

LISTED EVENTS HOME INSURANCE

PRODUCT DISCLOSURE STATEMENT



Hollard
INSURANCE

This Product Disclosure Statement (PDS) was prepared on 14 August 2008 and tells you about our Listed Events Home Insurance to help you decide if this cover is right for you. Any advice provided is general only and does not take into account your individual circumstances. You should carefully read it, and any other documentation that is sent to you such as your Insurance Certificate. Keep them in a safe place for future reference.

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ABOUT HOLLARD INSURANCE

The insurer of this policy is The Hollard Insurance Company Pty Ltd (Hollard) (ABN 78 090 584 473).

Hollard entered the Australian market in 1999 and is part of the international Hollard Insurance Group. Hollard is the largest private insurance business in South Africa with 1,500 employees and worldwide we have over 6.5 million policyholders. We have offices in South Africa, United States, India, China, United Kingdom, South East Asia and Australia.

Our unique business model and partnership philosophy have quickly established Hollard as the partner of choice for many of Australia's leading underwriting agencies, independent insurance brokers, financial institutions and retailers. In 2007 we were named 'Niche Insurer of the Year' by The Australian Banking and Finance Magazine.

We are licensed by the Australian Prudential Regulatory Authority (APRA) and we hold an Australian Financial Services Licence issued by the Australian Securities and Investment Commission (ASIC).

Contacting us

If you need assistance with your policy please contact your broker. If you need to contact us or need to obtain confirmation of any policy transaction please call us. Our contact number appears under the definition of "**we, us or our**" in the glossary.

IMPORTANT DOCUMENTS

This is your policy document and it consists of:

1. this printed policy which sets out details of what is and what is not covered by this policy;
2. the Insurance Certificate we provide with details of:
 - who is insured;
 - the cover(s) selected;
 - the period of insurance;
 - the respective sums insured and/or limits of liability;
 - excesses and other important information.

POLICY CONDITIONS AND YOUR RESPONSIBILITIES

You must abide by any conditions of this policy such as the conditions detailed below and the conditions applicable to the making of a claim. If you do not, your policy may not operate and we may reduce or refuse to pay a claim and cancel your policy.

Understand your duty of disclosure

We rely on the information you provide us with, to decide whether to insure you and the terms on which we will insure you. To comply with your duty of disclosure when first entering into an insurance contract with us, you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the questions we ask you, including both on the application form and any verbal questions. This applies to every person insured under the policy.

If you fail in your duty of disclosure we may reduce or deny any claim you make or cancel your policy. If you fraudulently keep information from us or deliberately make false statements we may avoid your contract and treat your insurance as if it never existed.

To comply with your duty of disclosure when you vary, renew, extend, reinstate or replace your policy, you must tell us everything that you know, and which a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to insure you and, if so, on what terms. You do not have to tell us anything that is common knowledge that we should know through our business, that reduces the risk of a claim or that we tell you we do not need to know.

Your property

You must keep your building and contents in good condition and repair and always protect them. Any loss or damage caused by poor maintenance is not covered under this policy. You must also make reasonable efforts to protect your building and contents from any loss or damage. If you make a claim and knew about something that could cause loss or damage to your property and you did not make reasonable efforts to avoid it before the loss or damage occurred, then your claim may not be paid. If you do suffer loss or damage to your property, you must also make reasonable efforts to prevent any further loss or damage.

Building work

You must tell us before you carry out any building work at your location if the total value of that work is likely to be more than \$100,000. If you notify us in advance of any building work, we may be able to provide you with cover during this period.

Leaving your building unoccupied

You must tell us if your building will not be occupied for a period exceeding 90 consecutive days. If you let us know before you leave we may be able to provide cover during this period. Your building is considered as being occupied if it is furnished for comfortable habitation and you or someone with your consent is residing in the building.

Ensure your premiums are always paid

You are responsible for ensuring that your premiums are paid and kept up to date or your cover could be put at risk.

Keep proof of ownership of your property

When you make a claim for loss or damage to an item, we will require proof that you owned the item and of its value or your claim may not be paid. The easiest way to do this is by keeping receipts, manuals and warranties for any items you purchase. If you cannot find any of these, you can for example, take detailed photographs of your property.

Your cooling off rights

You can return your policy to us within 30 days of the commencement or renewal of your cover. If we receive your written request to cancel this policy within this 30 day period, we will cancel the policy effective from the commencement date, and give you a full refund (less any taxes or duties payable that we are unable to have refunded). You cannot use this right where, before the 30 day period ends, you have exercised any of your rights or powers under the policy (e.g. you have made a claim). After the cooling off period ends you still have cancellation rights under the policy.

Renewing your insurance

When your insurance expires each year, to ensure that you remain protected and for your convenience we may continue your cover on the terms contained in the renewal offer we send you. At least 14 days before your insurance expires, we will send you a renewal notice, outlining our renewing terms for your insurance, if any. You are not obliged to renew your insurance with us.

Cancelling your insurance

You can cancel your insurance at any time by letting us know in writing. We will refund any unused premium. The broker will usually retain the commission on the policy. We can cancel your insurance to the extent permitted by law, for example if you do not comply with the policy terms and conditions, if you fail to pay your premium, if you make a fraudulent claim or if you did not comply with your duty of disclosure or misrepresented information when you entered into this insurance contract. If we cancel your policy we will send you a cancellation letter.

WHAT YOU ARE INSURED FOR

Listed events cover

When you insure your building and/or your contents under this policy you will be covered for sudden and unexpected loss or damage sustained at the location during the period of insurance that is caused by one of the listed events detailed in this section. The most that we will pay for any loss or damage is the sum insured shown on your Insurance Certificate.

There are exclusions to certain events or losses and these are detailed either within the listed event or under 'When we will not pay a claim for loss or damage under this policy'. These exclusions together with other limitations detailed in certain sections of the policy may restrict the amount payable in the event of a claim or alternatively they may prevent a claim from being paid at all. We will cover your building and your contents for loss or damage from the following listed events:

- ◆ Fire or explosion;
- ◆ Smoke however there is no cover for damage that occurs gradually and/or out of repeated exposure to smoke or fire;
- ◆ Lightning or thunderbolt;
- ◆ Earthquake or tsunami. 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;
- ◆ Burglary or housebreaking or an attempt at either. We do not cover burglary or housebreaking by a tenant;
- ◆ Theft. We will not cover theft of money or negotiable documents if there is no sign of force having been used by someone to enter your building;

- ◆ Vandalism or a malicious act;
- ◆ Deliberate or intentional acts;
- ◆ Liquid that escapes from:
 - a fixed pipe or something 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.
- ◆ If the escaping liquid causes damage to your building or contents we will also cover the cost of finding where the liquid escaped from, including the cost of repairing any damage that occurs while looking for the cause. We do not cover the cost to repair or replace the item from which the liquid leaked or escaped;
- ◆ An electric motor burning out. If an electric motor burns out, we will repair, reinstate or replace it. We decide which one we will do and we will only do this if the electric motor is 15 years old or less;
 - Accidental breakage. This cover applies when the item is fractured or chipped and is restricted to the accidental breakage of the following items:
 - if you have insured your buildings, any fixed glass in your buildings, including glass houses and any window tinting or shatter proofing material attached to the glass. We also cover fixed shower bases, basins, sinks, spas, baths, toilets, chandeliers and pendant lights;
 - if you have insured your contents, any mirrors, glassware, crystal, crockery or any glass in furniture. We do not cover

- glass that is part of a television, or computer screen. Mirrors, glassware, crystal, crockery or china are not covered while they are being used, cleaned or carried by hand;
- if you have insured your contents and you are living in a rented property, you are covered for accidental breakage of fixed shower bases, basins, sinks, spas, baths and toilets. This cover only applies when your rental agreement makes you responsible for these items;
- ◆ Riots, civil commotions, industrial or political disturbances;
 - ◆ Impact by:
 - an aircraft, spaceship, satellite or anything dropped from them;
 - a falling tree or part of a tree. There is no cover for loss or damage caused when you cut down or remove branches from a tree or when you have someone do it for you. If we accept a claim we will also pay the cost of removing and disposing of the fallen tree or parts together with the cost of treatment of the stump to prevent regrowth;
 - a falling television or radio antenna, mast or dish;
 - impact by an animal or bird that is not kept at your location. There is no cover for damage caused by any animal or bird eating, chewing, clawing or pecking;
 - impact by vehicles or watercraft;
 - ◆ Storm, rainwater, hail or wind. This includes storm, rainwater, hail or wind damage to gates, fences or walls that are entirely or partly at the location. We do not cover storm, rainwater, hail or wind damage where water enters your buildings:

- because of a structural defect, faulty design or faulty workmanship when your buildings were constructed;
 - through an opening made for any building renovation or repair work.
- ◆ We will not cover loss or damage caused by flood. For the purpose of this policy, flood is the inundation of normally dry land by water which:
- overflows, is released from or escapes the normal confines of; or
 - because of water that has already overflowed, escaped or been released is unable to enter;
 - any lake, reservoir, dam, river, creek, stormwater channel, canal or any other watercourse, whether natural, altered or modified.
- ◆ Landslide or subsidence. This includes loss or damage to any gates, fences or retaining walls that are entirely or partly at the location. The cover for landslide or subsidence only applies if the loss or damage occurs within 72 hours of, and as a direct result of, one of the following listed events:
- Storm, tsunami, rainwater, hail, snow or wind;
 - Earthquake;
 - Explosion;
 - Liquid escaping from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank apparatus or a drain.

What are your 'buildings'

We consider the following as your buildings when they are situated at the location:

- ◆ residential buildings 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 unless you are the contracting seller or purchaser in which case these items will be deemed buildings until settlement;
- ◆ services, which include the supply of electricity, water, gas, the internet and telephone;
- ◆ items built in, or fixed to, or on, the buildings;
- ◆ blinds or awnings on the outside of the buildings;
- ◆ landscaping, paved terraces, paved paths and paved driveways, retaining walls, fences and gates;
- ◆ swimming pools, saunas and spas that are permanently installed;
- ◆ anything permanently built, permanently constructed or permanently installed on your property for domestic purposes that complies with all relevant building laws and rules.

Buildings do not include property that a tenant is liable for under the terms of a rental agreement and plants, shrubs, trees or grass. (Limited cover is provided for trees, plants and shrubs under the Additional benefits section).

What are your 'contents'

We consider the following your contents:

- ◆ household goods that are not used for earning income;
- ◆ goods that you use for earning your income while they are at your location. This does not include office and surgery equipment. You would normally receive a taxation deduction for these. We will pay up to \$5,000 in total for these items;
- ◆ office and surgery equipment that you use for earning your income while it is at your location. You would normally receive a taxation deduction for these;
- ◆ carpets, curtains and internal blinds;
- ◆ furniture and furnishings that are not built in;
- ◆ portable domestic appliances that are not built in;
- ◆ swimming pools, spas and saunas that are not permanently installed;
- ◆ clothing and personal effects;
- ◆ valuable items:
 - jewellery and watches;
 - items that contain gold or silver;
 - collections of stamps, money or medals.
- ◆ We will pay up to 25 per cent in total of the contents sum insured shown on your Insurance Certificate for valuable items.
- ◆ The most we will pay for any one item, pair, set, collection or system of valuable items is \$5,000.
- ◆ You can increase the level of cover for valuable items and add items as special valuable items by including additional cover under the Optional benefit for 'Valuable items' which is detailed above in this policy.

- ◆ items thinly covered with gold or silver that are not jewellery or watches;
- ◆ paintings and prints, tapestries, persian or similar rugs, antiques and any other works of art;
- ◆ projectors and screens;
- ◆ equipment for developing and enlarging photographs;
- ◆ processed film, slides and prints. We will only pay the value of these items as unprocessed material, and the cost of processing them. However, if they were processed when you purchased them, we will pay the cost of replacement. We will not pay the costs of recreating any event;
- ◆ tapes, cassettes, cartridges and discs, including computer software. We will only pay the value of these items when blank unless they were pre-recorded when you purchased them;
- ◆ data stored on any computer, computer disk or computer tape (including the cost of restoring the data). We will pay up to \$1,000 in total for this;
- ◆ money and negotiable instruments. We will pay up to \$1,000 in total for these;
- ◆ landlord's fixtures and fittings that you are liable for under the terms of a rental agreement;
- ◆ fixtures and fittings that you have installed for your own use if you are a tenant, or the owner of a strata title unit. We will not cover these fixtures and fittings if the body corporate has them insured;
- ◆ watercraft no more than four metres long and which do not require registration under state or territory legislation;

- ◆ motorised golf carts, ride on mowers, wheelchairs and motorcycles with engines of less than 125cc capacity and which do not require registration;
- ◆ accessories and spare parts for the following: motor vehicles, motorcycles, caravans, trailers, watercraft, golf carts, ride-on mowers, mobility scooters, wheelchairs, surfboards, sailboards, surf skis and canoes.
- ◆ We will pay up to \$1,500 in total for these items however we will not pay if the accessories and spare parts are in, or on, motor vehicles, motorcycles, caravans, trailers, watercraft, golf carts, ride-on mowers, mobility scooters, wheelchairs, surfboards, sailboards, surf skis and canoes;
- ◆ surfboards, sailboards, surf skis and canoes.

What are not your 'contents'

- ◆ unset precious and semi-precious stones;
- ◆ plants and trees growing outdoors. This does not include plants and trees growing in pots or tubs (See Additional benefits for details of the limited cover provided);
- ◆ animals, including birds and fish;
- ◆ motor vehicles, motorcycles exceeding 125cc engine capacity, motorised go-karts, caravans, trailers, hang gliders or aircraft other than model or toy aircraft);
- ◆ motor cycles while being used for competitive racing or pacemaking;
- ◆ watercraft more than four metres long or any watercraft that require registration under state or territory legislation;
- ◆ jet skis;
- ◆ stock in trade or samples, business or trade cash takings.

Limitation to cover for contents in the open air at your location

We will cover your contents while they are in the open air at your situation. Open air means any place at the location that is not fully enclosed by walls and a roof that is not able to be secured, such as a carport, a vehicle, a caravan, a pergola or similar.

The cover provided for contents in the open air that are damaged by storm, rainwater, wind or are stolen is restricted to a maximum of \$5,000.

ADDITIONAL BENEFITS WHEN YOU HAVE INSURED YOUR BUILDINGS

Alternative accommodation

If we accept a claim for loss or damage to your building we will also pay the cost of renting another property if you are unable to live in your building because of that loss or damage. We will pay for equivalent temporary accommodation that we believe is reasonable for you and your family living at your building at the time of the event. We will also pay the cost of alternate accommodation for your pets and additional living expenses up to \$1,000. We will pay this for up to 12 months. The most we will pay under this section is 20% of your building sum insured.

We will reduce this payment, or stop paying you, if:

- ◆ you receive any payment for rent from another source; or
- ◆ you do not need to rent another property.

Building modifications

We will pay to make modifications to your buildings if you are injured as a result of damage or loss to your buildings. We will only pay for modifications if the injury results in permanent paraplegia or permanent quadriplegia and the modifications are required for you to continue to live at the situation. The most we will pay is \$25,000.

Removal of debris

We will pay the reasonable costs of demolishing and removing any buildings debris when damage or loss occurs.

Architects, surveyors and legal fees

We will pay the reasonable costs of architects, surveyors and engineers together with any legal fees that arise from reinstating your buildings when loss or damage occurs.

Replacement of locks

If a key to an external door lock of your buildings, or a key to an external window lock of your buildings, is stolen or you have reason to believe that they have been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item. We will decide which one we will do. The most we will pay is \$1,000.

Trees, plants and shrubs

We will pay the reasonable cost of replacing your trees, plant, shrubs or lawns if they suffer loss or damage as a result of an insured event other than storm. We will not pay for loss or damage caused by a weather related event. We will pay up to \$1,000 for any one tree, plant or shrub and the most that we will pay for replacement of your trees, plants, shrubs or lawns is \$5,000 in any one period of insurance.

Television and radio antennas

We will pay the cost of any damage caused to a television/radio antenna or mast. The most we will pay is \$1,000.

Mortgage discharge

We will pay your legal costs to discharge your mortgage if your claim is for a total loss.

Certificate of title replacement

We will pay to replace the certificate of title to your building if it is destroyed or damaged.

Statutory costs

We will pay the costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing the buildings at the location. We will not pay any costs that resulted from any notice that a statutory authority served on you before loss or damage to your buildings was suffered. The most we will pay in any one period of insurance is \$25,000.

ADDITIONAL BENEFITS WHEN YOU HAVE INSURED YOUR CONTENTS

Credit cards

If any of your credit, debit or store value cards are misused after they are stolen, or are fraudulently used on the internet, we will pay up to \$5,000 in total to the financial institutions that issued them. We will only pay this benefit if you are legally responsible to pay the amount and you have complied with the terms on which the credit cards were issued.

Frozen or refrigerated food

If your freezer or refrigerator breaks down, we will pay for the loss of any frozen or refrigerated food. We will also pay for the loss of any frozen or refrigerated food caused by accidental damage to the freezer or refrigerator or by the failure of the electricity supply.

Alternative accommodation

We will pay the reasonable cost of alternate accommodation and up to \$1,000 for additional living expenses that you incur after you have had a loss. We will pay this amount for up to 12 months. The most we will pay is 20% of your contents sum insured. We will only pay this for the period that the building you are renting or the strata property you own is unable to be lived in after damage or loss has occurred. We will reduce this payment, or stop paying you, if:

- ◆ you receive any payment for rent or accommodation from another source; or
- ◆ you do not need to pay for alternate accommodation.

Removal and storage of contents

If you are unable to live in your building after damage or loss has occurred, we will pay the reasonable costs to remove and store your contents while your building is being repaired.

Provided we have agreed to the storage location we will pay these costs for up to 12 months. We will also cover your contents while they are in storage. We will only pay for this when you are unable to live at your location.

Moving your contents

If you are moving permanently to a new situation within Australia, we will cover your contents in the building at both your new and old location for up to 45 days from the day you start moving. We do not cover loss or damage caused to your contents at your new location after 45 days from the day you start moving, unless you have told us and we have agreed to cover your contents at that location. Your contents are not covered under this benefit while they are being moved from the old to the new location.

Contents in storage

We will cover your contents for loss or damage while they are in a commercial storage facility in Australia up to the contents sum insured listed on your Insurance Certificate. There is no cover under this benefit for jewellery, money or negotiable instruments.

Your contents are only covered under this benefit if you have advised us before your contents are put into the commercial storage facility and we have agreed to provide cover and noted this on your Insurance Certificate.

Contents in transit

We will cover loss or damage sustained during the period of insurance to your contents while they are being transported by a vehicle to your location, or to a commercial storage facility within Australia.

We will only cover your contents if there is theft following violent and forcible entry, or loss or damage arising out of fire, collision or overturning of the vehicle that is transporting your contents.

We will not cover loss or damage to glassware, crystal, crockery, mirrors and china or damage caused by denting, scratching, chipping or bruising.

Contents away from your location

Your contents are insured for up to 180 days while they are away from your location, but still in Australia or New Zealand, however they are not insured if they:

- ◆ are on the way to, or from, or in, commercial storage unless we have agreed to cover them under 'Additional benefits when your contents are insured';
- ◆ are in transit during a permanent removal unless we have agreed to cover them under 'Additional benefits when your contents are insured';
- ◆ have been removed permanently from your location other than:
 - sporting equipment that is stored within a club room;
 - contents stored in a bank safety box;
 - students personal belongings including sporting equipment while you are away from home attending school, college or university.

The following items of contents are not covered while away from your location:

- ◆ accessories and spare parts for motor vehicles, motorcycles, mini-bikes, mobility scooters, caravans, trailers, watercraft, motorised golf carts, ride-on mowers, wheelchairs, surfboards, surf skis and canoes;
- ◆ goods that you use for earning your income;
- ◆ office and surgery equipment that you use for earning your income.

We will only cover your contents for loss or damage as a result of storm, rainwater, wind or impact by a vehicle if they are:

- ◆ in a residential building, boarding house, motel, hotel, club, nursing home or hospital where you are staying; or
- ◆ sporting equipment stored within a clubroom.

We do not cover your contents for loss or damage as a result of storm, rainwater, wind or impact by a vehicle if they are in a tent, vehicle, caravan, trailer, aircraft or watercraft. We will not cover your contents for theft while they are away from your location unless the contents are:

- ◆ your wallet, handbag or other personal items and you are robbed of these items anywhere in Australia by virtue of violent physical assault that is supported by a police report. The most we will pay in these situations is \$300 for money and up to \$800 in total;
- ◆ in a residential building, boarding house, motel, hotel, club, nursing home or hospital where you are staying; or

- ◆ sporting equipment stored within a clubroom.

We will pay up to 25 per cent in total of the contents sum insured shown on your Insurance Certificate subject to the limits detailed in the 'What are your contents' section of the policy.

Visitor's contents

If guests, employees, exchange students or visitors to your location bring their own contents with them, we will regard those contents as belonging to you. The most we will pay is \$5,000 if these contents are lost or damaged. This cover is subject to the same items and limits that appear under the definition of contents. We will not pay a claim under this benefit if someone other than you already insures these contents under another policy.

Visitor's money

If money or negotiable instruments belonging to guests, employees, exchange students or visitors are stolen or damaged, we will regard that money or the negotiable instruments as belonging to you. The most we will pay is \$1,000 in total. We will not pay a claim under this benefit if someone other than you already insures the money or negotiable instruments under another policy.

Replacement of locks for your building

If a key to an external door lock of your building, or a key to an external window lock of your building, is stolen or you have reason to believe that it has been duplicated, we will pay the reasonable and necessary costs of replacing the external lock, key or cylinder with a similar item. We decide which one we will do. The most we will pay is \$1,000.

Removal of debris

We will pay the reasonable costs of removing any contents debris when loss or damage occurs.

Monitored alarm costs

We will pay the reasonable costs you have to pay a security firm to attend your building in response to your monitored burglar alarm system. The most we will pay is \$2,000 and we will only pay these costs when there is a burglary or an attempted burglary.

We will not pay these costs when there is a false alarm or no evidence of an attempted burglary.

Reproduction of documents

We will pay to reinstate, reproduce or restore your documents if they are damaged while contained in your buildings at the location or in a bank vault. This includes the information contained on the documents.

ADDITIONAL BENEFITS WHEN YOU HAVE INSURED YOUR BUILDINGS AND/OR CONTENTS

Fire brigade charges

We will pay the reasonable costs you have to pay the fire brigade to attend and protect your buildings or contents against an actual fire or other emergency. The most we will pay is \$500 per event.

Tax audit

We will pay for the fees that you must pay to an accountant when the Federal Commissioner of Taxation audits your personal financial affairs. You must advise us of any such audit prior to the fees being incurred. The most we will pay during any one period of insurance is \$5,000.

We will not pay claims for:

- ◆ any audit that relates to a criminal prosecution;
- ◆ fees where the final assessment of your taxable income for the period being audited is 20%, or more, higher than your original declaration;
- ◆ fees for work performed by your accountant outside the time limits allowed by the Federal Commissioner of Taxation;
- ◆ any fines, penalties or adjustments of taxation;
- ◆ any audit where notice of the audit was given to you prior to the inception of this policy.

ADDITIONAL EXPENSES TO PROTECT YOUR BUILDING AND CONTENTS

We will pay reasonable expenses to protect your buildings or contents from further damage following damage that we have agreed to cover.

Veterinary expenses

We will pay for veterinary expenses if your pet is injured or killed as a result of a road accident, fire, lightning, earthquake, burglary or attempted burglary. The most we will pay for this benefit is \$500.

Denial of access

If your building cannot be lived in because a government authority denies you access, we will pay any increase in your living expenses that we consider necessary and reasonable, for a period of up to 60 days, to maintain your normal standard of living. We will not cover loss due to cancellation of a lease or agreement.

Compensation for death or injury

We will pay \$15,000 if you or a member of your family normally living with you, dies as a direct result of a physical injury caused by an accident within the buildings at your location.

The most that we will pay for all claims in any one period of insurance is \$15,000 and payment will be made to the estate of the deceased person.

Personal legal cover

We will pay legal costs and expenses you are liable to pay following legal proceedings brought by you, or against you, in Australia. We will only pay in relation to legal proceedings notified to us during the period of insurance shown on your current Insurance Certificate. You must advise us of any legal proceedings brought by you, or against you. We will only pay for legal costs and expenses incurred with our prior written consent. The most we will pay during any one period of insurance is \$5,000.

We will not pay legal costs and expenses relating to:

- ◆ spouse or partner disputes including, but not limited to, divorce, child maintenance, or custody and property disputes;
- ◆ claims for death, bodily injury to, or disease of, any person;
- ◆ claims where cover is available by a standard form of insurance for motor vehicles, household building and contents, motorcycles, caravans or boats whether or not you have taken out any cover;
- ◆ any criminal charge or prosecution brought against you;
- ◆ any road traffic offence or boating offence committed by you;
- ◆ any matter arising out of your business or profession;
- ◆ any matter arising out of any insurance cover required by legislation;
- ◆ any award of damages made against you;
- ◆ any penalties, fines or awards of aggravated, exemplary or punitive damages made against you.

OPTIONAL BENEFITS

Valuable items cover

This section of the policy only applies when your Insurance Certificate shows that you have requested cover for valuable items. You need to elect to take this optional cover and you will be required to pay an additional premium. The items covered under this section are those items listed on your Insurance Certificate.

What are valuable items:

- ◆ jewellery and watches;
- ◆ items that contain gold or silver;
- ◆ collections of stamps, money or medals;
- ◆ special valuable and personal items which are listed on your Insurance Certificate.

Your valuable items are covered for accidental damage or accidental loss, provided that the accidental damage or accidental loss happens within Australia or New Zealand. You only have cover for accidental loss or accidental damage that happens outside of Australia and New Zealand if the loss or damage occurs within 90 consecutive days after you leave Australia.

The most we will pay for any one item, pair, set, collection or system is \$5,000. You can insure items, pairs, sets, collections or systems that are worth more than this limit by contacting us and arranging to have these items listed on your Insurance Certificate.

The most that we will pay for all valuable items is the sum insured shown on your Insurance Certificate.

Strata title mortgage protection

This section of the policy only applies when your Insurance Certificate shows that you have requested this optional cover.

The cover provided by this optional benefit applies when you own part of a building that has been subdivided, usually into strata title units, and you have a mortgage on that part of the building. We will cover the part of the building that you own on the same basis as the buildings cover provided by this policy. We will pay up to the amount you owe on your mortgage but no more than the building sum insured shown for this optional benefit on your Insurance Certificate. We will pay this to your mortgagee when you are required to pay your mortgage in full following a loss. We will only pay this when the body corporate has not insured the buildings, or it has not insured the buildings for damage that you can claim for under this policy.

When we will not pay a claim for loss or damage under this policy

You are not covered for any loss or damage caused by or resulting from, or the costs incurred from or of:

- ◆ bushfire/grassfire, flood or named cyclone which occurs within the first 48 hours of the start of this policy unless:
 - you transferred a building and/or contents insurance policy, with equivalent cover, to us from another insurance company without an interruption in cover;
 - you have entered into a contract of sale to purchase the property;

- you have entered into a contract to lease the property;
- ◆ flood, storm surge, actions of the sea, including tidal wave and high water or erosion;
- ◆ gradual deterioration, including wear and tear, rust, corrosion, depreciation, fading or deterioration from exposure to light;
- ◆ mould or mildew, wet or dry rot, rising damp or dampness;
- ◆ inherent defects, structural faults, faulty workmanship or faulty design;
- ◆ poor maintenance;
- ◆ insects, vermin or by the pecking, clawing, chewing, eating or nesting by birds and other wildlife;
- ◆ any earth movement not caused by earthquake, including erosion, mudslide, collapse, earth shrinkage and expansion;
- ◆ landslide or subsidence unless it occurs within 72 hours after one of the following:
 - storm, rainwater or wind;
 - earthquake or tsunami;
 - explosion;
 - escape of liquid from a fixed pipe or something attached to a pipe, fixed gutter, fixed tank or fixed drain;
- ◆ tree roots, tree felling or tree lopping at the location;
- ◆ water that has seeped or percolated into your building or has entered your building because of inadequate maintenance;
- ◆ any deliberate action by you, others living at the location, or other people who have entered your location with the consent of you or others living at the location, including visitors and tenants;

- ◆ any process of cleaning involving the application of heat or the use of chemicals other than domestic household chemicals;
- ◆ mechanical breakdown, electronic or mechanical derangement of electronic data, virus, malfunction or processing error;
- ◆ electrical or electronic breakdown or malfunction unless directly caused by fire, storm, rainwater, malicious damage or covered otherwise by the listed event for 'An electric motor burning out';
- ◆ accidental damage caused by or as a consequence of building work, including any extensions or renovations. We will however pay for accidental damage arising out of work undertaken directly by you unless the damage results from the weakening or removal of support;
- ◆ damage to swimming pools or similar structures caused by hydrostatic pressure.

You are also not covered for:

- ◆ loss or damage to your building or contents if your building is unoccupied for longer than 90 consecutive days, unless you have told us about this and we have agreed to provide cover. This exclusion will not apply to loss or damage caused by thunderbolt, lightning or earthquake that occurs during the period of unoccupancy;
- ◆ loss or damage to sporting goods while they are in use.
- ◆ theft from any part of the building which you share with another person who is not insured under this policy or from any common or public area at the location;
- ◆ malicious damage, vandalism or theft by a tenant;

- ◆ poor housekeeping by your tenant or a member of their immediate family or your tenant's invitees;
- ◆ any consequential loss or loss of profit;
- ◆ loss or damage to unlicensed or unregistered firearms, knives which have a blade longer than five centimetres (other than kitchen knives in your building) or unlicensed or unregistered computer software;
- ◆ damage to a heating element. We will pay for any resultant damage following damage to a heating element;
- ◆ confiscation or damage caused by the lawful seizure, confiscation, nationalisation or requisition of or damage to, the insured property by a government, public or local authority.

(Please refer to the section 'When we will not pay a claim for loss, damage or liability' for further exclusions)

Liability

We will cover you for legal liability to pay compensation as a result of an accident caused by your negligence, which occurs during the period of insurance, and causes death, bodily injury or loss or damage to others' property.

Your Insurance Certificate will indicate the most that we will pay in total for any event(s) arising directly or indirectly from the one original accident, source or cause. In addition to this amount we will pay all legal costs and expenses incurred with our consent or which you have a legal liability to pay. If we agree to pay your claim we will pay the

costs of compensation awarded by a court or a settlement agreed to by us and your reasonable legal fees and costs that we incur on your behalf or that you incur with our written consent. You can only claim for legal fees and expenses if we have agreed to them in writing before you incur them.

When we will pay

If your building is insured we will pay the amount you have to pay for death, bodily injury or loss or damage to others' property arising from your occupancy and ownership of your building and its land or occurs within the building or location on which it stands.

If your contents are insured we will pay the amount you have to pay for death, bodily injury or loss or damage to others' property arising out of the ownership of your contents or occupation of the building at the location.

If you have insured your contents and you own part of a building that has been subdivided, we will pay the amount you have to pay as owner of your contents or occupier of your part of the building. We will not pay for an accident that happens in any common areas of the building.

If you have insured your contents, we will pay the amount you have to pay for an accident that happens:

- ◆ anywhere in Australia;
- ◆ anywhere in the world. This does not include the amount you have to pay because you are the owner or occupier of your building.

ADDITIONAL THINGS WE WILL PAY FOR WHEN YOU HAVE INSURED YOUR CONTENTS

Committee members

We will pay the amount you are liable to pay following an alleged or actual act or omission that arises from your duties as a committee member of a sporting, social club or community organisation, however we will not pay if you receive more than \$1,000 per year for holding this position. Any claim made against you must occur within the period of insurance stated in the Insurance Certificate. The most we will pay, including costs, during any one period of insurance, is \$10,000.

Motor vehicle liability

We will cover you against any claim for compensation or expenses which you become legally liable to pay, resulting from an accident that occurs in Australia during the period of insurance, for the death of, or bodily injury to, any person or the loss of, or damage to property arising from the ownership, custody, or use of any vehicle not required to be registered by law including:

- motorcycles up to 125cc capacity;
- motorised golf carts;
- ride-on mowers;
- any motorised wheelchair or mobility scooter;
- any domestic trailer that is not attached to a vehicle.

We also insure you against any claim for compensation or expenses you become legally liable to pay for the death of, or bodily injury to, any person;

- ◆ caused by you solely as a result of you being a passenger in a registered vehicle if the occurrence causing the death or bodily injury occurs during the period of insurance;
- ◆ arising from the ownership, custody, or use of any registered vehicle if the occurrence causing the death or bodily injury takes place at the location.

We do not cover you:

- ◆ if you are entitled to be wholly or partly insured by any compulsory statutory insurance or accident compensation scheme, or would have been, but for failure to register the vehicle or to apply for cover under the insurance or scheme or to comply with a term or condition of the insurance or scheme;
- ◆ if you are entitled to be wholly or partly protected by any other policy of insurance which specifically covers compulsory third party motor vehicle liability;
- ◆ while any vehicle is used for competitive racing or pace making.

When we will not pay under the liability section

We will not pay claims arising from:

- ◆ penalties, fines or awards of aggravated, exemplary or punitive damages made against you;
- ◆ use of a motor vehicle, motorcycle, mini-bike, aircraft or watercraft, other than:
 - unregistered motorised golf carts, ride-on mowers, mobility scooters and wheelchairs;
 - model or toy aircraft;
 - a surfboard, sailboard or surf ski;
 - watercraft less than four metres long that do not require registration under state or territory legislation;
- ◆ use of a caravan or trailer when the caravan or trailer is attached to a motor vehicle or motorcycle;
- ◆ bodily injury, or loss or damage to any property that belongs, to you, or any member of your family who normally lives with you, or any other person who normally lives with you;
- ◆ bodily injury, or loss or damage to property belonging to any person you employ and that injury, loss or damage arises out of their employment with you;
- ◆ any disease that is transmitted by you, or any member of your family who normally lives with you;
- ◆ the supply of any alcohol or drugs;
- ◆ any business, profession, trade or occupation carried on by you;
- ◆ alterations, repairs, renovations or additions to your buildings that cost more than \$100,000;

- ◆ any agreement or contract you enter into however we will pay for your liability if you would have been liable without the agreement or contract;
- ◆ gaining a personal profit or advantage that is illegal;
- ◆ a conflict of duty or interest;
- ◆ any act or omission that is dishonest, fraudulent, criminal, wilful or malicious;
- ◆ any loss that can be reimbursed by your sporting or social club;
- ◆ any alleged or actual act or omission committed, or alleged to have been committed, prior to the commencement of the period of insurance;
- ◆ any actual alleged or threatened contamination or pollution of any property, land, the atmosphere or any watercourse or body of water (including groundwater) other than arising from an occurrence which is neither reasonably expected or intended by you and is a consequence of a sudden cause which takes place at a clearly identifiable time and place during the period of insurance;
- ◆ your ownership or occupancy of any land or buildings other than the location listed on the Insurance Certificate, except if you are a tenant;
- ◆ your ownership of or your legal responsibility for any wharf, jetty or pontoon;
- ◆ any loss or damage in connection with the common property where the building is a strata titled property;
- ◆ any claims made against you because your body corporate failed to insure (or adequately insure) against property damage as required by relevant state or territory, strata title or unit legislation;

- ◆ any event or liability for which you or your family are required by law to hold an insurance policy;
- ◆ any animal other than a domestic dog or cat that is kept at the location.

When we will not pay for a claim for loss, damage or liability

You are not covered for any loss, damage or liability caused by or resulting from, or the costs incurred from or of:

- ◆ war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or by contamination or pollution by chemical, biological or nuclear agents which results from an act of terrorism;
- ◆ ionising radiation, contamination by radioactivity from any nuclear weapons material, nuclear fuel or waste, or the combustion of nuclear fuel or waste where the combustion is a self sustaining nuclear process;
- ◆ asbestos or any product containing asbestos.

What happens if you need to make a claim?

If an event occurs that is likely to result in a claim, the following checklist will help you ensure that you have done everything you need to, so that your claim can be assessed quickly. Not all items may be applicable to your claim.

First you should:

1. do what you can to prevent any further loss, damage, cost or liability;

2. tell the police if the event involves theft, attempted theft, malicious acts, civil unrest or impact by a vehicle;
3. call your insurance broker.

You must never, without our consent:

- admit guilt, fault or liability (except to the Police);
- offer or negotiate to pay a claim;
- approve any repairs or arrange replacements (other than emergency repairs necessary to minimise or prevent further loss or damage);
- dispose of any damaged property.

We will also require you to:

- provide us with the proof that we need regarding lost or damaged items;
- help us manage the claim, which may include us inspecting your building or asking you questions, or you providing written statements to us under oath;
- keep items that have been damaged and allow us to inspect them or assess repair costs;
- allow us to take possession of damaged property that is the subject of a claim;
- send us any communication you receive relating to the claim (including telling us of pending court proceedings or offers of settlement);
- help us as we work to negotiate, defend or settle any claim made under this insurance and to exercise for our benefit your legal right of recovery against any other party;
- tell us about any other insurance that may be relevant to the claim.

How we settle claims for your building

When we agree to pay a claim for your building, we will rebuild or repair your building as new, or pay you the cost of rebuilding or replacing it, at our discretion. We will only pay up to your building sum insured, or any lesser limit that applies, less any applicable excess.

If rebuilding or repairing of your buildings has not commenced within six months of the loss or damage occurring or if you decide not to proceed with the rebuild or repair of your building we will pay the lesser of:

- ◆ the rebuild or repair cost; or
- ◆ the difference in the value of your building and the land it is situated on before the damage occurred and the value of the building and the land after the damage has been sustained.

We will only pay to repair or rebuild that part of your building that was damaged. We do not cover any additional expenses to replace undamaged parts of your building to create a uniform appearance. Where the original materials used to build your building are not readily available in Australia, we will pay for the cost of materials we believe to be of a similar kind or quality.

How we settle claims for your contents

When we agree to pay a claim for your contents, we will at our discretion, repair or replace any lost or damaged item or pay you the cost of repairing or replacing the item (if unusual circumstances exist), based on the amount that it would have cost us to repair or replace it. We will pay up to your contents

sum insured, or any lesser limit that applies to the item, group of items or event, less any applicable excess.

Where we can, we will match materials and contents or where this is not possible, use materials and contents that in our opinion match as near as reasonably possible.

If the lost or damaged item is part of a collection, we will only pay for the repair or replacement of the damaged or lost item. We will not pay for any resulting decrease in the value of the collection.

Claims for the replacement or repair of damaged fixed carpets, wall floor and ceiling coverings and internal blinds and curtains will be limited to the passageway, room or stairwell where the damage occurred.

How we settle claims for valuable items

If you have selected cover for valuable items and it is noted on your Insurance Certificate we will at our discretion, repair or replace any lost or damaged item or pay you the cost of repairing or replacing the item (if unusual circumstances exist).

If the lost or damaged item is part of a collection, we will only pay for the repair or replacement of the damaged or lost item. We will not pay for any resulting decrease in the value of the collection. We will reduce any payment for damage to, or loss of, an item under this section by the amount we may pay you for the same item under your contents insurance.

Your excess

Your excess is the amount that you agree to contribute at the time that a claim is paid. The excess selected for your building, contents and valuable items cover will be clearly documented on your Insurance Certificate.

In the event of a claim for loss or damage arising from an earthquake or tsunami your excess will be increased by an additional \$250. This loss or damage must occur within 72 hours of the earthquake.

When a claim is paid for loss or damage to your buildings and your contents, the excess amount will only be applied once. In situations where different excesses apply to your buildings and your contents cover the higher of the two excesses will be applied to a claim involving both your buildings and your contents. You will not be required to pay any excess in the event that your buildings or contents are a total loss.

How claims impact your policy

After we pay a claim under your policy, other than a claim for a total loss, the amount you are insured for will remain the same as the value shown on your Insurance Certificate at the date of loss. If a claim is paid for any item individually listed on your Insurance Certificate, that item will be removed from your policy and you will have to notify us to add the replacement item again and pay any additional premium if required.

If a claim is for the total loss of your building or contents, your insurance will cease as soon as we accept liability and a settlement

amount has been formally agreed. No premium refund is due if you have paid your premium annually.

Automatic increase of sum insured

If you have a loss for your building or contents we will increase your sum insured by the amount that the Consumer Price Index has increased since you took out your policy or last renewed it. This increase will not apply to any valuable items specifically listed on your Insurance Certificate.

Goods and Services Tax (GST)

Any claim payments made under this policy will be based on GST inclusive costs. However, if you are or would be entitled to claim any input tax credits for the repair or replacement of insured property or for other things covered, we will reduce any claim under the policy by the amount of such input tax credits.

GLOSSARY

accident means an event you did not intend or expect to happen.

event means any single occurrence resulting in loss or damage.

Insurance Certificate is the latest insurance certificate we send you which forms a part of our contract with you and sets out the types and amount of cover you have selected.

location means the land at the insured address on the Insurance Certificate. The location does not include common property.

period of insurance means the period during which this policy is current. The period of insurance is stated on your Insurance Certificate. If this insurance policy is cancelled, the period of insurance terminates when the cancellation becomes effective. Unless otherwise stated the period of insurance commences and ends at 4pm on the days stated as the period of insurance on the Insurance Certificate.

terrorism means any act which may or may not involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

unoccupied means that either no-one is living in the home or someone is living in the home but without your consent.

we, us or **our** means The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473) (AFSL 241436)

www.hollard.com.au

Telephone **02 9253 6600**.

you, your means:

- ◆ the policy holder or policy holders named on the Insurance Certificate;
- ◆ the policy holder's spouse (legal or defacto);
- ◆ a person living at the insured's address who lives with, and is a family member of, the policy holder or the policy holder's spouse.

HOW WE PROTECT YOUR PRIVACY

Our Privacy Policy sets out how we protect your personal information. We collect, store and use your personal information to provide you with and inform you about insurance and insurance related services. To do this we may communicate your personal information to our service providers. This will always be done as permitted by the relevant privacy legislation. To obtain a copy of our privacy policy, to stop receiving information about new and related insurance services, or to obtain access and correct your personal information please call us.

DETERMINING YOUR PREMIUM

When you purchase your insurance we will tell you the premium you must pay, which is determined by considering factors such as the cover you want, the property you are insuring, the applicable limits and excesses and your insurance history. It also includes any compulsory government charges, taxes or levies (such as Stamp Duty, GST and Fire Services Levy) that we are obliged to pay for your insurance. Your premium, including these charges, will be shown on your Insurance Certificate.

HOW WE RESOLVE YOUR COMPLAINTS

We welcome every opportunity to resolve any concerns you may have with our products or service. If a problem does arise, in the first instance contact your insurance broker.

If you are not satisfied with their response please call the Broker Manager at Hollard on (02) 9253 6600. If we can not determine the matter to your satisfaction please write to our Internal Dispute Resolution Committee at:

Broker Disputes,
The Hollard Insurance Company Pty Ltd,
PO Box R1785,
Royal Exchange, NSW 1225.

Your concern will be investigated by an officer with full authority to deal with the complaint and we will inform you of the outcome within fifteen working days of receiving your letter. If your concern still remains unresolved to your satisfaction we will assist you by directing your issue for further review to an external review scheme, to which we belong.

This insurance is underwritten by The **Hollard Insurance Company Pty Ltd**
ABN 78 090 584 473 | AFSL 241436



The Hollard Insurance Company Pty Ltd

ABN 78 090 584 473 AFSL 241 436

address **Level 38, 2 Park Street**
SYDNEY NSW 2000

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