



*Landlords
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 – that's peace of mind!

Optional Extras

Flexible policy options so you can select the level of cover you want and you only pay for what you need.

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.

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.

Landlords 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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ABN 27 004 478 371
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GPO Box 9902
In your capital city
Enquiries: 131 532
Website: www.cgu.com.au

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About this insurance

Landlords Insurance

Landlords Residential Property Insurance provides cover for any *accidental loss or damage* to the buildings or contents that make up *your rental property*.

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

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 loss of *rent*, *rent default* and theft by a *tenant*, liability, *strata title* mortgagee protection and workers' compensation.

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

To find out what this policy covers, see page 6 ►

For exclusions to this cover, see pages 21–24 ►

Excesses that may apply when you make a claim

An 'excess' is *your* contribution towards the cost of a *claim*. We will tell *you* if *you* need to pay an *excess* when *you* make a *claim*.

The type of *excess* that applies to *your policy* and the amount of that *excess* will be listed on *your schedule*. *You* may need to pay more than one type of *excess* when *you* make a *claim*. *You* will only need to pay this amount once when *you* make a *claim*.

Your excess will be increased by \$250 for any loss or damage that occurs as a result of an earthquake or tsunami.

Your excess will be increased by \$400 for any loss or damage that occurs as a result of:

- *deliberate or intentional acts*, or vandalism or malicious acts by *your tenants* or their visitors
- *your tenant* leaving *your building*
- *your tenant* ceases to pay *rent*
- *your tenant* being evicted from *your buildings*, **or**
- the theft of any part of *your buildings* or contents by *your tenants* or their visitors.

When a *claim* is made for what we identify as one or more separate *incidents*, *you* will need to pay any *excesses* that apply for each separate *incident* we have identified.

Bond money we may deduct when you make a claim

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

What this policy covers

Buildings we will cover

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

Your buildings include:

- residential buildings, **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
- in built 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 written *rental agreement*, **unless**:
 - the building is listed under '*Your buildings include*' as above.
- building materials
- plants, shrubs, trees or grass
- lawns
- loose or compacted soil, gravel, pebbles, rocks or sand
- dams.

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 *you* own or are legally responsible for that are not fixed or fitted to *your buildings at your rental property*.

Your contents include:

- items thinly covered with gold or silver that are not jewellery or watches
- carpets, curtains or internal blinds
- *fixtures and fittings* that *you* have installed if *you* are the owner of a *strata title* unit, **unless:**
 - the body corporate or similar body has insured them.
- household goods
- furniture and furnishings that are not built in
- portable domestic appliances that are not built in
- swimming pools, saunas and spas that are not built-in and their accessories
- 'special contents', as listed on *your schedule*.

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
- jewellery and watches
- items that contain gold or silver, **unless:**
 - they are items thinly covered with gold or silver.
- furs
- collections of stamps, money or medals
- *sporting equipment*
- clothing and personal effects
- money and negotiable documents
- battery-powered items as listed below:
 - audio visual equipment
 - camera equipment, including accessories and unprocessed film
 - electronic diaries
 - GPS
 - mobile or portable phones
 - portable computers.
- pedal cycles, motorcycles, mini-bikes, caravans, trailers, aircraft, watercraft or motor vehicles, **unless:**
 - they are ride-on mowers.
- building materials.

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

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

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'.

Where your contents are covered

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

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 21–24 ►

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, **and**
- no bigger than 3.7 kilowatts (5 hp).

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.

Loss or damage by a tenant or their visitors

We will cover *your buildings* or contents for loss or damage caused by a *tenant* or their visitors, or their visitors *pets*.

We will only do this if the loss or damage occurs as a result of:

- accidental breakage of any fixed glass in *your buildings*, **including**:
 - any window tinting or shatter proofing material attached to the glass
 - fixed shower bases, basins, sinks, spas, baths and toilets.
- fire or explosion, as described on the previous page
- impact by a vehicle

- water or liquid that escapes from:
 - a fixed pipe or an object attached to a pipe, fixed gutter, fixed tank or a drain
 - a bath, basin, sauna, spa, shower base or shower wall, sink, toilet or tiled floor that has drainage holes
 - a washing machine or dishwasher
 - an aquarium
 - a waterbed.
- a *deliberate or intentional act, vandalism or a malicious act*, **unless** it is a result of:
 - theft
 - *tenant* neglect, carelessness, poor housekeeping or unhygienic living habits
 - damage occurring during maintenance or repair operations carried out by the *tenants* or anyone acting on their behalf
 - damage caused by *pets* belonging to *tenants* or their visitors.

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 *your* insurance with us immediately after another insurance policy covering *flood* 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 by a *tenant* or their visitors.

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

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.
- or the cost of fixing or finding leaks that have not caused loss or damage to *your buildings* or contents.

We will cover the cost of repairing the item that caused the escape of water or liquid.

For Landslide or subsidence, see page 11 ◀

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 21–24 ►

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.

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.

Sale of your rental property

BUILDINGS

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

- the contract settlement date
- the purchaser insures the rental property, **or**

- the purchaser becomes liable for damage to the rental property whichever happens first.

This cover will stop immediately if:

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

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.

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 21–24 ►

Liability cover

With this option, we will cover *your* legal liability as a result of any *incident* listed below that causes loss or damage to someone else's property, or death or bodily injury to other people, during *your period of insurance*.

The most we will pay for all liability *claims* under this policy is the *sum insured* as listed on *your schedule* (including GST).

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

If *you* choose this option, it will be listed on *your schedule* as 'Liability cover'.

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 *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* are 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.

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* we will cover *you* for the amount *you* have to pay because of any defect in *your contents*.

If *you* provide a car park for *your tenant* or their visitors to use, we will cover *you* for the amount *you* have to pay for damage to property while it is in the car park.

Loss of rent

With this option, if *your buildings* or sections of *your buildings* suffer loss or damage and are uninhabitable as a result, we will cover any loss of *rent* equal to the weekly amount as stated on *your rental agreement* or *periodic tenancy agreement* for up to 12 months. The most we will pay is up to the *sum insured*, as listed on *your schedule*.

If *you* choose this option it will be listed on *your schedule* as 'Loss of rent'.

This cover applies when:

- loss or damage to *your buildings* or contents occurs as a result of an *incident* as listed in this PDS
- access to *your rental property* is prevented due to loss or damage to other property located near *your rental property*.

We will only cover loss of *rent* while *your rental property* is uninhabitable.

We will also provide cover for up to two weeks *rent*, up to \$1000 (inclusive of GST) after:

- a death of a sole *tenant* that occurs before the end of the tenancy period of *your rental agreement* or during a *periodic tenancy agreement*. Cover will start from the date of death of the sole *tenant*. We will not pay if the sole *tenant* had given *you* or *your agent* notice in accordance with the *rental agreement* or *periodic tenancy agreement* prior to their death.
- *your rental agreement* or *periodic tenancy agreement* is legally terminated by a Residential Tenancies Tribunal or another relevant authority on the grounds of hardship on the part of the *tenant*. Cover will start from when the termination order issued by the Residential Tenancies Tribunal or other relevant authority takes effect.

This cover will stop immediately if *your rental property* is re-tenanted.

An *excess* may apply to this option.

This option is available for buildings or contents policies.

Rent default and theft by a tenant

With this option, we will cover:

- *rent default* and theft by a *tenant*
- legal costs *you* incur as a result of *rent default* or theft by a *tenant*.

If *you* choose this option, it will be listed on *your schedule* as '*Rent default and theft by a tenant*'.

We will only cover *rent default* for the weekly amount *your rental property* is leased for, up to \$5,000 (inclusive of GST), less any *excess* or *bond money* that applies:

- if *your tenant* leaves *your rental property* before the end of the tenancy period of *your rental agreement* or *periodic tenancy agreement*, without giving *you* or *your agent* notice
- if *your tenant* is legally evicted from *your rental property*
- if *your tenant* stops paying *rent* owed to *you* or *your agent*.

We will only pay a *rent default claim*:

- if the *tenant* breaches *your rental agreement* or *periodic tenancy agreement*, **and**
- you have taken all reasonable steps legally available to *you* under the *Residential Tenancies Act*, or other relevant state or territory legislation, to remedy non-payment and evict the *tenant*.

Your cover for *rent default* ceases if the *rental agreement* could have been legally terminated by *you*.

Cover for *rent default* will not apply if the *rent* is in arrears at the commencement date of this insurance. This cover will not commence until all *rent* arrears have been paid, and the *tenant* has paid a minimum of four consecutive weeks of the agreed *rent* in accordance with the *rental agreement*.

When a *rental agreement* defaults to a '*periodic tenancy agreement*', we will only pay up to two weeks *rent* after a *tenant* vacates the building without notice.

When *you* or *your agent* issues a notice to leave to a *tenant*, we will only pay up to two weeks *rent* after the *tenant* vacates the building.

We will not pay a *claim* if *your tenant* leaves the building with, or without notice, and *you* have failed to rectify a 'Notice of Remedy' breach issued by the *tenant* to *you*.

This cover will stop immediately:

- if *your rental property* is re-tenanted, **or**
- when the term of *your rental agreement* ends.

We will only cover theft by a *tenant* or their visitors of:

- any part of *your buildings*, up to the buildings *sum insured*, as listed on *your schedule*, after deducting any *excess* that applies, if *you* have insured *your buildings*
- *your contents*, up to the contents *sum insured*, as listed on *your schedule*, after deducting any *excess* that applies, if *you* have insured *your contents*.

If we have agreed to pay a *rent default* or theft by a *tenant claim* we will also cover legal costs as a result of *rent default* or theft by a *tenant*, up to \$1,000 (inclusive of GST) that *you* incur to:

- legally evict a *tenant*
- recover amounts owed to *you* by a *tenant*, **unless** the legal costs are solely to recover *excesses* that apply to a *claim* under this policy, **or**
- recover amounts for items stolen from *your rental property* by a *tenant* or their visitors.

We will only pay *your* legal costs if we agree to pay them and before they are incurred.

An *excess* applies to this option.

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 as a stand-alone policy.

An *excess* may apply to this option.

Workers' Compensation

If *you* employ a person to do work around *your rental property* 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 'Workers' Compensation'.

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

This cover only applies to employees doing work in connection with *you* as owner, operator or manager of the rental property. *We* will not cover any person that is working for *you* in *your* business, profession, trade or occupation.

An excess may apply to this option.

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

Exclusions to your cover

Any cover we provide is subject to the following exclusions.

Accidental damage cover, additional cover and optional cover 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
- mechanical or electrical breakdown other than an electric motor burning out, **unless:**
 - the breakdown results in damage to *your buildings* or contents.
- a *tenant* or their visitors or their visitors *pets*, **unless:**
 - we agree to cover the *incident* as described under 'Loss or damage by a *tenant* or their visitors'.
- 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.
- a *tenant* or their visitors or their visitors *pets*, scratching, denting, chipping, rubbing, scuffing or chafing any surface.

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.

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 alterations, servicing, repairing or any additions to lifts, escalators or hoists, **including:**
 - anything that is part of a lift, escalator or hoist.
- 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* managing the buildings and their surrounds.
- 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.

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

- the use, removal of, or exposure to any asbestos product or products containing asbestos
- the use of a motor vehicle, motorcycle, mini-bike, caravan, trailer, aircraft or watercraft, **however:**
 - *we* will cover liability that arises from ride-on mowers.
- servicing, repairing or maintaining any vehicle
- the erection or demolition of buildings
- vibration or interference with the support of the land, buildings or other property
- the discharge, release or escape of any pollutants
- the removal, neutralising or cleaning up of pollutants
- any act of libel or slander.

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
- 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.

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

- *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, 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 for *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.

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 Limited (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 37 ►
See *Your responsibilities when you are insured with us*, page 28–29 ◀

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.

Please contact us if you have any questions

- 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 37 ►

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.

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.

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.

To find out how we settle a claim, see next page ►

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 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:

- a *deliberate or intentional act*, or *vandalism* or a *malicious act* by a *tenant* or their visitors, *you* will need to pay an additional *excess* of \$400
- an earthquake or tsunami, *you* will need to pay an additional *excess* of \$250.

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

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.

When a *claim* is made for what we identify as one or more separate *incidents*, you will need to pay any *excesses* that apply for each separate *incident* we have identified.

For excesses that may apply, see your current schedule ►

3 If you are entitled to use *bond money*

We will reduce the amount we will pay for loss or damage to *your buildings* or contents by any *bond money* that you are entitled to use to pay for or reduce the cost of any loss or damage.

4 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 amount 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, **however:**
 - if the cost of repairing the damage is less than 50 per cent of the cost of rebuilding *your buildings*, we will only pay for the additional costs for the damaged portions.

If the rebuilding or repair is limited by government legislation or local authority bylaws that reduce the floor area of *your buildings*, we will:

- pay the actual cost of rebuilding or repairing the reduced floor area of *your buildings*
- pay the difference between the actual costs of rebuilding or repairing the reduced floor area of *your buildings* and the estimated costs of rebuilding or repairing *your buildings* had the limit not applied.
- pay you what the value of the land was just before the loss or damage occurred, after deducting the amount we estimate as the value of *your land* after the loss or damage occurred and any amount that you receive as compensation for the loss, **however:**
 - the most we will pay is the unused portion of *your sum insured*.

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.

5 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.

6 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 costs 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.

7 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.

How we settle a contents claim

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

If *your contents* 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 *sum insured*, 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:

- a *deliberate or intentional act*, or *vandalism or a malicious act* by a *tenant* or their visitors, *you* will need to pay an additional *excess* of \$400
- an earthquake or tsunami, *you* will need to pay an additional *excess* of \$250.

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

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.

When a *claim* is made for what we identify as one or more separate *incidents*, *you* will need to pay any *excesses* that apply for each separate *incident* we have identified.

For the type and amount of *excess* that may apply, see your current schedule

3 If *you* are entitled to use *bond money*

We will reduce the amount we will pay for loss or damage to *your buildings* or contents by any *bond money* that *you* are entitled to use to pay for or reduce the cost of any loss or damage.

4 If *we* decide to repair *your contents*

When damage or loss occurs to:

- any item that consists solely of fabric
- carpet which is 10 years old or more, **or**
- any other contents item that is 15 years old or more

we will repair the damaged item to a condition it was in before the loss or damage occurred.

If loss or damage occurs to any other contents item, *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.

5 If *we* decide to replace *your contents*

When damage or loss occurs to:

- any item that consists solely of fabric
- carpet which is 10 years old or more, **or**
- any other contents item that is 15 years old or more

we will replace the item with an item of the same condition. The replacement item will not be better than the item replaced.

When loss or damage occurs to any other contents item, *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 rental property.

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

If the item *we* are replacing 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.

Any salvage becomes *our* property.

6 If *we* decide to pay *you* the cost to repair or replace *your contents*

When damage or loss occurs to:

- any item that consists solely of fabric
- carpet which is 10 years old or more, **or**
- any other contents item that is 15 years old or more
- our payment will be reduced to allow for wear, tear and depreciation.

When loss or damage occurs to any other contents item, *we* will pay *you* the cost to repair or replace it.

We will pay *you* the fair and reasonable costs to repair or replace *your contents* 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*.

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.

How we settle a loss of rent claim

1 If we decide to pay *your* loss of *rent claim*

We will pay *you* loss of *rent* equal to the weekly amount as stated on *your rental agreement* or *periodic tenancy agreement* for up to 12 months.

The most we will pay is up to the *sum insured* as listed on *your schedule*.

2 If we decide to pay *your* death of a sole *tenant* or *tenant hardship claim*

We will pay *you* up to two weeks *rent*.

The most we will pay is \$1,000 (inclusive of GST).

3 You must pay any *excess* that applies.

If *you* make a *claim*, *you* will need to pay any *excess* that applies. The amount of *your excess* is shown on *your schedule*.

When a *claim* is made for what we identify as one or more separate *incidents*, *you* will need to pay any *excesses* that apply for each separate *incident* we have identified.

How we settle a rent default claim

1 If we decide to pay *your rent default claim*

We will pay *you* the *rent default* up to \$5,000 (inclusive of GST).

We will calculate the *rent default* based on:

- the weekly amount *your rental property* is leased for under *your rental agreement* or *periodic tenancy agreement*
- the number of weeks in *rent default*.

2 You must pay any *excess* that applies

If *you* make a *claim*, *you* will need to pay any *excess* that applies to *your* building or contents. The amount of *your excess* is shown on *your schedule*.

Your excess will be increased by \$400 for any *claim* that arises from a *tenant*:

- leaving *your buildings*
- ceasing to pay *rent*, **or**
- being evicted from *your buildings*.

3 If *you* are entitled to use *bond money*

We will pay *you* the cost of the *rent default* and any legal expenses. We will reduce this amount by the amount of any *bond money* remaining after deducting any *allowable re-letting expenses* and any other costs or expenses *you* are legally entitled to, **however:**

- if a tribunal orders the refund of the *bond money* to the *tenant*, on the grounds of hardship, an *excess* equal to four weeks *rent* will apply to *your claim*.

How we settle a theft by a tenant claim

1 If we decide to pay *your* theft by a *tenant claim*

Refer to:

- How we settle a buildings *claim* on pages 40–42
- How we settle a contents *claim* on pages 43–45.

2 You must pay any *excess* that applies

If *you* make a *claim*, *you* will need to pay any *excess* that applies. The amount of *your*

excess is shown on *your* *schedule*.

Your excess will be increased by \$400 for any *claim* arising from the theft of any part of *your buildings* or *your contents* by *your tenant* or their visitors.

When a *claim* is made for what we identify as one or more separate *incidents*, *you* will need to pay any *excesses* that apply for each separate *incident* we have identified.

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. For the purpose of the scenarios *you* are not registered for GST.

Claim Example 1	
Cover type	Building Insurance
Buildings <i>sum insured</i>	\$250,000
Excess	\$250
Loss or damage	Storm damage to <i>your</i> roof.
How we settle <i>your claim</i>	<ul style="list-style-type: none"> • We arrange for a builder to repair <i>your</i> roof for \$4,000 • We pay the builder \$3,750 • We ask <i>you</i> to pay the builder the \$250 excess.

Claim Example 2	
Cover type	Building and Contents Insurance and loss of <i>rent</i>
Building <i>sum insured</i>	\$300,000
Contents <i>sum insured</i>	\$50,000
Loss of <i>rent sum insured</i>	\$15,000
Excess	\$250
Loss or damage	<i>Your buildings</i> and contents are partially destroyed by fire. We agree that <i>your tenant</i> is unable to live in <i>your buildings</i> and <i>you</i> suffer loss of <i>rent</i> .
How we settle your <i>claim</i>	<ul style="list-style-type: none"> • We choose to pay <i>you</i> directly for the damage • We pay <i>you</i> \$25,750 as follows • Building repairs \$15,000 • Content replacement \$5,000 • Loss of <i>rent</i> \$6,000 • Less <i>excess</i> \$250 • Total \$25,750.

Claim Example 3	
Cover type	<i>Rent default</i> and theft by a <i>tenant</i>
Excess	\$650 = \$250 (standard) plus \$400 (additional)
Loss	<i>Tenant</i> stops paying <i>you rent</i> .
How we settle your <i>claim</i>	<ul style="list-style-type: none"> • We assess <i>your rent default</i> at \$5,000 • Less applicable excess, \$650 • We settle <i>your claim</i> for \$4,350.

Claim Example 4	
Cover type	Liability
Loss or damage	Liability to pay for damages for personal injury to a third party
How we settle your <i>claim</i>	<ul style="list-style-type: none"> • We pay the legal costs of \$10,000 • We pay the medical expenses incurred by the third party of \$22,000.

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*.

See back cover for contact details ►

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 rental property*, or *your contents* when it is caused by an unintentional act, or an unforeseen and uncontrollable *incident*.

allowable re-letting expenses

re-letting expenses as specified in the current *rental agreement* for *your* property.

bond money

money paid by the *tenant* and held as security against damage to the property, outstanding *rent* or other costs. *Your policy* operates on the basis that *your tenant* has paid *bond money* that equals at least four weeks *rent*.

claim

a separate identifiable *incident* for which the policy provides cover.

Where multiple *incidents* are submitted at the same time or on the same *claim* form, they will be treated as separate *claims* for the application of any policy *excess* or limitation.

deliberate or intentional act

a conscious or reckless act done without the owners permission.

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.

The amount of *your excess* will be increased if *you* make a *claim* for:

- an earthquake or tsunami
- *vandalism* or a *malicious act*
- a *deliberate* or *intentional act*
- *rent default*
- theft by a *tenant*.

Your excess and any additional *excesses* will apply for what *we* identify as each separate identifiable *incident*.

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, dam.

incident

a single occurrence or a series of occurrences, including an accident or series of accidents, arising out of one event.

period of insurance

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

periodic tenancy agreement

applies when a *tenant* continues to occupy the rental property after a fixed-term *rental agreement* has expired, and the *rental agreement* does not provide for its continuation, and a:

- notice to leave
- notice of intention to leave, or
- abandonment termination notice

has not been given by the *tenant* to you, or *your* agent, or by you, or *your* agent to the *tenant*.

The *tenant* is then treated as being under a *periodic tenancy agreement* on the same terms which applied immediately before the *rental agreement* ended. This does not include any term about the agreement's term.

pet

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

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.

rent

the amount of money paid, or payable, by the *tenant* to *rent* *your rental property*.

rent default

when a *tenant* fails to pay the agreed *rent* and is in breach of a written, *rental agreement* or *periodic tenancy agreement*.

rental agreement

the agreement between *you* or *your* agreement agent and the *tenant*. This agreement must be in writing and state:

- the term of the rental period
- the amount of *rent* payable to you
- the amount of the *bond money* that the *tenant* is required to pay.

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.

tenant

the person(s) named in the *rental agreement* or *periodic tenancy agreement* and including that person's partner, children, *pets*, and any other person(s) permanently living at *your rental property*.

Any person(s) including that person's partner, children, *pets* and any other person(s) living at *your rental property* under a rental arrangement that is not a *rental agreement* or *periodic tenancy agreement*.

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 *your* buildings or contents.

unoccupied rental property

a rental property 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

vandalism or a malicious act

a wrongful act motivated by malice, vindictiveness or spite with the intention of damaging the property.

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 rental property

where *your buildings* or contents are located. This includes any land or other area that touches *your rental property* and for which any statutory authority has made *you* responsible, but it does not include the nature strip outside *your rental property*. *Your rental property* 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 – Workers' Compensation

If your home is in Western Australia, Tasmania or the Northern Territory, the insurer providing the 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.

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.



Telephone Enquiries

133 423

Monday to Friday: 8am to 6pm

Saturday: 9am to 12pm

hbf.com.au

Head Office

GPO Box C101 Perth 6809

HBF Branch Hours

Monday to Friday: 9am to 5pm

*Saturday: 9am to 12.30pm

Regional Branches

Albany

21 Albany Highway
Telephone 9845 7000

Bunbury

12 Arthur Street
Telephone 9722 6300

Busselton

2/90-92 Queen Street
Telephone 9781 1800

Geraldton

Northgate Shopping Centre
Telephone 9920 8200

Metropolitan Branches

Perth

96 William Street

Belmont

Belmont Forum Shopping Centre

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Cannington

Carousel Shopping Centre*

Fremantle

82 High Street

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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