QBE Insurance (Australia) Limited

Landlords

Insurance Product Disclosure Statement
and Policy Wording

QBE

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Introduction & welcome

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

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

Please take the time to read through this booklet and if you have any questions or need more information, call us on 1300 734 729 or the phone number at the top of your Policy Schedule.

Thank you for making QBE your first choice.

About this booklet

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

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

Updating our PDS

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

About QBE

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide insurance solutions that are focused on the needs of policyholders.

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

IMPORTANT INFORMATION

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

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

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

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

If you require further assistance or information about this product, please contact the company you are buying this Policy through, contact QBE on 1300 734 729.

Choose your type of cover

Your QBE Policy insures you for loss or damage caused by certain specified insured events.

You can choose to insure your:

- Building - the residential building you own and lease to a tenant; and/or
- Contents - items you own or have legal responsibility for in your place of residence.

Duty of Disclosure

New business

What you must tell us

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

Who needs to tell us

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

If you do not tell us

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

Renewals, variations, extensions and reinstatements

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

You do not have to tell us about any matter:

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

Non-disclosure

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

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

You must disclose to us all previous claims

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

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

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

For example, we may be entitled to:

- charge you an additional premium;
- impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
- decline to insure your building, contents or valuables;
- refuse a claim.

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

- claims;
- insurance; or
- criminal history.

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

Changes to the information you have given us

It is important to advise us of any changes to information you have given us, otherwise your insurance may be affected. Changes would include:

- should you move address;
- changes in the occupancy of your home;
- additions or renovations to your building (you will need to revise your building sum insured to ensure you are adequately insured);
- purchasing new items which increase the value of your contents (you will need to revise your contents sum insured to ensure you are adequately insured);
- purchasing a high risk item worth more than the stated limit as set out in 'How much you are covered for - High risk items with limits'.

We may require you to pay an additional premium as a result of these changes. You must pay the additional premium before these changes come into effect.

If you move and do not tell us

You must notify us when you change your place of address.

This insurance and premium payable is based on the address you have provided, which is shown on the Policy Schedule. You may have to pay an additional premium as a result of changing your address. If you change address and you do not inform us you will have no insurance at the new address.

Keep receipts

You should keep receipts, invoices or other evidence of ownership and value of all property that you insure because if you make a claim you will be asked to prove ownership and value in order for us to pay the claim.

Privacy Promise

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

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

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

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

- any person authorised by you;
- a mail house, records management company or technology services provider (for printing and/or delivery of mail and email, including secure storage and management of our records). These companies may be located or the records stored using 'Cloud' technology overseas, including in India, Ireland, USA or the Netherlands;
- a financier whose name appears on your Policy Schedule (for the purpose of confirming the currency of your Policy or when you have a claim and the insured property is a total loss, to confirm if the financier has a current interest);
- an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transactions or confirming payments made by you to us);

- a financial services provider or our agent who is arranging your insurance (for the purpose of confirming your personal and insurance details);
- another person named as a co-insured on your Policy (for the purpose of confirming if full disclosure has been made to us);
- another insurer (to obtain confirmation of your no claim bonus or to assess insurance risks or to assist with an investigation);
- our reinsurer that may be located overseas (for the purpose of seeking recovery from them);
- a dispute resolution organisation such as the Financial Ombudsman Service (for the purpose of resolving disputes between QBE and you or between QBE and a third party);
- a company to conduct surveys on our behalf for the purpose of improved customer services; and
- an insurance reference bureau (to record any claims you may make upon us).

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

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

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

In addition we will:

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

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

Your premium

Ways to reduce your premium

You may be eligible for the following discounts we offer:

- No claim bonus discount
  No claim bonus is a premium discount awarded for not making a claim. A no claim bonus discount increases each year that you remain claim free until you reach our maximum discount. Based on the claims lodged during the period of insurance, your Policy's no claim bonus will be adjusted when you renew your Policy and this can either:
  - increase (up to our maximum no claim bonus);
  - decrease; or
  - remain the same.
- Multi policy discount
  If this Policy insures both your building and/or your contents and/or your valuables at the same site, we may provide you with a multi policy discount. You may also be entitled to the same discounts on other insurance products. For more information, contact your financial institution.

Other ways you can help reduce your premium:

- Increase your security
  We provide discounts when you have installed advanced operational security measures such as deadlocks on all external doors and keyed window locks, local and monitored alarms or a fixed home safe.
- Choose a higher excess
  You can choose a higher excess for a reduced premium. Your Policy Schedule will indicate the excess applicable in the event of a claim. Please refer to 'Your excess' for more information on excess options.

21 day cooling off period

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this we must receive your request either in writing or via email: enquiries@qbe.com within twenty one (21) days of its commencement.

This cooling off right does not apply if you have made or are entitled to make a claim. Even after the cooling off period ends, you still have cancellation rights. However, we may deduct certain amounts from any refund (see 'How your Policy may be cancelled – Refund of premium').

Dispute resolution

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

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

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

The General Insurance Code of Practice

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

The Code aims to:

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

Financial Claims Scheme

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

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

POLICY WORDING

Insurer

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

Our agreement with you

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

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

Your Policy

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

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

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

Paying your premium

Annual premium

Paying your premium on time is important because it affects your insurance. If you are paying your premium annually in one payment, and you have not paid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

Instalment payments

If you are paying your premium by instalments, we will specify on your Policy Schedule when we will deduct the first instalment. Thereafter, instalment payments will be debited on the date or frequency you have nominated. If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if these details change no later than seven (7) days before your next instalment is due. We will not pay a claim under this Policy if, at the time the claim occurred, any premium instalment has remained unpaid for one (1) month or more.

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

At renewal

If you have been paying your premium by instalment, we will continue to deduct instalments for your Renewal Policy on the same day of the month at the new premium level unless you tell us otherwise.

If any instalment of premium has remained unpaid for one (1) month, we will cancel this Policy. We will send you a reminder setting out our intention to take two (2) instalments on the next payment date. If payment is not received after this reminder, we will send you a notice telling you of the date the Policy will cease unless payment is received. We send a notice to confirm the Policy has been cancelled.

Adjustment of premium on renewal

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

If your payment details change

If the direct debit arrangements you use to pay by instalment changes, such as you are issued a new credit card or change your bank arrangements, you must tell us. You should do this at least seven (7) days in advance of your next payment date.

Preventing your rights of recovery

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

Other party's interests

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

Changing your Policy

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

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

Policy comes to an end on total loss

If you have a claim that results in QBE declaring you have a total loss, the Policy terms have been met by QBE and the Policy comes to an end.

If you paid an annual premium no refund is due to you.

If you were paying by instalments, we will deduct the premium outstanding for the period of insurance from our settlement payment to you.

Where you have both your building and contents insured under the Policy, and only either the building or contents are a total loss, the part of the Policy that is not a total loss remains in place.

Definitions (The meaning of some words)

Some words and expressions in this Policy have a specific meaning which is given below.

Word or term	Definition
Alteration notice	a written notice issued by us about any alteration to the insurance made by you under this Policy. For example: if you add an optional benefit to your Policy during the period of insurance.
Bond money	any money paid by or on behalf of the tenant held as security against any damage to the building and/or contents, rent owed, re-letting costs or any other expenses. This Policy will operate and all claims will be paid on the basis that four (4) weeks' rent has been paid as bond money.
Building	the main residential building you own and lease to a tenant at the site, outbuildings if able to be secured, and fixtures as described under the heading 'What we will cover as your building' on page 22.
Collection	an object of real or intrinsic value collected as an investment, hobby or general interest purpose and the item is not used as a household good or personal effect.
Collision	an accident directly caused by the sudden impact of a moving body or object.

Word or term	Definition
Contents	Items described under the heading 'What we will cover as your contents' on page 23 which you or a family member own or have legal responsibility for located in your building or at the site.
Damage or damaged	when an item insured by this Policy is physically harmed but does not include wear and tear.
Depreciation	the reduction in the value of the item or property due to wear and tear.
Earth movement	heave, landslide, land-slippage, mudslide, settling, shrinkage or subsidence.
Endorsement	a written alteration to the terms, conditions and limitations of this Policy which is shown in the Policy Schedule.
Entertainment equipment	one or more sound or visual entertainment systems in your home including each individual item such as a television, radio, video player or projector, CD player, entertainment disc playing devices, amplifier or speakers and all accessories.
Erosion	being worn or washed away by water, ice or wind.
Excess	the amount you must pay towards a claim. You will find the amount of any excess shown on the Policy Schedule. See page 61 'Your excess' for more information.
Family	any of the following people who normally live with you: • spouse or partner; • children, step children; • parents, grandparents; • grandchildren; • brothers, sisters; • domestic staff; • a person who normally resides with you, but does not include a person with whom you may share a house for any financial consideration.
Fire	a fire producing flames, but not charring, melting or scorching without flames.

Word or term	Definition
Fixtures	an item that is permanently attached to or fixed to your building or the site, but does not include carpets, internal blinds, curtains, swimming pool or spa covers or pool or spa accessories. Please see page 22 under 'What we will cover as your building' for a list of examples of fixtures.
Flood	the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: (a) a lake (whether or not it has been altered or modified); (b) a river (whether or not it has been altered or modified); (c) a creek (whether or not it has been altered or modified); (d) another natural watercourse (whether or not it has been altered or modified); (e) a reservoir; (f) a canal; (g) a dam.
Fusion	the process of fusing or melting together the windings of an electric motor following damage to the insulating material as a result of overheating caused by an electric current.
Home unit	your residential lot/unit, as defined by the *Strata Titles Act, Community Titles Act, Company Titles Act* or similar legislation, including any lockable storage area that is owned by you at the site.
High risk item	those items listed under the heading 'High risk items with limits' on page 25.
Incident	an event neither expected nor intended from the standpoint of you or your family which results in a claim on this Policy.
Insured event	those events listed under the heading 'What you are covered for' which start on page 28.
Lease agreement	the written and enforceable agreement between you and your tenant to rent your building or home unit and which is subject to and compliant with the *Residential Tenancies Act* or similar in your State or Territory,

Word or term	Definition
	whether the agreement is for a fixed term, periodical or a tenancy at will immediately following a 'Lease Agreement'.
Open air	anywhere at the site not fully enclosed by walls and a roof, including a vehicle, tent, trailer or caravan and which is not able to be secured and also any outbuildings on the site not able to be secured.
Outdoor furniture	furniture and domestic equipment that is designed to be used in an outdoor environment for domestic purposes.
Period of insurance	the period for which you are insured. It commences at the time we agree to give you insurance and finishes at 4pm on the day of expiry. The expiry date is shown on the Policy Schedule.
Personal watercraft	a vessel designed to be operated by a person standing, sitting astride or kneeling upon it. It uses water jet propulsion and has an engine in a watertight compartment.
Policy Schedule	one of the following: • the Policy Schedule; • the renewal notice you have paid; • the alteration notice sent to you.
Proof of ownership	evidence of ownership and value of an item. The evidence can be a combination of: • receipts, valuations, instruction manuals; • guarantee certificates, catalogues; • make, model and serial number; • photographs or video film of item.
Properly maintained	that your building is structurally sound, secure and in a good state of repair and its roof guttering regularly cleaned.
Rain	water that has fallen from the sky onto your building and site. This also includes where there are heavy, intense bursts of rainfall, usually during thunderstorms where so much water falls in a very short time that it cannot get away quickly enough and collects and flows into your building, but does not include flood.

Word or term	Definition
Rent	the amount of money payable under the lease agreement to rent your building or home unit at the time of any claim.
Rent default	your tenant fails to pay rent in accordance with the lease agreement. If authorised by a court or tribunal, it includes termination on the grounds of hardship.
Secured	locked so as to prevent entry other than by using violent force.
Site	the land at the address shown on the Policy Schedule on which the building is built, including the yard or garden used only for domestic purposes.
Specified contents	your items that are listed in the 'Schedule of Specified Contents' section of your Policy Schedule.
Sporting equipment	equipment, clothing, helmets, footwear, protective gear used when participating in recreational or competitive sport, but does not include a bicycle, firearm, a power driven vehicle or a power driven item of any kind.
Storm	violent weather and high winds, sometimes accompanied by rain, hail or snow including a cyclone or tornado.
Sum insured	the amount you have insured either your building, your contents (including specified contents) as shown on the Policy Schedule. We will pay no more than these amounts plus certain standard benefits (see page 37) or optional benefits (see page 45).
Tenant	the person or persons renting the building or home unit named in the current lease agreement and any partner, children, pets or other persons permanently living at the site.
Terrorism	any act of any person acting on their own or in connection with an organisation or foreign government, which can involve the use of or threat of force or violence, where the purpose, by its nature or context, is to put the public or a section of the public in fear, to resist or influence a government or, to further an ideological, religious, ethnic or similar aim.
Tsunami	a high tide or tidal wave caused by an earthquake, earth tremor or seismological disturbance under the sea.

Word or term	Definition
Unfurnished	the building at the site does not have enough furniture or furnishings for normal living needs.
Unoccupied	that either: • no-one is living in the building, or • someone is living in the building at the site without your consent.
We, our and us	QBE Insurance (Australia) Limited, ABN 78 003 191 035.
Wear and tear	damage or a reduction in value through age, ordinary use or lack of maintenance.
Works of art	a piece of fine art such as a painting or picture, Persian carpet, rug or wall hanging, tapestry, vase, ornament, sculpture or other creation.
You and your	the person(s) named in the Policy Schedule as the insured including a family member.

Insuring your building and/or contents

Policy coverage summary

You can choose to insure your building, your contents or both under the QBE Landlord Cover Policy.

Your building and/or contents will be covered for loss or damage caused by one of the thirteen (13) insured events. In addition, there are also standard benefits you may be entitled to at no extra cost.

You can extend your cover by paying extra premium for options we offer.

A summary of cover available under this QBE Landlord Cover Policy is listed in the table below.

Insured event	Building	Contents
Fire (see page 28)	✓	✓
Explosion (see page 28)	✓	✓
Lightning or thunderbolt (see page 28)	✓	✓
Earthquake or tsunami (see page 29)	✓	✓
Theft (see page 29)	✓	✓
Vandalism and malicious damage (see page 30)	✓	✓
Water or other liquid (see page 30)	✓	✓
Collision (see page 32)	✓	✓
Falling tree, branch or aerial (see page 32)	✓	✓
Damage by animals (see page 33)	✓	✓
Riot (see page 33)	✓	✓
Storm, rain or flood (see page 33)	✓	✓
Glass breakage (see page 35)	✓	✓

Standard benefit	Building	Contents
Building sum insured safeguard (see page 37)	✓	×
Environmental upgrades to your building (see page 39)	✓	×
Environmental upgrades to your contents (see page 39)	×	✓
Loss of rent (see page 40)	✓	✓
Inflation adjustment (see page 40)	✓	✓
Mortgage discharge (see page 41)	✓	×
Fusion of electric motors (see page 41)	✓	✓
Essential temporary repairs (see page 42)	✓	✓
Building materials awaiting installation (see page 43	✓	×
Building costs (see page 43)	✓	×
External door locks (see page 44)	✓	✓
Strata title home owners (see page 44)	×	✓

Optional benefit	Building	Contents
Choose the excess you wish to pay	Optional	Optional
Theft and vandalism by tenants to your building (see page 45)	Optional	Not applicable
Theft and vandalism by tenants to your contents (see page 45)	Not applicable	Optional
Rent default (see page 46)	Optional	Optional

Legal Liability to others	Building	Contents
As an owner of the site (see page 49)	✓	Strata only
As owner of the contents at the site (see page 49)	✗	✓

✓ = covered
✗ = not covered

Not applicable = not available under this cover type
Optional = covered when option is selected and paid and appears on your Policy Schedule.

Who we will cover

We cover:

✓ You.

What we will cover as your building

Your building means	Your building does not mean
✓ the main residential building you own and lease to a tenant at the site; ✓ outbuildings at the site if able to be secured; and ✓ fixtures (items permanently attached to or fixed to your building or the site) such as: • a fixed spa, sauna, barbecue, clothes line, room heater, stove, air conditioner, ceiling fan, lighting fixtures permanently secured to the building, hot water system; • kitchen cupboards, built in furniture; • meter box; • exterior blinds and awnings; • carport, pergola, garden shed, gazebo; • path, driveway, terrace, well, bore;	✗ a caravan, trailer or their accessories; ✗ a shipping container; ✗ a building of flats; ✗ strata title, company or community title units with respect to insuring the building, however we will insure contents contained in these units under a contents policy; ✗ trees, shrubs, plants, hedges, lawns (real or artificial), earth; ✗ paths or driveways made of earth or gravel; ✗ landscaping of any kind; ✗ a swimming pool that is able to be moved from the site; ✗ a sea wall or pontoon; ✗ a building or structure used solely for business;

Your building means	Your building does not mean
• in-ground swimming pool, water tank; • garage doors; • reticulation system; • television aerial, radio mast or aerial and fittings; • fixed floor coverings and floating floor coverings except carpets; • solar panels (but not plastic solar heating systems for pools or spas); • private jetties including fixed floating jetties; and • water in a tank; at the site.	✗ a building or structure that is in the course of construction, alteration or substantial repair; ✗ fixtures such as: • carpets and rugs, • internal blinds, • curtains, • swimming pool or spa covers, • pool or spa accessories; ✗ jetties used for business purposes; ✗ water in a swimming pool; ✗ water in pipes.
✓ = covered ✗ = not covered	

What we will cover as your contents

We insure items which you own and are located in your building, home unit or site which you lease to a tenant.

Your contents means	Your contents does not mean
✓ furniture, furnishings, carpets (whether fixed or unfixed), floor rugs, internal blinds, curtains; ✓ household goods; ✓ light fixtures not permanently secured to the building and which are relocatable; ✓ white goods; ✓ high risk items as listed with limits on page 25; ✓ swimming pool or spa that is not in-ground; ✓ swimming pool or spa covers and accessories.	✗ personal items owned by you which are not for the use of your tenant; ✗ fish, birds or other animals; ✗ lawns, hedges, trees, shrubs, plants (real or artificial); ✗ earth; ✗ a power driven vehicle including accessories (including a motorcycle helmet) and spare parts whether fitted to the vehicle or not, other than: • an unregistered garden appliance, ✗ a personal watercraft; ✗ a powercraft, watercraft exceeding three (3) metres in a powercraft or watercraft

Your contents means	Your contents does not mean
	including accessories and spare parts whether fitted to the powercraft or watercraft or not: • an aircraft or aerial device; × sporting equipment; × clothing and other personal effects; × a caravan or trailer, including accessories and spare parts whether fitted to the caravan or trailer or not; × a hovercraft; × water.

✓ = covered
× = not covered

Specified contents	
	We consider certain items to be of high risk and have limits on what we will pay. The types of items and limits we pay are listed on page 25 under the heading 'High risk items with limits'. You can increase your cover beyond these limits by specifically listing high risk items as specified contents. When you specify these items, they will be listed in the 'Schedule of Specified Contents' section of your Policy Schedule and you will be covered for loss or damage up to the limit you have specified. Specified contents are only insured whilst at the site.

How much you are covered for

Building	
	Sum insured (shown on your Policy Schedule). Important note: We ask you to nominate your required sum insured. Your building sum insured should be adequate to replace your building and its fixtures and fittings using new materials as well as other necessary costs in the event of a claim. Refer to page 26 for tips on setting your sum insured.

Contents	
	Sum insured (shown on your Policy Schedule). Important note: We ask you to nominate your required sum insured. Your contents sum insured should be adequate to replace all your contents with new items. Refer to page 26 for tips on setting your sum insured.

High risk items with limits	
	Because we consider the items listed below to be high risk, there are limits on what we will pay. If a claim is made for a high risk item we will pay no more than the prescribed limit unless the item is specifically shown in the 'Schedule of Specified Contents' section on the Policy Schedule. The table below also shows if you have the option to increase the limit for that item by listing the item as specified contents on your Policy Schedule. If you wish to increase any of the allowed limits, please contact your financial institution. Please note that the most we will pay in total on a claim for unspecified high risk items is the amount shown in the table below.

High risk items with limits	The most we will pay is:	Option to increase limit
Works of art, pictures, tapestries, rugs, antiques	$5,000 per item or collection	✓
Entertainment equipment	10% of the total sum insured	✓
✓ = can be increased ✗ = cannot be increased		

Legal liability	
Limit of legal liability	$30,000,000 ($30 million)

Your sum insured

Making the wrong assumptions about your sum insured, or the costs to rebuild your home at today's prices, can lead to under insurance and could cost you dearly.

Your home is unique so when considering how much to insure your home for, it is important to remember that even homes identical in size will not have identical rebuilding costs. Costs such as removal of debris, replacement of new for old materials or items and the preparation of the land and foundations will all vary from home to home.

To help make calculating your sum insured easy we have available for you on-line sum insured calculators that can assist you in determining your sum insured. The sum insured calculators take into account all those extra costs that may not be obvious. For instance, removal of debris alone can add 10% to 15% to your sum insured. You will find these sum insured calculators by visiting our website on:

http://www.intermediary.qbe.com.au/Insurance-Products/Home-And-Contents/Sum-Insured-Calculators/insurance.html

Alternatively, you can contact your financial institution and we can arrange to send you QBE's Home list guide. This will also help you to determine your sum insured.

Remember that the cost of replacing your home and contents varies over time, so it's important to re-evaluate your cover each year, taking into consideration home renovations and new purchases. Although we make an average adjustment to your sum insured for inflation each year, we suggest you review this increase to ensure it's enough for you.

When your home is unoccupied

If your home is left unoccupied, cover may be reduced. Please see the table below for details:

If your building is	Unoccupied for up to 30 days	Unoccupied for more than 30 days	Unoccupied for more than 60 days
Furnished	no change to your coverage.	no change to your coverage.	no cover for: × fire; × explosion; × theft; × vandalism and malicious damage; × water or other liquid; or × glass breakage.
Unfurnished	no change to your coverage.	no cover for theft or vandalism and malicious damage. All other Policy coverage, terms and conditions remain unaltered.	no cover for: × fire; × explosion; × theft; × vandalism and malicious damage; × water or other liquid; or × glass breakage.

The above will apply unless you have advised us and we agree to provide full Policy cover in writing.

Our agreement will take the form of an endorsement. We will send you a Policy Schedule to confirm your Policy has been extended to insure you for a greater period of time.

What you are covered for

Your QBE Policy insures you up to the amount of the sum insured for loss or damage to your building and/or contents caused by an insured event listed below.

Your Policy Schedule will indicate if you have insured your building, your contents or both.

Insured event	
Fire	**We will cover:** ✓ damage to your building and/or contents caused by a fire. **We will not cover:** ✗ damage caused by charring, melting or scorching as a result of fire without the presence of flames; ✗ damage to a heat resistant item and any fittings or attachments on or in these items if the fire only caused damage to that item. Examples of heat resistant items are a cooking appliance, iron, toaster, microwave oven, heater, clothes dryer, electric kettle, chimney, fireplace, oven, potbelly stove.
Explosion	**We will cover:** ✓ damage to your building and/or your contents caused by an explosion. **We will not cover:** ✗ the item that exploded. For example, we will not pay for an exploded heating boiler or a hot water system.
Lightning or thunderbolt	**We will cover:** ✓ damage to your building and/or contents caused by a direct lightning strike or thunderbolt.

Insured event	
	We will not cover: ✗ damage if there is no visible evidence of damage to your building or your contents; ✗ damage if the Australian Government Bureau of Meteorology has no record of lighting or thunder in your area at the time the damage occurred; ✗ damage caused by a power surge caused by anything other than lightning. For example, when there has been a lightning strike there will be visible damage to a power line or pole nearby your building or home unit. Visible damage will also be evident to the appliance which is not working and will include scorch or burn marks to the electrical circuitry consistent with a lightning strike nearby your home.
Earthquake or tsunami	**We will cover:** ✓ damage to your building and/or contents caused by an earthquake or tsunami. All damage that occurs within a period of forty eight (48) hours will be regarded as one (1) incident. **We will not cover:** ✗ damage caused by a wave that arises from any event other than a tsunami. Refer to the section 'Your excess' on page 61 for details on the excess payable on all earthquake and tsunami claims.
Theft	**We will cover:** ✓ loss or damage to your building and/or contents caused by theft or attempted theft. **We will not cover:** ✗ any more than: • $5,000 for your outdoor furniture, and

Insured event	
	• $2,500 for your other contents, if these items are in the open air at the site, ✗ loss or damage if the theft was from a motor vehicle, caravan or trailer not at the site at the time of the theft; ✗ loss or damage if the theft was by you, your family or tenants; <u>Note:</u> If you require cover for theft by your tenant you may wish to consider our 'Theft and vandalism by tenants to your building' or 'Theft and vandalism to your contents'. For a quote contact your financial institution. ✗ loss or damage if the theft was caused by a person who was in your building or home unit or at the site: • with your consent, • with the consent of a person who lives in your building or home unit, or • a person who with your consent is in temporary possession of your building or home unit.
Vandalism and malicious damage	**We will cover:** ✓ damage to your building and/or your contents caused by vandalism or malicious damage. **We will not cover:** ✗ damage if the vandalism or malicious damage was by you, your family or tenants; ✗ damage if the vandalism or malicious damage was by a person who was in your building or or home unit or at the site: • with your consent, • with the consent of a person who lives in your building or home unit, or • a person who with your consent is in temporary possession of your building or home unit.
Water or other liquid	**We will cover damage by:** ✓ water or other liquid which suddenly escapes from your or your neighbours; • plumbing system,

Insured event	
	• bath, fixed basin or sink, • fixed heating or cooling system, • roof gutter, downpipe, • shower recess, • tank, • toilet system, • washing machine, dishwasher, • above ground swimming pool or spa, • the road gutter or curbing, or • a water main or pipe. If this Policy insures your building and we accept your claim, we will also pay the reasonable cost: ✓ to find the source of the leak; and ✓ to repair only that section of your building which needs to be removed to repair the leak. **We will not cover:** ✗ damage if the cause of the water or other liquid escaping was a deliberate act by you, or your family or another person with your express or implied consent to cause damage; ✗ the costs to fix the leak; ✗ the cost of lost water; ✗ the costs to repair or replace any defective part or item that caused the damage or the loss of water as a result of a leak; For example, we will not pay for a new dishwasher hose that broke. ✗ damage which is as a result of a gradual process; For example, we will not pay for damage: • from condensation or rising damage, or • splashing, or • where more damage has occurred over time because the fault was not remedied immediately. ✗ damage which is the result of grouting;

Insured event	
	✗ damage to your swimming pool or spa if the damage is as a result of hydrostatic pressure; ✗ any additional costs towards replacing undamaged property so as to create a uniform appearance; For example, we will only pay the cost of replacing tiles damaged in finding the source of the leak. If the tiles to match your bathroom walls or floor are not readily available, replacement of undamaged tiles are at your cost. ✗ damage resulting from the overflowing of the gutter or guttering on your building if it was not properly maintained; ✗ to fix a defect in the design or construction of a system; ✗ to repair or replace a defective part; ✗ damage if your building has not been properly maintained. You should regularly clean your gutters of leaves and other debris, particularly before the expected onset of rain.
Collision	**We will cover:** ✓ damage to your building and/or your contents caused from collision by a part of: • an aircraft, • a spacecraft, satellite or space debris, • a train, • a vehicle, trailer or caravan, • a watercraft, • a hovercraft. **We will not cover:** ✗ damage caused by wheels or tyres to paths, driveways or underground services; ✗ damage caused by any other items or objects.
Falling tree, branch or aerial	**We will cover:** ✓ damage to your building and/or your contents caused by a falling tree, branch, television or radio aerial or satellite aerial;

Insured event	
	✓ the costs to remove the fallen tree or branch from the inside of your building to the nearest permissible dumping ground so that the damage can be dealt with. We will only pay these costs where the falling object has caused damage to your building or contents; ✓ the reasonable cost of felling, pruning or stump removal when your building has been damaged. **We will not cover:** ✗ damage to your building and/or your contents caused by tree lopping or felling by you or done with your consent; ✗ the costs for repairing: • a television, radio or satellite aerial, or • the fittings or masts, that caused the damage.
Damage by animals	**We will cover:** ✓ damage to your building and/or your contents caused from collision by an animal or bird that is not kept in your building or at the site. **We will not cover:** ✗ damage caused by eating, chewing, clawing, pecking, scratching, soiling or fouling or any other way of polluting your building and/or contents.
Riot	**We will cover:** ✓ damage to your building and/or your contents caused by riot, civil commotion, industrial or political demonstration.
Storm, rain or flood	**We will cover:** ✓ damage to your building and/or your contents caused by storm, rain or flood.

Insured event	
	We will not cover: × water damage to your building caused by storm or rain seeping or otherwise entering your building unless the water entered through an opening in the wall or roof that had been made directly by the storm or rain or as a direct result of it; × damage caused by water penetrating or entering your building because it has not been properly maintained or as a result of a design fault, structural defect or because of defective workmanship; × damage caused by water entering your building through an opening in the wall or roof made for the purpose of alterations, additions, renovation or repair; For example, if, as part of renovations made to your home an opening is made to your building we will not continue to insure you against any storm, rain or flood damage unless the builder covers this opening with a tarpaulin in a workmanlike way at every possible opportunity. × damage caused by storm, rain or flood to: • gates and fences which have been fitted to the site and constructed of corrugated fibrous materials and do not have a supporting frame except where installed to manufacturers specifications, • timber gates and fences more than fifteen (15) years old, • privacy screens or retaining walls, • shade-cloth, shade-sails, PVC blinds or umbrellas, • spa or swimming pool covers, solar covers or plastic liners (including vinyl); × damage caused by water to external paintwork, treated surfaces or finishes, if that is the only damage done to that part of your building; × damage caused by any residue deposited by the rain on your building; × damage to your swimming pool or spa if the damage is as a result of hydrostatic pressure; × damage caused to electrical or mechanical equipment left in the open air, unless the equipment is designed to be weather proof; × damage caused by the seas or high tide;

Insured event	
	✗ damage caused by erosion or earth movement; ✗ damage caused by lightning or thunderbolt; ✗ damage caused by a power surge and/or damage caused as a result of interruption to your normal power supply. Cover for lightning or thunderbolt is provided under insured event 'Lightning or thunderbolt'.
Glass breakage	**We will cover:** ✓ glass that is accidentally broken which forms part of your building if this Policy insures your building; For example, • a window or skylight, • a door, • a permanent lighting fixture, • a shower screen, • a balcony surround or pool fence, • an oven door, stove top or cooking surface, • a china bathroom or toilet fitting. ✓ glass that is accidentally broken which forms part of your contents if this Policy insures your contents; For example, ✓ fixed furniture glass, ✓ a wall mirror, ✓ a plate glass furniture top, ✓ a light fitting. **We will not cover:** ✗ glass that is part of a glass house or conservatory; ✗ if the glass is part of a clock, picture, television set, radio or computer monitor; ✗ glass for a vase or ornament; ✗ glassware; ✗ crockery; ✗ glass that is worn or carried by hand.

Insured event	
	For example: items that are worn include but are not limited to spectacles and watches and items that are carried by hand include but are not limited to drinking glasses. **Limit:** Maximum $500 towards replacement of an oven door, stove door or cooking surfaces.
✓ = covered ✗ = not covered	

Your standard benefits

This Policy also insures you for standard benefits set out in this section.

We pay these standard benefits as part of the sums insured for building or contents depending on the type of cover you have chosen unless otherwise stated.

Benefit	Description
Building sum insured safeguard	**If this Policy insures your building, we will cover:** ✓ up to 30% more than your building sum insured to repair or replace your building if we agree that the cost to repair or replace your building is greater than your building sum insured due to: • the increased cost of repairing damage to your building was caused directly by a catastrophic event, or • you correctly used the QBE Home Building Calculator on the QBE website to calculate your building sum insured and the calculator estimated an inadequate sum insured for your building. **This benefit applies only if:** ✓ this Policy insures your building; and ✓ your building is so damaged by an event that is insured by this Policy that it is considered by us to be a total loss; and ✓ the cost to repair or replace your building is greater than your building sum insured because either: • the increased cost of repairing damage to your building was caused directly by a catastrophic event. This applies where the resultant catastrophic event damage in the vicinity of your property is so extensive and widespread that there is a surge in demand for materials and labour, leading to an increase in repair costs. Your building must be replaced in the area affected by the catastrophic event whilst building costs remain elevated for this benefit to apply, or • you correctly used the QBE Home Building Calculator on the QBE website to calculate your building sum insured and the calculator

Benefit	Description
	estimated an inadequate sum insured for your building, provided: ○ that you can provide a copy of the QBE Home Building Calculator report or otherwise demonstrate that you correctly used the QBE Home Building Calculator to determine and set your building sum insured, and ○ at the time of the loss your building is substantially the same as when you used the QBE Home Building Calculator (for example, you have not added to nor extended your building), and ○ you have not reduced any sum insured that we have offered on any renewal invitation since you used the QBE Home Building Calculator, and ○ you have used the QBE Home Building Calculator and not the QBE Home Building Quick Building Insurance Calculator or the Home checklist. It is not necessary for the total loss to be caused by a catastrophic event for the Building safeguard standard benefit to apply when you have correctly used the QBE Home Building Calculator. Catastrophic event means a major, suddenly occurring natural disaster covered by this Policy. This benefit only relates to the building. It does not apply to any other insurance property, Policy section, standard benefit or other Policy feature.

Benefit	Description
Environmental upgrades to your building	**If this Policy insures your building, we will cover:** ✓ costs incurred by you to improve your home to become more environmentally friendly following a claim accepted by us for a total loss to your building. For example, installation of a rain water tank, skylight or insulation. **We will not cover:** ✗ costs in addition to your building sum insured for replacement of items or equipment already installed in or on your building; ✗ costs incurred if your building is not a total loss. **Limit:** $2,500 per period of insurance.
Environmental upgrades to your contents	**If this Policy insurers your contents, we will cover:** ✓ additional costs that you have incurred to improve the environmental rating of your appliances following a claim for loss or damage to the item which we have paid. For example, replacing a two (2) star energy rated washing machine with a three star energy rated washing machine. **We will not cover:** ✗ any costs where there has not been a claim accepted and paid by for loss or damage to the item. **Limit:** $500 per item up to a maximum of $2,500 per period of insurance.

Benefit	Description
Loss of rent	**If this Policy insures your building, we will cover:** ✓ the actual rent you lose or would have lost up to the time your building is built repaired or replaced if you leased out your building or can show that you would have leased it out, if we have accepted a claim following damage to your building and we agree that your building is not fit to live in. **If this Policy only insures your Contents, we will cover:** ✓ the reasonable costs that you incur for lost rent while your building is being rebuilt, repaired or replaced if: your building is a strata title unit that is tenanted at the time of damage and we have accepted a claim following damage to your contents and we agree that your building is not fit to live in. **Limit:** The maximum we will pay for lost rent is the lesser of: • the time it would take to repair or replace your building provided work commences as soon as practicable after the incident, or • twelve (12) months from the time of the damage, or • 10% of the sum insured, or • if this Policy insures your building and you elect not to replace your building, the time it would have taken to repair or replace your building had you elected to do so. This benefit is in addition to the sum insured.
Inflation adjustment	**If this Policy insures either your building or your contents, we will:** ✓ increase your building and/or contents sum insured as shown on your Policy Schedule by 0.4% per month until the next renewal date.

Benefit	Description
Mortgage discharge	**If this Policy insures your building, we will cover:** ✓ the legal costs to discharge any mortgage on your building and the site if your building has been completely destroyed. **Limit:** These legal costs will be paid by us in addition to the sum insured for your building and paid as part of your claim for your building.
Fusion of electric motors	**We will cover:** ✓ the cost to repair a household electric motor if: • the motor has been burnt out by fusion, and • the motor is part of a machine or appliance which is part of your building and/or contents insured by this Policy. If it is not economical to repair your motor we will: ✓ pay to replace the motor, or ✓ pay you the amount it would cost us to replace the motor. **Limit:** $2,000 after deduction of your excess and depreciation for the repair or replacement costs. **Depreciation:** Where the motor is older than ten (10) years, depreciation will be applied to the cost of repairs, at the rate of 20% per year for each additional year. **We will not pay:** × for motors more than fifteen (15) years old from the date of purchase when new or more than fifteen (15) years old from the date of rewinding; × the cost of retrieving or re-installation of a submersible pump; × the cost of hiring a replacement machine or appliance; × to repair or replace mechanical parts; × to repair or replace parts in a radio, television, computer, video recorder, microwave oven, sound

Benefit	Description
	recording and playing equipment, amplifying or transmitting device, electronic equipment, control panels, device or instrument; × to repair or replace a transformer; × for leakage of refrigerant driers; × electronic controllers or other electronics; × to repair or replace starter switches, lighting or heating elements, fuses or protective devices; × to repair or replace electrical contacts at which sparking or arcing occurs in ordinary working; × to repair or replace motors under manufacturers' guarantee or warranty.
Essential temporary repairs	**If this Policy insures your building, we will cover:** ✓ any essential temporary repairs to your building which are necessary after your building is damaged by an insured event. You are able to proceed with essential temporary repairs up to the limits stated below without obtaining our agreement beforehand. For example: placing a tarpaulin over your roof if it was damaged in a storm to prevent exposing the house to further damage would be considered essential. **Limit:** $500 any one (1) claim. **If this Policy insures your contents, we will cover:** ✓ any essential temporary repairs to your contents after your contents are damaged by an insured event. **Limit:** $200 any one (1) claim.

Benefit	Description
Building materials awaiting installation	**If this Policy insures your building, we will cover:** ✓ unfixed building materials intended to be used for repair, alteration or additions to your building that are lost or damaged at the site due to an insured event covered by this Policy. **We will not cover:** ✗ loss or damage caused to: • soil; • sand; • gravel; • bark; or • mulch or similar materials; ✗ loss or damage to any gas or electrical appliances unless they are in a locked and fully enclosed building at the site where those items are not visible from the outside of the building; ✗ where the building is not residentially occupied at the time of the loss. **Limit:** $5,000 any one (1) period of insurance.
Building costs	**If this Policy insures your building, we will cover:** ✓ costs to temporarily protect your building; ✓ costs to remove debris from the site; ✓ reasonable architecture or surveyor fees; ✓ demolition costs; ✓ costs to comply with statutory notice that relates to that part of your building which is damaged and is served after the damage occurred; as part of your sum insured following damage to your building. **Conditions:** We will only pay if these costs are necessary to replace, repair, rebuild or preserve your building.

Benefit	Description
	We will not cover any: ✗ portion of these costs that relate to the undamaged parts of your building except in respect to the temporary protection of your building.
External door locks	**If this Policy insures either your building or contents, we will cover:** ✓ costs to re-key or replace the locks in your home when the keys to these locks have been stolen following an incident of theft. **Limit:** $300 any one (1) claim.
Strata title home owners	**If this Policy insures your contents, we will cover:** ✓ fixtures (including fixed and floating floor coverings) not insured under the body corporate insurance policy.

Optional benefits

All optional benefits if selected and accepted by us will be shown on your Policy Schedule. These optional benefits will result in an additional premium payable.

You can add these optional benefits to your Policy at any time by contacting your financial institution, however any added optional benefits cannot be backdated.

Option	Description
Theft and vandalism by tenants to your building	**If this Policy insures your building, for an additional premium we will cover:** ✓ loss or damage to your building from the insured events 'Theft' and 'Vandalism and malicious damage' caused by a tenant. If you have selected and paid for this option the word tenant(s) in insured events 'Theft' and 'Vandalism and Malicious damage' do not apply where a tenant has caused the incident. **Limit:** Maximum of $10,000 for one (1) or a series of related incident(s). **Excess:** $750 If you have chosen this optional benefit it will be shown on your Policy Schedule.
Theft and vandalism by tenants to your contents	**If this Policy insures your contents, for an additional premium we will cover:** ✓ loss or damage to your contents from the insured events 'Theft' and 'Vandalism and malicious damage' caused by a tenant. If you have selected and paid for this option the word tenant(s) in insured events 'Theft' and 'Vandalism and malicious damage' do not apply where a tenant has caused the incident. **Limit:** Maximum of $10,000 for one (1) or a series of related incident(s).

Option	Description
	Excess: $750 If you have chosen this optional benefit it will be shown on your Policy Schedule.
Rent default	**If this Policy insures your building or your contents, for an additional premium we will cover:** ✓ your rent lost by reason of rent default if your tenant; • absconds from your building or home unit before the end of the tenancy period stated in the lease agreement and does not give you or your agent notice, or • ceases to pay rent owed to you or your agent, or • is legally evicted from your building or home unit; when you and your tenant have a valid lease agreement and your tenant breaches the lease agreement. **We will not cover:** × any rent lost; • once your building or home unit is re-tenanted, or • once you could legally cancel the lease agreement, or • for more than two weeks after the tenant vacates the building following a 'Notice to Leave' being served on the tenant; × any amount you could have charged for any period where there was no liability to pay rent under the lease agreement by the tenant or ex-tenant; × you for rent default if the rent is in arrears on or before the commencement of the period of insurance or when this rent default option commences; × any loss of rent if you have failed to rectify a 'Notice of Remedy' breach, issued by the tenant to you or your agent.

Option	Description
	Limit: We will pay the actual weekly amount for which your building or home unit is rented in accordance with the lease agreement. The maximum amount we will pay for rent default is $1,000 per week up to a maximum of $6,000 in total for any one (1) lease agreement. Where there is a periodic tenancy, or a tenancy at will we will only pay the actual rent lost in accordance with the lease agreement. Cover for rent default will not commence until any rent arrears have been paid in full, and the tenant has paid rent in accordance with the lease agreement for a period of not less than four (4) consecutive weeks. **Conditions** Any claim for rent default will be reduced by the balance of any bond money that you can legally use to reduce or pay for any loss or damage after you have deducted any other expenses that you are legally entitled to deduct from the bond money such as clean up costs, rent owing or re-letting expenses. If a Tribunal orders the refund of the bond money to the tenant, on the grounds of hardship, an excess equal to four (4) weeks rent will apply to your claim. We will only pay a claim when you have undertaken all reasonable steps legally available to you under the *Residential Tenancies Act* or similar legislation or any other legal avenue available to you to mitigate any loss and evict the tenant.

Option	Description
	Excess: $750 any one (1) claim. We deduct the excess from the amount of your claim. The excess will be applied to each and every claim whether or not separate instances of loss or damage are submitted at the same time or on the same claim form. If you have chosen this optional benefit it will be shown on your Policy Schedule.
✓ = covered ✗ = not covered	

Legal liability

If this Policy insures your building,we will cover:

- ✓ your legal liability if you or your family become legally liable for:
  - bodily injury or death to another person;
  - loss or damage to another person's property, arising from an incident occurring during the period of insurance at your building or at the site, and
- ✓ all legal costs reasonably incurred with our written consent arising from a claim for which you or your family are insured under this section.

If this Policy insures your contents at the site, we will cover:

- ✓ your legal liability if you or your family become legally liable for:
  - bodily injury or death to another person;
  - loss or damage to another person's property, arising from an incident occurring caused by your contents at the site during the period of insurance that is not related to the ownership of occupancy of your building; and
- ✓ all legal costs reasonably incurred with our written consent arising from a claim for which you or your family are insured under this section;
- ✓ your legal liability as owner of your strata unit where you only insure contents because your building is a strata title complex.

Limit of liability:

We will pay:

- ✓ the reasonable cost of the harm or damage for which there is liability; or
- ✓ the amount awarded by a court;

up to the limit of liability shown on the Policy Schedule for our total liability under this section in respect of all claims arising from an incident or series of related incidents, including costs, charges, expenses and legal costs.

We will not pay:

- ✗ more than the limit of liability shown on your Policy Schedule if both your building and your contents are insured by this Policy and this Policy insures you and your family for the same liability.

We will not cover legal liability :

- for bodily injury or death to:
  - you or your family, or
  - an employee arising out of or during the course of their employment with you or your family,
- for which there is an entitlement to claim an amount or benefit under workers' compensation or accident compensation legislation;
- for loss or damage arising from or in connection with a business, profession or occupation, except where you let your building or home unit for domestic purposes;
- for loss or damage arising from or in connection with a business, profession or occupation, except where you let your building for domestic purposes;
- for fines or penalties (including interest and costs);
- for punitive, aggravated or exemplary damages (including interest and costs);
- arising from an agreement unless you or your family would have been liable in the absence of the agreement;
- for financial or consequential loss;
- arising from a reckless act or a deliberately harmful or damaging act by:
  - you or your family,
  - a person with the express or implied consent of you or your family,
- arising from a breach of a statutory provision;
- arising out of you or your family owning or occupying land or a building other than the site or your building;
- arising from or connected with the ownership or use of:
  - a power driven vehicle, or motorcycle, other than an unregistered garden appliance, which is not required to be registered,
  - a powercraft, or a watercraft,
  - a personal watercraft,
  - an aircraft or aerial device,
  - a caravan or trailer,
  - a hovercraft,
- arising from or connected with vibration or interference with the support of land, buildings or other property;
- connected with the construction, alteration or repair of your building exceeding:
  - $50,000 where you are the owner builder, or
  - $100,000 where a registered builder or contractor is doing the work,

  Important note: Where you are an owner builder you should organise special contract works insurance. If a registered builder is doing the work, you should ensure that your name is noted as principal on the builder's policy.

- arising from libel, slander, defamation or malicious falsehood;
- arising from or connected with the supply of drugs or alcohol;
- arising from or connected with the existence of asbestos;
- arising from or connected with contamination or pollution of the land, air or water.

When you are not insured

You are not insured under any section of this Policy if the incident arises from or is connected with:

- lawful seizure, repossession or other operation of law;
- invasion, war, civil war or rebellion;
- nuclear weapons, nuclear fuel, waste or material;
- acts of terrorism where such an act is directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with biological, chemical, or nuclear weapons, pollution or contamination;
- a deliberate act by you, your family or another person with your express or implied consent to cause the item to be lost or damaged;
- wear and tear, depreciation, deterioration;
- damage caused by atmospheric conditions, mould, mildew, insects, vermin, action of light, rot or inherent defect;
- a process of cleaning, repairing, restoring or altering.

You are not insured under any section of this Policy for:

- financial or consequential loss.

  For example, consequential loss could be when business records are stolen and you suffer financially because of this.

Sanction clause

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

How to make a claim

What you must do	
✓	**Prevent further loss or damage** by taking all reasonable steps to reduce the loss or damage and prevent any further loss or damage.
✓	**Inform the Police** immediately following theft or vandalism.
✓	**Call us** on 1300 734 729 as soon as possible when you discover that an incident likely to result in a claim has occurred. We will explain the claims process so you can understand what you need to do next. The person calling to notify us of a claim must be a person listed as an insured person on the Policy. If the person calling is not a listed insured person, we must obtain written authority from the listed insured before calling.
✓	**Complete a claim form**, if we require it. Generally we do not require claim forms, however we may require you to complete a claim form for complex claims.
✓	**Provide information that we request** to support your claim including letters, documents, valuations, receipts or proof of ownership, otherwise we cannot process the claim.
✓	**Assist us with your claim**. Before we will pay anything under this Policy, you and any relevant family member must have complied with all the requirements of this section and given us information and assistance which we have requested.
✓	**Provide proof of ownership or value.** Where this Policy insures your contents, whether you have specified them on the Policy Schedule or not, we will require proof of ownership for each item. For more information on what we require for proof of ownership or value, please see page 59.
✓	**Pay your excess** – Refer to page 61 for more information on your excess.
✓	**Provide every notice or communication from another party.** You and any relevant family member must provide us as soon as possible with every notice or communication received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the incident.

What you must not do	
×	**Admit guilt or fault** (except in court or to the Police).
×	**Offer or negotiate to pay a claim.**
×	**Admit liability.**
×	**Dispose of any damaged items** without first seeking our approval.
×	**Authorise repairs.** Except for essential temporary repairs under standard benefit 'Essential temporary repairs' you are not authorised to commence repairs without our approval. Refer to page 42 for more information.
×	**Do not delay contacting us.** Whenever possible you must notify us of an incident which could lead to a claim on this Policy. You may have to contribute towards your claim if your late notification results in higher costs for us or harms our investigation opportunities.
×	**Provide us with false or misleading information.** We may deny part or all of your claim if you or your family are not truthful and frank in any statement you make in connection with a claim or if a claim is fraudulent or false in any respect. We will report any suspected fraudulent act to the Police for further investigation.

How we settle your claim

Your building

What we pay

If this Policy insures your building and we accept your claim, at our option we will pay for the reasonable cost of:

- repairing,
- rebuilding, or
- replacing,

your building at the site to its condition when new or to its condition when last renovated, altered or restored.

We will only pay for damaged parts

If we accept a claim, we will only pay for the part of the building that has been damaged. We will not pay for undamaged parts of the building in order to achieve a uniform appearance.

We will repair up to the nearest archway, doorway or similar entry and exit point. We will not pay for undamaged materials in any adjoining rooms.

How much we will pay

The maximum we will pay is:

- the sum insured shown in the Policy Schedule, plus
- the other benefits we have agreed to pay, less
- your excess.

We will not pay:

- ✗ for the portion of these building costs which relate to the undamaged parts of your building;
- ✗ to upgrade your building if it is over insured;
- ✗ to modify your building to rectify a fault that is causing loss or damage to your building under this Policy.

Matching materials

When we pay to repair or rebuild your building we will match the existing materials, however where these materials are unavailable locally or it is not possible to match them we reserve the right to pay for the nearest equivalent or similar materials.

Delays in rebuilding

We will only pay if you start rebuilding on the site within six (6) months from the date when the loss or damage occurred otherwise we will only pay what it would have reasonably cost to repair, rebuild or replace your building at the time of the incident.

We will give special consideration for any exceptional circumstances beyond your control if you cannot commence rebuilding within six (6) months.

Mortgagee's rights

If a mortgagee is named on the Policy Schedule and we are settling the claim on a cash basis, we reserve the right to pay all or part of the proceeds to the mortgagee.

The amount we pay to the mortgagee will be:

- the amount outstanding under the mortgage, with any balance being paid to you, or
- the amount we agree to pay in settlement of the claim.

A payment made to a mortgagee will satisfy our obligation to you for the amount paid.

Your contents

What we pay

If this Policy insures your contents and we accept your claim, at our option we will pay for the reasonable cost of:

- repairing,
- replacing, or
- pay you what it would cost us to repair or replace your contents.

How much we will pay

Item		What we pay
Repairing		Where we choose to repair damaged contents, we will pay the reasonable cost of repairing the item that can be economically repaired. If the item is a high risk item we will only pay the reasonable cost to repair the item up to the limit stated in the table 'High risk items with limits' on page 25. If the item is a specified contents item we will pay up to the specified limit.
Replacing *But if the item is:*		If an item cannot be economically repaired we will replace the item with a new one substantially the same, regardless of the age of the item.
	High risk items	• we will only replace the item with one worth up to the limit shown in the table 'High risk items with limits' on page 25 for that item; if the item is a specified contents item, we will replace the item with one worth up to the sum insured for that item listed on the Policy Schedule.
	Specified contents	• a specified contents item, we will replace the item with one worth up to the sum insured for that item listed on the Policy Schedule.
	Carpet, floor coverings or floating floors	• carpet, floor coverings or floating floors we will only replace in the room, hallway or passageway where the loss or damage occurred.
Monetary settlement		**When the item cannot be replaced** If we agree that the item cannot be replaced, we will pay the lesser of: • the retail value of the item, or • if the item is a high risk item, the limit shown in the table 'High risk items with limits' on page 25 pertaining to that item, or • if the item is a specified contents item, the sum insured for that item listed on the Policy Schedule, or

Item	What we pay
	When you do not want a replacement item Important note: An insurance policy is designed to repair or replace items which are stolen or damaged. If you would like us to pay you instead of replacing the item we will only pay you the amount you would have received if you had sold the item. If you do not want us to replace the item, we will pay the price you would have received for that item from a licensed second-hand dealer. If the item is a high risk item listed in the table 'High risk items with limits' on page 25 with a retail value exceeding the stated limit and it was not listed on your Policy Schedule as specified contents we will pay only the price a licensed second-hand dealer would have paid you for the item had you wanted to sell it, assessed on the basis that it had a retail value of the high risk item limit (shown in the table 'High risk items with limits' on page 25). For example: if you bought a high risk contents item for $2,000 but did not specify it to us for inclusion as specified contents on the Policy Schedule and the item has a Policy limit of $1,000, we will treat this item as if it was one bought retail for $1,000.
Pairs, sets and collectibles	If the item for which you are claiming forms part of a pair, set or collection, we will only pay the reasonable cost of replacing or repairing that item. We do not pay for any special value the item may have as part of the pair, set or collection. **We will not pay for:** × any special value an item may have as part of a pair, set or collection; × where an item is a specified as a part of your contents, we will pay no more than the proportion of the specified sum insured equal to the proportion which the item represents of the pair or set.

Your building and contents

We will not pay:

- ✗ to upgrade your building and/or contents if they are over insured;
- ✗ for modifications to rectify a fault that is causing loss or damage to your building and/or contents under this Policy.

Multiple insured

If more than one (1) person is insured under this Policy, we will treat a statement, act, omission or a claim by an insured person as having been made by all of them.

How claims administration and legal proceedings are undertaken

When a claim is lodged under this Policy, we have the right at our discretion to exercise all the legal rights of an insured person relating to the incident and to do so in their name.

We will take full control of the administration, conduct or settlement of the claim including any recovery or defence that we may consider necessary.

We will also report any suspected fraudulent act to the Police for further investigation.

Repairer information

We have the right to nominate the repairer or supplier to be used.

Your proof of ownership

At the time of making a claim if this Policy insures your contents, you will need to provide evidence of value. We will also require evidence of value for high risk items whether specified on the Policy or not. This evidence can be a combination of:

- receipts;
- a recent valuation provided by an Australian qualified valuer;
- instruction manuals;
- guarantee or warranty certificate;
- catalogues;
- make, model and serial number;
- photographs or video film of the item.

How GST affects any payments we make

The premium payable for this Policy is subject to GST. When we pay a claim, we will pay an amount up to the sum insured, less any Input Tax Credit (ITC) you are entitled to.

When You make a claim, You must tell if you are registered for GST, and if so your correct Australian Business Number and Taxable Percentage. Your Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

If, after we have assessed your claim, you are required to enter into a contract with a third party to replace or reinstate lost or damaged items that we have agreed to pay under this Policy, you will enter into that agreement with the third party as our agent unless advised otherwise.

If you have any questions about how GST may affect your Policy or claim you should see your tax or financial advisor.

Your excess

An excess is the amount you must pay each time you make a claim. We deduct the excess from the amount of your claim. If we agree to pay a claim, the excess applied will be either the excess set out in your Policy Schedule or the excess applicable to the section of this Policy you are claiming under.

Excess types	
Basic excess	This excess applies to all claims in respect to building and contents unless otherwise stated. The amount of this excess is shown on your Policy Schedule. You have the option to adjust your basic excess. Doing so will also adjust your premium. Refer to section 'Ways to reduce your premium' on page 10 for more information. Any change of excess you make cannot be backdated.
Earthquake and tsunami excess	All claims for earthquake or tsunami have a minimum excess of $250. If your basic excess is higher than $250, the higher amount will be deducted for any claim for earthquake or tsunami. For example, Basic Excess: $400 Earthquake Excess: Minimum $500 Excess required for earthquake claim if your basic excess is $400: $500
Imposed excess	We may impose an additional excess that applies in addition to other excesses. Any imposed excess will be shown as an imposed excess on your Policy Schedule. For example: Basic excess: $250 Imposed excess: $250 Excess payable in the event of a claim: $500

Excess types	
Theft and vandalism by tenants excess	If you have selected and paid for 'Theft and vandalism by tenants to your building' and/or 'Theft and vandalism by tenants to your contents' a minimum excess of $750 is payable for each and every claim. If your basic excess is higher than $750, the higher amount will be deducted for any claim.
Rent default	If you have selected and paid for the option 'Rent default' a minimum excess of $750 is payable for each and every claim whether or not separate instances of loss or damage are submitted at the same time or on the same claim form. If your basic excess is higher than $750, the higher amount will be deducted for any claim.

How your excess is paid

If you make a claim on your Policy we will deduct the excess from the amount of your claim.

One excess per event

Where we pay a claim on more than one (1) cover from the same incident, you will only have to pay one (1) excess. Whichever combination of insurance is provided by this Policy, the excess applicable will always be the highest excess amount.

For example,

You have: Building and contents insurance.

Building basic excess: $500.
Contents basic excess: $250.
Claim: fire causes damage to both your building and your contents in the same event.

The excess required when making a claim would be one (1) payment of $500 (being the highest excess amount of each Policy).

After we have paid a claim

If we pay a claim for the total sum insured

- your Policy with us ends, and
- is deemed to have been fulfilled, and
- there is no refund of any premium, or
- if you have been paying your premium by instalments we will deduct any unpaid instalment amount up to your Policy renewal date from the total sum insured.

If we pay a claim for less than the total sum insured

- your sum insured remains the same as it was before the claim.

For example, if your contents sum insured is $40,000 and we pay a claim for theft of contents for $8,000 your sum insured remains at $40,000. Likewise, if your building sum insured is $120,000 and we pay a claim for $30,000 for a fire in your kitchen, your sum insured remains at $120,000.

No claim bonus discount

If you make a claim under your Policy, we will reduce your no claim bonus discount by one level at the next renewal date of your Policy.

Salvage

We are entitled to any salvage value on recovered items and damaged items that have been replaced.

Contribution

Where the incident insured by this Policy is also insured under another policy elsewhere and we have paid more than our reasonable share of your claim, we may exercise our right to seek contribution from the other insurer or insurers.

How your Policy may be cancelled

Cancellation by you

You may cancel this Policy at any time by giving us notice in writing.

Cancellation by us during the period of insurance

We may cancel this Policy on any of the grounds set out in the *Insurance Contracts Act 1984* (Cth) and we will always put this in writing to you.

Cancellation by us on expiry of this Policy

We may cancel this Policy at the end of the period of insurance. If this is about to happen we will tell you in writing within the terms set out in the *Insurance Contracts Act 1984* (Cth).

Refund of premium

On cancellation, a refund of the premium will be calculated equal to the unexpired period of this Policy less an administration fee and any non-refundable government charges.

No refund of premium

Where we have paid the total sum insured on a claim your Policy with us is deemed to have been fulfilled and:

- there is no refund of any premium, or
- if you have been paying your premium by instalments we will deduct any unpaid instalment amount up to your Policy renewal date from the total sum insured.

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For all enquiries please contact your financial institution

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