



HOME CONTENTS INSURANCE

Product Disclosure Statement



AAMI



Peace of mind with AAMI

AAMI Home Contents Insurance offers cover for insured event 'Flood'

In addition to the other 13 insured events, AAMI Home Contents Insurance can repair or replace your home contents damaged by flooding. Flood cover is automatically included unless you have removed flood cover from your policy. See page 20 for more details about this cover.

AAMI Home Contents Insurance offers 'New for Old' replacement

We replace with new items or new materials that are available at the time of replacement from Australian suppliers.

AAMI Home Contents Insurance offers guaranteed repair quality

The quality of workmanship and the materials used in any repair of your contents that we arrange and authorise will be guaranteed for the life of your contents.

AAMI Flexi-Premiums®

With AAMI Flexi-Premiums®, the higher the excess you choose, the lower your premium will be. You need to consider your ability to pay the excess amount in the event of a claim.

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Introduction

Welcome to AAMI Home Contents Insurance

Why is this document important?

This Product Disclosure Statement (PDS) is an important legal document that contains details of your AAMI Home Contents Insurance if you purchase this product from us. Before you decide to buy this product from us, please read this PDS carefully. If you purchase this product, your policy comprises of this PDS and your certificate of insurance which shows the details particular to you.

The information in this PDS was current at the date of preparation. We may update some of the information in the PDS that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by contacting us. We will give you a free paper copy of any updates if you request them.

In some circumstances the terms and conditions of this PDS may be amended by a Supplementary PDS (SPDS).

PED Guide

Throughout this PDS you will be referred to a guide called: Premiums, Excesses, Discounts and Claim Payments Guide, indicated as 'Refer to the PED Guide for further information'. This guide will provide you with further information and is available at aami.com.au. You can also obtain a copy of this guide on request, at no charge, if you contact us.

Communicating with you

We may agree to send your policy documents and policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and policy communications will be provided to you in this way until you tell us otherwise or we tell you it is no longer suitable. If we agree to communicate with you electronically, you will need to provide us with your current email address and your mobile phone number.

Each electronic communication will be deemed to be received by you at the time it leaves our information system.

Our commitment to you

When you are an AAMI policyholder and you need to claim on your policy, our claims service will be there to take your call.

Cooling off period

After this insurance begins or you renew your policy for another period of insurance, you have **21** days to consider the information in your PDS. This is called the 'cooling off period'. If you wish, and provided you have not made a claim, you can exercise your cooling off rights within **21** days from the day cover began or was renewed. When you exercise your cooling off rights, we will refund in full the money you have paid for that period of insurance but you will have no cover from when your policy would have otherwise begun or from your renewal date.

Alternatively, you can cancel your policy at any time during the period of insurance. When you do this, and unless we tell you otherwise, you will have cover up until the date of cancellation. For more information see 'Cancellation by you' on page 60.

Who is this product designed for?

This insurance product is specially designed to cover the contents that you own and use for domestic purposes. It is not designed to cover contents in an investment property or contents in a unit that you let out to your tenants.

This product does not cover buildings.

Your duty of disclosure

You have a duty of disclosure to tell us everything you know, or could reasonably be expected to know, is relevant to our decision to insure anyone under the policy, including you, and on what terms.

It includes matters we specifically ask about when you apply for a policy, or renew or alter your policy, and any other matters which might affect whether we insure you and on what terms.

The information you tell us can affect:

- the amount of your premium;
- if we will insure you;
- if special conditions will apply to your policy.

You do not need to tell us of anything which:

- reduces the chances of you making a claim; **or**
- we should know about because of the business we are in; **or**
- we tell you we do not want to know.

If you are unsure it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce a claim, refuse to pay a claim, cancel your policy or, if fraud is involved we can treat the policy as if it never existed.

Exclusion for new policies

We do not insure you for bushfire, storm, flood or tsunami in the first **72** hours of your policy. Very limited exceptions apply. For full details see 'What we do not cover – general exclusions' on pages 40 to 45.

Joint policyholders

When you insure your contents in the names of more than one person, each person is a joint policyholder and is able to make changes that we agree with to the policy. We will treat a statement, act, omission, claim, request or direction (including to alter or cancel your policy) made by one as a statement, act, omission, claim, request or direction by all those named as insured on your certificate of insurance.

Some words in your policy have special meanings

Some words when used in this PDS have special meanings. Most of the words with special meanings are defined in the 'What do we mean by that?' section on pages 61 to 64.

Summary of how we cover contents

The type of cover we offer, where we provide that cover, and the limits that apply, can change depending on the contents you are insuring. For some contents the sum insured limit that applies is shown in this PDS and other times, the limit is shown on your certificate of insurance. This is a summary only. For full details you need to read the full PDS and your certificate of insurance carefully.

Type of contents	Covered for	Where are they covered?	Limits
<p>Contents</p> <p>These are:</p> <ul style="list-style-type: none">• contents without fixed limits (e.g. leather lounge, television, clothes);• contents with fixed limits (e.g. contents in the open air, cash);• contents with flexible limits (works of art, woven rugs). <p>For 'What we cover as your contents' and for 'What we do not cover as your contents' see pages 16 to 17.</p>	<p>Loss or damage caused by an insured event.</p>	<p>At the insured address.</p>	<p>Contents without limits do not need to be listed on your certificate of insurance.</p> <p>Contents with fixed limits are contents that have limits that are fixed and cannot be changed. The most we will pay is the fixed limit shown in this PDS. For details of the limits that apply see page 18.</p> <p>Contents with flexible limits are contents that have limits that can be increased. If you have not asked us to increase the limit, the most we will pay is the limit shown in the PDS. If you have asked us to increase the limit of a 'flexible limit' contents item for an extra premium and we agree, that contents item will be a 'specified content item'. See page 7 for more details.</p> <p>The most we will pay for all contents is the contents sum insured (which includes any specified contents listed) shown on your certificate of insurance.</p>

Type of contents	Covered for	Where are they covered?	Limits
<p>Specified contents</p> <p>e.g. a specific painting you have asked us to cover at the insured address for a specified value.</p>	<p>Loss or damage caused by an insured event.</p>	<p>At the insured address.</p>	<p>You can ask us to increase the limit of a 'flexible limit' contents item by listing that item for a specified value. If we agree and you pay the additional premium, the contents item will then be shown on your certificate of insurance as 'specified contents'.</p> <p>The most we will pay for a specified contents item is the amount shown on your certificate of insurance.</p>
<p>Extra cover portable valuables</p> <p>These are:</p> <ul style="list-style-type: none"> • extra cover unspecified items; • extra cover specified items. <p>For what we cover as extra cover unspecified items and extra cover specified items see pages 33 to 35.</p> <p>If you have this extra cover it will be shown on your certificate of insurance. An extra premium applies.</p>	<p>Accidental loss or damage.</p>	<p>At the insured address and anywhere in Australia and New Zealand.</p> <p>Jewellery and watches only, are also covered anywhere in the world for up to 30 consecutive days, but only while being worn by you or while in a secure safe.</p>	<p>Extra cover unspecified items</p> <p>You can choose a sum insured from the options we offer ranging from \$1,000 to \$5,000 but there is a \$1,000 limit per item, pair, set or collection. The most we will pay for all extra cover unspecified items is the sum insured shown on your certificate of insurance. You do not need to specify items individually.</p> <p>Extra cover specified items</p> <p>You ask us to insure the specified item by giving us the full description and replacement value. If we agree and you pay the additional premium, the item will be listed individually on your certificate of insurance. The most we will pay is the amount shown on your certificate of insurance for each item listed.</p>

Summary of Insured Events

This summary lists the insured events that we cover with an example of what we do not cover in relation to that insured event. This is a summary only and there are other things we do not cover. For full details of what we cover and do not cover you for, read your certificate of insurance and the full PDS carefully, including pages 20 to 28 and 'What we do not cover - general exclusions' on pages 40 to 45 of the PDS.

Flood

But we do not cover loss or damage caused by actions or movements of the sea.

Important Note: We do not cover flood if you have asked to remove this insured event from your policy (and we have agreed). Your certificate of insurance will show that you do not have flood cover.

More details page 20

Lightning

But we do not cover loss or damage caused by power failures or surges by your power provider.

More details page 22

Earthquake

But we do not cover loss or damage that occurs more than **72** hours after the earthquake.

We do not cover loss or damage caused by flood under this insured event.

More details page 23

Theft or Burglary

But not loss or damage caused by someone who entered the insured address with your consent.

More details page 23

Storm

But we do not cover the cost of cleaning mud or clearing debris out of tanks, swimming pools or spas, including replacing or storing the water.

We do not cover loss or damage caused by flood under this insured event.

More details page 21

Fire

But we do not cover loss or damage to your contents from arcing, scorching or cigarette burns unless a fire spreads from the initial burn spot.

More details page 22

Tsunami

But we do not cover loss or damage that occurs more than **72** hours after the tsunami.

We do not cover loss or damage caused by flood under this insured event.

More details page 23

Accidental breakage of glass

But we do not cover any costs if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches).

More details page 24

Escape of liquid

But we do not cover wear and tear, or loss or damage caused by the escape of liquid occurring as a result of a gradual process of bursting, leaking, splashing, dripping or overflowing over a period of time when you could reasonably be expected to be aware of this condition.

We do not cover loss or damage caused by flood under this insured event.

More details page 25

Impact

But we do not cover the cost of removing or lopping fallen trees or branches that have not damaged your contents.

We do not cover loss or damage caused by flood under this insured event.

More details page 26

Damage by an animal

But we do not cover loss or damage caused by insects, vermin or rodents (some limited exceptions apply).

More details page 26

Explosion

But we do not cover the cost of repairing or replacing the tank or container that exploded.

More details page 27

Riot, civil commotion or public disturbance

But we do not cover loss or damage caused by you or someone who lives at the insured address.

More details page 27

Malicious acts and vandalism

But we do not cover loss or damage caused by you or someone who lives at the insured address.

More details page 28

Summary of important claims information

This summary lists some of the important information to consider when making a claim. This is a summary only and there are other things you should be aware of when making a claim.

For more details see pages 46 to 59.

Making a claim

It is important that you contact us as soon as possible after the loss or damage has occurred. You must also take reasonable steps to prevent further loss or damage.

More details page 46

Establishing your loss

You will need to prove that an incident covered by your policy has occurred and also the extent of the loss or damage you have suffered.

More details page 48

Proof of ownership

We may ask for proof of ownership in the event of a claim.

More details page 49

Excess

An excess is the amount you ordinarily have to pay for each incident when you make a claim. The excess(es) that apply depend upon the circumstances of the claim.

More details page 51

How claims are settled

Depending on the circumstances we will decide to repair, replace or pay you what it would cost us to repair or replace.

Some items, for example paintings, cannot be replaced and we explain how we will settle claims for such items in this PDS.

More details page 53

About your sum insured

What is a sum insured?

The sum insured is the most you can claim for any one incident unless stated otherwise in this PDS. The amount is shown on the certificate of insurance or in this PDS, and includes GST.

Make sure your sum insured is adequate

Underinsurance can expose you to serious financial loss if a claim occurs. It is your responsibility to make sure your contents are insured for their full 'new for old' replacement value.

To help you calculate the replacement value of your contents, we provide a 'Home Contents Calculator' that you can access at our website, aami.com.au.

Extra cover portable valuables do not need to be included in the contents sum insured. See page 19 for more details.

Review your sum insured regularly

You need to ensure that the sums insured are accurate when you first insure your contents and each time you renew your policy. To ensure your sums insured are adequate it is important to review them regularly, being mindful of items purchased recently and ask us to change the sums insured when required.

If you over-insure

We will not pay more than it costs us to repair or replace your contents.

We will not refund any premium paid for overinsuring.

Adjustments on renewal

AAMI will consider a range of factors that can influence the cost to replace or repair your contents and may choose to adjust the contents sum insured shown on your certificate of insurance at the end of each period of insurance to account for various factors including inflationary trends. Please ask us to change the sums insured for any specified contents and extra cover portable valuables when required.

About your premium

The premium is the amount you pay us for this insurance and it includes stamp duty, GST, other government charges and any fire services levy (FSL) that applies. The total amount payable will be shown on your certificate of insurance or, if you pay by instalments, the amount due will be shown on your certificate of insurance as 'instalment amount'.

In addition to the sum insured, we use many factors about you and your contents to work out your premium. These are called premium factors. The premium factors we use reflect the likelihood of you making a claim together with other factors related to our cost of doing business.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because premiums are affected by other things such as our expenses of doing business and changes in our approach to how we calculate your premium.

Your premium includes any discounts we have given you.

Refer to the PED Guide for further information

Paying your premium

We will tell you how much you have to pay and how much time you have for payment on your certificate of insurance. You must pay this premium by the due date to get this insurance cover. You can pay in one annual payment or, if we agree, by instalments. If you pay your premium by instalments it costs you more than if you choose to pay your premium in one annual payment.

Unless we tell you, any payment reminder we send you does not change the expiry or due date. If you do not pay the full amount, we may reduce the period of insurance so it is in line with the amount you paid.

If you make a change to your policy details it may affect the premium you need to pay for the remainder of your period of insurance.

Late annual payments

If you do not pay your premium by the due date in the first year of insurance with us, we will give you a written notice of policy cancellation where we are required by law to do so.

If you do not pay the premium due on renewal by the due date, you will have no cover from the due date.

If we accept your late payment, we might recommence your cover from the date we receive your payment. If so, you will have no cover for the period from the due date until the date of payment.

Overdue instalments

If you pay your premium by instalments and your instalment is overdue, we can do one or both of the following:

- refuse to pay a claim if an instalment is **14** days (or more) overdue;
- cancel your policy without notifying you in advance if an instalment is **1** month (or more) overdue.

Your responsibilities

You must:

- keep your contents and any buildings well maintained and in good condition. For what we mean by 'well maintained and in good condition' see 'What do we mean by that?' on pages 61 to 64;
- take all reasonable care to prevent theft, loss, damage or legal liability;
- follow all of the terms and responsibilities set out in your policy;
- provide honest and complete information for any claim, statement or document supplied to us.

Not meeting your responsibilities

If you do not meet your responsibilities, it may lead us to do one or both of the following:

- reduce or refuse to pay your claim;
- cancel your insurance policy.

When the building or unit will be unoccupied for more than 60 days

We will apply the unoccupied excess to each incident covered by your policy **unless** your policy states that no excess applies to your claim if, at the time of the incident, the building or unit has been unoccupied for more than **60** continuous days.

A period of unoccupancy starts when the building or unit becomes unoccupied and comes to an end when you, or someone nominated by you, has occupied the building or unit for at least **2** consecutive nights. You may be asked to prove the occupancy of the building or unit in the event of a claim. This may be supported by the usage of the utilities that are connected to the building or unit. Sometimes we might ask for other evidence of occupancy. We will decide if the unoccupied excess applies.

If you have to pay the unoccupied excess it is payable in addition to any other excess that applies to your claim. For more details about the unoccupied excess, see page 51.

When you need to contact us

You must contact us when:

- you start to operate or intend to operate a business activity at the insured address;
- there are changes to any business activity you operate at the insured address, such as:
 - you change the type of business activity;
 - people start to come to the insured address;
 - you install business signage;
 - you need to store chemicals for the business activity.
- any detail on your certificate of insurance is no longer accurate, such as the insured address;
- you move out and let the building to tenants;
- trespassers (squatters) occupy the building;
- you commence building or renovations at the insured address;
- anything else happens that increases the chance that loss, damage or injury will occur at the insured address;
- your contact details change.

What we will do when you contact us

When you contact us and tell us about these changes, we may decide to impose an additional excess, charge an additional premium or apply a special condition to your policy. In some cases, it could mean we can no longer insure you and we will cancel your policy.

When changing insured address

When you are permanently changing your residential address within Australia, we will cover your contents for loss or damage caused by an insured event during the period of insurance at both your insured address and your new address for up to **14** days from when any of your contents first arrive at the new address. The most we will pay for your contents in all locations is the contents sum insured. All conditions, limits and exclusions of this policy apply to this cover.

You must contact us before the **14** days end and ask us to change the insured address if you want contents cover to continue.

Once your contents have been at the new address for **14** days all cover under this policy ends unless you have contacted us to change the insured address, we have agreed to continue cover and you have paid us any extra premium we require.

About your cover

Who we cover - You/Your

You/Your refers to the person or persons named as the insured on your certificate of insurance and members of your family who normally live with you at the insured address.

If the insured shown on your certificate of insurance is a company, trustee of a trust or body corporate, then you/your refers to:

- that company, trustee or body corporate;
- the following if they normally live at the insured address:
 - any company director, company owner or trust beneficiary; **and**
 - their respective family members.

Family means:

- your spouse, partner or de facto;
- your parents, parents-in-law, grandparents;
- your children, grandchildren, brothers and sisters, including their respective spouse, partner or de facto;
- the children, parents, parents-in-law, grandparents, grandchildren, brothers and sisters of your spouse, partner or de facto; **and**
- people who provide care or services to you.

Where we cover - the insured address

We cover your contents at the insured address. The insured address is the address/location shown on your certificate of insurance. It also includes all land adjoining the insured address that you have a legal right to occupy, if the land adjoining the insured address is not subject to any communal or common property conditions (e.g. community title/strata title arrangements). The insured address does not include common property.

We can provide cover away from the insured address, see page 33 'Extra cover for portable valuables'.

What we cover as your contents

Contents are your household items that you own or are responsible for and use primarily for domestic purposes. Contents are items which are not permanently attached to the building or insured address such as, **but not** limited to furniture, furnishings, clothing, home computers and printers, unfixed electrical goods and appliances not housed in a cabinet, internal blinds, drapes and curtains, carpets and plants in pots, medical equipment and aids.

Contents that are vehicles, watercraft or aircraft are limited to:

- wheelchairs, mobility scooters, ride-on mowers, golf carts;
- remote controlled model or toy motor vehicles;
- surfboards, sailboards, kite surfing equipment, canoes, kayaks and non-motorised surf skis;
- remote controlled model or toy watercraft;
- remote controlled model or toy aircraft with a wingspan up to **1.5** metres.

Contents that are swimming pools, saunas and spas are limited to those that are designed to be easily relocatable.

If contents are insured in a unit

Contents also include the fittings in a unit if the fittings are not legally part of the unit building according to the relevant state law. The fittings included are limited by law, and depending on the location of your unit could be:

- lino installed in the building, whether permanently attached or not;
- floating wooden floors;
- air conditioners and spas for the sole use of the unit owner or occupier;
- fixtures owned by you as a tenant which will be removed when vacating;
- wall paint and paper if your unit is located in New South Wales.

We will not cover any item which is legally part of a unit building according to the relevant state law.

If contents are insured in a property that is not a unit and you are a tenant

When you are a tenant of a property that is not a unit, contents also include any items used primarily for domestic and residential purposes, which are permanently attached to the insured address and which you own.

What we do not cover as your contents

Contents does not include:

- anything defined as building, **unless** 'If contents are insured in a property that is not a unit and you are a tenant' applies to you;
- electrical or electronic items that are no longer able to be used for the purpose they were intended;

- any pets or animals;
- items that are or were stock or samples related to any business activities;
- loose or compacted soil, lawn, artificial grass, gravel, pebbles, rocks, granular rubber or water;
- plants, trees, shrubs and hedges in the ground;
- used or applied chemicals, fertilisers and pesticides;
- any contents in a vehicle designed for the temporary accommodation of people and/or conveyance of animals, including contents in a caravan, motorhome, camper trailer, slide-on trailer, slide-on camper, mobile home, trailer or horse float;
- keys (including keyless electronic starters) of any vehicle, watercraft or aircraft, **except** if belonging to vehicles covered under 'What we cover as your contents' (see page 16);
- any unlicensed or unregistered firearms;
- any item which is legally part of a unit building according to the relevant state law.

The most we will pay for contents claims

Different types of contents

There are different types of contents that can be covered under this policy. These are:

- **Contents** - These are contents without fixed limits, contents with fixed limits and contents with flexible limits (including any specified contents listed (see below)).
- **Specified contents** - Some contents have flexible limits which means you can increase their limits if we agree. If you increase the limit of such an item and we agree, the item is listed on your certificate of insurance as 'specified contents'.
- **Extra cover portable valuables** - These are extra cover unspecified items and extra cover specified items.

The most we will pay for all contents

The most we will pay for loss or damage to all contents in an incident is the contents sum insured (which includes any specified contents) plus any extra cover portable valuables sums insured.

There are limits that also apply to individual content items or types of items. These limits are set out in the tables on page 18 'Contents with fixed limits' and 'Contents with flexible limits'.

Contents with fixed limits

The following table lists contents that have fixed limits that cannot be changed and these limits are the most we will pay for those contents items.

Item	Limits for any one insured event
Home office equipment used for a business activity	Limited to \$10,000 in total
Tools of trade and equipment used for a business activity (not 'Home office equipment')	Limited to \$2,000 in total
Cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection)	Limited to \$200 in total
Uncut and unset gems, gold or silver nuggets, bullion and ingots (not jewellery)	Limited to \$500 in total
Refrigerated food, frozen food and medicines	Limited to \$400 in total
Contents in the open air	Limited to a total of 20% of contents sum insured (shown on your certificate of insurance)

Contents with flexible limits

The following table lists contents that have flexible limits, which you can ask us to increase. If you have not asked us to increase the limit, the most we will pay is the limit shown for the item in the following table.

Item	Limits for any one insured event
Jewellery and watches	\$1,000 per item or set up to a total of \$5,000
Carpets or rugs that are hand woven	\$1,000 per carpet or rug
Paintings, pictures, works of art, antiques, sculptures, ornaments and art objects	\$1,000 per item or set up to a total of \$5,000
Collections, sets and memorabilia, including stamps, stamp collections, collector's pins, medals and currency no longer in circulation	\$5,000 in total for all collections, sets and memorabilia
Commercially produced audio and video media, and computer and game console software	\$1,000 in total

Example

If you have a painting in your building that is valued at **\$5,000**, you would need to ask us to increase the limit, and we must agree, in order for it to be covered for the value of **\$5,000**, otherwise, in the event of a claim we will only pay **\$1,000** for that painting, as shown by the limit for paintings in the table on page 18.

The most we will pay for specified contents

If you have asked us to increase the limit for a contents item of a type described in the table 'Contents with flexible limits' on page 18 and we agree, that contents item will be insured for a specified value and the contents item will be shown on your certificate of insurance as 'specified contents'. You must pay any extra premium we require. The most we will pay for a specified contents item is the amount shown on your certificate of insurance for that item.

The most we will pay for extra cover portable valuables

If you want to cover any portable valuable contents item for accidental loss or damage, or away from the insured address, you will need extra cover for portable valuables. For full details see 'Extra cover for portable valuables' on page 33.

We offer **2** types of cover under extra cover for portable valuables:

Extra Cover Unspecified Items	and / or	Extra Cover Specified Items
You can choose a sum insured from the options we offer ranging from \$1,000 to \$5,000 . You do not have to specify items individually. The most we will pay is the sum insured shown on your certificate of insurance but there is a \$1,000 limit per item, pair, set or collection per claim.		You specify the item by giving us the full description and replacement value. The item will be listed individually on your certificate of insurance. The most we will pay for an extra cover specified item is the sum insured for that item shown on your certificate of insurance.

GST

Limits and the most we pay amounts stated in this PDS and on your certificate of insurance include GST.

What you are covered for - Insured Events

We cover your contents for loss or damage at the insured address caused by an insured event during the period of insurance. There are some things we do not cover and these are shown in the 'We do not cover' section of the following tables on pages 20 to 28 and in the 'What we do not cover - general exclusions' on pages 40 to 45.

Flood

We cover

Loss or damage to your contents caused by flood.

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

- (a) a lake (whether or not it has been altered or modified);
- (b) a river (whether or not it has been altered or modified);
- (c) a creek (whether or not it has been altered or modified);
- (d) another natural watercourse (whether or not it has been altered or modified);
- (e) a reservoir;
- (f) a canal;
- (g) a dam.

Important Note:

You may be eligible to remove cover under insured event 'Flood' from your policy. To find out if you are eligible please contact us.

If you are eligible to remove cover under insured event 'Flood' and would like to remove the cover, you need to ask us.

If we agree, **you will not have cover under insured event 'Flood'**. Your certificate of insurance will show this limitation in your cover.

You will also have no cover for loss or damage caused by flood to any extra cover portable valuables.

When both building and contents are insured with us on the same policy and you remove cover under insured event 'Flood', you are removing cover under insured event 'Flood' for both building and contents.

We do not cover

- loss or damage caused by flood if you do not have flood cover. Your certificate of insurance will show this limitation in your cover;
- loss or damage caused by actions or movements of the sea or storm surge;
- the cost of cleaning mud or debris out of tanks, swimming pools or spas, including replacing or storing the water;
- loss or damage to swimming pools caused by water leaking down the sides, against the sides or getting underneath them;
- loss or damage to gates, fences or wall fences that were in a state of disrepair which would have been obvious to a reasonable person before the damage occurred;
- loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, **but we will cover** damage to your contents caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, flood and not because of erosion over time, structural fault or design fault;
- the cost of cleaning your contents.

Storm

We cover

Loss or damage to your contents caused by a storm

We do not cover

- loss or damage caused by flood;
 - loss or damage to your contents caused by actions or movements of the sea or storm surge, **but we will cover** loss or damage caused by storm surge if it occurs at the same time as other insured damage at the insured address caused by storm;
 - loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, **but we will cover** loss or damage to your contents caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, a storm and not because of erosion over time, structural fault or design fault;
 - the cost of cleaning mud or clearing debris out of tanks, swimming pools or spas, including replacing or storing the water;
 - loss or damage to swimming pools caused by water leaking down the sides, against the sides or getting underneath them;
 - loss or damage to gates, fences or wall fences that were in a state of disrepair which would have been obvious to a reasonable person before the damage occurred;
 - the cost of cleaning your contents.
-

Lightning

We cover

Loss or damage to your contents caused by lightning, including power surge caused by lightning.

We do not cover

- any claim where the Australian Government Bureau of Meteorology has no record of lightning in your area at the time of the loss or damage;
 - loss or damage without written confirmation from a qualified repairer saying lightning was the actual cause of the loss or damage;
 - loss or damage caused by power failures or surges by your power provider.
-

Fire

We cover

Loss or damage to your contents caused by fire (burning with flames).

We do not cover

Loss or damage arising from:

- heat, ash, soot and smoke when your contents have not caught on fire **unless** it is caused by a burning building within **10** metres of the insured address;
 - arcing, scorching or cigarette burns **unless** a fire spreads from the initial burn spot;
 - pollution or vapour from a home heater or a cooking appliance **unless** a fire spreads from the initial source.
-

Earthquake and Tsunami

We cover

Loss or damage to your contents caused by an earthquake or tsunami.

We do not cover

- loss or damage caused by flood;
 - loss or damage caused by actions or movements of the sea or storm surge;
Note: 'Tsunami' is not an action or movement of the sea, see page 61.
 - loss or damage that occurs more than **72** hours after an earthquake or tsunami;
 - loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, **but we will cover** damage to your contents caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, an earthquake or tsunami and not because of erosion over time, structural fault or design fault.
-

Theft or Burglary

We cover

Loss or damage to your contents caused by thieves or burglars.

We do not cover

- Loss or damage:
- caused by you or someone who lives at the insured address;
 - caused by someone who entered the insured address with:
 - your consent;
 - the consent of someone who had your authority to allow them access to the insured address.
 - caused by thieves or burglars entering your insured address from common property, shared clothes line areas, garages, storage areas or a car parking lot at the insured address without signs of forced entry, **but we will cover** theft without forced entry from a fully enclosed car garage which is restricted for your use only.
-

Accidental breakage of glass

We cover

- accidental breakage of fitted glass in furniture and unfixed hung mirrors;
- when you are a tenant under a lease which holds you legally responsible for accidental damage, we cover accidental breakage of:
 - glass in windows and other fixed glass that is part of the building (including tinted glass, if fitted);
 - sinks, basins, baths or shower-bath combinations, cisterns and toilets;
 - glass in a fixed light fitting;
 - any glass that forms part of a:
 - fixed cooking or heating appliance; **or**
 - cook top or cooking surface;

but we will not pay to replace the entire appliance, cook top or cooking surface.

When you are a tenant we will also cover the frame of any window, door or shower screen, **but only** if this is necessary to enable the glass to be replaced.

We do not cover

- any accidental breakage which has occurred while the items are outside the building;
 - drinking glasses and any glass or crystal items normally carried by hand;
 - any hand held mirrors;
 - the screen or glass of any computer, television set or other type of visual or audio electronic device;
 - glass that is part of a vase, decanter, jug, fishbowl, ornament or light globe;
 - the cost to remove broken glass from carpets or other parts of the building or contents;
 - any loss or damage if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches);
 - glass in a glasshouse, greenhouse or conservatory;
 - ceramic tiles;
 - shower bases (tiled or otherwise);
 - the cost to modify any part of the building to fit the replacement cooking or heating appliance if the dimensions differ.
-

Escape of liquid

We cover

Loss or damage to your contents caused by liquid leaking, overflowing or bursting from any of the following:

- refrigerators, freezers, dishwashers and washing machines;
- any drain, fixed pipes, roof gutters or guttering and rainwater downpipes, drainage and sewage systems;
- fixed tanks;
- swimming pools or spas;
- waterbeds;
- baths, sinks, toilets and basins;
- fixed heating or cooling system;
- water main, fire hydrant or water supply pipe;
- an aquarium.

If we pay for damage or exploratory costs under this insured event, we will also pay up to **\$750** extra to match or complement undamaged window and flooring contents (e.g. curtains, carpet, lino) in the same room, hallway, stairs or passageway* where the damage occurred.

We do not cover

- loss or damage caused by flood or storm surge;
- wear and tear, or loss or damage by the escape of liquid occurring as a result of a gradual process of leaking, splashing, dripping or overflowing over a period of time when you could reasonably be expected to be aware of this condition;
- the cost of repairing or replacing the item from which the liquid escaped;
- the cost of locating the source of the escaped liquid;
- leaks from agricultural pipes;
- loss or damage caused by liquid from a portable container, such as plant pot, vase, terrarium, fishbowl, beverage container, saucepan, bucket or watering can;
- loss or damage caused by liquid from a watering system or hose;
- loss or damage caused by a leaking shower floor or base, shower cubicle walls, shower glass screening or doors;
- costs if you repair or renovate a damaged area of the building before we can inspect it and find the cause;
- loss or damage caused by wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot.

*See pages 56 to 57

Impact

We cover

Loss or damage to your contents caused by impact at the insured address from:

- a falling tree or part of a falling tree including the roots;
- power poles;
- TV antennas or satellite dishes, communication aerials or masts;
- watercraft, aircraft, motor vehicles or trailers;
- an object falling from a motor vehicle or aircraft;
- space debris or meteorites.

We do not cover

- loss or damage caused by flood or storm surge;
- the cost of removing or lopping fallen trees or branches that have not damaged your contents;
- loss or damage caused by trees being lopped, felled or transplanted by you or someone authorised by you;
- the removal of tree stumps or roots still in the ground.

Damage by an animal

We cover

Loss or damage to your contents caused by an animal.

We do not cover

Loss or damage caused by:

- any animal owned by you or that you are responsible for;
- any animal allowed onto the insured address by you or anyone living at the insured address;
- insects, vermin or rodents, **but we will cover** damage they cause if it is covered under the following insured events:
 - ‘Fire’ (see page 22);
 - ‘Escape of liquid’ (see page 25).
- animals pecking, biting, clawing, scratching, tearing or chewing your contents, or damage caused by their urine or excrement. **But we will cover** damage to your contents caused by an animal (**except** insects, vermin or rodents) which becomes accidentally trapped inside the building and which does not belong to you or anyone living at the insured address.

Explosion

We cover

Loss or damage to your contents caused by an explosion.

We do not cover

- the cost of repairing or replacing the tank or container that exploded;
 - loss or damage caused by nuclear or biological devices;
 - loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, **but we will cover** loss or damage to your contents caused by a landslide or subsidence proved to have occurred within **72** hours of, and directly because of, an explosion and not because of erosion over time, structural fault or design fault.
-

Riot, civil commotion or public disturbance

We cover

Loss or damage to your contents caused by riot, civil commotion or public disturbance e.g. damage caused by a violent crowd moving down your street.

We do not cover

- loss or damage caused by you or someone who lives at the insured address;
 - loss or damage caused by someone who entered the insured address:
 - with your consent;
 - with the consent of someone who had your authority to allow them access to the insured address.
 - loss or damage if you or someone living with you participated in the riot, civil commotion or public disturbance;
 - loss or damage caused by nuclear or biological devices.
-

Malicious acts and vandalism

We cover

Loss or damage to your contents caused by malicious acts or vandalism.

We do not cover

- loss or damage caused by you or someone who lives at the insured address;
 - loss or damage caused by someone who entered the insured address:
 - with your consent;
 - with the consent of someone who had your authority to allow them access to the insured address.
-

Refer to the PED Guide for further information

Additional features

If we accept your claim for loss or damage to your contents due to an insured event, we will also provide the following additional features. The additional features and their limits are paid in addition to the sum insured for your contents.

In some circumstances, we may decide to make an additional feature available to you before we accept or agree to pay your claim. If we do this, it does not mean that your claim has or will be accepted or that we have otherwise agreed to pay your claim. If we later decide that we cannot accept or pay your claim then the cover available under an additional feature will not apply and we may decide to recover the costs from you.

There are some things we do not cover under these additional features and these are shown in the 'We do not cover' section of the following tables on pages 29 to 30 and in the 'What we do not cover - general exclusions' on pages 40 to 45.

Storage of undamaged contents

We cover

If you make a claim for loss or damage to your contents due to an insured event and we agree that the undamaged contents cannot be kept at the insured address, we will also pay the reasonable costs to store the undamaged contents until your contents can be kept at the insured address.

The most we will pay for the storage of undamaged contents is **10%** of the contents sum insured.

Note:

We will pay for any loss or damage to the undamaged contents caused by an insured event while they are at the place of storage **but only** up to the contents sum insured shown on your certificate of insurance (less any amount paid for loss or damage to your contents as part of the original claim). This cover stops when your policy is cancelled or lapses or we stop paying for storage, whichever happens first. All the conditions, limits and exclusions of this policy apply to this cover.

We do not cover

- storage costs following loss or damage or loss or damage in storage caused by flood if you do not have cover for insured event 'Flood';
- storage costs once we decide your contents can be returned to the insured address;
- storage costs outside of Australia;
- loss or damage that is excluded by this policy;
- if your temporary accommodation is the place of storage.

Removal of debris

We cover

The reasonable and necessary costs to dispose of the damaged contents.

The most we will pay for any one event is **10%** of the contents sum insured.

We do not cover

Disposal, storage or removal of anything that is not defined as contents.

Refer to the PED Guide for further information

Additional covers

We also provide the cover set out under the following additional covers. A claim under an additional cover can be made independently of a claim for loss or damage to your contents.

The cover provided is shown in the 'We cover' section of the following tables on pages 30 to 32. In all cases the incident that causes the loss or damage must happen in the period of insurance.

There are some things we do not cover and this is shown in the 'We do not cover' section of the following tables on pages 30 to 32 and in the 'What we do not cover - general exclusions' on pages 40 to 45.

All of the conditions of this policy apply to these additional covers unless the cover says otherwise.

Food and medication spoilage

We cover

We will cover spoilage of refrigerated food, frozen food and refrigerated medicines at the insured address caused by:

- an insured event;
- the sudden escape of refrigerant fumes;
- electrical or electronic breakdown, failure or malfunction;
- the public electricity supply failing to reach the insured address.

The most we will pay for any one incident is **\$400**.

If you make a claim under this additional cover no excess applies.

We do not cover

Loss or damage:

- caused by flood if you do not have cover for insured event 'Flood';
 - to a refrigerator or freezer caused by spoiled food;
 - arising from or caused by industrial action;
 - arising from an accidental act or omission of a power supply authority;
 - arising from the deliberate act or omission of a power supply authority **unless** this action is in the interest of public safety.
-

Motor burnout

We cover

The burning out or fusing of electric motors, that happens in the period of insurance, in household equipment or appliances which are part of your contents and less than **7** years old.

Cover includes the reasonable cost to repair and replace:

- the electric motor or compressor containing the motor;
- an entire sealed unit, filter, dryer and re-gassing if the electric motor is inside a sealed refrigeration or air conditioning unit;
- a swimming pool water pump, combined with its electric motor, if the replacement pump motor cannot be bought on its own.

If an electric motor or motor in an appliance cannot be repaired or replaced, we will pay the replacement cost of an equivalent motor or motor in a sealed unit of the same specification and standard available today. We will not pay for the replacement of the whole appliance **unless** it costs us less than it would to repair or replace the motor.

We do not cover

- loss or damage caused by flood if you do not have cover for insured event 'Flood';
- the cost of extracting or reinstalling a submersible pump;
- any amount you can recover under a manufacturer's guarantee or warranty;
- loss or damage to motors forming part of equipment used in conjunction with your trade, business activity or occupation;
- loss or damage to a refrigerator or freezer caused by spoiled food.

Contents temporarily removed

We cover

If you temporarily remove your contents from the insured address to:

- another residence in Australia in which you are temporarily residing;
- a bank deposit box in Australia;

they are covered for loss or damage caused by an insured event at the new location. The longest period that we will cover contents temporarily removed is **90** consecutive days unless they are stored in a bank deposit box.

The most we will pay for any one event is **25%** of the contents sum insured.

We do not cover

Loss or damage:

- caused by flood if you do not have cover for insured event 'Flood';
- caused by theft without forced entry into the temporary residence;
- to cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection);
- to contents in a motorised vehicle, caravan, motorhome, camper trailer, slide-on-camper, slide-on trailer, mobile home, trailer or horse float;
- caused to contents while in transit. Cover may be available if the item damaged is insured under extra cover for portable valuables. See page 33 for details of extra cover for portable valuables;
- that is not covered by the insured event;
- where we have already agreed to cover the relevant loss or damage under another additional feature, additional cover or optional cover.

Refer to the PED Guide for further information

Extra cover for portable valuables

For an extra premium you can add extra cover for portable valuables to your policy. If your certificate of insurance shows you have extra cover for portable valuables, your extra cover portable valuables are covered during the period of insurance for accidental loss or damage at or away from the insured address.

There are some things we do not cover under this extra cover and this is shown in the 'We do not cover' section of the following tables on pages 34 to 35 and in the 'What we do not cover - general exclusions' on pages 40 to 45. All of the conditions of this policy apply to this extra cover unless the cover says otherwise.

Extra cover unspecified items

Extra cover unspecified items means items that are valuable personal belongings that are normally carried with you away from the insured address, such as:

- jewellery and watches;
- handbags and wallets;
- sporting, recreational and leisure goods and equipment, **but not** whilst they are being used. However we will cover bicycles whilst in use providing they are **not being used** for racing or pace-making;
- portable electronic and electrical items and their accessories; **and**
- photographic and optical equipment.

But, the following items are not insured as 'extra cover unspecified items' and must be specified as 'extra cover specified items' regardless of their value:

- laptops;
- mobile or satellite phones;
- electronic tablets (e.g. iPads);
- personal digital assistants;
- GPS or navigational devices;
- motorised golf carts with **4** wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities.

We cover

Accidental loss or damage to extra cover unspecified items up to the sum insured shown on your certificate of insurance during the period of insurance. The most we will pay is **\$1,000** per item, pair, set or collection.

We do not cover

- loss or damage caused by flood if you do not have cover for insured event 'Flood';
 - loss or damage outside of Australia and New Zealand **unless** the unspecified item is jewellery or a watch and it is lost or damaged whilst being worn by you or whilst 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 or recreational and leisure goods and equipment whilst in use **but we will** cover bicycles whilst in use, **but not whilst** being used for racing or pace-making;
 - loss or damage for any unspecified items that are used for any business activity;
 - tools of trade;
 - any contents on exhibit or up for sale;
 - accessories (including keys and keyless electronic starters) to any:
 - motor vehicle, motorcycle or trailer;
 - powered watercraft;
 - sailing craft unless it is an accessory to a sailboard;
 - aircraft unless it is an accessory to a model aircraft with a wingspan no longer than **1.5** metres.
 - restoration of your electronic records;
 - cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection);
 - laptops, mobile or satellite phones;
 - electronic tablets (e.g. iPads) and personal digital assistants;
 - GPS or navigational devices;
 - motorised golf carts with **4** wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities;
 - any item listed as an extra cover specified item.
-

Extra cover specified items

We cover

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

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 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 golf carts with **4** wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities.

We do not cover

- loss or damage caused by flood if you do not have cover for insured event 'Flood';
- 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 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 or recreational and leisure goods and equipment whilst in use. However we will cover bicycles whilst in use providing they are **not being used** for racing or pace-making;
- loss or damage to extra cover specified items that are used for any business activity;
- restoration of your electronic records;
- any contents on exhibit or up for sale.

Refer to the PED Guide for further information

Legal Liability

The most we will pay for all claims from any one incident for legal liability covered by this policy is **\$20 million**, including all associated legal costs we have agreed to pay following your claim.

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 anywhere in Australia or New Zealand during the period of insurance:

- which is unrelated to your ownership of the building or land at the insured address; **or**
- if it results from fixtures and fittings attached to the insured address and that you are legally responsible for under a rental agreement; **or**
- if you are living in a unit, and/or own the 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 your 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 insurance 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 insurance 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 insurance 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, cat or horse.

Asbestos

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 property at the insured address when you insure the contents in that unit under this policy;
- residential land that is covered under 'Additional cover for a vacant block of residential land' on page 36.

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.

Caravans and trailers

using or towing a caravan, mobile home or trailer.

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.

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.

Legal actions in other countries

legal actions or legal claims brought against you, decided or heard in countries outside Australia or New Zealand.

Libel or slander

libel or slander.

Motor vehicles or motorcycles

the use or ownership of a motor vehicle or motorcycle 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).

Property owned by you or property in your physical or legal custody

damage to property which:

- is owned by you or your family, or anyone who usually lives with you at the insured address;
- belongs to someone else and is in your physical or legal custody or control;
- is owned by your employer (e.g. you accidentally damage office equipment at your work place),

but we will cover your legal liability under a tenancy rental agreement when your contents in your landlord's residential property are insured under your policy, for damage caused by:

- water leaking from pipes, washing machines, dishwashers or water overflowing from blocked baths or tubs;
- fire damage to your landlord's property.

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.

Your employees

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

Refer to the PED Guide for further information

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

any actions or movements of the sea.

Aircraft shock waves

the gradual effects of vibrations, or shock waves caused by aircraft travelling at high speeds **unless** you can clearly show us that the damage was caused by a single destructive incident (e.g. sonic boom).

Biological, chemical, other pollutant or contaminant

- any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; **or**
- any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; **or**
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance pollutant or contaminant.

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 from the insured address during repairs or rebuilding if we have accepted a claim for loss or damage to your contents.

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.

Building extensions, alterations or renovations

other than the cover available under 'Legal Liability', building extensions, alterations or renovations to the building or unit, including:

- 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 part of the building or unit.

Bushfires, storms, floods, tsunamis in the first 72 hours of cover

a bushfire, storm, flood or tsunami in the first **72** hours of cover. **But we will cover** these events if this policy began on the same day:

- you bought the building or unit where your contents are located; **or**
- that another policy covering your contents expired, but not when you cancelled the policy prior to its expiry date, and only up to the sums insured covered under the expired policy (any increase in sums insured will not be covered for these events for the first **72** hours specified).

Computer virus or computer hacking

a computer virus or hacking.

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 such as:

- loss of income or wages;
- medical expenses;
- loss or costs, including the cost of your time (e.g. inconvenience), to prove your loss or to help us with your claim (e.g. telephone calls, postage);
- 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;
- cleaning costs;
- any costs related to stress or anxiety;
- any costs not covered by your policy.

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:

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 building or any owner or part owner of the building, 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 well maintained and in good condition. For the meaning of 'well maintained and in good condition' see the 'What do we mean by that?' section on pages 61 to 64;
- 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.

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 your 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' additional 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 building not complying with building laws or regulations, **except** those laws or regulations introduced after the building was originally built or last altered and which you were not required to comply with.

Photographs, electronic data and images

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 in 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';
 - 'Lightning';
 - 'Storm';
 - 'Flood' (but only if you have cover for insured event 'Flood').
- 'Motor burnout' additional cover.

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:

Radioactivity/nuclear materials

- radioactivity or the use, existence or escape of nuclear fuel, nuclear material or waste; **or**
- action of nuclear fission including detonation of any nuclear device or nuclear weapon; **or**
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any radioactive or nuclear materials; **or**
- any looting or rioting following these incidents.

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, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), 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'.

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.

Storm surge

Storm surge **except** to the extent loss or damage is covered under insured event 'Storm'.

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.

Tenants, paying guests or boarders

tenants, paying guests or boarders or someone who lives with them or a person who entered the building with their consent.

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, atmospheric or climatic conditions or gradual deterioration such as, **but not limited to:**

- wear and tear of carpets, furniture and furnishings;
- fading of curtains and drapes;
- gradual weathering of plant pots.

Overdue instalments

if you pay your premium by instalments and your instalment is overdue, we can do one or both of the following:

- refuse to pay a claim if an instalment is **14** days (or more) overdue;
- cancel your policy without notifying you in advance if an instalment is **1** month (or more) overdue.

Claims

Making a claim

Contact us as soon as possible if you suffer loss or damage, or if 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.**

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.

How the Goods and Services Tax (GST) affects this insurance

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. Our liability to you will be calculated taking into account any ITC to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled were you to have made a relevant acquisition.

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 36 to 39.

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. If you choose to use our recommended repairers (when available), there is no need to obtain your own quotes;
- when requested, provide us with all proofs of ownership and value, information, co-operation and assistance in relation to a claim (including attending an interview or giving evidence in court if required) as we may reasonably require;
- allow us, or a person nominated by us, to recover, salvage or take possession of your contents. When we ask, you must send any items to us, or cooperate in our collection or retrieval of such items;
- consult an expert if we ask for this.

What you must not do

- do not dispose of any damaged parts or items of your contents 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 your 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 your 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 and/or recover from you any costs and/or any monies we have paid and/or cancel your policy.

If we decline a claim

We will provide reasons for our decision to decline and if you decide to lodge a claim, we will send you written confirmation of our decision.

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 if we request it.

When your contents are damaged

Allowing us, a repairer or an expert appointed to us, to look at what is damaged is usually all that is needed to prove your loss. Sometimes though we might ask you to produce recent photographs of the building and/or your contents or other evidence that supports the extent of the loss you have suffered. For valuable and badly damaged items, we may ask you to provide proof of ownership and value.

If we decide that you are unable to reasonably substantiate your claim, we might reduce or refuse your claim.

Definition of proofs

These terms are used in the following pages and are defined below.

Proof of purchase	Includes documents such as sales receipts or debit details on a credit card or bank statement. The proof of purchase should include the item description or code, a purchase price, date purchased and where the item was purchased.
Sales receipt	Includes the item description or code, a purchase price, date purchased and where the item was purchased.
Full description	The specifications particular to an item (e.g. brand and model for an electrical appliance or the title and artist of a CD).
Valuation	A document completed by an Australian qualified professional valuer before the loss occurred. This includes an item description, specifications and the cost to replace the item, in Australian dollars.
Close-up photograph	A photograph taken from one metre away from the item(s) that clearly shows the item(s).

Original operating manual The original printed operation manuals that came with an item.

Manufacturer's box The original box showing brand and model of the item.

Certificate of authenticity The original documentation from the manufacturer.

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 49 to 51. Sometimes we might ask for more evidence to substantiate your claim to our reasonable satisfaction. A statutory declaration is not of itself considered acceptable evidence of proof of ownership and value.

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 proof.
--------------------	--

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:

- proof of purchase that identifies the item;
 - a certificate of authenticity;
 - an original operating manual;
 - the manufacturer's box;
 - a close-up photograph.
-

Over **\$1,000** to **\$2,000**

One of the following:

- 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:

- 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:

- 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 on pages 49 to 51, 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 certificate of insurance and are described in this PDS.

The types of excesses are:

AAMI Flexi-Premium® 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'.

Additional excess

In some circumstances, an additional excess may apply based on our assessment of the risk. This excess is payable in addition to any other excess **unless** stated otherwise in this PDS or your certificate of insurance.

Extra cover excess

Extra cover portable valuables has its own excess that applies instead of your AAMI Flexi-Premium® excess.

Unoccupied excess

This excess applies in addition to any other excess, **unless** stated otherwise in the PDS, if at the time of the incident covered by your policy, 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 at the one insured address are insured with us and your claim is for loss or damage to both arising from the one incident, you must pay whichever is the highest of your AAMI Flexi-Premium® excesses (plus any other applicable excess).

When your claim is for contents and extra cover portable valuables

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

- AAMI Flexi-Premium® excess; **or**
- extra cover excess;

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

When your claim is for extra cover portable valuables only

The extra cover excess shown on your certificate of insurance (and not the AAMI 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 your contents and the incident covered by your policy was caused by another person (but not people within the definition of 'you') 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.

How to pay your excess

When you make a claim we will choose whether to 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 excesses in full before we pay your claim or provide any benefits under your policy. The fact we have asked for payment of your excess does not of itself mean that your claim has or will be accepted by us either in whole or in part.

Refer to the PED Guide for further information

How we settle contents claims

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

- repair damage to your contents;
- replace your contents 'new for old';
- pay you what it would cost us to repair or replace your contents or any lower limit that applies;
- pay you the sum insured for your contents or any lower limit that applies;
- give you a voucher, store credit or stored value card for the amount it would cost us to repair or replace your contents.

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

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

Unless we tell you otherwise, we will deduct any amounts you owe us from any amount we owe you.

We will not:

- pay more than the relevant sum insured or policy limit;
- 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';
- 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.

'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 (but not brand) as when new. If the same is not available, it means of a similar type, standard and specification (but not brand) when new. We can replace with a different brand.

'New for old' does not:

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

When items may be replaced to a better standard

Obsolete electrical appliances

For obsolete electrical appliances such as outdated computers or TVs, 'new for old' means, replacing or repairing to an equal specification (but not brand). 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, ornaments, art objects, collections, sets and memorabilia and antiques (not jewellery)

For these items, 'new for old' means that if the item cannot be replaced 'new for old' or repaired, 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 your contents

If we choose to repair damage to your contents or replace your 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 (but not brand) 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 materials

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



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



If we agree, you can pay the extra cost of replacing undamaged parts of your 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 your 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, when:

- **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 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 floor carpets and other coverings in the same room, stairs, hallway or passageway* where the damage occurred.

*See pages 56 to 57 for 'What we mean by same room, stairs, hallway or passageway'

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

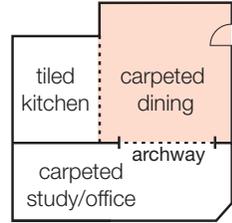
Same room

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.

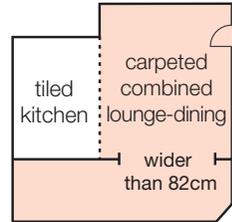
Any archway or similar opening separates a room **unless** it is a combined lounge-dining room (below).



Combined lounge-dining room

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

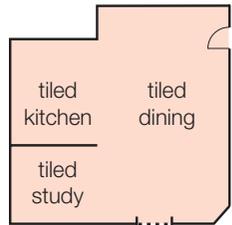
- they are lounge and dining rooms; **and**
- the shared doorway, archway or similar opening is wider than **82cm**; **and**
- the floor or wall covering is the same in both rooms.



Open plan areas

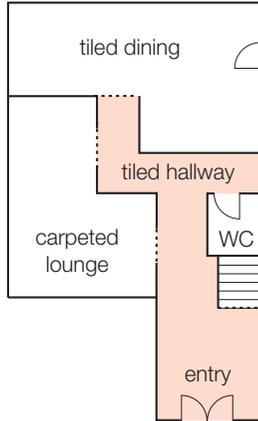
When there is no wall, archway, doorway or similar opening, the room continues until:

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



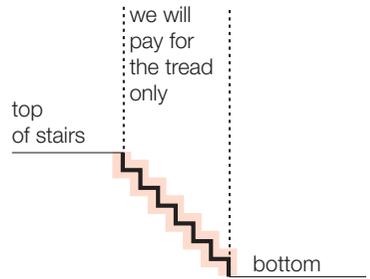
Same passageway or hallway

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 your contents

When repairing or replacing your 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 your 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 your contents as a result of poor quality workmanship or use of incorrect materials, then we will rectify the problem. It is a condition of our guarantee that we reserve the right to decide who will undertake the rectification work.

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 your 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.

Other claims information

Potential impact on cover and premiums

After a contents claim

If we pay part of, or the full contents sum insured, the contents sum insured is automatically reinstated and cover continues for the period of insurance 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 an extra cover specified item or specified contents

If we pay you the sum insured for any specified item (e.g. a **\$5,000** diamond necklace listed on your certificate of insurance), or pay to replace it, cover for that item stops and there is no refund of unused premium. If you want to cover 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 contents item (a jewellery item is covered to a maximum of **\$1,000** as a contents item).

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 insurance at no extra cost.

Salvaged contents items

If we replace or compensate you for an item, we then own the damaged or recovered item. If we agree you can keep an item we will determine the salvage value and we can deduct this amount from any payment we make to you.

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 that 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.

Refer to the PED Guide for further information

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 premium, less the cancellation fee and less any non-refundable government charges if the refund is more than **\$10**. See below for the cancellation fee.

Cancellation by us

We can cancel your cover where the law allows us to do so. If we cancel your policy you will be refunded the unexpired portion of the premium, less the cancellation fee and less any non-refundable government charges if the refund is more than **\$10**. If we cancel your policy due to fraud, we will not refund any money to you.

Cancellation fee

Fee

We incur costs in establishing and administering your policy. If you cancel your policy we will charge a cancellation fee on each insured address.

A cancellation fee will not apply in some circumstances, including:

- when you are transferring cover to another contents policy with us;
- if you exercise your cooling off rights (see page 4).

Details

The amount of the cancellation fee is **\$30** (plus (if applicable) FSL plus GST plus stamp duty) for all building and contents cover for one insured address.

This fee is deducted from any refund we send you. If the refund is less than the fee, a refund will not be issued and we will not charge you an additional amount to cover the difference.

What do we mean by that?

Accidental loss or damage

means loss or 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, verandas and balconies, fixed swimming pools and spas and their accessories, 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.

Certificate of insurance

means the latest certificate of insurance, including the insurance account, we have given you. It is an important document as it shows the covers you have chosen and other policy details.

Collection, set and memorabilia

- 'collection' is 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' is a number of things customarily used together or forming a complete assortment, outfit, or collection such as a set of dishes;
- 'memorabilia' are things saved or collected as souvenirs and/or for their historical interest.

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.

Contents with fixed limits

see the table on page 18.

Contents with flexible limits

see the table on page 18.

Event or incident

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

Extra cover portable valuables

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

Extra cover specified items

see page 35.

Extra cover unspecified items

see pages 33 to 34.

Family

see page 15.

Fixture and fittings

means items used for domestic and residential purposes and which are permanently attached to the building.

Flood

see page 20.

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.

Insured address

see page 15.

Insured event

means the insured events on pages 20 to 28. In addition, an insured event is always a single event, accident or occurrence which you did not intend or expect to happen.

Loss or damage

means physical loss or physical damage.

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.

PED Guide

see page 4.

Period of insurance

means when your policy starts to when it ends. It is shown on your certificate of insurance.

Policy

means your insurance contract. It consists of this latest PDS and any SPDS we have given you, and your latest certificate of insurance.

Retaining wall

means a wall, which is not part of the residential building, that holds back or prevents the movement of earth.

Specified contents

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 certificate of insurance. Specified contents can only be an item of the type described in the table 'Contents with flexible limits' on page 18.

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

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

Unit

means a unit, villa, townhouse or apartment 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 the 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 AAI Limited ABN 48 005 297 807 trading as AAMI.

Well maintained and in good condition

means the building or unit and contents do not have any faults or defects that might cause loss or damage to the building and 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 your 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 squatters or unauthorised persons occupying the building.

You/Your

see page 15.

How we will deal with a complaint

If you are not satisfied with our products or services or a decision made in relation to your insurance, please let us know so that we can help. It is important to follow the complaint handling process in order to resolve your complaint effectively and efficiently.

Step 1. Let us know

If you would like to make a complaint, please let us know by contacting the relevant department as they may be able to resolve the complaint for you. If not, the staff member will refer you to a Manager or their delegate and they will attempt to resolve the complaint. A response is usually provided to you within **5** business days. You can contact us:

By phone: 13 22 44

By email: aami@aami.com.au

Step 2. Review by our Internal Dispute Resolution Team

If you are not satisfied with the outcome of the business review you can request the complaint be referred to the Internal Dispute Resolution (IDR) Team for review or you can contact them directly:

By phone: 1300 240 437

By email: idr@aami.com.au

In writing: AAMI Internal Dispute Resolution, PO Box 14180, Melbourne City Mail Centre VIC 8001

If we require additional information we will contact you to discuss. IDR will usually contact you with a decision within **15** business days of receiving your complaint.

Step 3. Seek review by an external service

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 Financial Ombudsman Service (FOS). FOS is an independent external dispute scheme and their service is free to you. Any decision 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.

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

You can contact FOS:

By phone: 1300 780 808

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 home or vehicle claims;
- home or vehicle 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 55 88 49**.

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**We're here for 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

This insurance is issued by:

AAI Limited

ABN 48 005 297 807

AFSL No. 230859 trading as AAMI

