



Fundamentals Home Insurance

Product Disclosure Statement



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Why HBF?

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.

Flood cover included across all policies

We've included flood cover as a standard across all our policies – that's peace of mind.

Monthly or fortnightly payments – at no extra cost

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

Member discounts

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

Fundamentals 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.

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.

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Insurer: Insurance Australia Limited, trading as CGU Insurance

ABN 11 000 016 722

AFS Licence No. 227681

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In your capital city

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About this insurance

A brief overview

Fundamentals Home Insurance covers your buildings or contents for loss or damage as a result of any incident listed in this PDS. We also provide protection for a range of 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 and strata title mortgagee protection. Your buildings or contents will be covered up to the sum insured, as listed on your current schedule.

For exclusions to your cover, see page 16

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
- 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 rental agreement
- 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 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
- 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 125 cc that do not require registration by law, **unless:**
 - they are being used for racing or pacemaking.
- money and negotiable documents
- watercraft less than three metres long that are not powered by a motor
- 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.

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 three metres long
- watercraft that are powered by a motor
- jet skis
- goods you use to earn an income at your home, **unless:**
 - the goods are office and surgery equipment.

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 sum insured as listed on your schedule (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	\$2500 (inclusive of GST) in total
Money and negotiable documents	\$500 (inclusive of GST) in total
Watercraft less than 3 metres long that are not powered by a motor	\$5000 (inclusive of GST) in total
Accessories and spare parts for motor vehicles, motorcycles, mini-bikes, caravans, trailers and watercraft	\$500 (inclusive of GST) in total
Valuable items included in contents	up to \$2000 (inclusive of GST), in total – this amount is included in your contents sum insured
Any one item, pair, set, collection or system of valuables other than sporting equipment	\$1000 (inclusive of GST) per item, pair, set, collection or system
Battery-powered items	\$1000 (inclusive of GST) per item
Any one item, pair, set, collection or system of sporting equipment	\$1000 (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 content items

You can increase the maximum amount we will pay for any content item, pair, set, collection or system, excluding items with maximum limits, 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

Your contents are only covered at your home.

Contents:

- at your home
- at your home in the open air

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

If your contents are at your home in the open air (not in a building that is fully enclosed) and they suffer loss or damage as a result of:

- storm, flood, rainwater or wind, **or**
- burglary or break-in

the most we will pay is up to \$1000 (inclusive of GST) in total. This limit does not apply to swimming pools, saunas or spas, or their accessories.

Fundamentals cover

We will cover your buildings or contents for loss or damage as a result of the incidents 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 per incident.

Any cover we provide is subject to exclusions.

For exclusions to this cover, see page 16

Accidental breakage

We will cover your buildings or contents for loss or damage when an item is chipped or fractured through its entire thickness.

If you have insured your buildings we will cover 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.

If you have insured your contents we will cover any:

- mirrors, glassware, crystal, crockery, **unless:**
 - they are damaged while being used, cleaned or carried by hand
- glass in furniture, **however:**
 - we will not cover glass that is part of a television, or a computer screen or monitor.

If you have insured your contents and live in a rental building, we will cover accidental breakage of fixed shower bases, basins, sinks, spas, baths and toilets, **however:**

- this only applies when your rental agreement makes you responsible for these items.

Burglary or break-in

We will cover your buildings or contents for loss or damage as a result of a burglary or break-in, or an attempted burglary or break-in.

We will only cover loss or damage as a result of a burglary or break-in following forcible and violent entry into your home. There must be evidence of the burglary or break-in.

We will not cover loss or damage as a result of a burglary or break-in by a tenant.

The burglary or break-in, or attempted burglary or break-in, must be reported to the Police.

Deliberate or intentional acts

We will cover your buildings or contents for loss or damage as a result of a deliberate and intentional act.

We will not cover loss or damage as result of a deliberate or intentional act by a tenant.

Earthquake or tsunami

We will cover your buildings or contents for loss or damage as a result of an earthquake or tsunami.

- you must pay an additional excess of \$250
- we will only cover loss or damage as a result of an earthquake if the loss or damage occurs within 72 hours of the earthquake.

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.

Impact damage

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

We will only cover loss or damage caused by the impact of:

- an aircraft, spacecraft or satellite, **or**
 - anything dropped from them
- a falling television or radio antenna mast or dish
- vehicles or watercraft
- an animal or bird that is not kept at your home, **unless:**
 - the loss or damage is caused by any animal or bird eating, chewing clawing or pecking
- a falling tree or part of a tree, **unless:**
 - the damage is caused when you, or someone else acting on your behalf, cuts down or removes branches from a tree.

We also pay the cost of removing and disposing of the fallen tree or parts.

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.

Lightning or thunderbolt

We will cover your buildings or contents for loss or damage as a result of a lightning or thunderbolt.

Riots or civil commotion

We will cover your buildings or contents for loss or damage as a result of riots, civil commotion, or industrial or political disturbances.

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 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
- jetties, wharves, bridges or pontoons for damage by flood.

Vandalism or a malicious act

We will cover your buildings or contents for loss or damage as a result of vandalism or a malicious act.

We will not cover loss or damage as a result of vandalism or a malicious act by a tenant.

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

We will only cover loss or damage as a result of water or liquid escaping 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.

We will not cover the cost of repairing the item that caused the escape of water or liquid.

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 your cover, see page 16

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

up to 10 per cent of the buildings 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.

Credit card and transaction card misuse

Contents

If your credit cards or financial transaction cards are:

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

we will pay the financial institutions that issued them, up to \$1000 (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.

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, we will cover the reasonable costs to replace your keys and repair and re-code your locks and barrels up to \$1000 (inclusive of GST).

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

The theft must be reported to the Police.

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 14

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.

Any cover we provide is subject to exclusions.

For exclusions to your cover, see page 16

Liability cover – general

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 we will cover you for the amount you have to pay for any incident that happens anywhere in 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 3 metres long and is not powered by a motor
- unregistered motorcycles or mini-bikes up to 125 cc, 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.

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 your cover, see page 16

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

Strata Title Mortgagee Protection

This option provides cover for your mortgagee 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,

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 the loss or damage you can claim for under this policy.

This option is available:

- as an addition to a contents policy, **or**
- as a stand alone policy.

Exclusions to your cover

Any cover we provide is subject to the following exclusions.

Fundamentals 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
- 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.

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 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
- 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
- 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 3 metres long and is not powered by a motor
 - unregistered motorcycles or mini-bikes up to 125 cc that do not require registration by law, **unless** they are being used for racing or pacemaking.

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.

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 responsibilities when you are insured with us

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

Our commitment to you

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

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

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 CGU protects your privacy

We use information provided by our customers to allow us to offer our products and services. This means we may need to collect your personal information, and sometimes sensitive information about you as well (for example, health information for travel insurance). We will collect this information directly from you where possible, but there may be occasions when we collect this information from someone else.

CGU will only use your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give us your information, but this may affect our ability to provide you with insurance cover.

We may share this information with companies within our group, government and law enforcement bodies if required by law and others who provide services to us or on our behalf, some of which may be located outside of Australia.

For more details on how we collect, store, use and disclose your information, please read our Privacy Policy located at www.cgu.com.au/privacy. Alternatively, contact us at privacy@cgu.com.au or 13 15 32 and we will send you a copy. We recommend that you obtain a copy of this policy and read it carefully.

By applying for, using or renewing any of our products or services, or providing us with your information, you agree to this information being collected, held, used and disclosed as set out in this policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how we will deal with your complaint.



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 apply online 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 23](#)

See [Your responsibilities when you are insured with us, page 18](#)

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](#)

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 23](#)

How to cancel your policy

1. If you want to cancel your policy, contact us

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 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

You must contact us if you would like to insure your buildings at your new home.

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 nominated account.

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.

3. Interest on unallocated premium

If we are unable to issue your insurance when we receive your application, we are required to hold your Premium in a trust account on your behalf until your insurance can be issued. We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

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.

All about claiming

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 to make a claim

Contact 1300 559 867

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.

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.

For the excess that may apply, see your current schedule

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 14

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 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 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 or tsunami.

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.

How we settle a strata title mortgagee claim

1. What happens if your buildings are damaged?

If your buildings suffer damage we will pay the mortgagee the cost to repair that part of your buildings that suffered damage.

The most we will pay is the amount you owe on your mortgage, but no more than the amount listed on your schedule as the sum insured for strata title mortgagee protection.

2. If your building is a total loss

If your building is a total loss we will pay the mortgagee up to the amount you owe on your mortgage, but no more than the amount listed on your policy schedule as the sum insured for strata title mortgagee protection.

3. You must pay any excess that applies

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

For the excess that may apply, see your current schedule



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 sum insured	\$200,000
Optional cover	None
Basic excess	\$500
Loss or damage	Storm damage to your roof.
How we settle your claim	<ul style="list-style-type: none">• We arrange for a builder to repair your roof for \$3000• We pay the builder \$2500• We ask you to pay the builder the \$500 basic excess.

Claim example 2

Policy type	Contents Insurance
Contents sum insured	\$75,000
Optional cover	None
Basic excess	\$500
Loss or damage	Theft of your plasma television from inside your home following forcible entry.
How we settle your claim	<ul style="list-style-type: none">• We pay the supplier \$2300• We ask you to pay the supplier the \$500 basic excess.

Claim example 3

Policy type	Building and Contents Insurance
Buildings sum insured	\$200,000
Contents sum insured	\$75,000
Optional cover	None
Basic excess	\$500
Loss or damage	Your buildings and contents are damaged by fire. We agree that you are unable to live in your home and you require temporary accommodation.
How we settle your claim	<ul style="list-style-type: none">• We choose to pay you directly for the damage• We settle your claim for \$59,500 as follows:<ul style="list-style-type: none">– Buildings repairs \$34,000– Contents replacement \$15,000– Costs for temporary accommodation \$11,000– Less the basic excess \$500– Total \$59,500

Claim example 4

Policy type	Contents insurance
Content item limit	\$20,000
Basic excess	\$500
Loss or damage	An antique crystal vase worth \$30,000 is broken and damaged beyond repair.
How we settle your claim	<ul style="list-style-type: none">• We pay you the item limit of \$20,000• Less the \$500 basic excess. Total payment to you is \$19,500.

How to resolve a complaint or dispute

1. Talk to us first

If you have a complaint, the first thing you 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 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 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 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 Insurance Australia Limited (trading as CGU Insurance) becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from www.fcs.gov.au.

Glossary

burglary

- theft or any attempt at theft following actual forcible and violent entry to your buildings, or
- theft following the threat of immediate violence or violent intimidation (including armed hold-up).

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, dam, or other water channel or waterway whether altered, modified or purpose-built.

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

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 your buildings or contents.

unoccupied home

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

us, we and our

Insurance Australia Limited (trading as CGU Insurance). Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Number is 227681. In this policy the insurer is called 'we', 'us' or 'our'.

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 contents at your home in the open air

contents at your home that are not in a fully enclosed building (e.g. carport).

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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Intermediary Remuneration

Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 (trading as CGU Insurance) 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.



Go to [hbf.com.au](https://www.hbf.com.au)

Call us 133 423

Visit a branch

To find a branch near you
please visit [hbf.com.au](https://www.hbf.com.au)

Claims enquiries

1300 559 867

24 hours a day,
7 days a week

Postal address

GPO Box C101 Perth 6839

Stay in touch

Find us at HBF Health

