



MemberCare[®] Investor Insure Policy

Product Disclosure Statement
incorporating the Policy Wording



MEMBERcare[®]


Hume Building
Society

Introduction & Welcome

We understand how important it is to be comfortable with your cover so we're glad you chose QBE to take care of your insurance. As the largest Australian owned general insurer and reinsurer, we've 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'll find the information you need to know about your policy. We explain what your policy covers, information about discounts and excesses and importantly, how to make a claim. Remember, whether you call us for a quote, or to report a claim, or to change your details, you can rely on our friendly team to help you.

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

Thank you for making QBE your first choice.

MemberCare – Investor Insure Policy

About Hume Building Society

Hume is one of Australia's leading regional mutual financial institutions, offering people living in north eastern Victoria and southern NSW a real banking alternative.

Hume has operated for over 55 years and is a mutual organisation which is owned by its customers, not shareholders.

Hume is driven by the needs of over 55,000 customers and is committed to improving financial literacy throughout its network.

Hume continues to grow its extensive branch and ATM network by offering excellent convenience and exceptional face to face banking.

As a holder of Australian Financial Services Licence (AFSL No. 244248), Hume Building Society ABN 85 051 868 556, can issue, vary, renew and cancel this insurance policy under a "binder" provided by the Insurer. A "binder" is an agreement that allows Hume, as an agent of the Insurer, to enter into contracts of insurance on behalf of the Insurer. This means that the insurance policy issued to you by Hume is binding on the Insurer just as if it had issued the policy itself.

How you can contact Hume Building Society

For policy enquiries phone (02) 6051 3299 or email insurance@humebuild.com.au

Product Disclosure Statement

This Product Disclosure Statement (PDS) is issued by the insurer QBE Insurance (Australia) Limited ABN 78 003 191 035 AFS Licence 239545.

It is designed to help you understand the policy and to decide whether to purchase this insurance product. To assist with your decision we have divided this PDS into two sections:

- The first section highlights important information about this insurance policy including its significant features and benefits, the risks and some information about how the premium is calculated.
- The second section is the policy wording and sets out all the standard terms, conditions and limitations of this insurance policy.

It is up to you to choose the cover you need and ensure it is appropriate for your objectives, financial situation or needs. Because of this, it is important that you read both of these sections carefully before you apply for this insurance, to make sure you understand the insurance cover provided and the policy's limitations.

If you apply for this insurance without reading the whole of this PDS, you should ensure that you read it as soon as possible and in any case, before the cooling-off period expires.

Some words throughout this PDS have special meanings and you should refer to the section "Words that have Special Meanings" which commences on the first page of Section 2.

For future reference, you should retain this PDS in a safe place.

MemberCare – Investor Insure Policy

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Section 1

Significant Policy Information

Section 1 – Significant Policy Information

Who is the Insurer of the Policy?

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFS Licence 239545 is the insurer of the policy.

How You can Contact Us

You may contact us by phone or by writing to us at:

QBE Insurance (Australia) Limited
Level 10, 345 George Street
Sydney NSW 2000
GPO Box 1276
Sydney NSW 2001

Policy enquiries: 1800 730 121

Claims enquiries: 1300 660 727

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.

How to Apply for this Insurance

Before you apply for this insurance it is important that you read, understand and accept your duty of disclosure and our privacy promise. You can apply for this insurance by completing our application process that is administered by the Direct Insurance Network (DIN) located at your financial institution.

If your application is accepted, you will receive a policy schedule that identifies the insured(s), the insurer, the period of insurance, the premium, the taxes and stamp duty paid in the premium, the cover(s) selected, the limits of liability, any excesses and other important information.

Your Duty of Disclosure

The Insurance Contracts Act 1984 imposes a duty of disclosure on you when you first enter into an insurance policy with us, and you renew, vary, extend, reinstate or replace your insurance policy.

1. Your Duty of Disclosure when you first enter into the policy with us.

What you must tell us

When answering our questions, you must be honest. You have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, 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 that you want to be covered by the policy.

If you do not tell us

If you do not answer our questions in this way, we may reduce our liability under the policy in respect of a claim and/or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

2. Your Duty of Disclosure when you renew, vary, extend, reinstate or replace the policy.

Before you renew, vary, extend, reinstate or replace this insurance policy with us, you have a duty under the Insurance Contracts Act 1984 to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of business, ought to know;
- where we waive your requirement to comply with your duty.

If you do not tell us

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may refuse to pay a claim and treat the policy as never having worked.

Section 1 – Significant Policy Information

Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make or claims made against you. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors, investigators and other insurers), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of recovery or litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. Computer systems and support services may be provided to us by related companies within the QBE Group that may be located overseas. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have 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. For further information about our Privacy Policy or to access or correct your personal information, please contact:

The Compliance Manager
QBE Insurance (Australia) Limited
GPO Box 82 Sydney NSW 2001
Email: compliance.manager@qbe.com

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.

Significant Features and Benefits of this Insurance

Under the policy you can apply for home and contents cover. The following information lists some of the significant features and benefits available under the policy. For full details of the features and benefits of this insurance cover you need to take the time to read the policy wording.

Your Investor Insure home cover:

- New for old cover.
- \$20m liability insurance worldwide.
- No Average clause for under-insurance.
- Cover for loss of rent automatically included.
- Cover for malicious acts and theft by tenants.
- Cover for intentional damage by tenants.
- Optional cover for rent default.

Your Investor Insure contents cover:

- New for old cover.
- \$20m liability insurance worldwide.
- No Average clause for under-insurance.
- Cover for malicious acts and theft by tenants.
- Cover for intentional damage by tenants.
- Optional cover for rent default.

Section 1 – Significant Policy Information

Significant Risks of this Insurance

The following information lists some of the significant risks arising under the policy. It is important that you take the time to carefully read the policy wording in full before applying for this insurance. If you breach or do not comply with the terms of the policy, subject to the Insurance Contracts Act 1984, we may refuse to pay your claim or reduce any payment.

Automatic adjustment of sum insured

We automatically adjust your sum insured on renewal in line with the annual CPI for the year immediately prior to your renewal. Any CPI increase advised by us is optional and you may choose a different sum insured to suit your current requirements.

Under-insurance

It is important that the sum insured you select for your home and/or your contents reflects the true replacement value, and should also make allowance for those additional costs that can be incurred in rebuilding your home. If you select a figure that is too low you may not be able to replace your home and/or your contents in the event of a total loss. If you select a figure that is too high you may be paying unnecessary additional premium.

Policy limits

Limits apply for some items, e.g. the limit for high risk items is \$2,000 for any one item and 25% of the contents sum insured for all high risk items. You can however advise us of high risk items with higher values and they will be listed on your policy schedule.

Excesses

An excess is the amount you have to pay or contribute in the event of a claim under the policy. You may be subject to one or more excesses under the policy. A full description of all the excesses that may apply can be found on page 20 of the policy wording. Where the amount of the excess is not set out in the policy wording the amount is displayed on your policy schedule.

Disclosure

You have disclosure obligations under this contract of insurance, which are set out on page 7 of this PDS. Failure to comply with these obligations can have serious consequences in terms of your insurance cover or in the event of a claim being made by you.

Related tenant

This contract of insurance does not provide cover in some circumstances where your tenant is a member of your family or employed by you.

Payments

Through your financial institution, we offer you various ways in which you can pay for your premium. If you fail to pay the premium for the policy, subject to the Insurance Contracts Act 1984, we have the right to cancel the policy. See General Conditions on pages 50-52 for full details and consequences if you elect to pay by instalments.

Automatic Renewal of Policy

If you choose to pay your premium by direct debit or credit card we will automatically renew your policy on an ongoing basis, unless you tell us otherwise, on the terms of:

- a. the relevant Renewal Schedule sent by us to you at least 14 days before expiry of your current period of insurance; and
- b. this PDS or any other PDS we tell you replaces or amends this PDS.

We are authorised to debit your account to renew your policy with the amount due and payable to us by you as described in the relevant Renewal Schedule.

You can choose to cancel the policy or elect not to proceed with automatic renewal as at expiry by notifying us in writing or by calling us during normal office hours.

We can change terms offered on renewal or choose not to offer renewal by providing you with written notice at least 14 days before expiry of your policy.

Standard Cover

The terms of this insurance contract vary from standard cover prescribed under the Insurance Contracts Act 1984.

Section 1 – Significant Policy Information

General Exclusions of this Insurance

The insurance we offer to you under the policy provides cover for certain events. There will be situations where the policy provides no cover at all. Those situations are set out in the policy wording and in some cases in your policy schedule. The following is a list of some of the general exclusions of the policy:

- any amounts in excess of the sum insured;
- faulty workmanship, faulty design, structural defects;
- the action of the sea, subsidence or erosion;
- wear and tear, gradual deterioration, lack of adequate maintenance;
- consequential loss of any kind;
- flood.

Confirmation Facility

You may obtain confirmation of any policy transaction by calling 1800 730 121 or emailing membercare@qbe.com

How We Price this Insurance Product

Our product pricing philosophy is based on a number of criteria. Some factors are pre set and don't vary for each insured (e.g. amounts we take into account for certain internal costs and expenses). Some information you provide to us about your personal risk situation relevant to the policy can affect the end price, such as:

- the type of insured property (e.g. home or contents) being insured and matters relevant to it (e.g. your home's size, construction, location and use);
- the type(s) and amount(s) of cover you require, excess levels and the period for which you want the cover (where this is optional); and
- your relevant claims and insurance experience.

Factors that increase the risk to us generally increase the premium (e.g. higher sums insured or a high claims experience) and those that lower the risk, reduce the premium payable (e.g. lower sums insured, higher excesses or your level of security). If you have any queries on this you can ask us when you apply.

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Your premium also includes amounts that take into account our obligation (actual or in some cases estimated) to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Fire Services Levy) in relation to the policy. Where we are required to pay an estimated amount (for example for a Fire Services Levy) based on criteria set by the government, we allocate to the policy our estimate of the amount we will be required to pay. We may over or under recover in any particular year and we do not adjust your premium because of this.

The premium charged together with the actual amount of these individual taxes and/or charges will be displayed in your policy schedule.

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 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 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.

We will provide the contact telephone number and address of the FOS office upon request.

Section 1 – Significant Policy Information

Your Cooling-Off Period

If you are not completely satisfied with this insurance product, you may cancel the policy within 21 days from the date of its commencement and receive a full refund. To take advantage of this offer we must receive a request in writing from you within 21 days of the commencement date. This offer does not apply if you have made or are entitled to make a claim within this period.

We will only return government duties and charges to you if they are recoverable by us.

Even after the cooling-off period ends you still have cancellation rights (see page 51).

Making a Claim

Full details of what to do in the event of making a claim can be found on page 53 in the policy wording. Our contact details are on page 6.

It is important that you understand and follow our instructions on what to do in the event of making a claim. Failure to comply with these obligations can have serious consequences in the event of a claim being made by you, including us reducing the amount we pay you or any interested parties by an amount to take account of the prejudice we suffer by you not following our instructions.

Changes to the PDS

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

Other documents may form part of the PDS. Any such documents will include a statement identifying them as part of this PDS.

Section 2

The Policy Wording

Section 2 – The Policy Wording

Our Agreement with You

If your application is accepted, we agree to provide you with the cover as set out in your policy schedule and the policy wording (together these documents make up the insurance contract) during the period of insurance. In return you agree to pay us your premium which includes any relevant government charges.

Words that have Special Meanings

Some words throughout the policy and when used in the policy have special meanings. These words and their special meanings are set out below. You should read these meanings in detail so you understand the extent of cover provided.

Accidental breakage to glass means loss or damage which occurs and is unintended by:

1. you;
2. your tenant;
3. any person acting with your express or implied consent;
4. persons lawfully at your home.

to any:

1. fixed glass, skylight, fixed mirror;
2. shower screen, shower base, sink, basin, lavatory pedestal or cistern;
3. permanent lighting fixture;
4. glass forming part of an oven door, stove top, cooking surface;
5. glass forming part of your furniture.

Accidental loss or damage means loss or damage which occurs and is unintended by:

1. you;
2. your tenant;
3. any person acting with your express or implied consent;
4. persons lawfully at your home.

Burglary means stealing following forcible or violent entry.

Collection(s) means a set or group of similar items that when gathered together have a value greater than the sum of the individual items.

Excess means the amount you must pay or contribute towards the claim. The categories of excess that may apply are explained on page 20.

MemberCare – Investor Insure Policy

Flood means the covering of land that is not normally under water by:

- (a) water that overflows or escapes from a naturally occurring or man made inland watercourse (such as a river, creek, canal or storm water channel) or a water pool (such as a lake, pond or dam), whether it is in its original state or has been modified; or
- (b) water released from a dam whether it be accidentally released or intentionally released to control, mitigate, regulate, or otherwise respond to excess water; or
- (c) water that cannot drain or run off as a result of water that is overflowing or escaping from an inland watercourse or water pool preventing the escape of water.

High risk items means:

1. works of art or paintings;
2. collections of any kind;
3. any item containing gold or silver.

Insured events means the events covered under the policy, as listed on pages 22-25.

Internet operations means:

1. the use of electronic mail systems by you;
2. access through your network to the world wide web or a public internet site by you;
3. the operation and maintenance of your website.

Malicious act(s) means an act or acts by one or more persons which causes damage to your home and/or your contents with the deliberate and direct intention of denying you the use or benefit of your home and/or your contents.

Open air means anywhere within the site which is not fully enclosed by walls and a roof and is not capable of being locked.

Period of insurance means the period stated as the period of insurance in your policy schedule.

Policy means the policy wording and the policy schedule (together these documents make up the insurance contract and we refer to it as “the policy”).

Policy schedule means the relevant schedule we give which includes details that apply specifically to you. We give you your schedule when you first buy a policy from us, change any part of the policy or renew any policy with us.

Section 2 – The Policy Wording

Words that have Special Meanings (cont.)

Policy wording means this Section 2 of the PDS which sets out details of your cover and the circumstances under which you will not be covered.

Rainwater means rain falling naturally from the sky onto buildings and/or the ground including run-off.

Recognised storage facility means an individual fully lockable unit within a complex that has perimeter fencing and security access. The complex must have appropriate fire fighting facilities. The individual unit must be constructed of brick, concrete, metal or other approved non-flammable material.

Residential building(s) means a fully enclosed residential building used for residential or domestic purposes.

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

Site means the land which your home is built on, and the land surrounding your home that is used only for domestic purposes at the risk address stated in your policy schedule.

Specified contents means any items shown in your policy schedule as specified contents.

Storm means violent weather and high winds (including cyclones and thunderstorms) which may be accompanied by rain, hail or snow.

Structural improvements means any permanent addition that is designed to add value to your home, including:

1. pergolas, gazebos, carports;
2. paving, terraces, garden walls, gates, fences;
3. in ground swimming pools, spas, saunas;
4. masts, aerials, satellite dishes, clothes lines.

Sum insured means the amount specified as the sum insured in your policy schedule for the type of cover selected. We automatically adjust your sum insured on renewal in line with the annual Consumer Price Index, All Groups, weighted average of eight capital cities, as published by the Australian Bureau of Statistics (CPI) for the year immediately prior to your renewal. Any CPI adjustment advised by us is optional and you may choose a different sum insured to suit your current requirements.

MemberCare – Investor Insure Policy

Theft means stealing without forcible or violent entry.

Total loss means that the sum insured under a section of the policy is paid in full as a result of a claim for loss or damage.

Unoccupied means that you do not have a permanent tenant living in your home for a period of 60 consecutive days or more.

We, our, us means QBE Insurance (Australia) Limited ABN 78 003 191 035 AFS Licence 239545 of 82 Pitt Street, Sydney, NSW 2000.

You, your, yourself means the insured(s) named in your policy schedule.

Your contents means the property which belongs to you or for which you are legally responsible located in a residential building at your site consisting of:

1. household goods, domestic furniture and furnishings, internal blinds, drapes, carpets and loose floor coverings;
2. portable electrical appliances;
3. sporting and recreational goods and equipment;
4. clothing and other personal effects;
5. a swimming pool or spa which is designed to be dismantled and moved;
6. tools used only for domestic purposes;
7. bicycles, surfboards, canoes, surf skis or other non-motorised watercraft less than 3 metres in length;
8. computer equipment and licensed software;
9. ride-on lawn mowers, scooters, motorised golf buggies, wheelchairs if they are not required to be registered;
10. photographic equipment, binoculars, telescopes;
11. high risk items;
12. specified contents;
13. fixtures if the risk address is a strata title property and the fixtures are not insurable by the body corporate.

Your home means the residential building(s) and all fixtures and structural improvements located at your site including any jetty or pontoon not in use for commercial purposes, but does not include carpets, loose floor coverings, internal blinds and drapes.

Your tenant means the person(s) residing in your home that pay(s) you rent on a periodic and regular basis under a current written lease or rental agreement but excluding any member of your family or anyone employed by you.

Section 2 – The Policy Wording

Explanation of Excesses

As explained in “Words that have Special Meanings” on pages 16-19, excess means the amount you must pay or contribute towards the claim. The amount of any excess payable will be deducted from any cash settlement paid by us to you. If cash settlement does not apply you must pay any applicable excess before we pay your claim.

Which excess applies to your claim?

1. Basic excess – we have priced this product on the basis that a basic excess will apply. This is the minimum excess that will apply, unless the policy indicates otherwise, or you have paid an additional premium to remove it from the policy.
2. Imposed excess – we may impose an additional excess due to a higher degree of risk that may exist.
3. Earthquake excess – in addition to the other excesses you must pay under the policy, we will apply an additional \$250 excess for earthquake claims. Any damage occurring as a result of an earthquake within 48 hours of an initial earthquake will be regarded as one incident.

The amount of any excess payable in relation to the above categories is shown in your policy schedule.

There is an additional excess that applies for tenant damage. For details refer to insured event 5 on page 24 and insured event 8 on page 24.

These excesses are cumulative and will apply to any claim made under the policy, unless indicated otherwise. Where both your home and your contents are insured with us you will only have to pay each applicable excess once for any individual claim.

MemberCare – Investor Insure Policy

Cover Applicable to You

There are three types of cover available in the Investor Insure policy.

The following table indicates which sections of the policy wording apply to the three types of cover. The type(s) you have been provided with is shown in your policy schedule. You should read carefully all the sections of the policy wording and note those sections that apply.

Section of Policy	Type of Cover		
	Home	Contents	Home and Contents
2A Your Home and Additional Benefits	✓	✗	✓
2B Your Contents and Additional Benefits	✗	✓	✓
2C Rent Default Option	Optional	Optional	Optional
2D Legal Liability	✓	✓	✓
2E Exclusions	✓	✓	✓
2F General Conditions	✓	✓	✓
2G What To Do in the Event of a Claim	✓	✓	✓
2H Strata Title Mortgage Protection Endorsement	<p>If your policy schedule indicates that you have cover for strata title mortgage protection, the endorsement contained in Section 2H (page 54), will apply to the policy and those provisions will be added, but not otherwise.</p> <p>Section 2E – Exclusions (pages 48-49), Section 2F – General Conditions (pages 50-52) and Section 2G – What To Do in the Event of a Claim (page 53) apply to Section 2H.</p>		

Section 2 – The Policy Wording

Insured Events

What we will pay for

Loss or damage caused by:

1. Fire or explosion

2. Lightning

3. Earthquake

Any damage occurring as a result of an earthquake within 48 hours of an initial earthquake will be regarded as one incident.

4. Storm or rainwater

What we won't pay for

Loss or damage caused by:

1. Fire or explosion

- (a) if your home was unoccupied at the time of loss or damage;
- (b) which is limited to scorching and/or melting without flame;
- (c) which is loss or damage to any item which normally undergoes the application of heat.

2. Lightning

Where there is no visible evidence of damage associated with a lightning strike.

4. Storm or rainwater

- (a) to retaining walls, paths, driveways or tennis court surfaces;
- (b) to swimming pool or spa covers;
- (c) to external paintwork, if that is the only damage that has been done to that part of your home;
- (d) by water seeping or entering your home due to defects in its structure, design or workmanship or as a result of structural alterations, additions, renovations or repairs;
- (e) as a result of your home not being properly maintained;
- (f) that results in any cost for refilling or cleaning mud or debris from tanks, swimming pools or spas.

Section 2 – The Policy Wording

Insured Events (cont.)

What we will pay for

Loss or damage caused by:

5. Malicious acts

6. Riot or civil commotion

7. Escape of liquid from any:

- (a) water main, fixed tanks, pipe or drain;
- (b) gutter or guttering;
- (c) dishwasher, washing machine, toilet, toilet cistern;
- (d) waterbed;
- (e) fixed heating or cooling system;
- (f) aquarium.

8. Theft or burglary

9. Impact from any:

- (a) vehicle, aircraft or watercraft;
- (b) animal;
- (c) broken or collapsed aerial or mast;
- (d) debris from space;
- (e) fallen or lopped tree.

What we won't pay for

Loss or damage caused by:

5. Malicious acts

- (a) if your home was unoccupied at the time of loss or damage;
- (b) by you, your family or anyone employed by you;
- (c) the first \$500 of any claim for loss or damage caused by your tenant or someone who is at the site with the consent of you or your tenant. This amount is in addition to any other excess(s) shown on your policy schedule that may apply.

7. Escape of liquid

- (a) costs incurred in replacing the apparatus, item or defective part from which the liquid escaped;
- (b) as a result of a lack of maintenance;
- (c) if your home was unoccupied at the time of loss or damage;
- (d) from a shower base, shower recess, shower alcove or the walls surrounding the shower;
- (e) from a bath, spa, basin or sink.

8. Theft or burglary

- (a) if your home was unoccupied at the time of loss or damage;
- (b) by you, your family or anyone employed by you;
- (c) the first \$500 of any claim for loss or damage caused by your tenant or someone who is at the site with the consent of you or your tenant. This amount is in addition to any other excess(s) shown on your policy schedule that may apply.

9. Impact

- (a) by an animal kept at your site;
- (b) by a tree lopped by you or on your behalf and we will not pay for the removal of any tree stump from your site.

Section 2 – The Policy Wording

Section 2A – Your Home: What is Covered

Refer to page 21 “Cover Applicable to You” to see if this section applies.

See “Your Home: Additional Benefits automatically included” on pages 28-33 for additional cover information.

What we will pay for

We will cover you for loss or damage to your home directly caused by one or more insured events occurring during the period of insurance.

How we will settle your claim:

We will at our option:

1. repair or rebuild the damaged part of your home to the same condition as when it was new;
2. pay (including, if we choose, to you) for the reasonable cost to repair or rebuild the damaged part of your home to the same condition as when it was new;

subject to the following limitations:

1. if rebuilding does not commence within six months of the date of loss or damage, unless we agree otherwise in writing, our liability will be limited to the amount it would have cost to repair or rebuild your home at the date of loss or damage;
2. where it is not possible to use the original materials, we will use the nearest available equivalent;
3. we will not repair or rebuild or pay to repair or rebuild any part of your home which has not been physically damaged.

Rebuilding may take place at a different site provided we agree in writing.

We will also cover you for the cost of complying with any government or local authority regulations or by-laws, which arises solely as a result of repairing or rebuilding the damaged part of your home.

What we won't pay for

We will not pay for:

1. any amount in excess of the sum insured specified for your home;
2. any item included in the definition of your contents;
3. claims relating to motor vehicles, watercraft or aircraft;
4. any loss excluded under Section 2E – Exclusions on pages 48-49;
5. incorrect siting of any residential building(s);
6. demolition ordered by Government or Local Authority;
7. loss or damage occurring to part of your home where that part of your home is in the course of construction;
8. compliance costs incurred with any Government or Local Authority regulations or by-laws where you received notice requiring compliance prior to a claim;
9. fixed wall, floor or ceiling coverings located in rooms, passageways or stairwells other than the room, passageway or stairwell where the loss or damage occurred;
10. more than 50% of the cost to repair or replace a dividing fence;
11. loss or damage to any part of your home that has not suffered direct physical damage from an insured event.

Section 2 – The Policy Wording

Section 2A – Your Home: Additional Benefits automatically included

Refer to page 21 “Cover Applicable to You” to see if this section applies.

Additional Benefits 1, 2, 3, 4 and 5 will only apply where loss or damage is directly caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy.

Unless otherwise stated in the Additional Benefit, the amounts payable and the limits specified are included in the sum insured for your home stated in your policy schedule and are not additional to it.

What we will pay for

1. Professional and other fees incurred in the rebuilding of your home

We will pay the reasonable costs of:

- (a) architects', engineers', surveyors' and solicitors' fees which relate directly to the repair or replacement of your home;
- (b) legal fees and statutory charges for the discharge and replacement of your mortgage(s);
- (c) preparing new title deed documents that have been lost or destroyed in your home; and
- (d) demolition and removal of debris from the site.

The sum insured for your home is increased by 10% for the purposes of this Additional Benefit only.

2. Loss of rent

If we are satisfied that your home is unfit to live in and, at the time of the loss or damage your home was tenanted, we will pay an amount equal to your loss of rent. Any amount that we pay for this Additional Benefit is in addition to the sum insured on your home.

3. Exploratory costs

We will pay reasonable exploratory costs to locate the cause of the loss or damage.

4. Landlord's fixtures and fittings

The definition of “your home” is extended to include your domestic furnishings, carpets, fixtures and fittings whilst contained in your home.

What we won't pay for

2. Loss of rent

We will not pay for any amounts:

- (a) after 12 months from the date of loss or damage;
- (b) which exceeds 20% of the sum insured on your home; or
- (c) if you choose not to rebuild your home.

3. Exploratory costs

We will not pay exploratory costs if the loss or damage is as a result of a lack of maintenance.

4. Landlord's fixtures and fittings

We will not pay for:

- (a) any amount that exceeds 5% of the sum insured of your home;
- (b) loss or damage if the sum insured on your home has been otherwise exhausted;
- (c) loss or damage to carpets which are not in the rooms, passageways or stairwells where the damage actually occurred.

Section 2 – The Policy Wording

Section 2A – Your Home: Additional Benefits automatically included (cont.)

What we will pay for

5. Temporary repairs and protection

We will pay the reasonable costs of temporary repairs and protection, following loss or damage to your home, to prevent or minimise further loss or damage.

6. Electric motor burnout

We will pay the reasonable cost of repairing or replacing an electric motor that burns out if that motor forms part of your home.

7. Locks

We will pay the reasonable costs of re-keying or replacement of locks or cylinders (whichever cost is less) due to the theft of the keys for the lock of any external door to your home. No basic excess applies for this Additional Benefit.

What we won't pay for

6. Electric motor burnout

We will not pay for:

- (a) motors forming part of any apparatus used in connection with any trade or business occupation;
- (b) any repair or incidental costs associated with damage to mechanical parts of any description;
- (c) replacing fuses or protective devices, contacts, starter switches and the like which are incidental to or occur as a consequence of repairing the damage caused by the electrical current;
- (d) any parts and labour costs for motors that are more than 20 years old;
- (e) any costs associated with the hiring of a replacement appliance or machine;
- (f) motors under any warranty or manufacturers' guarantee;
- (g) motors forming part of any submersible pump, transformer or rectifier;
- (h) any loss or damage caused by electrical motor burnout to any electrical motor in a household machine or appliance that forms part of your contents.

7. Locks

We will not pay for:

- (a) more than \$1,000 for any one claim;
- (b) if you have already claimed this Additional Benefit under any part of Section 2B – Your Contents: What is Covered on pages 34-43;
- (c) window locks.

Section 2 – The Policy Wording

Section 2A – Your Home: Additional Benefits automatically included (cont.)

What we will pay for

8. Damage by Tenants

We will pay for the intentional or deliberate damage to your home caused by your tenant.

9. Accidental breakage to glass

We will pay for accidental loss or damage to any:

- (a) fixed glass, skylight or fixed mirror;
- (b) shower screen, shower base, sink, basin, lavatory pedestal or cistern;
- (c) permanent lighting fixture;
- (d) glass forming part of an oven door, stovetop or cooking surface.

What we won't pay for

8. Damage by Tenants

We will not pay for:

- (a) any amount that exceeds \$5,000 for any one claim;
- (b) any amount that is claimable under insured event 5 "Malicious Acts" on page 24;
- (c) any claim if you have already claimed this Additional Benefit under Section 2B – Your Contents: What is Covered on pages 34-43;
- (d) the first \$500 of any claim. This amount is in addition to any excess specified in your policy schedule.

9. Accidental breakage to glass

We will not pay for:

- (a) loss or damage to a glass house or conservatory;
- (b) loss or damage if the breakage does not extend through the entire thickness of the damaged item;
- (c) loss or damage to glass forming part of televisions, audiovisual equipment and computer monitors.

Section 2 – The Policy Wording

Section 2B – Your Contents: What is Covered

Refer to page 21 “Cover Applicable to You” to see if this section applies.

See “Your Contents: Additional Benefits automatically included” on pages 36-43 for additional cover information.

What we will pay for

We will cover you for loss or damage to your contents directly caused by one or more insured events occurring during the period of insurance.

How we will settle your claim:

We will at our option:

- (a) pay (including, if we choose, to you) the reasonable cost of repairing an item that in our opinion can be economically repaired;
- (b) replace an item, that in our opinion cannot be economically repaired or has been stolen, with an item that in our opinion matches the damaged or stolen item as near as reasonably practical;
- (c) pay (including, if we choose, to you) the reasonable cost to replace an item that in our opinion, cannot be economically repaired or has been stolen.

We will not repair or replace or pay to repair or replace any part of your contents which has not been physically damaged.

You must provide us with a copy of the valuation certificate for those items valued at more than \$1,000 that have a valuation/receipt date shown on your policy schedule for specified contents, when you make a claim for these items under the policy. If you do not have a copy of the relevant valuation certificate(s) or the description, value or valuation date shown on the valuation certificate(s) differs from that displayed in your policy schedule, we may refuse to pay any claim in relation to these items.

What we won't pay for

We will not pay for:

1. any amount in excess of the sum insured specified for your contents in your policy schedule;
2. any loss or damage excluded under Section 2E – Exclusions on pages 48-49;
3. cash, negotiable instruments, money orders, postal notes and stamps;
4. carpets, loose floor coverings, internal blinds or drapes located in rooms, passageways or stairwells other than the room, passageway or stairwell where the loss or damage occurred;
5. loss or damage to high risk items, any more than \$2,000 per item, set or collection and in total more than 25% of the sum insured for your contents, unless the high risk items are noted as specified contents in your policy schedule;
6. anything falling within the definition of your home;
7. claims relating to motor vehicles, motor cycles, trailers, caravans, aircraft, watercraft (other than non-motorised less than 3 metres in length) and their attached accessories;
8. plants, trees, shrubs or landscaping;
9. any pet or animal of any kind;
10. unregistered or unlicensed firearms;
11. damage to sporting and recreational goods and equipment whilst in use or play;
12. musical instruments or photographic equipment used for professional or trade purposes;
13. building materials.

Section 2 – The Policy Wording

Section 2B – Your Contents: Additional Benefits automatically included

Refer to page 21 “Cover Applicable to You” to see if this section applies.

Additional Benefits 1, 2, 3 and 5 will only apply where loss or damage is directly caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy.

Unless stated otherwise in the Additional Benefit, the amounts payable and the limits specified are included in the sum insured for your contents stated in your policy schedule and are not additional to it.

We will pay the reasonable costs for loss or damage occurring or arising out of the following circumstances or events, during the period of insurance.

What we will pay for

1. Contents in open air

We will pay for loss or damage to your contents whilst in the open air at your site.

2. Temporary repairs and protection

We will pay the reasonable costs of temporary repairs and protection, following loss or damage to your contents, in order to prevent or minimise further loss or damage.

What we won't pay for

1. Contents in open air

We will not pay for:

- (a) any amount that exceeds \$500 for any one claim under insured events 2, 4 and 8 (pages 22-25);
- (b) any amount that exceeds 20% of the sum insured for your contents for all other insured events;
- (c) cash and negotiable instruments.

Section 2 – The Policy Wording

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

3. Contents whilst temporarily removed

We will pay for loss or damage to your contents whilst temporarily removed from your site up to a period of 120 successive days as long as your contents are located in any residential building, motel, hotel, boarding house, hospital or nursing home.

4. Electric motor burnout

We will pay the reasonable cost of repairing or replacing an electric motor that burns out if that motor forms part of your contents.

What we won't pay for

3. Contents whilst temporarily removed

We will not pay for:

- (a) any more than \$1,000 per item and in total more than 20% of the sum insured for your contents;
- (b) claims under insured events 2, 4 and 8 (pages 22-25) unless the loss or damage occurs in the room or rooms (in which you are temporarily residing) of any residential building, motel, hotel, boarding house, hospital or nursing home;
- (c) claims relating to accidental breakage to glass;
- (d) cash and negotiable instruments;
- (e) your contents whilst they are in transit except for loss or damage caused by or arising out of collision or overturning of the vehicle carrying them or fire;
- (f) your contents that have been removed permanently from the site;
- (g) your contents whilst removed for hire, storage or sale;
- (h) motor vehicle accessories or spare parts.

4. Electric motor burnout

We will not pay for:

- (a) motors forming part of any apparatus used in connection with any trade or business occupation;
- (b) any repair or incidental costs associated with damage to mechanical parts of any description;
- (c) replacing fuses or protective devices, contacts, starter switches and the like which are incidental to or occur as a consequence of repairing the damage caused by the electrical current;
- (d) any parts and labour costs for motors that are more than 20 years old;
- (e) any costs associated with the hiring of a replacement appliance or machine;
- (f) motors under any warranty or manufacturer's guarantee;
- (g) motors forming part of any submersible pump, transformer or rectifier;
- (h) any loss or damage caused by electrical motor burnout to any electrical motor in a household machine or appliance that forms part of your home.

Section 2 – The Policy Wording

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

5. Contents in recognised storage facility

We will pay for loss or damage to your contents whilst they are temporarily stored within a recognised storage facility up to a period of 90 successive days.

6. Locks

We will pay the reasonable costs associated with re-keying or replacement of locks or cylinders (whichever cost is less) due to the theft of the keys for the lock of any external door to your home. No basic excess applies for this Additional Benefit.

What we won't pay for

5. Contents in recognised storage facility

We will not pay for:

- (a) any amount in excess of 20% of the sum insured for your contents;
- (b) any loss or damage caused by theft;
- (c) cash and negotiable instruments;
- (d) any high risk items;
- (e) any loss or damage where you have shared your storage area with anyone who is not insured under the policy;
- (f) accidental breakage to glass;
- (g) electric motor burnout.

6. Locks

We will not pay for:

- (a) any amount which exceeds \$1,000 for any one claim;
- (b) any amount if you have already claimed this Additional Benefit under Section 2A – Your Home: What is Covered on pages 26-33 of the policy;
- (c) window locks.

Section 2 – The Policy Wording

Section 2B – Your Contents: Additional Benefits automatically included (cont.)

What we will pay for

7. Damage by Tenants

We will pay for the intentional or deliberate damage to your home caused by your tenant.

8. Security firm attendance

We will pay up to \$500 towards the cost incurred by you for a security firm engaged by you or on your behalf to attend your home in response to a monitored alarm system.

Any amount we pay for this Additional Benefit is in addition to the sum insured on your contents.

9. Accidental breakage to glass

We will pay for accidental loss or damage to any glass forming part of your furniture.

What we won't pay for

7. Damage by Tenants

We will not pay for:

- (a) any amount that exceeds \$5,000 for any one claim;
- (b) any amount that is claimable under insured event 5 “Malicious Acts” on page 24;
- (c) any claim if you have already claimed this Additional Benefit under Section 2A – Your Home: What is Covered on pages 26-33;
- (d) the first \$500 of any claim. This amount is in addition to any excess specified in your policy schedule.

8. Security firm attendance

We will not pay for security firm attendance unless the attendance was in connection with a burglary or theft, the subject of a claim which we have agreed to pay.

9. Accidental breakage to glass

We will not pay for loss or damage:

- (a) to a glass house or conservatory;
- (b) if the breakage does not extend through the entire thickness of the damaged item;
- (c) to glass forming part of televisions, audiovisual equipment and computer monitors.

Section 2 – The Policy Wording

Section 2C – Rent Default Option

What we will pay for

When you complete your application, you can elect to take the rent default option. If you have elected to take this option your policy schedule will show a weekly rental amount.

If you have elected to take this option we will pay for your rental shortfall if your tenant defaults on rent payments during the period of insurance and fails to rectify the shortfall after you have issued the appropriate notices which may be required under the current lease or rental agreement or to comply with the requirements of any statutory authority.

What we won't pay for

- (a) any claim in excess of the rent default cover weekly amount shown on your policy schedule;
- (b) more than six weeks rental of the weekly amount shown on your policy schedule for any one claim;
- (c) any rental shortfall after another tenant takes up residence in your home.

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Section 2 – The Policy Wording

Section 2D – Legal Liability

What we will pay for

1. When you are insured under Section 2A of the policy we will cover you for your legal liability as owner of your home and your site to pay compensation for accidental bodily injury, death or illness and accidental loss or damage to property arising from one occurrence, or series of occurrences arising out of any one event, during the period of insurance.
2. When you are insured under Section 2B of the policy we will cover you for your legal liability as owner of your contents to pay compensation for accidental bodily injury, death or illness and accidental loss or damage to property arising from one occurrence, or series of occurrences arising out of any one event, during the period of insurance but not in respect of your legal liability as:
 - (a) owner of your home;
 - (b) owner of any other real property;
 - (c) occupier of any real property outside your site.
3. When you are insured under either Section 2A or 2B of the policy we will also pay legal fees incurred with our written consent in defence of any legal action brought against you in respect of which you are entitled to indemnity under the policy.

What we won't pay for

We will not pay for:

1. any amount, under this and any other policy we have issued to you covering your legal liability, which exceeds in total the sum of \$20 million (inclusive of legal costs and expenses) arising from one occurrence, or series of occurrences arising out of any one event;
2. your legal liability arising from or in connection with:
 - (a) bodily injury, illness or death to you or any person that normally resides with you, or any employee or deemed employee of yours;
 - (b) vibration or weakening of support to land, buildings or any other property;
 - (c) transmission of any disease by you;
 - (d) pregnancy;
 - (e) any occupation business, trade or profession carried on by you or your family, other than as a lessor;

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- (f) any liability assumed under an agreement or contract that you have entered into, other than a lease or rental agreement unless such liability would have attached anyway;
- (g) motorised vehicles other than the following, provided they do not have to be registered: golf buggies, lawn mowers, wheelchairs, mobility scooters;
- (h) watercraft (other than any non-motorised watercraft less than 3 metres in length), aircraft, or any facilities for the landing or storage of such craft;
- (i) any building construction, alteration, renovation, addition or repair work to your home or your site where the total value of that work exceeds \$50,000;
- (j) property that is in your care, custody or control or the care, custody or control of any person who normally resides with you;
- (k) any claims in connection with the contamination or pollution of the land, air or water;
- (l) claims for property damage, bodily injury, sickness or death attributable to or constituted by the consumption of alcohol, tobacco or drugs of any kind;
- (m) claims for aggravated, punitive or exemplary damages, fines or penalties;
- (n) claims resulting from the existence of asbestos;
- (o) claims brought against you in the United States of America or Canada or their administered territories and any judgements or awards made by those countries' courts, which are enforceable anywhere in the world;
- (p) claims arising directly or indirectly, out of, or in any way involving your internet operations.

Section 2 – The Policy Wording

Section 2E – Exclusions

These exclusions apply to all sections of the policy.

We will not pay for any loss, damage, injury or liability for, occurring from or arising out of:

1. gradual deterioration, wear and tear, lack of maintenance, faulty workmanship, faulty design or structural defects;
2. any act intended to cause liability, injury, loss or damage by you, or any person who normally resides with you, or a person who is acting with your consent or the consent of anyone who normally resides with you;
3. rust, corrosion, wet or dry rot, mildew, rising damp or seepage;
4. cracking, chipping, scratching, fading, shrinkage, settling or expansion;
5. the action of insects, vermin or birds;
6. the action of trees, plants or their roots;
7. any process involving the use of chemicals;
8. mechanical or electrical breakdown or failure except as defined under electrical motor burnout in Section 2A – Your Home: What is Covered and Section 2B – Your Contents: What is Covered;
9. consequential loss of any kind suffered by you;
10. fines, penalties or forfeitures;
11. aggravated, exemplary or punitive damages;
12. the action of the sea, including high tide, high water, tsunami, tidal wave and storm surge;
13. vibration, erosion, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth-movement (other than earthquake);
14. the lawful confiscation, destruction, detention or seizure of your home or your contents;
15. war, whether war be declared or not, hostilities or rebellion or war-like activities;
16. the use of nuclear weapons or material or ionising radiation from or contamination by radioactivity from any nuclear fuel or waste or from the combustion of nuclear fuel;

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17. any act of terrorism which means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purpose or reasons;
18. any equipment or machinery which is a computer, containing or comprising any computer technology (including a computer chip or control logic) that fails to perform or function in the precise manner for which it was designed or for any reason arising from the performance or functionality of such computer technology;
19. any event that does not take place during the period of insurance;
20. fire or explosion to any item which normally undergoes the application of heat. This exclusion is limited to loss or damage to the item itself;
21. any event which is not an insured event except as otherwise specifically provided for in the policy wording;
22. flood;
23. malicious, unlawful or dishonest acts by you, your family or anyone employed by you.

Section 2 – The Policy Wording

Section 2F – General Conditions

The following are important conditions you must comply with and apply to all sections of the policy.

1. Sum insured after a claim

The sum insured for any section of the policy will be reinstated following loss or damage without payment of additional premium. In the case of a total loss where the sum insured is paid in full, cover will cease under that section of the policy from the date of the total loss, and you will not be entitled to any premium refund.

2. Legal representation and costs

We have the right at our discretion to represent or defend you in respect of any legal liability as we see fit.

3. Hazardous or dangerous goods storage

If you are storing hazardous or dangerous goods at your site, you must comply with all relevant laws and regulations.

4. Retaining evidence of the value and proof of ownership of the insured property

Wherever possible you should keep evidence of the value and ownership of all property covered under the policy. We are entitled to receive this evidence if you make a claim. Receipts and valuations will be some evidence of the value of your property, whilst photographs and instruction books will be some evidence of ownership. If you are unable to produce such evidence we may not pay your claim.

5. Taking precautions

You must take all reasonable precautions to safeguard your home and your contents from damage, maintain them in good condition and avoid risks of injury arising from them.

6. Security devices and burglar alarms

We will not pay for loss or damage caused by or arising out of theft or burglary if any security device installed or declared to be installed is not:

- (a) maintained in an efficient working order; and
- (b) in operation whenever your site is unattended.

7. Cancelling the policy

You may cancel the policy at any time by advising us in writing or by phone. We will refund to you the unexpired portion of the premium less any administration cost.

We may have the right to cancel the policy if you have:

- (a) failed to comply with your duty of disclosure;
- (b) failed to comply with a condition of the policy;
- (c) made a fraudulent claim under this or any other policy of insurance; or
- (d) not paid the premium for the policy.

We may only cancel the policy under the provisions provided by the Insurance Contracts Act 1984. We will provide you with written notice of the cancellation date, and will refund to you the unexpired portion of the premium from the date of the cancellation.

8. Paying your premium by instalments

If you are paying your premium by instalments:

- (a) if an instalment remains unpaid for a period of one month or longer, we will cancel the policy;
- (b) if a claim is settled on a total loss basis you must pay all remaining instalments to the expiry date. We will deduct these amounts from the amount we pay.

9. Notification of change of risk

You must notify us in writing or by phone if, during the period of insurance a change is made to your home or your contents that might materially affect the nature of the risk against which you are covered under the policy.

You must notify us in writing or by phone as soon as possible but no later than renewal if, during the period of insurance you are charged with or convicted of any criminal offence.

We may charge an extra premium, add special conditions or cancel the policy if these changes occur.

10. Breach of policy

If you are in breach of or do not comply with the terms of the policy, subject to the Insurance Contracts Act 1984, we may refuse to pay your claim, in whole or in part.

Section 2 – The Policy Wording

Section 2F – General Conditions (cont.)

11. Right of recovery (Subrogation)

We have the right, subject to the Insurance Contracts Act 1984, to instigate recovery proceedings in your name against another person who we believe is responsible for the loss, damage or liability and you must give us any information and help that we may reasonably require. We will include any excess you have paid in this recovery action, but your excess will not be refunded to you until we have recovered the full amount of the claim plus any costs we incur in the recovery action.

12. Goods and Services Tax (GST)

If you make a claim under the policy and a payment is to be made by us which results in an acquisition of goods or services or some other supply, whether or not the acquisition is made, we will reduce any payment to be made by the amount of any input tax credit to which you would or will be entitled to if you were to purchase replacement goods or services.

If you make any claim under the policy, you must inform us of any entitlement you may have to claim an input tax credit for the GST amount charged on the policy, and the proportion of the GST that you can claim as an input tax credit.

If you make a claim under the policy where a payment is to be made by us and instead of making a payment for the acquisition of goods, services or other supply, we make a payment as compensation, we will reduce the amount of any payment by an amount equal to any input tax credit to which you would or will be entitled to as if the payment had been made to acquire any such goods, services or other supply.

13. Persons bound

Any person who may be entitled to make a claim under the policy is bound by these terms and conditions.

Any statement, act, omission or claim by any of you is a statement, act omission or claim by all of you.

We shall be entitled to raise against any of you and against any other entity entitled to make a claim under the policy any defence available against any of you.

Section 2G – What To Do in the Event of a Claim

We may not pay your claim if you do not obey these conditions:

1. Do not admit liability

Whatever the circumstances you may encounter, you must not:

- (a) make any admissions; or
- (b) offer to negotiate, settle or pay a claim.

2. Prevent further damage

You must take all reasonable steps to reduce the loss or damage, and to prevent further loss or damage.

3. Contact the police

You must inform the police as soon as possible following discovery of loss or damage caused by malicious act(s), theft, attempted theft, burglary or any other crime.

4. Notification of an incident

You must advise us as soon as possible of an incident that may give rise to a claim under the policy.

5. Retain evidence of loss or damage

You must retain any evidence of any loss or damage to your insured property and make this evidence available to our representative for inspection.

6. Co-operation

You must furnish us with all information and assistance we request in relation to the claim.

Section 2 – The Policy Wording

Section 2H – Strata Title Mortgage Protection Endorsement

The following strata title mortgage protection endorsement will apply only when indicated on your policy schedule. The policy will be amended to include the following additional provisions.

What we will pay for

When you are required to pay your mortgage in full following loss or damage, we will pay to your mortgagee up to the amount you owe on your mortgage, but no more than the sum insured specified for this endorsement in your policy schedule:

1. if your unit suffers loss or damage caused by one or more insured events occurring during the period of insurance and is not otherwise excluded by the policy;
2. the body corporate has not or not sufficiently insured for the loss or damage or has not insured the building of which your unit forms a part for damage that you can claim for under the policy.

For the purposes of this endorsement, your unit means the space inside the walls, ceilings and floor of your strata titled unit, townhouse or duplex at the risk address stated in the most recent policy schedule, including any garage or storage area that you own that belongs with the unit, townhouse or duplex. This also includes any structure or fixture that is built on or attached to and forms part of your unit after the strata plan is registered.

What we won't pay for

We will not pay for:

1. any amount for loss or damage to your unit that the Body Corporate has insured for;
2. any amount in excess of the sum insured specified for this endorsement in your policy schedule;
3. any excess specified in your policy schedule;
4. any loss or damage excluded under Section 2E – Exclusions on pages 48-49;
5. any amount in excess of that owed by you under your mortgage to the mortgagee;
6. any amount relating to loss or damage to common property.

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End of Policy Wording

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This Product Disclosure Statement is issued by:
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