

*Accidental
Damage
Home
Insurance*



hbf

Why HBF?

Insurance issued by CGU Insurance Limited (CGU) ABN 27 004 478 371 AFSL 238291. This is general advice only and does not take into account your individual circumstances. HBF Health Limited ABN 11 126 884 786 AR No. 406073 (HBF Health), is an authorised representative of and also acts under a binder from CGU, the issuer of general insurance products distributed by HBF Health. HBF Health will receive a commission up to 15% of the premium you pay (excluding taxes and charges) plus GST.

Trusted Perth based claims team

Deal directly with our Perth based claims team. We'll have your claim resolved with a minimum of fuss. Our claims service is available 24 hours a day, 7 days a week.

Flood cover included across all policies

We've included flood cover as a standard across all our policies giving you piece of mind.

Monthly or fortnightly instalments – at no extra cost

Choose to pay your premium by easy fortnightly or monthly instalments, now available at no extra cost

Automatic valuables cover away from the home

We provide automatic cover for your contents and valuables away from the home, all under the one policy.

Exclusive member discounts

Take advantage of our multi-policy discounts including our exclusive 10% discount for Health members.

Keep all your insurance needs under the one roof

Let us take care of your other insurance needs by consolidating all your policies under the one roof.

Accidental Damage Home Insurance product disclosure statement and policy

This Product Disclosure Statement (PDS) has been designed to help you get the most out of your policy.

Use the contents pages and topic index to help find what you are looking for. Important tasks such as taking out insurance or making a claim are explained in easy to follow steps. And we have included a glossary of words with a special meaning which are highlighted in *italics*.

When you take out an insurance policy with us, the cover we agree to provide you is set out in your current schedule, and described in this PDS, as well as any Supplementary PDS we may issue. Together, they make up the terms and conditions of your insurance contract with us. Read them carefully and store them together in a safe place.

If you need more information about this PDS, please contact us or your insurance adviser.

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***About this
insurance***

Accidental Damage Home Insurance

Accidental Damage Home Insurance covers *your buildings* or contents for any *accidental loss or damage*.

We also provide cover under specific conditions for a range of incidents and additional covers, and *your* legal liability.

You can choose to take out a buildings policy, a contents policy, or a combined buildings and contents policy.

You can also add options to *your policy* for domestic workers' compensation, *strata title* mortgagee protection, or to extend *your* valuables cover.

Your buildings or contents will be covered up to the *sum insured*, as listed on *your current schedule*.

***To find out what this policy covers, see next page
For exclusions to this cover, see pages 26–29 ►***

***What this
policy covers***

Buildings we will cover

We will cover residential buildings, their *fixtures and fittings* and any structural improvements at *your home*.

Your buildings include:

- residential buildings that *you* live in, including any professional offices or surgeries in those buildings
- domestic outbuildings
- fixed coverings to walls, floors and ceilings
 - these do not include fixed carpets, curtains or internal blinds.
- infrastructure for services, including infrastructure for the supply of electricity, gas, water, internet and telephone
- items built in, fixed to, or on the buildings
- blinds or awnings on the outside of the buildings
- inbuilt swimming pools and spas
- boat jetties or pontoons that *you* are legally responsible for
- fences and gates (limits may apply).

Your buildings do not include:

- buildings that a tenant is liable for under the terms of a rental agreement
- plants, shrubs, trees or grass,
unless:
 - we are covering these under 'Trees, plants and shrubs replacement'.
- lawns
- loose or compacted soil, gravel, pebbles, rocks or sand
- dams.

For Trees, plants and shrubs replacement, see page 20 ►

What we will pay for buildings

We will cover *your buildings* up to the *sum insured*, as listed on *your schedule*.

Contents we will cover

We will cover household goods or personal effects not fixed or fitted to buildings that *you* own or are legally responsible for.

Your contents include:

- accessories and spare parts for motor vehicles, motorcycles, mini bikes, caravans, trailers and watercraft, that are not in, or on them
- items thinly covered with gold or silver that are not jewellery or watches
- carpets, curtains or internal blinds
- film, slides and prints, **however:**
 - we will only pay the value of these items as unprocessed material, and the cost of processing them
 - if *you* purchased them already processed we will only pay their replacement value
 - we will not pay the costs of recreating any event.
- tapes, cassettes, cartridges and discs, **however:**
 - we will only pay the value of these items when blank unless they were pre-recorded when *you* purchased them.
- computer software
- media purchased online, e.g. music, software, and videos
- landlords' *fixtures and fittings* that *you* are liable for under the terms of a rental agreement, **unless:**
 - the body corporate or similar body has insured them.
- *fixtures and fittings* that *you* have installed for *your* own use if *you* are a tenant, or the owner of a *strata title* unit, unless:
 - the body corporate or similar body has insured them.
- *goods you use to earn an income at your home*, **however:**
 - goods do not include office and surgery equipment.
- office and surgery equipment that *you* use to earn an income at *your home*
- unregistered motorised golf buggies, ride-on mowers and wheelchairs
- unregistered motorcycles or mini-bikes up to 125cc that do not require registration by law, **unless:**
 - they are being used for racing or pacemaking.

Your contents include:

- money and negotiable documents
- watercraft less than 4 metres long that is not powered by a motor, or is powered by a motor less than 10hp
- valuable items as listed below:
 - jewellery and watches
 - items that contain gold or silver (this does not include items thinly covered with gold or silver)
 - furs
 - collections of stamps, money or medals
 - battery-powered items as listed below:
 - audio visual equipment
 - camera equipment, including accessories and unprocessed film, unless they are being used underwater, or to earn *your* income
 - electronic diaries
 - GPS
 - mobile or portable phones
 - portable computers.
 - *sporting equipment*, unless it is being used.

You can increase the level of cover for valuable items by choosing the Other Valuables or Special Valuables option.

For a description of the Other valuables and Special valuables options, see pages 24–25 ►

Your contents do not include:

- unset precious/semi-precious stones
- plants and trees growing outdoors, **unless:**
 - they are growing in pots or tubs.
- animals, including birds and fish
- pedal cycles while they are used for racing or pacemaking
- motor vehicles, caravans, trailers or aircraft other than model or toy aircraft
- registered motorcycles or mini-bikes
- unregistered motorcycles or mini-bikes over 125cc
- watercraft more than 4 metres long
- watercraft less than 4 metres long that is powered by a motor of more than 10hp
- jet skis.

What we will pay for contents

There are set maximum amounts that *we* will pay when *you* make a claim. These amounts are listed below and are included in *your contents sum insured*.

The most we will pay	
Contents	up to the contents <i>sum insured</i> as listed on <i>your schedule</i> (inclusive of GST) in total
any content item, pair, set, collection or system of contents items	\$20,000 (inclusive of GST) per item, pair, set, collection or system
Office and surgery equipment – includes all battery-powered items, see below ▼	\$10,000 (inclusive of GST) in total
<i>Goods you use for earning your income in your buildings</i>	\$5,000 (inclusive of GST) in total
Money and negotiable documents	\$1,250 (inclusive of GST) in total
Watercraft less than 4 metres as long that is not powered by a motor, or is powered by a motor less than 10hp	\$5,000 (inclusive of GST) in total
Accessories and spare parts for motor vehicles, motorcycles, mini-bikes, caravans, trailers and watercraft	\$750 (inclusive of GST) in total
Valuable items included in contents	up to 20% of the contents <i>sum insured</i> as listed on <i>your schedule</i> , or up to \$7,500 (inclusive of gst), whichever is higher – this amount is included in <i>your contents sum insured</i>
Any one item, pair, set, collection or system of valuables including <i>sporting equipment</i>	\$2,500 (inclusive of GST) per item, pair, set, collection or system
Battery-powered items	\$2,500 (inclusive of gst) per item
Any one item, pair, set, collection or system of <i>sporting equipment</i>	\$3,000 (inclusive of gst) per item, pair, set, collection or system

Nominating the amount we will pay for contents

When *you* take out a contents policy, *you* must nominate the replacement value of *your contents* at today's prices. This is called *your 'sum insured'* and is listed on *your schedule*.

Increasing the amount we will pay for contents excluding valuable items

You can increase the maximum amount *we* will pay for any content item, pair, set, collection or system by nominating an amount that is higher than \$20,000. *Your contents* will be listed on *your schedule* as 'special contents'.

Increasing the amount we will pay for valuables

You can increase the total amount we will pay for *your* valuables by adding the other valuables option to *your policy*. This amount is in addition to *your contents sum insured*.

You can increase the maximum amount we will pay for an individual valuable item by adding the special valuables option to *your policy*. This amount is in addition to *your contents sum insured*.

For a description of the Other valuables and Special valuables options, see pages 24–25 ►

Where your contents are covered

Your contents are covered at *your home*. *Your contents* are also covered away from *your home*, anywhere in Australia and New Zealand, up to 90 consecutive days.

Contents – at your home

We will cover *your contents* at *your home* for loss or damage as a result of an *incident* we have agreed to cover.

We will not cover *your contents* if they:

- have been away from *your home* for more than 90 consecutive days,

unless:

- the contents are *sporting equipment* stored within a club room.
- have been removed permanently from *your home* by *you*, **unless:**
 - we have agreed to cover them.
- are on the way to, or from, or are in a commercial storage facility, or in transit during a permanent removal, **unless:**
 - we have agreed to cover them under 'Contents in transit' or 'Contents in a commercial storage facility'.

Contents – away from your home

We will cover *your contents* away from *your home*, anywhere in Australia and New Zealand, for loss or damage as a result of an *incident* we have agreed to cover.

We will not cover:

- accessories and spare parts for motor vehicles, motorcycles, mini-bikes, caravans, trailers and watercraft
- *goods you use for earning an income*
- office and surgery equipment *you* use for earning *your* income while they are away from *your home*.

For Contents in a commercial storage facility, and Contents in transit, see pages 15–16 ►

Accidental Damage cover

We will cover *your buildings* or contents for any *accidental loss or damage*.

There are also a number of incidents we will cover under specific conditions – these are listed on the following pages.

If *you* make a claim, *you* will need to pay any excesses that apply – *you* will only need to pay this amount once.

Any cover we provide is subject to exclusions.

For exclusions to this cover, see pages 26–29 ►

Incident cover provided under specific conditions

Burning out of an electric motor

We will cover the cost to repair or replace *your* electric motor if it burns out or fuses.

We will only do this if *your* electric motor is 15 years old or less.

Fire or explosion

We will cover *your buildings* or contents for loss or damage as a result of a fire or an explosion.

We will not cover loss or damage caused by a bushfire or grassfire within 48 hours of the start date of *your policy*, **unless:**

- *you* took out *your* insurance with us immediately after another insurance policy covering the same buildings or contents expired, without a break in cover
- *you* took out *your* insurance with us immediately after the risk passed to *you* as purchaser of *your buildings*
- *you* took out *your* insurance with us immediately after *you* signed a lease contract for *your buildings*.

Landslide or subsidence

We will cover *your buildings* or contents for loss or damage as a result of a landslide or subsidence.

We will only do this if the loss or damage occurs within 72 hours of:

- an earthquake or explosion
- a storm or *flood*, including rainwater or wind, **or**
- liquid escaping from a fixed pipe, or an object attached to a pipe, fixed gutter, fixed tank or a drain.

Storm, flood, rainwater or wind

We will cover *your buildings* or contents for loss or damage as a result of storm, *flood*, rainwater or wind.

We will not cover loss or damage as a result of *flood* within 14 days (336 hours) of the start date of this policy, **unless:**

- *you* took out insurance with *us* immediately after another insurance policy covering *flood* and insuring the same building or contents expired, without a break in cover.

We will not cover loss or damage caused by a named cyclone within 48 hours of the start date of *your policy*, **unless:**

- *you* took out *your* insurance with *us* immediately after another insurance policy covering the same buildings or contents expired, without a break in cover
- *you* took out *your* insurance with *us* immediately after the risk passed to *you* as purchaser of *your buildings*
- *you* took out *your* insurance with *us* immediately after *you* signed a lease contract for *your buildings*.

We will not cover:

- swimming pool covers, **including:**
 - solar covers and plastic liners.
- water entering *your buildings*:
 - through an opening made for any building, renovation or repair work
 - because of a structural defect, faulty design or faulty workmanship when *your buildings* were constructed.
- free-standing fences made of corrugated fibrous material that do not have a supporting frame, **unless:**
 - they have been installed and constructed according to the manufacturer's specifications.
- free-standing gates, fences or walls that are made of timber and are more than 15 years old
- jetties, wharves, bridges or pontoons for damage by *flood*.

Theft or attempted theft

We will cover *your buildings* or contents for loss or damage as a result of theft or attempted theft.

We will not cover *your buildings* or contents for loss or damage as a result of:

- theft from any part of the buildings which *you* share with another person who is not insured under this policy
- theft by a tenant.

The theft or attempted theft must be reported to the Police.

See also Replacing keys and repairs to, and re-coding of locks and barrels, page 19 ►

Water or liquid damage

We will cover *your buildings* or contents for loss or damage caused by water or liquid. We will also cover the cost of finding where the water or liquid escaped from, including the cost of repairing any damage that occurs while looking for the cause.

We will not cover *your buildings* or contents for loss or damage caused by:

- landslide or subsidence, **unless:**
 - we agree to cover the *incident* as described under 'Landslide or subsidence'.
- water entering *your buildings*:
 - through an opening made for any building, renovation or repair work
 - because of a structural defect, faulty design or faulty workmanship when *your buildings* were constructed.

We will not cover the cost of repairing the item that caused the escape of water or liquid. Or the cost of fixing or finding leaks that have not caused loss or damage to *your buildings* or contents.

For Landslide or subsidence, see page 12 ◀

Additional cover included in this insurance

Your insurance includes a range of covers *we* refer to as ‘additional cover’. These covers are listed on the following pages. The additional cover *we* provide depends on whether *you* have a buildings policy, contents policy or a combined buildings and contents policy.

The amount *we* will pay for these covers is in addition to the *sum insured*, as listed on *your schedule*.

If *you* make a claim for an additional cover, *you* will not need to pay an *excess*.

Any cover *we* provide is subject to exclusions.

For exclusions to this cover, see pages 26–29 ►

Accounting fees for a tax audit

CONTENTS

If *your* personal financial affairs are audited by the Federal Commissioner of Taxation, *we* will cover any accountant’s fees that *you* must pay as a result, up to \$5,000 (inclusive of GST) during *your period of insurance*.

You must advise *us* of any such audit.

We will not cover claims for:

- any audit that relates to a criminal prosecution
- fees where the final assessment of *your* taxable income for the period being audited is 20 per cent higher than *your* original declaration
- fees for work performed outside the time limits allowed by the Federal Commissioner of Taxation
- any fines, penalties or adjustments of taxation.

Alternative accommodation BUILDINGS CONTENTS

If *your buildings* or contents suffer loss or damage and *you* are unable to live in *your home* as a result, we will cover the costs of alternative accommodation for up to 12 months.

The loss or damage must occur as a result of an *incident* we have agreed to cover.

If *you* have buildings insurance we will:

- pay an amount that is equal to the weekly rental value of *your buildings* before the *incident* occurred
- pay the reasonable costs of alternative accommodation for *your pets*.

The most we will pay is up to 10 per cent of the building sum insured, as listed on *your schedule*.

We will not cover this, or we will reduce the amount we pay if:

- *you* receive any payment for rent from another source
- *you* do not need to pay for alternative accommodation.

If *you* have contents insurance, we will pay the reasonable costs of alternative accommodation, up to 10 per cent of the contents *sum insured*, as listed on *your schedule*.

We will not cover this, or we will reduce the amount we pay if:

- we have paid *you* for rent following loss or damage to *your buildings*
- *you* receive any payment for rent or accommodation from another source
- *you* do not need to pay for alternative accommodation.

Contents in a commercial storage facility CONTENTS

We will cover *your contents* for loss or damage whilst they are in a commercial storage facility in Australia up to the total contents *sum insured*, as listed on *your schedule*.

You must tell us that *your contents* are in a commercial storage facility before they are put into storage and we must have agreed to cover them.

If we agree to cover *your contents* in a commercial storage facility, it will be listed on *your schedule*.

We will only cover *your contents* if the loss or damage occurs as a result of an *incident* we have agreed to cover.

We will not cover jewellery, money or negotiable documents.

Contents in transit

CONTENTS

We will cover *your contents* for loss or damage whilst they are being transported by a vehicle to *your home*, or to a commercial storage facility within Australia, up to \$10,000 (inclusive of GST) during *your period of insurance*.

We will only cover *your contents* if there is a theft following violent or forcible entry, or loss or damage occurs as a result of fire, collision or overturning of the vehicle that is transporting *your contents*.

We will not cover loss or damage:

- to glassware, crystal, crockery, mirrors or china, **or**
- caused by denting, scratching, chipping or bruising.

Credit card and transaction card misuse

CONTENTS

If *your* credit cards or financial transaction cards are:

- misused after they are lost or stolen, **or**
- fraudulently used on the internet

we will pay the financial institutions that issued them, up to \$5,000 (inclusive of GST).

We will only cover this if *you* have complied with the terms on which the credit cards or financial transaction cards were issued.

Debris removal and demolishing

BUILDINGS CONTENTS

We will cover the reasonable costs to demolish and remove any debris that results from loss or damage to *your buildings* or contents, up to 10 per cent of *your buildings* or contents *sum insured*.

The debris must occur as a result of an *incident* we have agreed to cover.

Document damage

CONTENTS

If documents kept in *your home* or in a bank vault suffer loss or damage, *we* will cover the costs to reproduce or restore them, up to \$1,000 (inclusive of GST).

This includes the costs to reproduce or restore the information contained on the documents.

Employees' belongings

CONTENTS

If *your* employees' belongings suffer loss or damage, *we* will cover the cost to repair or replace them, up to \$5,000 (inclusive of GST).

We will only cover *your* employees' belongings if the loss or damage occurs:

- as a result of an *incident we* have agreed to cover
- while *your* employees are working at *your home*, **and**
- while *your* employees are doing domestic work for *you*.

We will not cover contents that are already insured under another policy by someone other than *you*.

Funeral expenses

CONTENTS

If *you*, or any member of *your* family dies, *we* will cover the funeral costs, up to \$10,000 (inclusive of GST).

The death must occur:

- as a result of an *incident we* have agreed to cover
- within 12 months of the *incident*, **and**
- as a result of an *incident* that occurred at *your home*.

Guests' or visitors' belongings

CONTENTS

If contents belonging to *your* guests or visitors suffer loss or damage, *we* will cover the cost to repair or replace them, up to \$5,000 (inclusive of GST).

The loss or damage must occur as a result of an *incident we* have agreed to cover.

We will not cover contents that are already insured under another policy by someone other than *you*.

Legal costs in Australia

CONTENTS

We will cover any legal costs *you* are liable to pay following legal proceedings brought by *you* or against *you*, up to \$5,000 (inclusive of GST).

We will only cover legal costs and expenses that:

- occur during *your* current *period of insurance*
- *you* tell *us* about during *your* current *period of insurance*, **and**
- *we* have agreed to cover.

We will only pay this once during *your* *period of insurance*.

We will not cover legal costs and expenses relating to:

- spouse or partner disputes including, but not limited to, divorce, custody, child maintenance, or property disputes
- claims for death, bodily injury to, or disease of, any person
- claims where cover is available by a standard form of motor vehicle, home owners or householders, motorcycle, caravan or boat insurance
- any criminal charge or prosecution brought against *you*
- any road traffic offence or boating offence committed by *you*
- any matter arising out of *your* business or profession

- any matter arising out of any insurance cover required by legislation
- any award of damages against *you*
- any penalties, fines or awards of aggravated, exemplary or punitive damages made against *you*.

Modifications to your buildings

BUILDINGS

If *you* are injured as a result of loss or damage to *your* *buildings*, and the injuries lead to permanent paraplegia or quadriplegia, *we* will cover the cost of modifications to *your* *buildings* so *you* can live in them, up to \$10,000 (inclusive of GST).

The injury must occur as a result of an *incident* *we* have agreed to cover.

Mortgagee discharge costs

BUILDINGS

If *you* make a claim for the *total loss* of *your* *buildings*, *we* will cover any legal costs associated with the discharge of any mortgage *you* have left owing.

The *total loss* must occur as a result of an *incident* *we* have agreed to cover.

Rebuilding fees

BUILDINGS

If *your buildings* suffer loss or damage and need to be rebuilt as a result, *we* will cover the costs of employing an architect or surveyor, and also pay any legal fees that arise from the rebuilding, up to 10 per cent of *your buildings sum insured*.

The rebuilding must occur as a result of an *incident we* have agreed to cover.

Replacing keys and repairs to, and re-coding of locks and barrels

BUILDINGS CONTENTS

If a key to an external door or window lock of *your buildings* is stolen or lost, *we* will cover the reasonable costs to replace *your* keys and repair and re-code *your* locks and barrels.

The theft or loss of the keys must occur as a result of an *incident we* have agreed to cover.

The theft must be reported to the Police.

Sale of your home

BUILDINGS

If *you* have entered into a contract to sell *your home*, *we* will extend *your buildings* cover to the purchaser until:

- the contract settlement date
- the purchaser insures the home, **or**
- the purchaser becomes liable for damage to the home whichever happens first.

This cover will stop immediately if:

- the sale contract is terminated, **or**
- *your buildings* insurance comes to an end.

Security firm to monitor your home

CONTENTS

If *your* monitored burglar alarm system is set off as a result of a theft or an attempted theft, *we* will cover the costs of a security firm to attend *your home*, up to \$1,000 (inclusive of GST).

We must agree to cover the theft or attempted theft.

We will not cover this when there is:

- a false alarm, **or**
- no evidence of an attempted burglary.

Storage costs

CONTENTS

If the buildings *you* live in suffer loss or damage and *you* are unable to live in them as a result, *we* will cover the reasonable costs to remove and store *your contents* for up to 12 months.

The loss or damage must occur as a result of an *incident we* have agreed to cover.

We will also cover *your contents* while they are in storage.

Sum insured

BUILDINGS CONTENTS

If *we* agree to pay *you* for a loss to *your buildings* or contents *we* will increase *your sum insured* for buildings or contents by the amount the Consumer Price Index (all groups) has increased since *you* took out *your policy*.

However, *we* will not increase *your sum insured* for special contents.

You will be fully insured again for *your buildings* or contents for the amounts shown on *your schedule*, **unless:**

- *your* claim is for a *total loss* and *we* pay *you* the *sum insured*, then *your policy* comes to an end, subject to any continuing liability cover and no refund of *your premium* is due.

See also Liability cover – when your buildings are a total loss, page 22 ►

Trees, plants and shrubs replacement

BUILDINGS

We will cover the cost to replace any trees, plants or shrubs that are stolen, burnt, maliciously damaged, or damaged by a vehicle, up to \$1,500 (inclusive of GST) during *your period of insurance*.

We will not cover loss or damage to a lawn.

Veterinary expenses

CONTENTS

If *your pet* is injured as a result of a road accident, *we* will cover the veterinary expenses, up to \$500 (inclusive of GST).

Liability cover included in this insurance

We will cover *your* legal liability as a result of an *incident* that causes loss or damage to someone else's property, or death or bodily injury to other people, during *your period of insurance*.

We will also cover claims in connection with *your* position as a committee member during *your period of insurance*.

Any cover we provide is subject to exclusions.

For exclusions to this cover, see pages 26–29 ►

Liability cover – general

BUILDINGS CONTENTS

The most we will pay for all liability claims under this policy is \$20,000,000 (including GST).

This amount includes any legal costs that must be paid to defend the claim and any costs awarded against *you*.

If *you* have insured *your buildings*, including *strata title* or a similar scheme, we will cover *you* for the amount *you* have to pay as owner or occupier of the buildings.

If *you* have insured *your contents* and live in a rental building, we will cover *you* for the amount *you* have to pay as owner of *your contents*, or occupier of the building.

If *you* have insured *your contents* and *you* own part of the building that has been subdivided, we will cover *you* for the amount *you* have to pay as owner of *your contents*, or occupier of *your* part of the building.

If *you* have insured *your contents*, other valuables or special valuables, we will cover *you* for the amount *you* have to pay for any *incident* that happens:

- anywhere in Australia
- anywhere in Australia in connection with *your* position as a committee member of a sporting or social club,

however:

- we will not pay if *you* receive more than \$1,000 per year for holding that position.
- anywhere in the world for 90 consecutive days, starting from the time *you* leave Australia.

We will not cover *you* for any amount *you* have to pay as owner or occupier of *your buildings*.

If *you* have insured *your contents*, we will cover *you* for any amounts *you* have to pay for any *incident* that happens anywhere in Australia arising out of the use of:

- a watercraft that is less than 4 metres long and is not powered by a motor, or is powered by a motor less than 10hp, **unless:**
 - the watercraft is a jet ski.
- unregistered motorcycles or mini-bikes up to 125cc, which do not require registration by law, **unless:**
 - they are being used for racing or pacemaking.

Liability cover – when your buildings are a total loss

BUILDINGS

If *your buildings* are a *total loss*, we will continue liability cover for any amount *you* have to pay as owner or occupier of the buildings for up to six months from the date *your buildings* were destroyed.

This cover will stop immediately if:

- construction commences at the home
- *you* sell the land, **or**
- *you* take out a new buildings insurance policy for the home.

Liability cover – for committee members

CONTENTS

We will pay for claims made against *you* for an alleged or actual act or omission during any one *period of insurance*.

We will only pay for *your* liability in connection with *your* position as a committee member of a sporting or social club. The most we will pay, including legal costs, is \$10,000 (inclusive of GST) during any one *period of insurance*.

We will not cover *you* if *you* receive more than \$1,000 per year for holding this position.

This cover does not apply to liability claims for loss or damage to someone else's property, or death or bodily injury to other people.

Optional cover you can add to your policy

You can broaden the scope of *your* cover by adding any of the following options. *You* will need to apply for this cover and pay an additional *premium*. Any options that *we* agree to add to *your policy* will be listed on *your current schedule*.

Any cover *we* provide is subject to exclusions.

For exclusions to this cover, see pages 26–29 ►

Domestic workers' compensation

If *you* employ a person to do work around *your home* such as cleaning or gardening, *you* can add cover for the amount *you* are liable for if they are injured while working for *you*, subject to the relevant legislation in *your State or Territory*.

If *you* choose this option, it will be listed on *your schedule* as 'Domestic workers' compensation'.

You will need to check with *your* local Workers' Compensation Authority as this cover may be compulsory.

The cover only applies to employees doing domestic work for *your* household and will not cover any person that is working for *you* in *your* business, profession, trade or occupation or if *you* are a landlord.

An *excess* may apply to this option.

To find out who the insurer is for this option, see inside back cover ►

Other valuables

With this option *you* can nominate an overall amount *we* will pay for *accidental loss or damage* to *your* valuables:

- anywhere in Australia and New Zealand, **and**
- anywhere in the world for up to 90 consecutive days from the time *you* leave Australia without listing them individually.

Valuable items we cover are listed below:

- jewellery and watches
- items that contain gold or silver (this does not include items thinly covered with gold or silver)
- furs
- collections of stamps, money or medals
- battery-powered items as listed below:
 - audio visual equipment
 - camera equipment, including accessories and unprocessed film, unless they are being used underwater, or to earn *your* income
 - electronic diaries
 - GPS
 - mobile or portable phones
 - portable computers.
- *sporting equipment*, unless it is being used.

Your valuable items do not include:

- unset precious/semi-precious stones
- items thinly covered with gold or silver
- motor vehicles, motorcycles, mini-bikes, caravans, trailers or aircraft or accessories, or spare parts of any of these items
- watercraft more than four metres long
- watercraft less than four metres long that is powered by a motor of more than 10hp.

The most *we* will pay for this option is the amount *you* nominate, as listed on *your schedule* under 'Other valuables'.

There are also set maximum amounts that *we* will pay when *you* make a claim.

Valuables	The most we will pay
Any one item, pair, set, collection or system of valuables including <i>sporting equipment</i>	\$2,500 (inclusive of gst) per item, pair, set, collection or system
Battery-powered items	\$2,500 (inclusive of gst) per item
any one item, pair, set, collection or system of <i>sporting equipment</i>	\$3,000 (inclusive of GST) per item, pair, set, collection or system

This option is:

- not available for office and surgery equipment
- only available for contents policies.

No excesses apply to this option.

Special valuables

With this option *you* can nominate an individual amount *we* will pay for *accidental loss or damage* to any one item, pair, set, collection or system of valuables:

- anywhere in Australia and New Zealand, and
- anywhere in the world for up to 90 consecutive days from the time *you* leave Australia.

The most *we* will pay for this option is the individual amount *you* nominate, as listed on *your schedule* under ‘Special valuables’.

This option is:

- not available for office and surgery equipment
- only available for contents policies.

No excesses apply to this option.

For a list of valuable items we cover, and a list of items we do not include as valuables, see Other valuables, page 24 ◀

Strata Title Mortgagee Protection

With this option *we* will cover the amount *you* must pay to settle *your* mortgage following loss or damage to buildings that *you* own under a *strata title* or similar plan.

If *you* choose this option the individual amount *you* nominate and any excesses that apply will be listed on *your schedule* under ‘Strata Title Mortgagee Protection’.

We will pay up to the amount *you* owe on *your* mortgage, but no more than the *sum insured*, as listed on *your schedule*.

We will pay this amount to *your* mortgagee when *you* are required to pay *your* mortgagee in full, **however:**

- the loss or damage must occur as a result of an *incident* *we* have agreed to cover.

We will only pay this when the body corporate:

- has not insured the buildings, **or**
- has not insured the buildings for loss or damage *you* can claim for under this policy.

This option is available:

- for contents policies, **or**
- as a stand alone policy.

An *excess* may apply to this option.

Exclusions to your cover

Any cover we provide is subject to the following exclusions.

Accidental Damage cover, additional cover and Strata Title Mortgagee Protection exclusions

We will not cover any loss or damage as a result of, or caused by:

- settling, shrinkage or any movement of earth
- erosion, rust, corrosion, gradual deterioration, depreciation, wear or tear
- rats, mice or insects
- roots from trees, plants, shrubs or grass
- any process of cleaning involving the use of chemicals other than domestic household chemicals
- a defect in an item, structural defects, or faulty workmanship or design
- breakage of mirrors, glassware, crystal, crockery or china while they are being used, cleaned or carried by hand
- malicious damage or vandalism by a tenant
- deliberate or intentional acts by a tenant
- theft by a tenant
- theft from any part of the buildings which *you* share with another person who is not insured under this policy
- mechanical or electrical breakdown other than an electric motor burning out, **unless:**
 - the breakdown results in loss or damage to *your buildings* or contents.
- landslide or subsidence, **unless:**
 - we agree to cover the *incident* as described under ‘Landslide or subsidence’.
- water entering *your buildings*:
 - through an opening made for any building, renovation or repair work
 - because of a structural defect, faulty design or faulty workmanship when *your buildings* were constructed.

Other valuables and special valuables cover exclusions

We will not cover any loss or damage as a result of, or caused by:

- rust, corrosion, gradual deterioration, depreciation, wear or tear
- a defect in an item
- rats, mice or insects
- any process or cleaning involving the use of chemicals other than domestic household chemicals
- mechanical or electrical breakdown other than an electric motor burning out, **unless:**
 - the breakdown results in loss or damage to *your buildings* or contents.

Liability cover exclusions

We will not cover any:

- personal injury to *you*, or any member of *your* family who normally lives with *you*, or anyone else who normally lives with *you*
- personal injury to any person *you* employ where that injury arises from their employment with *you*
- loss or damage to property that belongs to *you*, or is under *your* control, or any member of *your* family who normally lives with *you*, or anyone else that normally lives with *you*
- loss or damage to property that belongs to any person *you* employ where that loss or damage arises from their employment with *you*
- penalties, fines or awards of aggravated, exemplary or punitive damages made against *you*
- loss that can be reimbursed by *your* sporting or social club.

We will not cover any liability as a result of, or arising from:

- any alterations, repairs, renovations or additions to *your buildings* that cost more than \$75,000 (inclusive of GST)
- any personal profit or advantage that is illegal.

We will not cover any liability as a result of, or arising from:

- any disease that is transmitted by *you*, or any member of *your* family who normally lives with *you*
- any business, profession, trade or occupation carried out by *you*,
unless:
 - the liability is as a result of, or arising from, *you* acting as a committee member of a sporting or social club and *you* receive no more than \$1,000 per year for holding this position.
- any agreement or contract *you* enter into, **however:**
 - if *you* would have been liable without the agreement or contract, *we* will pay for that liability.
- the use, removal of, or exposure to any asbestos product or products containing asbestos
- a conflict of duty or interest
- any act or omission that is dishonest, fraudulent, criminal, wilful or malicious
- any alleged or actual act or omission committed, or alleged to have been committed, prior to the commencement of the policy
- the use of a caravan or trailer when the caravan or trailer is attached to a motor vehicle or motorcycle

- the use of a motor vehicle, motorcycle, mini-bike, aircraft or watercraft, however we will cover liability that arises from:
 - unregistered motorised golf buggies, ride-on mowers and wheelchairs
 - model or toy aircraft
 - surfboard, sail board or surf skis
 - a watercraft that is less than 4 metres long and is not powered by a motor, or is powered by a motor less than 10hp
 - unregistered motorcycles or mini-bikes up to 125cc that do not require registration by law, unless they are being used for racing or pacemaking.
- anything nuclear or radioactive
- mildew, atmospheric or climatic conditions
- damage to a heating element, **however:**
 - we will pay for any loss or damage as a result of damage to a heating element.
- failure or inability of any item, equipment or computer software to recognise correctly, to interpret correctly or to process correctly any date, or to function correctly beyond any time when that item, equipment or computer software has not recognised, interpreted or processed correctly any date, **unless:**
 - it results in loss or damage to *your buildings* or contents that is covered under this policy. This does not include resultant loss or damage to any frozen food, computer equipment or computer software.

General exclusions

We will not cover any loss or damage, or liability as a result of, or arising from:

- any *incident* that does not occur within *your period of insurance*
- landslide or subsidence, **unless:**
 - we agree to cover the *incident* as described under ‘Landslide or subsidence’.
- war or warlike activity, **however:**
 - war does not need to be declared.
- hostilities, rebellion, insurrection or revolution
- contamination by chemical and/or biological agents, which results from an act of *terrorism*
- lawful destruction or confiscation of *your* property
- deliberate or intentional acts by *you*, or anyone acting for *you*, to cause loss, damage or injury
- storm surge
- erosion, the action of the sea, tidal wave or high water, **unless:**
 - the loss or damage is the result of a tsunami.

Your responsibilities *to us*

Your duty of disclosure

When *you* take out, renew, or change or vary a policy, *you* have a duty to answer *our* questions truthfully and provide *us* with any information that could affect *our* decision to insure *you*, or the terms of *your* policy. This is called *your* ‘duty of disclosure’.

What you must tell us when you apply to take out this policy

When applying to take out insurance we will ask *you* certain questions. When answering these questions, *you* must be honest, and *you* have a duty under the *Insurance Contracts Act 1984* to tell *us* anything:

- known to *you*, **and**
- which a reasonable person in the circumstances would include in answer to any question.

We will use *your* answers to help *us* decide whether to insure *you* and anyone else under this policy, and on what terms.

Who you are answering the questions for

It is important that *you* understand *you* are answering the questions in this way on behalf of yourself and anyone else that *you* want to be covered by the policy.

If you do not answer our questions in this way

If *you* do not answer *our* questions in this way, *we* may reduce or refuse to pay a claim, or cancel the policy, or do both. If *you* answer *our* questions fraudulently, *we* may refuse to pay a claim and treat the policy as never being in place.

Renewal, variation, reinstatement or extension of your policy

When *your policy* is renewed, varied, reinstated or extended *you* have a duty, under the *Insurance Contracts Act 1984*, to tell *us* anything that *you*:

- know, **or**
- could reasonably be expected to know, **and**

is relevant to *our* decision whether to accept the risk of insurance and, if so, on what terms.

Your duty does not require disclosure of anything that:

- diminishes the risk to be undertaken by *us*

- is of common knowledge
- *we* know or, in the ordinary course of business, ought to know, **or**
- is a matter that *we* indicate *your* duty has been waived by *us*.

If you do not comply with your duty of disclosure

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 *we* may cancel the policy, or do both.

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

Your responsibilities when you are insured with us

In addition to *your* duty of disclosure, there are other responsibilities that *you* must meet when *you* are insured with us.

You must tell us if:

- *your buildings* will be unoccupied for a continuous period of 60 days or more
- any changes have been made to:
 - the address or location where *your buildings* or contents are insured
 - the use of *your buildings*
 - *your buildings* due to renovation, extensions or demolition
 - the people who are insured under this policy
 - the sums insured to *your buildings* or contents.
- any people who are insured under the policy have:
 - been convicted of any criminal offence
 - made a claim that is not true under this policy or another insurance policy.
- there are any changes in circumstances during the *period of insurance*.

If *you* tell us about any of these things, we may charge an additional *premium*, change the cover of *your policy*, impose *special conditions*, or cancel *your policy*.

In addition, *you* must also:

- be truthful and frank in any statement *you* make in connection with *your policy*
- pay *your premium*, including paying instalments regularly
- take reasonable precautions to avoid a claim being made
- obey all laws and make sure anyone acting on *your* behalf obeys all laws
- follow the conditions of this policy
- not make a fraudulent claim under this insurance policy or any other policy.

Your responsibilities when you are making a claim

When *you* make a claim *you* must meet a number of responsibilities.

You must:

- be truthful and frank in any statement *you* make in connection with a claim
- take safe and reasonable steps to prevent any further loss, damage or liability occurring
- inform the Police as soon as possible if *your buildings* or contents suffer loss or damage as a result of theft or attempted theft, vandalism or a *malicious act*
- keep all damaged buildings or contents so *we* can inspect them if required
- give *us* any information or assistance *we* require to investigate and process *your* claim
- not pay or promise to pay for a claim, or admit responsibility for a claim
- not repair or replace any damaged buildings or contents without *our* consent.

In addition, you also give us your rights to claim from anyone else:

- if *you* have a right to claim from anyone else for an *incident* covered by *us*, *you* give *us your* rights to make that claim, to conduct, defend or settle any legal action and to act in *your* name – *you must not do anything which prevents us from doing this and you must give us all the information and cooperation that we require.*

If you do not meet your responsibilities

If *you* do not meet *your* responsibilities, *we* may refuse or reduce a claim, cancel *your policy*, or do both. If *we* cancel *your policy* *we* will advise *you* in writing.

***Our commitment to
you***

The General Insurance Code of Practice

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

The objectives of the Code are:

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

Our commitment to you

We have adopted and support the code and are committed to complying with it.

Please contact *us* if *you* would like more information about the Code.

See back cover for contact details

Our guarantee

Our guarantee assures *you* of quality insurance and service at all times.

Fair dealing guarantee

We will meet any claims covered by *your policy* fairly and promptly.

Service guarantee

We will provide *you* with the highest standard of service.

Money back guarantee

If *you* change *your* mind, we provide a cooling-off period which lets *you* cancel *your policy* within 21 days with a full refund of *your premium*. However, *your* cooling-off period no longer applies if *you* make a claim within this time.

How we handle your personal information

We are committed to handling *your* personal information in accordance with the *Privacy Act*.

We need to collect, use and disclose *your* personal information in order to consider *your* application and to provide the cover *you* have chosen.

You can choose not to give *us* some or all of *your* personal information, but this may affect *our* ability to provide *you* with cover.

When you provide your personal information to us

You acknowledge and consent to *us* collecting and using *your* information to:

- consider *your* insurance application and any subsequent application for insurance
- underwrite and price any policy issued by *us* or *our* related entities
- calculate and offer discounts
- issue *you* with a policy
- administer the policy, **and**
- investigate, assess and pay any claim made by or against *you*.

For these purposes, *you* acknowledge and consent to *us* collecting *your* personal information from, and disclosing it on a confidential basis to *your* intermediary* or the third party who *you* have been dealing with in respect to this insurance policy and who referred *you* to *us*, other insurers,

our related entities, insurance reference bureaus, law enforcement agencies, investigators and recovery agents, lawyers, any credit provider that has security over *your* property, assessors, repairers, suppliers retained by *us* to supply goods and services, advisers, and/or the agent of any of these.

*The intermediary is a company or individual through which *you* purchased this insurance, or the company named on the inside front cover of this booklet.

When you provide personal information to us about another person

You must be authorised to do so, and *you* must inform that person, unless informing them would pose a serious threat to the life or health of any individual:

- who *we* are
- how *we* use and disclose their information, **and**
- that they can gain access to that information.

Privacy of your personal information – for marketing purposes

In order to enhance its relationship with *you*, *your* intermediary may use *your* personal information that *you* have provided *us* to offer *you* other products and services, which may be of benefit to *you*.

When you provide your personal information to us – for marketing purposes

You acknowledge and consent to *your* personal information being used on a confidential basis by *us* or *your* intermediary to contact *you* by mail, phone, or email to provide *you* information on offers, products and services or for planning, market research and product development.

In using *your* personal information for these marketing purposes, *we* and *your* intermediary may use and disclose *your* personal information to offer *you our* or *your* intermediary's products and services directly, or to any other organisation to carry out the above marketing purposes on *our* or *your* intermediary's behalf.

However:

- CGU Insurance Ltd (CGU Insurance) and *your* intermediary will not use *your* information in this way if *you* have already told CGU Insurance or *your* intermediary not to
- *you* must inform CGU Insurance or *your* intermediary if *you* do not want *your* personal information disclosed or used for these marketing purposes.

How to take out insurance

How to apply for insurance

- 1** If *you* are taking out a policy with *us* for the first time, contact *us* or *your* insurance adviser, or apply on line at hbf.com.au. *You* can also send correspondence to GPO Box 9902, in *your* capital city

If *we* agree to insure *you*, *we* will send *you* a *schedule* setting out the details of *your* *policy*.

- 2** Pay *your* *premium*

See *Your premium*, page 43 ►
See *Your responsibilities when you are insured with us*, page 30 ►

How to renew your insurance

- 1** If *you* already have a policy with *us*, *we* may send

you an offer to renew *your* insurance before *your* current policy expires

We will send *you* an updated *schedule* and quote a *premium* based on the information contained in *your* current policy.

If *you* have any questions, contact *us* or *your* insurance adviser

- 2** Review the proposed policy and *premium* *we* offer

If *you* paid *your* last *premium* by instalments, *we* will continue to deduct payments from *your* nominated account. If *you* paid *your* last *premium* in one lump sum, *we* must receive *your* payment by the due date, otherwise *your* *buildings* or *contents* will not be insured.

- 3** Pay *your* *premium*

See *Your premium*, page 43 ►

How to cancel your policy

- 1** If *you* want to cancel *your* policy, contact *us* or *your* insurance adviser

We may need *your* request in writing. If *you* cancel *your* policy before it ends, *we* will refund an amount for the unused *premium*.

How to change your policy

- 1** Contact *us* or *your* insurance adviser to change or vary *your* policy

You will be sent an *endorsement schedule* that includes any changes or variations *you* have requested and *we* have agreed to, and any *special conditions* *we* may have applied to that agreement.

- 2** Check the changes

- 3** Pay *your* premium if it has increased

We will tell *you* if *your* premium has increased. If *you* pay *your* premium by instalments, *we* will adjust *your* instalments and continue to deduct the new amount from *your* nominated account. If *you* pay *your* premium in one lump sum, *we* must receive *your* additional payment within one month.

If you move to a new home

1 If *you* have buildings insurance and *you* move permanently to a new home within Australia

The cover for *your* original home will end and *we* will refund any unused *premium* to *you*. *We* will provide *you* with temporary cover for 14 days at *your* new home.

If *you* would like to continue to insure *your buildings* with *us*, contact *us* or *your* insurance adviser as soon as possible.

We will advise *you* if there are any changes to *your premium* or the terms of *your* insurance.

2 If *you* have contents insurance and *you* move permanently to a new home within Australia

We will cover *your contents* at both *your* original home and *your* new home for 14 days, starting from the date *you* start moving *your contents* to *your* new home.

You must tell *us* that *you* are permanently moving *your contents* to a new home within 14 days from the day *you* first start to move.

We will advise *you* if there are any changes to *your premium* or the terms of *your* insurance.

Your premium

1 How we calculate *your premium*

We will base *your premium* on the type of cover *you* have chosen, including any options that *you* have added, *your sum insured*, the *excess*, the type, location, construction and age of *your buildings* or contents, the level of security *you* have, *your previous insurance* and claims history, and any *special conditions* that we have applied.

Premiums are also subject to Commonwealth and State taxes and/or charges. These include the Goods and Services Tax and stamp duty.

Your premium, including any taxes and charges, will be listed on *your schedule*.

2 How to pay *your premium*

You can pay *your premium* in one lump sum, or by instalments.

If *you* pay *your premium* in one lump sum, *you* can pay by cash, cheque or credit card.

If *you* pay *your premium* by instalments, *you* can pay by credit card or by direct debit from a financial institution.

We may cancel *your policy* if:

- *you* do not pay *your premium*
- *your* cheque or credit card is dishonoured by *your* financial institution, **or**
- *you* pay *your premium* by instalments and *you* are more than one month behind.

We may refuse to pay a claim if:

- *you* pay by instalments and at least one instalment of the *premium* has remained unpaid for a period of at least 14 days.

Your excess

An *excess* is the amount *you* pay when *you* make a claim on *your* *policy*. The amount and type of *excess* that may apply to *your* *policy* is shown on *your* current *schedule* and in this PDS. In most instances *you* can select, at the time of *your* enquiry or application for insurance, the amount of the *excess* *you* wish to pay should *you* make a claim. When *you* select a higher *excess* amount *we* will normally reduce the amount of

the *premium* *you* will have to pay. *We* take into consideration a number of factors in setting the amount of the *excess*. These include factors relating to the type of property being insured, where the property is located, the type of construction and *your* previous insurance and claims history. At the time of *your* enquiry or application for insurance, the amount of the *excess* will be advised to *you*.

How to make a claim

How to make a claim

1 Make sure *you* have all the information *you* need to support *your* claim

We will need:

- contact details of any other people involved in the *incident*, including their name, current residential address and who they are insured with
- any letters, notices or court documents about the *incident* within 72 hours of receiving them
- the *incident* report number for any claims in relation to theft or attempted theft, vandalism or a *malicious act*:
 - the Police will provide *you* with this number when *you* report the *incident* to them.

2 Contact *us* or *your* insurance adviser to make a claim

You need to make *your* claim as soon as possible.

Any delays may:

- reduce the amount that *we* pay,
or
- prevent *us* from paying a claim.

We will give *you* immediate advice and assistance with *your* claim, 24 hours a day, 7 days a week.

We will ask *you* a range of questions to help *us* assess *your* claim. We may:

- ask *you* to provide *us* with proof of ownership
- need to inspect *your buildings* or contents
- need quotations from a repairer.

3 If *you* need emergency repairs

If *you* need to make emergency repairs, *we* will arrange assistance through *our* preferred repairers and suppliers.

How we settle a buildings claim

1 We will decide how we will settle *your* claim

If *your buildings* suffer loss or damage, we will decide whether to:

- repair
- rebuild, **or**
- pay *you* the cost to repair or rebuild that part of *your buildings* that suffered loss or damage.

If we do, we will:

- pay *you* up to the buildings *sum insured*, as listed on *your schedule*
- only repair, rebuild or pay *you* for the part or parts of the building that actually sustained loss or damage, including damaged portions of fixed coverings to walls floors and ceilings only in the room, hall or passage where the damage occurred
- try to match any material used to repair *your buildings* with the original materials or nearest equivalent available to the original materials
- repair or pay *you* the costs to repair *your buildings* if the loss or damage was caused by water or liquid that escaped from a bath, basin, sauna, spa, shower base or shower wall, **however:**
 - we will not pay the costs to repair or replace the bath, basin, sauna, spa, shower base or shower wall.

When we settle *your* claim, the law that will apply is the law of the state or territory where the loss, damage or liability occurred.

2 You must pay any *excess* that applies

If *you* make a claim, *you* will need to pay any excesses that apply.

If *you* are claiming for any loss or damage that occurs as a result of an earthquake or tsunami, *you* will need to pay an additional *excess* of \$250.

This loss or damage must occur within 72 hours of the earthquake.

For the excess that may apply, see your current schedule

You must pay any *excess* to us, or to the builder:

- we will tell *you* who to pay the *excess* to.

If we choose to pay *you*, we may deduct the amount of *excess* from the amount we settle *your* claim for.

3 If *we* decide to repair or rebuild *your buildings* and *your current schedule* shows 'including replacement benefit'

We will repair or rebuild the part of *your buildings* that suffered the loss or damage to a condition as close as possible to when new, but not better.

If *we* rebuild *your buildings*, *we* will also pay the amounts that *you* need to pay to ensure *your buildings* comply with government legislation and local authority bylaws, **unless**:

- *you* were required to pay these amounts before the loss or damage occurred, and *you* did not do so.

You can choose *your own* repairer or tradesman or *we* can help *you* find one.

If *we* authorise repairs, *we* will deal directly with the repairer or tradesman about payment.

4 If *we* decide to repair or rebuild *your buildings* and *your current schedule* does not show 'including replacement benefit'

We will:

- repair *your buildings* to the condition they were in just before the loss or damage occurred
- pay *you* the cost of repairing *your buildings* to the condition they were in just before the loss or damage occurred, **or**
- pay *you* what the value of the land and *your buildings* was just before the loss or damage occurred, after deducting the amount *we* estimate as the value of *your* land and buildings after the loss or damage occurred.

5 After we agree to settle a claim

The repair or rebuilding work on *your buildings* must start within six months of the loss or damage occurring, otherwise *you* will have to pay any increase in cost caused by the delay.

If the work does not commence in this period, *we* will do one of the following:

- repair *your buildings* to the condition they were in just before the loss or damage occurred
- pay *you* the cost of repairing *your buildings* to the condition they were in just before the loss or damage occurred, **or**
- pay *you* what the value of the land and *your buildings* was just before the loss or damage occurred, after deducting the amount *we* estimate as the value of *your* land and buildings after the loss or damage occurred.

6 If *your* building is a total loss

We will pay *you* the *sum insured* for *your buildings*, as listed on *your schedule*, after deducting:

- any *excess*
- any unpaid *premium*, **and**
- any input tax credit *you* would have been entitled to under *A New Tax System (Goods and Services Tax) Act 1999* if *you* had paid to repair or rebuild *your buildings*.

If *we* pay *you* the *sum insured*, then *your policy* comes to an end, subject to any continuing liability cover and no refund of *your premium* is due.

See also Liability cover – when *your buildings* are a total loss, page 22 ◀

How we settle a contents or valuable items claim

1 We will decide how we will settle *your* claim

If *your contents* or valuable items suffer loss or damage, we will decide whether to:

- repair an item
- replace an item, **or**
- pay *you* the cost to repair or replace the item.

If we do, we will pay up to:

- the contents or valuables *sum insured* in total, as listed on *your schedule*, **and**
- the maximum amount per item, set, pair, collection or system.

If the item is part of a pair, set, collection or system, we will only cover the value of the item itself,

however:

- the most we will pay is the value of the item as a proportion of the combined pair, set, collection or system.

To find out what we will pay, see page 9 ◀

2 You must pay any *excess* that applies

If *you* make a claim, *you* will need to pay any excesses that apply.

If *you* are claiming for any loss or damage that occurs as a result of an earthquake or tsunami, *you* will need to pay an additional *excess* of \$250.

This loss or damage must occur within 72 hours of the earthquake.

You must pay any *excess* to us, or to the supplier or repairer – we will tell *you* who to pay the *excess* to.

If we choose to pay *you*, we may deduct the amount of *excess* from the amount we settle *your* claim for.

For the excess that may apply, see your current schedule

3 If *we* decide to repair *your contents* or valuable items

We will repair the damaged item to the condition it was when new.

If the item *we* are repairing is part of a pair, set, collection or system, *we* will only cover the part of the pair, set, collection or system that was damaged.

4 If *we* decide to replace *your contents* or valuable items

We will replace the item with the nearest equivalent new item.

We will only replace wall, floor and ceiling coverings, including carpets, internal blinds and curtains, in the room, hall or passage where the loss or damage occurred.

We will not pay to re-carpet adjoining rooms, or *your* entire home.

Any salvage becomes *our* property.

5 If *we* decide to pay *you* the cost to repair or replace *your contents* or valuable items

We will pay *you* the fair and reasonable costs to repair or replace *your contents* or valuable items as described in Steps 1, 3 and 4, after deducting:

- any *excess*, **and**
- any input tax credit *you* would have been entitled to under *A New Tax System (Goods and Services Tax) Act 1999* if *you* had paid to repair or replace *your contents* or valuable items.

We will only pay the cost of replacing an item that is part of a pair, set, collection or system, even though the pair, set, collection or system to which it belongs is less valuable because it is incomplete.

Any salvage becomes *our* property.

6 If *we* decide to settle a claim

We will reduce any payment for damage to, or loss of, an other valuables or special valuables item by the amount *we* pay *you* for the same item under contents cover.

Claim payment examples

These claim payment examples show *you* how a claim settlement may be calculated based on some practical scenarios. Any actual claim settlement amount will depend upon the facts of each case.

Claim Example 1	
Policy type	Building insurance
Buildings <i>sum insured</i>	\$250,000
Optional cover	None
Basic excess	\$500
Loss or damage	Storm damage to <i>your</i> roof.
How we settle <i>your</i> claim	<ul style="list-style-type: none"> • We arrange for a builder to repair <i>your</i> roof for \$3,000. • We pay the builder \$2,500. • We ask <i>you</i> to pay the builder the \$500 basic excess.

Claim Example 2	
Policy type	Contents insurance
Contents <i>sum insured</i>	\$75,000
Optional cover	None
Basic excess	\$500
Loss or damage	Theft of <i>your</i> plasma television from inside <i>your</i> home.
How we settle <i>your</i> claim	<ul style="list-style-type: none"> • We pay the supplier \$2,300. • We ask <i>you</i> to pay the supplier the \$500 basic excess.

Claim Example 3	
Policy type	Building and contents insurance
Buildings <i>sum insured</i>	\$200,000
Contents <i>sum insured</i>	\$75,000
Optional cover	None
Basic <i>excess</i>	\$500
Loss or damage	<i>Your buildings</i> and contents are damaged by fire. <i>We</i> agree that <i>you</i> are unable to live in <i>your home</i> and <i>you</i> require temporary accommodation.
How we settle <i>your claim</i>	<ul style="list-style-type: none"> • <i>We</i> choose to pay <i>you</i> directly for the damage: • <i>We</i> settle <i>your claim</i> for \$59,500 as follows. <ul style="list-style-type: none"> – Buildings repairs \$34,000 – Contents replacement \$15,000 – Costs for temporary accommodation \$10,500 – <i>We</i> ask <i>you</i> to pay the builder the basic <i>excess</i> \$500 – Total \$59,500.

Claim Example 4	
Policy type	Specified valuables option
Item <i>sum insured</i>	18ct white gold diamond engagement ring – \$10,000
Loss or damage	<i>You</i> lose <i>your</i> engagement ring while swimming at the beach.
How we settle <i>your claim</i>	<ul style="list-style-type: none"> • <i>We</i> pay the jeweller \$10,000 to replace <i>your</i> ring. No <i>excess</i> is applicable.

Claim Example 5	
Policy type	Contents insurance
Content item limit	\$20,000
Basic <i>excess</i>	\$500
Loss or damage	Persian rug damaged beyond repair.
How we settle <i>your claim</i>	<p>The rug costs \$30,000 to replace:</p> <ul style="list-style-type: none"> • <i>We</i> pay <i>you</i> the item limit of \$20,000 • Less the \$500 basic <i>excess</i>. <p>Total payment to <i>you</i> is \$19,500.</p>

How to resolve a complaint or dispute

1 Talk to *us* first

If *you* have a complaint, the first thing *you* or *your* insurance adviser should do is speak to a staff member in the area concerned. If *your* complaint relates specifically to a claim, speak with the claims officer managing *your* claim.

If the staff member or claims officer are unable to resolve the matter for *you*, *you* or *your* insurance adviser may speak to a manager. If *you* are not satisfied with the decision, *you* can go to step 2.

2 Seek a review

If the matter is still not resolved, the manager will refer *you* or *your* insurance adviser to the relevant internal dispute resolution area who will conduct a review of *your* dispute.

If *you* are still not satisfied with the decision, *you* can go to step 3.

3 Seek an external review

You are entitled to seek an external review of the decision. The dispute resolution area will provide *you* or *your* insurance adviser with information about the options available to *you*, such as referring *you* to the external dispute resolution scheme administered by the Financial Ombudsman Service (FOS).

Further information about the complaint or dispute resolution procedures is available by contacting *us*

See back cover for contact details

Financial claims scheme

You may be entitled to payment under the financial claims scheme in the event that CGU Insurance Limited becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from the Australian Prudential Regulation Authority (APRA) website at www.apra.gov.au and the APRA hotline on 1300 13 10 60.

Glossary

accidental loss or damage

damage to, loss or destruction of the buildings that make up *your home*, or *your contents* and valuable items, when it is caused by an unintentional act, or an unforeseen and uncontrollable *incident*.

endorsement schedule

a document that includes any information from the existing *schedule* that has not changed or varied, and confirms any alteration to the coverage, terms and conditions of *your policy*.

excess

the amount *you* pay when *you* make a claim on *your policy*. The amount and type of *excess* that may apply to *your policy* is shown on *your current schedule* and in this PDS.

fixtures and fittings

any household items or household equipment that are permanently attached to *your buildings*.

flood

flood means the covering of normally dry land by water that has escaped or been released from the normal confines of: (a) any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or (b) any reservoir, canal, or dam.

goods you use for earning your income

stock and tools of trade. *You* would normally receive a tax deduction for these items.

They do not include office and surgery equipment.

incident

a single occurrence or a series of occurrences, including an accident or

series of accidents, arising out of one event.

malicious act

an act done with intent and without *your* consent.

Office and surgery equipment

office and surgery equipment items that are normally needed in an office or surgery that *you* use for earning *your* income in *your own business*. *You* would normally receive a tax deduction for these items. They do not include tools of trade.

period of insurance

the length of time between the start date and end date of *your policy*, as listed on *your current schedule*.

pet

a domestic animal that *you* keep in *your home* or at *your home*.

premium

the total amount *you* pay for *your* insurance that includes applicable government taxes such as GST, and any duties or charges payable by *you*. It is shown on *your current schedule*. *You* can pay *your premium* annually in one lump sum, or by instalments.

schedule

your current schedule is a document outlining the details of *your* insurance cover. *Your schedule* may be called a policy, renewal or *endorsement schedule*.

special conditions

exclusions, restrictions or extensions to cover that are imposed on specific matters or people.

sporting equipment

equipment designed to be used in a leisure activity that involves some element of physical activity or competition,

excluding pedal cycles.

strata title

title under a *strata title* or similar community title scheme where separate parts of the scheme building(s) have a separate legal title. *Strata title* usually applies to high rise apartments, townhouses, villas or duplexes.

sum insured

your nominated replacement value at today's prices for *your buildings* or contents. This will be listed on *your schedule*.

Supplementary Product Disclosure Statement (SPDS)

a separate document that updates, corrects or adds to the information contained in this PDS.

terrorism

any act which may involve the use of, or threat of, force, violence or biological or chemical warfare, or nuclear pollution or contamination or explosion where the purpose of the act is to further a political, religious, ideological aim, or to intimidate or influence a government or any section of the public.

total loss

when *we* decide that it is uneconomical to repair or rebuild *you* buildings or contents.

unoccupied home

a home that no-one has lived in for 60 consecutive days or more.

us, we and our

refers to:

CGU Insurance Limited
ABN 27 004 478 371

you and your

the person or people named as the insured on *your current schedule*.

If more than one person is named as the insured, *we* will treat a statement, act, omission or claim by any one of these people as a statement, act, omission or claim by them all.

If *you* are making a claim, '*you*' also includes *your* domestic partner, *you* or *your* partner's unmarried children, and *you* or *your* partner's parents who normally live with *you*.

your buildings

buildings that *you* own or are legally responsible for.

your contents

contents that *you* own or are legally responsible for.

your home

where *your buildings* or contents are located. This includes any land or other area that touches *your home* and for which any statutory authority has made *you* responsible, but it does not include the nature strip outside *your home*. *Your home* is located at the situation shown on *your current schedule*.

your policy

the contract between *you* and *us* which provides *you* with insurance cover in exchange for a *premium*. *Your policy* is made up of two documents:

- this Product Disclosure Statement and policy booklet (PDS) and any supplementary PDS, **plus**
- *your current schedule*.

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The insurer – Domestic Workers' Compensation

If *your home* is in Western Australia, Tasmania or the Northern Territory, the insurer providing the Domestic Workers' Compensation optional cover is Insurance Australia Limited trading as CGU Workers Compensation, abn 11 000 016 722.

Intermediary Remuneration

CGU Insurance Limited pays remuneration to insurance intermediaries when *we* issue, renew or vary a policy the intermediary has arranged or referred to *us*. The type and amount of remuneration varies and may include commission and other payments. If *you* require more information about remuneration *we* may pay *your* intermediary, *you* should ask *your* intermediary.

Updating Product Disclosure Statement

Information in this Product Disclosure Statement (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.



Telephone Enquiries

133 423

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Saturday: 9am to 12pm

hbf.com.au

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GPO Box C101 Perth 6809

HBF Branch Hours

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*Saturday: 9am to 12.30pm

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21 Albany Highway
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Geraldton

Northgate Shopping Centre
Telephone 9920 8200

Metropolitan Branches

Perth

96 William Street

Belmont

Belmont Forum Shopping Centre

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Garden City Shopping Centre*

Cannington

Carousel Shopping Centre*

Fremantle

82 High Street

Hillarys

Whitford City Shopping Centre

Innaloo

Innaloo Shopping Centre

Joondalup

115 Grand Boulevard

Karrinyup

Karrinyup Shopping Centre*

Mandurah

32 Pinjarra Road

Midland

18/53 The Crescent

Morley

Galleria Shopping Centre*

Rockingham

Rockingham Shopping Centre

Subiaco

513 Hay Street

Success

Cockburn Gateway Shopping Centre