

Extra cover specified items

We cover

Accidental loss or damage to an extra cover specified item during the period of cover, up to the item's sum insured shown on your insurance schedule.

Items that can be covered as an extra cover specified item, subject to our agreement and you paying us an extra premium, are:

- valuable personal belongings that are normally worn by you or carried with you away from the insured address, such as:
 - jewellery, watches, handbags, wallets;
 - sporting, recreational and leisure goods and equipment;
 - portable electronic and electrical items and their accessories;
 - photographic and optical equipment;
 - laptops, mobile or satellite phones;
 - electronic tablets (e.g. iPads) and personal digital assistants;
 - GPS or navigational devices;
- motorised wheel chairs, mobility scooters, golf carts.

We do not cover

- loss or damage outside of Australia and New Zealand **unless** the specified item is jewellery or a watch and it is lost or damaged whilst being worn by you or whilst stored in a secure safe and only if it is outside of Australia and New Zealand for less than **31** consecutive days;
- loss or damage to sporting, recreational or leisure goods and equipment whilst in use;
- restoration of your electronic records;
- loss or damage to extra cover specified items that are used for any business activity;
- loss or damage caused by flood if you do not have cover for insured event 'Flood'.

More Details

For details on how we pay claims under extra cover for portable valuables, please refer to our Premiums, Excesses, Discounts and Claim Payments Guide available at aami.com.au. A copy of this guide can be provided to you on request, at no charge, if you contact us on **13 22 44**.

Legal Liability

We cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an incident which happens during the period of cover:

- anywhere in Australia or New Zealand, **and**
- which is unrelated to your ownership of the building or land at the insured address.

We will also pay the associated legal costs which we have agreed in writing to pay.

The most we will pay for all claims from any one incident under contents legal liability cover is **\$20 million**, including all associated legal costs.

We will also cover your legal liability:

- if it results from fixtures and fittings attached to the insured address and that you are legally responsible for under a rental agreement;
- if you are living in a unit, and your legal liability is not covered under a building policy which covers that unit.

Additional cover for a vacant block of residential land

When we cover the contents we will also cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an incident which happens during the period of cover on a vacant block of land that:

- you own;
- is zoned for residential housing;
- is no more than **20** acres; **and**
- is where you intend to build your future home.

We only provide this cover for incidents that happen in the **12** month period from the time you became the owner of the land but cover ends immediately if:

- you sell the land;
- any building or rebuilding work commences at the vacant block of land.

Block of land when your building was damaged

We will cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an incident which happens at the insured address during the period of cover when:

- both the building and contents are insured with us at the time the building is badly damaged or destroyed by an insured event; **and**
- we pay you the cost to repair or rebuild the building and the building cover stops.

You must take reasonable precautions to keep the insured address free of obvious hazards for anyone coming onto the insured address. This includes fencing off or securing damaged buildings and fencing any swimming pools, or we will refuse to pay a claim.

We will provide this cover for incidents that happen during the period of cover and in the **12** month period from the time we paid your building claim, but cover ends immediately if any building, rebuilding or repair work commences at the insured address or if you sell the insured address.

What we do not cover

We do not cover legal liability caused by or arising from:

Agreements you enter into

any agreement or contract you enter into, **but we will cover** your legal liability:

- if it would have existed had you not entered into the agreement or contract;
- if your liability is:
 - under a tenancy rental agreement; **and**
 - for damage to your landlord's property at the insured address caused by fire or by water leaking from pipes, washing machines, dishwashers or water overflowing from a blocked bath or tub.

Aircraft

you using or owning any aircraft or the facilities to land or store aircraft, **but we will cover:**

- a remote-controlled model or toy aircraft with a wingspan up to **1.5** metres;
- a kite designed to be held by a person on land or attached to a non-motor powered watercraft (e.g. a surf kite).

Animals

any animal other than your domestic dog or cat.

Asbestos

personal injury caused by or arising from exposure to or potential exposure to asbestos in any form.

Buildings, property or land not at the insured address

you owning, occupying or renting any building, property or land not at the insured address **except for:**

- the common areas around the unit when you insure the contents in that unit under this policy;
- a vacant block of residential land as described on page 37.

Building, altering or renovating

building work being carried out at the insured address where the total cost of building, altering, extending or renovating is more than **\$50,000**.

Business activity

any business activity, **but we will cover** this if it relates to part-time or casual babysitting where you do not need to be registered or licensed to do this.

Committee members or officials

your actions or duties as a committee member or director of a club or association, as a coach, referee or official at a game or organised sporting activity.

What we do not cover (cont'd)

We do not cover legal liability caused by or arising from:

Death or injury

death or injury of:

- you;
- a child (born or unborn) under **18** years who is your child or the child of your spouse, de facto or partner;
- your pets;
- anyone who usually lives at the insured address.

Fines, penalties and other damages

civil or criminal penalties or fines or aggravated, exemplary, punitive or multiple damages.

Illness or Disease

illness, disease or sickness you knowingly spread or failed to take due care to prevent spreading after you knew about it.

Motor vehicles or motor cycles

the use or ownership of a motor vehicle or motor cycle or instructing someone on how to use it **unless** at the time of the incident, it was being used legally and did not have to be insured under any compulsory third party insurance laws and was:

- a remote-controlled motor car;
- a wheelchair or a mobility scooter designed to accommodate physical disabilities or the elderly;
- a golf cart or buggy;
- domestic gardening equipment (e.g. ride-on mower).

Your employees

death or injury of your employees or damage to their property while they are working for you.

Watercraft

using or owning any watercraft **unless** it is a sailboard, surfboard, wave board, canoe, kayak, non-motorised surf ski or remote-controlled model watercraft.

What we do not cover – general exclusions

You are not covered under any section of your policy for damage, loss, cost or legal liability that is caused by, arises from or involves:

Actions or movements of the sea

actions or movements of the sea.

Biological, chemical, other pollutant or contaminant

any actual or threatened biological, bacterial, viral, germ, chemical or poisonous pollutant or contaminant or any looting or rioting following these incidents or any action taken by a public authority to prevent, limit or remedy such actual or threatened release, pollution or contamination. **But we will cover:**

- fire damage that is covered by insured event 'Fire';
- your legal liability under 'Legal Liability' cover, to the extent your legal liability arises from your use of pesticides or herbicides at the insured address;
- the cost to remove asbestos or its derivatives if loss or damage is caused by an incident covered by your policy at the insured address.

Breaking the law

- you, or someone with your knowledge or permission, committing or trying to commit an unlawful or criminal offence, such as assault or malicious damage;
- your possession, supply or consumption of any illegal substances or illegal drugs;
- you not obeying any commonwealth, state, territory or local government law, including laws relating to:
 - installing smoke alarms;
 - pool fencing;
 - failing to install a balcony railing or balustrade when required;
 - dangerous goods and liquids;
 - firearms;
 - control and safekeeping of dangerous or restricted breeds of dogs, including not obeying any legal requirement to restrain a dog in public or keep it fenced in.

What we do not cover – general exclusions (cont'd)

You are not covered under any section of your policy for damage, loss, cost or legal liability that is caused by, arises from or involves:

Building extensions, alterations or renovations

building extensions, alterations or renovations to your building. Specifically we do not cover:

- damage caused by cracking, collapse, subsidence or damage to contents caused fully or partially by the building work;
- damage caused by storm, flood or water entering the building through openings in the walls or roof or other unfinished parts of the building whether or not they are temporarily covered at the time of the damage;
- damage caused by storm or flood to any part that is not fully built;
- theft or damage by someone who enters or leaves through an unlockable or unsecured part of the building;
- malicious damage or vandalism to contents in unfinished parts of the building.

Computer virus or computer hacking

loss as a result of a computer virus or hacker.

Confiscation or damage by a legal authority

confiscation, nationalisation, requisition or damage caused by the police, a government authority or someone with the legal authority to do this.

Consequential losses or extra costs following an incident covered by your policy

consequential loss (financial and non-financial loss) or extra costs following an incident covered by your policy including:

- loss of income or wages;
- costs, including the cost of your time, to prove your loss or to help us with your claim;
- cost of hiring appliances after yours suffer loss or damage;
- professional, expert, legal, consulting or valuation costs unless you obtained our prior written authority to incur these costs;
- cost of replacing or reapplying pest control chemicals and baits in or around the insured address;
- travel costs;
- cleaning costs;
- any costs not covered by your policy.

Defect, structural fault or design fault

a defect, structural fault or design fault that you knew about (or should reasonably have known about) and did not fix before the loss or damage occurred (e.g. if there are signs that a defect previously caused damage, we will not pay a later claim for further damage from this defect).

Deliberate actions by you

an act or omission by you, your family, anyone living at the insured address or any owner or part owner of the contents, or anyone acting with your consent, which:

- is deliberate;
- is a deliberate lack of action;
- demonstrates a reckless disregard for the consequences of that action or omission.

Deliberate damage to a reservoir or dam

deliberate or malicious damage to, or destruction of, a reservoir or dam, or any looting or rioting following such an incident.

Failing to take care of the building or contents

your failure to:

- take reasonable care of the building and contents;
- keep the buildings and contents in good condition and well maintained. For the meaning of 'good condition' see the 'What do we mean by that' section on page 61;
- fix faults and defects as soon as you become aware of them.

Ground movement

erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, **but we will cover** landslide or subsidence that is specifically covered under the following insured events:

- 'Storm';
- 'Flood' (but only if you have cover for insured event 'Flood');
- 'Earthquake and Tsunami';
- 'Explosion'.

Hazardous materials

any hazardous materials if not stored or used in accordance with the relevant law, controls and manufacturer's instructions.

What we do not cover – general exclusions (cont'd)

You are not covered under any section of your policy for damage, loss, cost or legal liability that is caused by, arises from or involves:

Loss or damage by tenants and their guests

loss or damage caused by:

- tenants, paying guests or boarders;
- someone who lives with them;
- a person who entered the insured address with their consent.

Mechanical or electrical breakdown

mechanical or electrical failure or breakdown or anything that fails to operate properly, **but we will cover** damage caused by:

- fire spreading from an electrical fault to other parts of the contents to the extent it is covered under insured event 'Fire';
- lightning to the extent it is covered under insured event 'Lightning';
- motor burnout to the extent it is covered under 'Motor Burnout' cover.

Medical equipment and aids

any medical equipment, item or aid which is designed to be either wholly or partially within the body, either permanently or temporarily. By 'within the body' we mean medical equipment, items or aids which require a specific incision to be made in the body to enable them to be implanted.

Not complying with building regulations

the buildings not complying with building laws or regulations except those laws or regulations introduced after the buildings were originally built or last altered and which you were not required to comply with.

Photographs, electronic data and images

the cost of repairing, replacing or fixing:

- electronic data or files that are corrupted, damaged or lost, including software, photographs, films, music or other visual images or audio files stored electronically or on any other medium, **unless**:
 - the device that they are stored on was lost or damaged by an insured event; **and**
 - the electronic data or files were legally purchased and you cannot restore them free of charge.
- hard copies of photographs, films or other visual images that are damaged or lost, **but we will cover** the cost of reproducing hard copy photographs you have purchased from, or had produced by, a professional photographic business or retail outlet.

Power surge

power surge, unless the surge or the loss or damage caused by the surge is covered under:

- insured event 'Fire';
- insured event 'Lightning';
- insured event 'Storm';
- insured event 'Flood' (but only if you have cover for insured event 'Flood');
- 'Motor Burnout' cover.

Radioactivity

radioactivity or the use, existence or escape of:

- nuclear fuel;
- nuclear material or waste;
- action of nuclear fission including detonation of any nuclear device;
- nuclear weapon;
- any looting or rioting following such an incident.

Replacement of water

the loss, storage and replacement of water in any tank, container, pool, spa, and any other water storage vessel.

Revolution, war

revolution, war (whether war is declared or not) or other acts of foreign enemy, war like activity, military coup or any looting or rioting following these incidents.

Roots of trees, shrubs and plants

the roots of trees, shrubs or plants, **but we will cover** damage to your contents caused by:

- liquid leaking or overflowing from pipes or drains that are blocked or damaged by these roots to the extent it is covered under insured event 'Escape of liquid';
- roots from a fallen tree to the extent it is covered under insured event 'Impact'.

What we do not cover – general exclusions (cont'd)

You are not covered under any section of your policy for damage, loss, cost or legal liability that is caused by, arises from or involves:

Seepage of water

water seeping or running:

- through the earth (hydrostatic water seepage);
- down the sides of earth or earth fill that is up against the building;
- down the sides or underneath swimming pools or spas causing them to move, change shape, lift or leak through their hydrostatic valves;
- against or through retaining walls and forcing them to move or crack;
- from agricultural pipes.

Structural improvements at units

- structural improvements owned by your body corporate or equivalent body;
- structural improvements located on common property, **but we will cover** fixtures owned by you as a tenant which will be removed by you when vacating a unit.

Tree lopping

trees being lopped, felled or transplanted by you or someone authorised by you.

Wear, tear and gradual deterioration

wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot, action of light or gradual deterioration such as, **but not limited to**:

- tiles and their adhesive or grouting breaking down;
- weathering of roof tiles or roof ridge capping;
- gradual weathering and breakdown of bricks, mortar or concrete.

Claims

Making a claim

Contact us as soon as possible if you suffer loss or damage, or there is an incident that could result in a claim.

What you must do

Step 1 Make sure everyone is safe. For emergencies, please call 000.

Step 2 Try to prevent further loss or damage.

If possible take reasonable steps to prevent further loss, damage or liability (e.g. if there is a broken window, arrange for it to be covered to prevent further water damage from the rain).

Step 3 Immediately report any theft and malicious damage to the police.

Give them a list of all stolen or damaged items. Keep details of the date reported, name of the police officer, police station reported to and the report number.

Step 4 Contact us as soon as possible on 13 22 44.

We are open **24** hours a day. If you delay reporting your claim, we may not pay for any additional loss or damage caused by your delay.

Describe details of what has been affected by the event (e.g. a broken window, storm damage or a list of stolen items). For electrical items, please have details about the make and model handy.

NOTE: If the damage to your property was caused by another person, please provide us their name and address, or if applicable, their registration details.

For customers who are registered for GST

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur. When we calculate a payment to you for your claim, we can reduce it by any ITCs you are, or would be, entitled to receive.

Legal liability claims

You must tell us about any incident that has caused an injury to others or damage to other people's property.

You must also immediately tell us about any demands made on you to pay compensation to others and any court actions or offers of settlement and send these to us.

If you make a legal liability claim that is covered by your policy we can decide to defend you, settle any claim against you or represent you at an inquest, official inquiry or court proceedings.

If we decide to defend you, settle any claim against you or represent you, then you must give us all the help we need, including help after your claim is settled.

For more details on 'Legal Liability' cover see pages 37 to 40.

To process the claim, you must

- allow us to inspect the damaged contents;
- allow us to arrange for experts to assess the damaged contents and to quote on repair or replacement;
- provide us with a quote for repair or replacement if we ask for this;
- when requested, provide us with all proofs of ownership and value, information, co-operation and assistance in relation to a claim (including giving evidence in court) as we may reasonably require;
- allow us to recover, salvage or take possession of the contents;
- consult an expert if we ask for this.

What you must not do

- do not dispose of damaged contents or parts without our consent;
- do not carry out or authorise repairs without our consent **unless** you cannot contact us and need to make emergency repairs to protect the contents;
- do not wash or clean or remove debris from any area damaged by fire without our consent **unless** you need to do this to prevent further loss;
- do not admit liability or responsibility to anyone else **unless** we agree;
- do not negotiate, pay or settle a claim with anyone else **unless** we agree;
- do not accept payment from someone who admits fault for loss or damage to the contents. Refer them to us instead.

If you do not comply

If you do not comply with 'What you must do' and 'What you must not do' we can reduce or refuse your claim or cancel your policy.

If we decline a claim

When you contact us to make a claim we will tell you if we can accept it. If we can't we will tell you why. In some cases we will allow you to lodge your claim but we will need to further assess it before making a decision. If we then decide to decline your claim we will give you our reasons in writing. If you wish to dispute our decision, see page 64 for more information.

How to establish your loss

Establish an incident took place

When making a claim you must be able to prove that an incident covered by your policy actually took place. If you do not do this, we will not be able to pay your claim.

We may obtain the following from the police:

- confirmation that you reported the incident;
- details of any investigations they undertook.

You must give us authority to access these records, if we ask.

Describe your loss or damage

You must also give us accurate and full details of what was lost, stolen or damaged and give us proof of value and ownership for items claimed.

When the contents are damaged

Usually allowing us, a repairer or an expert appointed by us, to look at what is damaged is all that is needed to prove your loss. For valuable and badly damaged items, we may ask you to provide proof of ownership and value.

How to prove ownership and value

For lost, damaged or stolen items that are no longer available for inspection, you must validate your claim by giving us details of when and where they were purchased and reasonable proof of ownership and value.

We have minimum proof requirements for some items set out on pages 50 to 51. Sometimes we might ask for more evidence to substantiate your claim to our reasonable satisfaction.

Jewellery

Amount claimed for each item or set	Minimum proofs for assessment
Up to \$500	Details of when and where purchased and the price paid. If you are claiming for more than \$1,000 in total, we may ask you for more proofs.
Over \$500 to \$1,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a close-up photograph clearly showing the item;• a full description and value from a jeweller obtained before the loss occurred.
Over \$1,000 to \$3,000	Proof of purchase that identifies the item plus a full description of the item in writing from the jeweller you bought it from or a professional valuer.
Over \$3,000	Proof of purchase that identifies the item plus a valuation by a qualified jeweller or professional valuer. A close-up photograph might also help us.

Watches

Amount claimed for each watch	Minimum proofs for assessment
Up to \$1,000	If purchased over 12 months ago Details of when and where purchased and the price paid. If purchased new in the last 12 months One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a certificate of authenticity;• an original operating manual;• the manufacturer's box;• a close-up photograph.

Watches

Over \$1,000 to \$2,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a certificate of authenticity;• an original operating manual;• the manufacturer's box;• a close-up photograph.
Over \$2,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a warranty, guarantee or certificate of authenticity showing the model or serial number;• a manufacturer's box if it has the model or serial number showing;• a valuation by a licenced member of the Auctioneers and Valuers Association of Australia.

Paintings, pictures, works of art, sculptures and art

Amount claimed for each item or set	Minimum proofs for assessment
Up to \$2,000	If purchased over 12 months ago Details of when and where purchased and the price paid. If purchased new in the past 12 months Proof of purchase that identifies the item.
Over \$2,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a valuation by the Auctioneers and Valuers Association of Australia.

If we decide that you are unable to reasonably substantiate your claim, even if you have provided the minimum proof set out in the tables, we might reduce or refuse your claim.

Your excess

What is an excess?

An excess is the amount you have to pay for each incident when you make a claim. Sometimes you might have to pay more than one type of excess. The amount and types of excess are shown on your insurance schedule.

The types of excesses are:

Standard excess	This excess applies to all claims unless your policy states that no excess applies to your claim. Note: this excess does not apply to claims under 'Extra cover for portable valuables'.
AAMI Flexi-Premium™ excess	You can choose to add this excess to your policy to reduce your premium. When you choose to apply a flexi-premium excess, you will need to pay this excess in addition to the standard excess unless your policy states that no excess applies to your claim.
Extra cover	Extra cover has its own excess that applies instead of your standard excess and any flexi-premium excess.
Unoccupied excess	This excess applies in addition to any other excess. We will apply the unoccupied excess to each incident covered by your policy, if at the time of the incident, the building has been unoccupied for more than 60 continuous days.

When you claim for both building and contents

When both the building and contents are insured with us and the incident leading to your claim is for damage or loss to both, you must pay whichever is the highest of your applicable total building and total contents excesses.

When your claim is for general contents and extra cover portable valuables

When your claim is under both general contents and under extra cover for portable valuables, the higher of your:

- standard excess plus any flexi-premium excess; **or**
- extra cover portable valuables excess

and the unoccupied excess (if applicable), will be applied.

When your claim is just for extra cover portable valuables

The extra cover excess shown on your insurance schedule (and not the standard excess or any flexi premium excess) is payable when your claim proceeds solely against extra cover for portable valuables. (For example, you have **\$2000** extra cover unspecified items and you lose your **\$300** watch while at the shops. Your only claim would be under extra cover unspecified items).

When we may waive your excess

When you make a claim for damage to the contents and the incident covered by your policy was caused by another person and we agree, we may waive the excess that would normally apply if you can give us the name and address of the person responsible for the damage or, if applicable their registration details.

More Details

For further details about our excesses, please refer to our Premiums, Excesses, Discounts and Claim Payments Guide available at aami.com.au. A copy of this guide can be provided to you on request, at no charge, if you contact us on **13 22 44**.

How to pay your excesses

When you make a claim we will either deduct the applicable excesses from the amount we pay you or direct you to pay the excesses to us or to the appointed repairer or supplier. We may require you to pay the excess in full before we pay your claim or provide any benefits under your policy.

How we settle contents claims

If we agree to pay a claim for loss, theft or damage to the contents (including limited cover specified items and extra cover portable valuables), we will decide if we will:

- repair damage to the contents;
- replace the contents 'new for old';
- pay you what it would cost us to repair or replace the contents;
- pay you the sum insured for the contents.

If we replace (or pay you what it would cost us to replace), we will replace on a 'new for old' basis.

If we repair (or pay you what it would cost us to repair), we will at our option repair on a 'new for old' basis or repair to a similar condition to what the contents were in before the loss or damage occurred.

We may offer you a voucher or stored value card for the amount it would cost us to repair or replace the contents.

We will not:

- pay extra to replace a contents item to a better standard, specification or quality than it was before the loss or damage occurred except as stated in the meaning of 'new for old' (where the claim is settled on a 'new for old' basis);
- fix a fault that existed before the loss or damage occurred;
- pay for any decrease in the value of a pair, set or collection when the damaged or lost item forms part of the pair, set or collection. We pay only for the repair or replacement of the item which was damaged or lost.

For details on the most we will pay see 'what is the most we will pay for contents' on page 18 and 'what is the most we will pay for portable valuables' on pages 35 and 36.

'New for old' means:

- **New materials, new items**
we replace or repair with new items or new materials that are available at the time of replacement or repair from Australian suppliers.
- **New for old, regardless of age**
we replace or repair regardless of age, with no allowance for depreciation.
For example, a leather lounge which was purchased 5 years ago for \$5,000 and now worth \$2,000, will be replaced with a brand new leather lounge equivalent to your old lounge when it was new. Cover is not limited to \$2,000.
- **Same type, standard and specification as when new**
we replace or repair to the same type, standard and specification as when new. If the same is not available, it means of a similar type, standard and specification when new. It can be a different brand.

'New for old' does not:

- include paying the extra cost of replacing or purchasing an extended warranty on any contents;
- mean of a better standard, specification or quality than when new.

Obsolete electrical appliances

For obsolete electrical appliances such as outdated computers or TVs, new for old means replacing or repairing to an equal specification. If this is not available, it means to the nearest better specification available. It can be a different brand. We do not insure electrical or electronic items that are no longer able to be used for the purpose they were intended.

Replacing CDs and DVDs

When we replace or pay to replace CDs, DVDs or other devices that contain electronic files or data:

- domestically-produced (or 'burned') CDs or DVDs or other devices will be replaced as blank media, or we will pay the cost of blank media;
- commercially-produced CDs or DVDs or other devices will be replaced or we will pay the cost of purchasing replacement commercially-produced CDs or DVDs or other devices.

We do not cover the costs of replacing electronic files for which you do not have a licence.

When contents items cannot be replaced 'new for old'

Paintings, pictures, works of art, sculptures, art objects, collections, sets and memorabilia and antiques (not jewellery)

For these items, 'new for old' means that if the item cannot be replaced or repaired 'new for old', we will pay you what it would have cost to buy the item immediately before the loss or damage occurred, up to the relevant sum insured.

When we repair or replace the contents

If we choose to repair damage to the contents or replace the contents, we will repair or replace with items or materials that are reasonably available at the time of repair or replacement from Australian suppliers.

We will do our best to replace to the same type, standard and specification as when new. If the same is not available, we will replace with items or materials of a similar type, standard and specification when new. It can be a different brand.

When we cannot match contents items

If we cannot find a contents item match we will use the closest match reasonably available to us.

If you are not satisfied with what we choose before we repair the contents:

If we agree, you can pay the extra cost of replacing undamaged parts of the contents to achieve a uniform appearance.

Or we will pay you what it would have cost us, but only if we agree to this. We usually insist on replacing jewellery if your cover is adequate.

Items that form part of a set or collection

We will only repair or replace contents that are lost or damaged by an incident covered by your policy. You cannot claim to replace undamaged parts of the contents (e.g. when a lounge chair which is part of a suite is damaged beyond repair. We will pay to replace that chair, not the whole lounge suite).

When we will repair or replace undamaged contents

We will only repair or replace contents that are lost or damaged by an incident covered by your policy. You cannot claim to replace undamaged contents or undamaged parts of contents.

But there are limited circumstances where we will repair undamaged parts of contents to create a uniform appearance, such as:

- **internal blinds and curtains**
if we can't match the new material or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged blinds and curtains in the same room, stairs, hallway or passageway* where the damage occurred.
- **carpets or other contents floor coverings**
if we can't match the new material or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged carpets or other contents floor coverings in the same room, stairs, hallway or passageway* where the damage occurred.

*See page 56 for 'What we mean by same room, stairs, hallway or passageway'.

*What we mean by same room, stairs, hallway or passageway

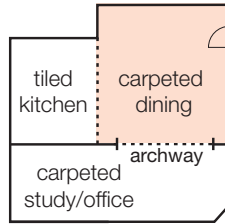
Same room

A room is an area starting and finishing at:

- its nearest walls;
- nearest doorway, archway or similar opening of any width;
- a change in the floor or wall covering

A hallway next to a room is not the same room, even if it has the same floor or wall covering as the room.

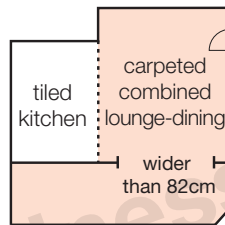
Any archway or similar opening separates a room **unless** it is a combined lounge-dining room (below).



Combined lounge-dining room

We will only combine rooms with a shared doorway, archway or similar opening when:

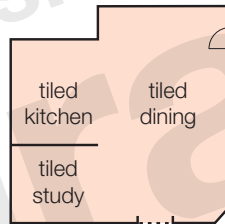
- they are lounge and dining rooms; **and**
- the shared doorway, archway or similar opening is wider than **82cm, and**
- the floor or wall covering is the same in both rooms.



Open plan areas

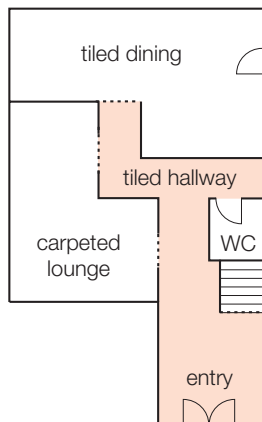
When there is no wall, archway, doorway or similar opening, the room continues until:

- a change in the floor or wall covering;
- the nearest wall, doorway, archway or similar opening.



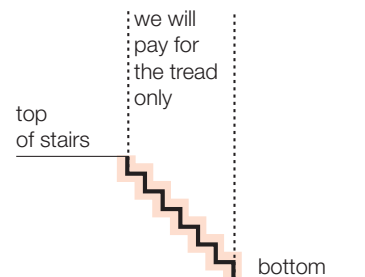
Same passageway or hallway

A passageway or hallway has the same meaning as a room. We will not combine a hallway and a room.



Same stairs

Side view of stairs



Legend

- Shaded areas show the area that we consider the same room, stairs, hallway or passageway.
- Solid lines represent floor to ceiling walls.
- Dotted lines show boundaries of a room or area where there is no physical barrier present (e.g. no wall or door).

Changes to your contents

If you want to change the contents

When repairing or replacing the contents, if we agree, you can choose to change the make and model of the contents item or upgrade to a different make and model of it, providing you pay the extra costs of doing this. If you want to downsize the contents item for less cost than you are entitled to claim, we will not pay more than it costs us to repair or replace the downsized contents item.

Lifetime guarantee on repairs

When we repair the contents, we guarantee the quality of materials and workmanship of that work for the lifetime of the contents if we:

- authorise;
- arrange; **and**
- pay the repairer directly for this work.

What we guarantee

We guarantee the material used and standard of the workmanship to be free of defects. If a defect arises in the lifetime of the contents as a result of poor quality workmanship or use of incorrect materials, then we will rectify the problem.

This guarantee does not apply:

- to repairs you authorise or make yourself;
- to loss, damage or failure of any electrical or mechanical appliances or machines;
- to wear and tear consistent with normal gradual deterioration of the contents (e.g. paint peeling off after its expected life cycle);
- where we agree with a repair quote and we give you, or the repairer, payment for the cost of the repairs and you arrange the repairs.

What happens after a claim is paid?

When a claim is paid following loss or damage to the contents following an incident covered by your policy the below applies:

Potential impact on cover and premiums

After a general contents claim

If we pay part of, or the full, general contents sum insured, the general contents sum insured is automatically reinstated and cover continues for the period of cover at no extra cost. You may need to change your insured address. You should reassess your contents sum insured. There is no refund of premium if you reduce your sum insured by the amount of your claim.

After claiming for a limited cover specified item or an extra cover specified item

If we pay you the sum insured for any specified item (e.g. a **\$5,000** diamond necklace listed on your insurance schedule), or pay to replace it, cover for that item stops and there is no refund of unused premium. If you want cover for any new replacement item, you will need to contact us and apply for cover for the new item, otherwise the only cover for this item will be as a general content (a jewellery item is covered to a maximum of **\$1,000** as a general content).

After claiming for extra cover unspecified items

If we pay part of, or the full, extra cover unspecified items sum insured, the extra cover unspecified items sum insured is automatically reinstated and cover continues for the period of cover at no extra cost.

Salvaged contents

We can take and keep any recovered, salvaged or damaged item and sell it and keep the proceeds after we have replaced the item or paid you for it.

Our right to recover claims we pay from those responsible

After we pay a claim under your policy, we can decide to take legal action in your name to recover money from the person or entity which caused the loss, damage or liability. You must give us all the help we need to do this. If we recover money that belongs to you and was not part of the claim we paid, we will give this to you.

More Details

For examples on how a claim payment might typically be calculated and the effect it may have on your premium, please refer to our Premiums, Excesses, Discounts and Claim Payments Guide available at aami.com.au. A copy of this guide can be provided to you on request, at no charge, if you contact us on **13 22 44**.

Other Important Information

What happens with cancellations?

Cancellation by you

You may cancel your policy at any time. If you cancel your policy, you will be refunded the unexpired portion of the total premium, less any non-refundable government charges, and less our cancellation fee if applicable. See page 12 for details about our cancellation fee.

Cancellation by us

We can cancel your cover where the law allows us to do so. We will refund any money we owe you less any non-refundable government charges. If we cancel your policy due to fraud, we will not refund any money to you.

For more information about cancellation see 'Cancellation fee' on page 12 and 'Paying your premium' on page 13.

What do we mean by that?

Accidental damage

means damage that occurs without intent.

Actions or movements of the sea

means:

- rises in the level of the ocean or sea;
- sea waves;
- high tides or king tides;
- any other actions or movements of the sea.

Actions or movements of the sea do not include a tsunami or storm surge.

Building

means any domestic building located at the insured address including its garages, carports, outbuildings, outdoor walls, gates, fences and any structural improvements (e.g. decks, pergolas, pagodas, verandahs and balconies, fixed swimming pools and spas, granny flats, sheds, tennis courts).

Business activity

means:

- any activity specifically undertaken for the purposes of earning an income; **or**
- any activity registered as a business and which you are obliged by law to register for GST purposes.

Collection, set or memorabilia

- 'collection' means a set of objects, specimens, writings, and the like, gathered together and which collectively have a special value above that of the items individually if separated;
- 'set' means a number of things customarily used together or forming a complete assortment, outfit, or collection such as a set of dishes;
- 'memorabilia' means things saved or collected as souvenirs.

Common property

means land or areas at the insured address that both you and other people are entitled to use (e.g. common property in a multi-dwelling development).

Contents

see page 16 to 17.

Extra cover portable valuables

means extra cover specified items and/or extra cover unspecified items.

Extra cover specified items

see page 36.

Extra cover unspecified items

see page 34.

Family

see page 16.

Flood

means the covering of normally dry land by water that has escaped or been released from the normal confines of:

- any lake, or any river, creek or other natural watercourse, whether or not altered or modified; **or**
- any reservoir, canal or dam

See page 21.

General contents

means contents without fixed limits, contents with fixed limits and contents with flexible limits. It does not mean limited cover specified items or extra cover portable valuables.

General contents with fixed limits

see the table on page 19.

General contents with flexible limits

see the table on page 20.

Good condition

means the contents and building do not have any faults or defects, that might cause loss or damage to the contents, loss or damage to property of others or injury to people. This includes but is not limited to the following:

- the roof does not leak when it rains;
- there are no areas of the roof that are rusted through;
- there is no wood rot, termite or white ant damage to the building;
- there are no holes in floors, walls, ceilings or any other parts of the building (e.g. external wall cladding, internal plaster, floorboards);
- there are no boarded up or broken windows;
- there are no steps, gutters, flooring, walls, ceilings or any other areas of the building that are loose, falling down, missing or rusted through;
- all previous damage including damage caused by flood has been repaired;
- the building is not infested with vermin;
- there are no trespassers (squatters) or unauthorised persons occupying the building.

Home office equipment

means any office equipment kept at the insured address for personal or business use and which is of a clerical nature only.

Incident

means a single event, accident or occurrence which you did not intend or expect to happen.

Insured address

see page 16.

Insured events

see pages 21 to 29.

Insurance schedule

means the latest insurance schedule we have given you. It is an important document as it shows the covers you have chosen and other policy details.

Limited cover specified item

means an item you have asked us to insure for a specified value at the building, we have agreed to this for an extra premium and it is listed on your insurance schedule. A limited cover specified item can only be an item of the type described in the table on page 20.

Open air

means any area at the insured address not able to be enclosed on all sides and secured in such a way as to prevent access except by violent force.

Period of cover

means when this insurance cover starts to when it ends. It is shown on your insurance schedule.

Policy

means your insurance contract. It consists of the latest PDS and any SPDS we have given you, and your latest insurance schedule and any receipt we may send you.

Storm

means a storm, cyclone or severe atmospheric disturbance. It can be accompanied by strong winds, rain, lightning, hail, snow or dust.

Storm surge

means a rush of water onshore associated with a low pressure system and caused by strong winds pushing on the ocean's surface.

Strata title

means any form of land title which allows for multiple individual titles to exist in or on a block of land where the common property is held under a single separate title.

Sum insured

see page 11.

Tools of trade

means tools or equipment used for any business activity (**but not** home office equipment).

Total contents sum insured

means the amount stated on your insurance schedule for general contents plus the amount stated for limited cover specified items.

Unit

means a unit in a strata title development. It does not include common property.

Unoccupied and occupied

unoccupied means:

- the building is not furnished enough to be lived in; **or**
- no-one is eating, sleeping and living at the building; **or**
- the building is not connected to utilities.

occupied means:

- the building is furnished enough to be lived in; **and**
- someone is eating, sleeping and living at the building; **and**
- the building is connected to utilities.

furnished enough to be lived in means your building contains at least:

- a bed; **and**
- a clothes and linen storage area; **and**
- an eating table or bench; **and**
- a refrigerator and a cooking appliance.

we, us, our and AAMI

means Australian Associated Motor Insurers Limited (ABN 92 004 791 744).

You/Your

see page 16.

How we will deal with a complaint

If you have a complaint about our products or services (even if through one of our service providers) or our complaints handling process, please let us know so that we can help.

You can contact us:

- By phone** 13 22 44
- In writing** PO Box 14180
Melbourne City Mail Centre
Victoria 8001
- By email** aami@aami.com.au

Please include the full details of your complaint and explain what you would like us to do.

When we receive your complaint, we will consider all the facts and attempt to resolve your complaint by the end of the next business day.

If we are not able to resolve the matter to your satisfaction, it will be referred to the relevant team leader or manager, who will review your complaint and contact you within **5** business days of us receiving your complaint.

If you remain dissatisfied the matter will be referred to our Internal Dispute Resolution (IDR) team. Our IDR team will review your complaint, and provide you with their final decision within **15** business days of your complaint being referred to them. The contact details for our IDR team are:

- By phone** 1300 240 437 (for the cost of a local call)
- By fax** 1300 316 047
- In writing** Internal Dispute Resolution
AAMI
PO Box 14180
Melbourne City Mail Centre
Victoria 8001
- By email** idr@aami.com.au

If we require additional information for our assessment or investigation of your complaint, we will agree with you a reasonable alternative timeframe to resolve your complaint.

If we are unable to resolve your complaint within **45** days, you may take your complaint to the Financial Ombudsman Service (the FOS), even if we are still considering it. The contact details for the FOS are set out below.

What if you are not satisfied with our final IDR decision?

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the FOS. The FOS is an independent external dispute scheme and their service is free to you. Any decision the FOS makes is binding on us, provided you also accept the decision. You do not have to accept their decision and you have the option of seeking remedies elsewhere.

The FOS is available to customers who fall within their terms of reference. The FOS will advise if they can help you.

You can contact FOS:

- By phone** 1300 780 808 (for the cost of a local call)
- By Fax** (03) 9613 6399
- By email** info@fos.org.au
- In writing** Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
- By visiting** www.fos.org.au

Report insurance fraud

Insurance fraud is not a victimless crime. It imposes additional costs on honest policy holders and wastes the valuable resources of our community. This means it affects everyone.

We actively pursue fraudulent and inflated claims in order to keep your premiums as low as possible. Fraudulent claims will be investigated and may be reported to the police.

Help us fight insurance fraud by reporting:

- inflated vehicle or home repair bills;
- staged vehicle or home incidents;
- false or inflated vehicle or home claims;
- vehicle or home fires which may be intentionally started, including by someone known to you.

To report suspected insurance fraud call: **1300 881 725**. Let's work together to reduce the impact of insurance fraud on the community.

General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. You can get a copy of the code from the Insurance Council of Australia website (insurancecouncil.com.au) or by phoning **(02) 9253 5100**.

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at apra.gov.au or by calling **1300 13 10 60**.

**We're here to help you
24 hours a day
7 days a week**

How to contact us

by phone: **13 22 44**

via the internet: **aami.com.au**

in writing: PO Box 14180,
Melbourne City Mail Centre
Victoria 8001

Customer Comment Line: 1300 360 361

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