the time access to the building is prevented or the building becomes uninhabitable, we will not provide cover under this section unless you can satisfy us that there were reasonable prospects that the building would have been tenanted but for the loss or damage preventing access or making the building uninhabitable. 	<p>The weekly rental amount shown on your schedule, up to a period of 12 months.</p>
<p>Uninhabitable building</p> <p>When the building as defined above becomes uninhabitable following physical loss or damage to the building or to the building of which it forms part, which occurs during the period of insurance and that loss or damage is not excluded by the "General Exclusions" section, then we will cover any loss of rent you sustain for the period during which the building remains uninhabitable because of that loss or damage.</p>	<p>You and your agent must take all reasonable steps to ensure that any loss or damage to the building which renders the building unfit for occupation or prevents access is repaired as soon as possible after it is discovered. If you do not take reasonable steps to repair any loss or damage to the building, then we will reduce the amount payable for any claim under this section by the amount we determine is the result of your failure to reasonably attend to repairs.</p>	
<p>The maximum amount we will pay under this benefit for the building becoming uninhabitable is:</p> <ul style="list-style-type: none"> • if your property is vacant at the time of the loss or damage which makes the property uninhabitable, the amount, in our opinion, that your building could reasonably be rented out for each week had the loss or damage not occurred. We will pay up to a period of 12 months and the most we will pay is the weekly rental amount shown in your schedule for this cover, or • if your property is tenanted at the time of the loss or damage which makes the property uninhabitable, the weekly rent you were paid by your tenant immediately before the loss or damage. We will pay up to a period of 12 months and the most we will pay is the weekly rental amount shown in your schedule for this cover. 		

What is covered	What is not covered	Cover limit
<ul style="list-style-type: none"> • if your building is tenanted at the time of the loss or damage preventing access, the weekly rent you were paid by your tenant immediately before the loss or damage. We will pay up to a period of 12 months and the most we will pay is the weekly rental amount shown in your schedule for this cover. <p>Any payment we make for a claim under this section will be reduced by the excess specified for this cover in the schedule.</p>		

General Exclusions

We do not cover

We will not pay for any loss, damage or liability arising directly or indirectly from or in any way connected with any of the following:

- bushfires, grass fires, flood, storm, rainwater or named cyclone occurring within 48 hours of the start date of your policy, unless:
 - the building was first occupied no more than 24 hours before the start date of your policy, or
 - your policy replaced another policy covering the same property, and there has been no break in cover, in which case our liability is limited to the lower sum insured under the 2 policies.
- landslide, landslip, subsidence, erosion, settling, heaving, shrinkage, expansion or any other earth movement not caused by an earthquake,
- actions of the sea, including storm surge, tidal waves, tsunamis and high tides,
- water seeping through or permeating walls, roofs or floors,
- water entering your home through an opening made for the purpose of alterations, additions, renovations or repairs,
- mechanical, electrical or electronic breakdown, failure or malfunction of an item, except as provided for by the Optional Benefit for Motor Burn Out,
- power surge, other than as a direct result of an insured event,
- unlawful, malicious or deliberate acts by you or someone
 - who lives in your home, or
 - who is a member of your family including a de-facto spouse, or
 - who has entered your home or site with your consent, or the consent of a person who lives in your home,
 - who is acting with your permission or implied consent, except as provided for in "Damage caused by tenants" Optional Benefit and is specified as covered in the schedule,
- your home, while it is in the course of construction,
- the incorrect siting of buildings,
- non-compliance with government regulations relating to buildings,
- any building work, including any extensions, alterations, or renovations,
- your home or the site, if your home is unoccupied for longer than 60 days, unless you have told us about this and we have agreed to provide cover.

- loss of profit or consequential loss of any kind other than loss of rent if specified as covered in the schedule,
- gradual deterioration, including wear and tear, rust, corrosion, depreciation, fading or deterioration from exposure to light,
- algae, mould or mildew, rising damp and wet or dry rot,
- inherent or structural defects, faulty design or workmanship,
- pre-existing damage or any loss or damage which occurred before the start date of your policy,
- inadequate maintenance or failure to keep your building in good repair,
- vermin, rodents, wildlife, or insects (including termites),
- pecking, biting, chewing, clawing, tearing, soiling or scratching by any animal or bird kept in your home or at the site,
- chipping, cracking or scratching or any item or surface,
- the action of trees, plants or their roots,
- tree felling or tree lopping on the site,
- the removal of tree stumps or trees that have fallen but not damaged your Building,
- any loss or damage of whatever kind arising directly or indirectly out of:
 - the corruption, destruction or alteration of or damage to data, coding programme or software, or
 - the unavailability of data or reduction in the functionality, availability or operation of hardware, software or embedded chips, or
 - any business interruptions arising therefrom.
- damage to musical instruments, fishing and sporting equipment or firearms while someone is using them,
- settlement, shrinkage, vibration, contraction, or expansion in building, foundations, walls or pavements,
- removing or weakening supports or foundations for alterations, additions, renovations or repair,
- any process of cleaning, repairing, restoring or retouching of any item,
- a process necessarily involving the use of chemicals or the application of heat,
- your property while left unattended and not at the site,
- your failure to use all reasonable means to protect and maintain the insured property before, at, or after the time of any loss or damage,
- courier or postal delivery of any insured property,
- legal liabilities of whatever nature whatsoever, but this

- exclusion for legal liability will not apply to the Legal Liability Cover set out on pages 28-29,
- any coverage which requires compulsory insurance, worker's compensation or employer liability insurance,
 - registered motor vehicles,
 - any error in computer programming or instructions to the computer,
 - damage to swimming pools, spas, septic tanks or other in ground structures, including their surrounds, caused by hydrostatic pressure,
 - breach of any statutory obligations, government or local authority regulations or by-laws, or the costs of complying with any notices received before making a claim under this policy,
 - any fine, penalty, charge or GST you are liable for arising from misrepresenting (or failing to disclose) your actual input tax credit entitlement in the settlement of any claim or premium relating to the policy,
 - the lawful seizure, repossession, confiscation, nationalisation or requisition of your building or your contents,
 - occurrences, namely:
 - war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war,
 - mutiny, civil commotion assuming the proportions of or amounting to an uprising, military rising, insurrection, rebellion, revolution, military or usurped power,
 - any act of terrorism regardless of any other contributing cause or event or any action taken in controlling, preventing, suppressing, retaliating against or in any way responding to or relating to an act of terrorism regardless of any other contributing cause or event,
 - the actual or threatened existence or operation of nuclear, chemical or biological weapons or nuclear fuel, waste or materials, actual or threatened contamination or pollution from such agents, ionising radiation, the combustion, detonation, fission or fusion of nuclear fuel or nuclear materials, or action taken by a public authority or anyone authorised by such authority to prevent, limit or remedy such threat, operation, pollution or contamination,
 - direct or indirect exposure to radiation or contamination by radioactivity from any nuclear fuel, nuclear waste or nuclear material,
- any highly pathogenic avian influenza or any disease declared to be a quarantinable disease under the *Quarantine Act 1908 (Cth)* and subsequent amendments, or
 - asbestos, asbestos fibres or any form of asbestos derivatives.

Things you need to tell us

Notify us of changes

You must notify us as soon as possible if:

- any change is made to your buildings or contents which we insure and which might affect the nature of the risk covered by this policy,
- your building will be unoccupied for more than 60 days,
- you plan any building work, including any additions, renovations, alterations or modifications,
- you need to increase the sum insured of your building or your contents,
- you or your family are charged with or convicted of any criminal offences.

If you change your insurance details, we will confirm that we agree to the changes by issuing you a new schedule. You must pay us any additional premium if required.

Things you need to do

Regularly review the insurance value of your property

Remember that the most we will pay for any loss or damage is the sum insured. It is therefore important that the sum insured is sufficient to cover you for any loss or damage which occurs.

When you insure your property, you must decide on a sum insured which is adequate to cover the current replacement cost of your building and your contents. When your policy is renewed, we will automatically adjust the sum insured to account for inflationary trends. However, you may have made some changes to your building or bought additional contents items. You must therefore check your new schedule to ensure that the sum insured is adequate to cover the replacement cost of your property for the period of insurance shown on your renewal schedule. If you do not do this regularly, you may be under insured.

Pay your premium

You must ensure that your premium is paid when it is due. For details on your payment options, please refer to page 60.

If you set up a recurring payment, such as a direct debit, it is important to let us know if your bank or credit card details change.

Maintain and protect your property

You must at all times:

- maintain your building and keep your property in good repair,
- take all reasonable steps to protect your building and your contents from loss and damage,
- comply with all statutory obligations, government or local authority regulations and by-laws, and
- prevent or avoid bodily injury or damage to other people and their property.

If you do not, we may reduce or refuse your claim.

Proof of ownership and value

You must keep records as evidence of ownership and proof of the value of any items you claim for. This includes contracts of sale, valuations, receipts, credit card and bank statements, instruction manuals or photographs. Without this evidence, we may reduce or refuse to pay your claim.

Co-operate

You must:

- be truthful and frank in any statement you make to us
- not behave in a way that is improper, hostile, threatening, abusive or dangerous
- co-operate fully with us, even if we have already paid your claim which includes:
 - providing us with all the information, documents and help we need to deal with your claim (for example, bank statements or phone records)
 - immediately sending us any communications that you receive about any incident – for example, emails, letters, notices or court documents
 - being interviewed by us or our representatives
 - attending court to give evidence
 - if there is a dispute about the repairs to your property.

Things you should know

Dangerous goods

If you keep or use any dangerous or hazardous goods or substances in your home or at the site you must comply with all relevant laws, by-laws and statutory regulations. Should you not do these things and it prejudices our interests, we will reduce any benefit under this policy by any additional amount we have had to pay because you did not comply.

Exclusions

There are a number of General Exclusions which apply to this insurance cover. These are set out on pages 54-57.

Changing your policy

We will advise you immediately in writing if we need to change a provision of your policy at any time during the period of insurance. Any changes that occur as of your renewal date will appear on your renewal schedule.

Joint policy holders

If more than one person takes out this insurance, the names of each will be shown on the schedule. Each of these joint policy holders has authority to make changes to this policy, including removing the name of the other, or to cancel it.

Interested parties

We cover only your interest in the insured property unless you specifically include cover for the interest of another party such as a financier or any other owner which you have told us about.

These details will be noted on your schedule. If a financier is noted on your schedule as an interested party, and we agree to settle your claim on a cash basis, we have the option of paying the financier in full or part settlement of your claim.

Notices

When we send you any written notice, it will take effect when it is delivered to your last postal address known to us.

Things we need to tell you

Your premium

How you can pay your premium

You can pay your premium:

- annually, in one amount using cheque, credit card, BPAY or direct debit, or
- in monthly instalments by direct debit or credit card.

If you pay one annual premium, the total premium will be lower than if you pay your premium in instalments.

Monthly direct debit payments

When you provide us with bank or credit card details to debit your instalment, you must ensure that you have the authority to use the nominated account. It is also your responsibility to ensure that sufficient funds are in the nominated account to meet each instalment.

If the instalment collection date falls on a non-business day, we will debit your bank account or credit card on the following business day. If there are insufficient funds, we will resubmit the debit within 15 days unless you request us to do so sooner or advise us of an alternate bank account or credit card to debit.

Unpaid premium

If you have chosen to pay your premium annually, your policy will not operate until you have paid your premium.

If you have chosen to pay your premium in instalments, and any instalment is not paid:

- we will not accept your claim if your instalment is more than 14 days overdue, and
- we may cancel the policy if your instalment is more than one month in arrears.

Cancelling

A cancellation fee may apply unless we advise differently.

If you cancel your policy

You may cancel your policy at any time by contacting us. We will cancel your policy when we receive your request or from a later date that you tell us.

If we cancel your policy

We may only cancel your policy where we are entitled to do so by law, including if you:

- failed to answer our questions truthfully and accurately,
- made a misrepresentation to us before the policy was issued,
- made a fraudulent claim,
- failed to pay your premium, or
- failed to comply with the terms and conditions of this policy.

If we cancel your policy, we will notify you in writing and all cover under the policy will stop at the time and date we tell you.

Return premium

If your policy is cancelled and you have paid an annual premium, we will return any premium you have paid for the period after the cancellation date, less any non-refundable government taxes and charges.

If your policy is cancelled and you are paying your premium in monthly instalments, there is no return of any part of an instalment you have paid. However, you will not have to pay any instalments which would have become due after the date of cancellation.

Renewing

We may automatically continue your cover by sending you a renewal notice at least 14 days before your policy expires. The renewal notice will show the terms and conditions, the period of insurance, any proposed alterations to your policy and the premium payable.

Unless we hear from you, your payments will continue in accordance with the payment option you selected when you first took out this insurance.

We may require you to pay an additional premium if you notify us of a claim that happened in the period between the time we calculate the renewal premium and the expiring period of insurance. The additional premium we require will be based on your revised claims history. The additional premium will not exceed the amount we would have requested had you notified us of your claim earlier.

Indexation protection

When we renew your policy, we will automatically adjust the sum insured for your buildings and your contents to account for inflationary trends. The new sum insured will be shown on your renewal schedule.

It is your responsibility to check that the sum insured is adequate to cover the replacement cost of your buildings and your contents. You can ask us to change the sum insured at any time.

GST

All the benefits listed in this policy include GST. Any claim settlements, up to the sum insured, will include GST. However, the amount we are liable to pay will be reduced by any input tax credit you are entitled to (if you are entitled to an input tax credit, you must tell us the extent of your entitlement).

CLAIMS

Having your property stolen or damaged is stressful. Our claims team is there to support you by guiding you through the claims process. If you do the following things they will be able to handle your claim as quickly as possible.

What to do

What to do	What not to do
Do everything you can to stop further loss or damage from happening.	Do not arrange or authorise any repairs, except if necessary to minimise or prevent further loss or damage. Do not arrange replacement of any property without our prior approval. In the event of fire damage, do not clean or remove debris from the damaged area without our prior approval.
Call the police immediately if the claim involves: <ul style="list-style-type: none">• theft or attempted theft, or• malicious acts or damage, or• impact by a vehicle, or• civil unrest. Give the police a list of items which have been stolen or damaged. Keep a record of the incident or report number.	
Telephone us on 1300 265 374 as soon as possible.	Do not delay in phoning us because it could disadvantage you.
Tell us if someone is holding you responsible for death or bodily injury to other people or for loss or damage to their property, or if you have received any demands or correspondence related to any such claim.	Do not admit that you are, or may have been, at fault or responsible for the incident. Do not make a promise or offer to pay anyone for anything. Do not delay in sending us any relevant documents you receive.
Keep any damaged property in case we need to inspect it. This includes delivering damaged items to us, if required.	Do not arrange any replacements or authorise any repairs. Do not dispose of any personal effects or property until we tell you that you can.
You may be required to let us or our representatives enter your home to assess the damage or investigate the cause of loss.	

The claims process

What you must do

To help us manage your claim, you must:

- Tell us everything about the loss or damage so that we can assess your claim. Also tell us if you believe that anyone has caused the loss or damage,
- If requested to do so, provide us with quotations for the repair or replacement of your buildings or contents,
- Allow us or our representatives to ask questions or conduct interviews. Provide written statements under oath, if required to do so,
- Allow us or our representatives to inspect your damaged buildings or contents,
- Allow us to take possession of your damaged buildings or contents or property involved in the claim,
- Provide valuations, receipts or other proof of ownership, if we request you to (refer page 58 for further information),
- If necessary, pay your excess when we tell you to (refer to page 68 for details on when to pay your excess),
- Tell us if there is any other insurance on the buildings or contents you are claiming for,
- Provide us with any information or assistance that we require to investigate and process your claim,
- Advise us of any communication you receive in connection with the claim, and of any court proceedings,
- Cooperate with us if we need to negotiate, defend or settle your claim. This might include giving evidence in court,
- Tell us about any input tax credits or other amounts you are entitled to, if you are registered for GST, and
- Pay to any financier the difference between our claim settlement amount, if we elect to pay the sum insured of your buildings, and the outstanding amount of your home loan.

What we will do

When you make a claim we will handle your claim in a fair, transparent and timely manner. If we have accepted your claim this means that:

If your claim is for loss or damage to your buildings

- We will obtain independent, competitive quotes from our recommended suppliers and repairers. You may also provide a quote from a supplier or repairer of your choice,
- We will determine the work that is necessary to repair or rebuild your building, and review the quotes,
- You may choose to make design or structural changes to your building. Any additional cost of such changes is your responsibility. If you choose to do so, we may at our option settle your claim by payment to you of the reasonable cost of repairing or rebuilding your buildings,
- We will decide whether the loss or damage can be repaired or whether to rebuild or pay the cost of rebuilding your buildings. We will pay up to the sum insured of your buildings or any lesser limit that applies, less any applicable excess,
- If we decide to repair or rebuild your buildings:
 - we will choose the supplier or repairer who has provided the most complete and competitive quote,
 - we will oversee the repair or building work and keep you informed of progress, and
 - we will guarantee the quality of materials and workmanship of repairs that we authorise and arrange for the lifetime of your home,
- If we decide to pay the cost of rebuilding your building and your buildings are subject to a mortgage, we will pay the sum insured, less any excesses which may apply, to the financier. If the claim payment does not settle the amount owing to the financier, you must pay the difference or, if the claim payment exceeds the amount owing to the financier, we will pay the difference to you.

If your claim is for loss or damage to your contents

- We may arrange for an assessor to meet with you, to obtain the full details of your loss,
- We will discuss with you how best to make good the loss or damage,
- We will decide whether to repair or replace your contents, or pay the cost of repairing or replacing your contents. We will pay up to the sum insured of your contents or any lesser limit that applies, less any applicable excess,
- We will obtain independent, competitive quotes from our recommended suppliers and repairers. You may also provide a quote from a supplier or repairer of your choice,

- If we replace your contents and you choose items of a better type, standard or specification, any additional cost of such changes is your responsibility,
- We will determine what is necessary to repair or replace your contents, and review the quotes,
- We will choose the supplier or repairer who has provided the most complete and competitive quote, and
- We will arrange with the supplier or repairer to repair or replace your contents and keep you informed on progress.

For all claims

- The maximum amount we will pay is the sum insured plus any additional amount you are entitled to as defined under additional covers,
- When we settle your claim, we will reduce the amount we pay by the amount of the excesses shown on your schedule. The different excesses that may apply to your policy are explained on page 13,
- The amount that we pay will be based on GST inclusive costs. However, if you are, or would be, entitled to claim any input tax credits for the repair or rebuilding of your buildings or the repair or replacement of your contents, we will reduce any claim under the insurance by the amount of such input tax credits,
- We may retain your damaged property, materials or items and keep the proceeds of any salvage sale. If you prefer to keep your damaged property, materials or items, we will determine the salvage value and deduct this amount from any payment we make. You may not abandon any damaged property by leaving it with us,
- If you are held at fault for any claim against you, and we agree to do so, we will conduct the defence and/or settlement of any action brought about by other people,
- We will pay the legal costs associated with defending any claim against you, if we have told you so in writing and we have appointed the solicitors who will defend the claim, and
- If you withdraw your claim, or we refuse to accept it, you may have to refund to us any of our costs incurred in processing your claim, or payments we have already made to you, including any payments made to any other party on your behalf.

How your claim affects your policy

If your claim is for loss or damage to your buildings

- If we decide that the loss or damage to your building can be repaired, and:
 - we decide to repair your building, or
 - we decide to pay the cost of repairing your building,
 your policy will continue for the remainder of the period of cover. The sum insured will not be changed. There will be no change to your premium for the period of insurance.
- If we decide that the loss or damage to your building cannot be repaired, and we decide to rebuild your building, your policy will continue for the remainder of the period of cover. The sum insured will not be changed. There will be no change to your premium.
- If we decide that the loss or damage to your building cannot reasonably be repaired, and we decide to pay the cost of rebuilding your building, cover under your policy will cease as soon as we accept liability. Because we will have met our obligation to you under your policy in full:
 - if you have paid an annual premium, we will not return any premium you have paid for the period after the date of loss or damage, or
 - if you are paying your premium in monthly instalments, there is no return of any part of an instalment you have paid and we will deduct any remaining instalments from the amount we will pay.

In this case, you will need to take out new insurance cover for your replacement buildings.

If your claim is for loss or damage to your contents

- If we decide that the loss or damage to your contents is less than the sum insured of your contents, and we decide to
 - repair or replace your contents, or
 - pay the cost of repairing or replacing your contents,
 your policy will continue for the remainder of the period of insurance and the sum insured will be reinstated. There will be no change to your premium.
 You will need to take out new insurance cover if you replace your items.
- If we decide that the loss or damage to your contents is more than the sum insured of your contents, and we pay the sum insured of your contents, cover for your contents will cease under your policy as soon as we accept liability. Because we will have met our obligation to you in full:

- o if you have paid an annual premium, we will not return any premium you have paid for the period after the date of loss or damage, or
- o if you are paying your premium in monthly instalments, we will not return any part of any instalment you have paid and we will deduct any remaining instalments from the amount we pay to settle your claim.

You will need to take out new insurance cover for your replacement contents.

When to pay your excess

We may:

- require you to pay the excess before repair or replacement of property commences or to the supplier when your property is replaced, or to the repairer when your property is repaired,
- deduct the excess from any amount we pay to you, or
- request you to pay the excess at any other time.

Recovery actions

You agree that all of the provisions set out below under **Recovery action by us** and **Recovery action by you** apply where we cover you under the policy for some or all of the loss or damage you suffer in connection with an incident.

Recovery action by us

We may, if we choose to, take steps to recover from someone else we consider responsible for the incident:

- some or all of the loss or damage we cover; and/or
- some or all of the loss or damage which we do not cover, whether or not it is covered by another insurer or you do not have cover for it.

We may take such recovery action:

- without your consent;
- using your name; and
- whether or not you have been, or have a right to be, fully compensated for all of your loss or damage by us or anybody else.

Examples of recovery action we may take include:

- conducting legal proceedings using your name, including as an applicant or plaintiff in representative or group proceedings (commonly known as class actions);

- conducting legal proceedings on your behalf as a member of representative or group proceedings;
- taking over the conduct of legal proceedings started by you or on your behalf, including as an applicant or plaintiff in representative or group proceedings;
- exercising any statutory or contractual rights, including rights to opt-out, that you have in or in connection with representative or group proceedings; and/or
- entering into contracts in your name in relation to litigation funding or legal representation, including where entry into those agreements causes you to become a group member of representative or group proceedings.

We have in our discretion the right to decide upon the conduct and any settlement of any recovery action we take.

You consent to us taking such recovery action and exercising all the rights you have in connection with the loss or damage you have suffered in connection with the incident.

If we take recovery action in respect of some or all of the loss or damage which we do not cover, we may in our discretion require you to contribute to the costs we incur.

Of any amount recovered in recovery action we take, we first keep the amount we have paid, or must pay, you under the policy plus any interest recovered on that amount and any administrative, recovery agent, funding and legal costs we have incurred in taking the recovery action. We then pay you the amount of loss or damage for which you do not have any cover with us plus any interest recovered on that amount and costs you may have been required by us to contribute. Finally, we keep any remaining balance.

You must give us all the information and co-operation that we require to take the recovery action.

You must not do anything which prejudices us in taking any recovery action. For example, you must not:

- assign your rights to anyone else
- opt-out of any representative or group proceedings taken by us.

Recovery action by you

You may only take recovery action with our prior written consent and on conditions which we in our discretion impose.

You must have proper regard for our interests in respect of loss or damage that we cover.

You must seek to recover the loss or damage we cover in addition to any other loss or damage you have suffered in connection with the incident.

Of any amount recovered in recovery action you take, you first keep the amount of loss or damage for which you do not have any cover with us plus any interest recovered on that amount and any administrative and legal costs you have incurred in taking the recovery action. You then pay us the amount we have paid, or must pay, you under the policy plus interest recovered on that amount. Finally, you keep or pay any remaining balance in accordance with any other obligations you have.

You agree we may:

- take over the conduct of legal proceedings started by you or on your behalf, including where you are an applicant or plaintiff, or a group member, in representative or group proceedings; and
- require you to cease recovery action that you have commenced.

WHAT OUR WORDS MEAN

Accidental or **accidentally** means not expected or planned by you.

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

Allowable re-letting expenses means re-letting expenses as specified in the current lease for your property. If no re-letting expenses are specified in the current lease, then no allowance will be made for re-letting expenses.

Bond money means money (being not less than 4 weeks rent) paid by the tenant and held as security against loss of or damage to the building and/or contents, outstanding rent or other costs.

Building or **buildings** means Buildings as referred to on page 30 and situated at the site of your home as shown on your schedule.

Collection means a group of items of a similar nature.

Common property means property owned by the body corporate or similar body, forming part of the company share, stratum or strata title development.

Contamination means to render impure by contact or mixture, or to degrade by introducing substances or organisms which are toxic.

Contents means Contents as referred to on page 36 and situated at the site of your home as shown on your schedule.

Deliberate or intentional act means larceny, theft, malicious damage or vandalism.

Excess or **excesses** means the amount you must contribute towards a claim under your policy. Excesses are payable for each incident covered by your policy. An incident is one or a series of incidents arising out of one cause.

Fixtures and **fittings** means items which are permanently attached to your home or the site and are used for domestic and residential purposes.

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), or
- a river (whether or not it has been altered or modified), or
- a creek (whether or not it has been altered or modified), or
- another natural watercourse (whether or not it has been altered or modified), or
- a reservoir, or
- a canal, or
- a dam.

Home means the residential dwelling at the site. It must be occupied by a tenant under a lease to be a home.

Hydrostatic pressure means pressure of static ground water upon items within that ground.

Insured event means any event for which we accept your claim under this policy.

Lease means a written, executed and legally enforceable and compliant rental agreement for tenancy of your building between you and the tenant where the term of the agreement is not less than a period of 3 months. It also includes any extension of the rental agreement by way of periodic tenancy that immediately follows the expiration of the agreement on the terms set out in the lease.

Motor Burn Out Cover means the cover to repair or replace an electric motor which forms part of your buildings or contents if the motor burns out.

Notice to leave means a written notice served by you or your agent on your tenant in accordance with the terms of the lease and any applicable law or regulation, requiring the tenant to vacate the building.

Notice to remedy breach means a written notice served on you or your agent by your tenant which provides notice of a breach of the lease and requires you to remedy the breach within the time specified.

Open air means in a non-lockable structure and non-lockable areas of the site.

Pair means two things which are used together or may be regarded as a unit.

Period of insurance means the time that your policy is valid and is shown by a start date, an end date and time, on your schedule.

Policy means this document, our record of your verbal responses and your schedule. It forms the contract of insurance between you and us.

Premium means the amount you have to pay us for your insurance. It includes all Government charges, levies, taxes and duties.

Rent means the amount of money paid or payable by the tenant to lease the building as set out in the current lease with you or your agent.

Schedule means the most current document that describes the individual details of your policy. This document changes when your policy is renewed or when we have agreed to changes you have advised us of.

Set means a number of things that belong together and collectively serve the same purpose.

Site means the land at the insured address of your home as shown on your schedule. It includes the garden or yard within the legal boundaries of that land. It does not include common property or a public area such as the nature strip outside your home.

Sum insured means the replacement cost of your buildings or your contents as shown on your schedule. It includes taxes and charges and is the amount we will pay in settlement of any claim.

Tenant means the person named in the lease including any other person who permanently resides with that person at the site and his or her visitors.

Us, we or our means IAL.

You, your means the person or people named as the insured on the schedule.

Your family means your spouse or partner, or any of the following people who normally live with you:

- your children, brothers, sisters, parents, grandparents or grandchildren, or
- the children, brothers, sisters, parents, grandparents of your spouse or partner.



COLPDS950060817