



## **FARM INSURANCE POLICY**

# **PRODUCT DISCLOSURE STATEMENT AND POLICY WORDING**

### **IMPORTANT NOTICE TO THE INSURED**

This insurance is a legal contract. Please read it carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions. The Insurance Broker or other intermediary who arranged this insurance should be contacted immediately if any correction is necessary.

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## About this Document

This document contains 2 separate sections: Part A and Part B.

### Part A – Product Disclosure Statement (PDS)

Part A of this document contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about certain cover, which is available under this Policy.

We are required by law to provide you with a PDS if you employ fewer than 20 people in your farming business and are purchasing one of the following products, which are sections of this insurance package:

- Home Building and Home Contents
- Landlord's Residential Protection
- Valuables
- Motor Vehicle (in respect of vehicles with a carrying capacity of less than 2 tonnes designed to carry passengers)
- Personal Accident and Sickness
- Boat

This PDS gives you a summary of the significant benefits and risks associated with each of these covers. Also included in this PDS is information that will apply to all cover under this Policy relating to:

- |                                      |                           |
|--------------------------------------|---------------------------|
| ▪ Duty of Disclosure                 | ▪ Privacy                 |
| ▪ General Insurance Code of Practice | ▪ How to Make a Claim     |
| ▪ Dispute Resolution                 | ▪ Taxation Implications   |
| ▪ Cancelling your Policy             | ▪ Cooling-off Information |

You should read these sections carefully.

### Part B – Policy Terms and Conditions

Part B of this document contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It is Part B which forms part of your legal contract with us.

If we issue you with an insurance Policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Financial Services Provider.

### About Millennium Underwriting Agencies Pty Ltd

Millennium Underwriting Agencies Pty Ltd t/as Millennium General Insurance is part of the MGA Whittles Group of companies. Established in 1998, Millennium General Insurance

is an insurance claims and underwriting facility offering market leading policies.

We have an association with MGA Insurance Brokers Pty Ltd ABN 29 008 096 277. MGA Insurance Brokers Pty Ltd and Millennium Underwriting Agencies Pty Ltd have some common directors and a proportion of the shares of each Company have common ownership. MGA Insurance Brokers Pty Ltd are members of the Austbrokers Group and Austbrokers have an equity interest in their business.

## Part A – Product Disclosure Statement (PDS)

### The Insurer

The issuer of this product is:

Wesfarmers General Insurance Limited ABN 24 000 036 279  
AFS Licence No 241461 trading as Lumley Insurance.

Lumley Insurance's contact details are:  
309 Kent Street  
Sydney NSW 2000.

In arranging and effecting this insurance policy, Millennium Underwriting Agencies Pty Ltd ABN 38 079 194 095, AFS Licence No. 246721 t/as Millennium General Insurance is acting as an agent of the Insurer and not as your agent.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS a Supplementary PDS may be provided. In either case the relevant document will be provided to you with the PDS at no cost to you.

### Applying for cover

When you apply for this insurance, you will need to complete a proposal form. We will use and rely on the information supplied by you to decide the terms of cover we will provide. We provide cover to you on the terms contained in this document, and the Schedule that we issue to you.

The Schedule will contain important information relevant to your insurance including the Period of Insurance, your Premium, details of your property, the Excess(es) that will apply to you and others and whether any standard terms have been varied by way of endorsement.

All of these make up your "Policy" with us. You need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items you insure.

Before expiry, we will send you a renewal notice which tells you whether we will renew and on what terms. The renewal notice will tell you what is required.

## Services provided by Lumley Insurance and General Advice Warning

Lumley Insurance is an Australian Financial Services licensee (No. 241461) and is authorised under its licence to deal in and provide general advice on this insurance.

Any advice we or our representatives provide is general only and does not take into account your personal objectives, financial situation or needs. Because of this you should, before acting on the advice, decide if it is right for you and consider the information contained in this document carefully.

Employees of Lumley Insurance are paid an annual salary and possibly bonuses based on performance criteria and achievement of company goals. They are not otherwise remunerated for any advice or dealing service that they provide to you unless they tell you otherwise.

### Confirming Transactions

You may contact us in writing or by phone to confirm any transaction under your insurance if you or your adviser do not already have the required policy confirmation details.

### Significant benefits and features

This insurance Policy offers you a choice of cover. You can choose any or all of the following including:

- |                                   |                                     |
|-----------------------------------|-------------------------------------|
| ▪ Home building and home contents | ▪ Landlord's Residential Protection |
| ▪ Valuables                       | ▪ Motor Vehicle                     |
| ▪ Personal Accident & Sickness    | ▪ Boat                              |

There are also other types of cover you can choose from. The types of cover you have chosen will be shown on your Policy Schedule.

### Home building, home contents and valuables

We believe the most significant benefits of these sections of this insurance Policy are that it protects:

- (a) your financial investment in your home buildings and contents if they are lost or damaged due to an insured event
- (b) you for your legal liability to third parties if they claim against you for compensation or expenses which you become legally liable to pay.

You have a choice of insured events cover or accidental damage cover:

Insured events covers your home and contents up to their sums insured, during the period of insurance, against loss or damage caused directly by any of the following 'Insured Events' :

- fire or explosion
- storm or rainwater
- lightning or thunderbolt
- earthquake

- theft
- malicious acts
- riot or civil commotion
- bursting, leaking, discharging or overflowing of fixed basins, shower bases or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind
- impact (for example by a vehicle, aircraft, an animal, a tree or part of a tree)
- breakage of fixed glass, shower base, sink, bath, lavatory pan or cistern if the building is insured, or of any glass forming part of an item of furniture or, domestic telephones, if the contents are insured.

An optional extension is available providing cover for loss, theft or damage to valuables:

- anywhere in Australia or New Zealand, and
- for up to 90 days, anywhere in the world.

Accidental damage covers your home and contents up to their sums insured, during the period of insurance, against:

- (a) malicious damage
- (b) accidental loss or damage (including events such as storm, fire, earthquake, and theft) but not loss or damage caused by tenants (their families) or their visitors.

Both Insured events and Accidental damage cover:

- (a) fusion of an electric motor
- (b) spoilage of food in domestic refrigerators or freezers if your contents are insured.

Legal liability for \$20,000,000 which includes:

- (a) liability for you or any member of your family in respect of ownership of your home (where your home is insured under this Policy or where your home is a strata title residence and your contents are insured under this Policy)
- (b) personal legal liability anywhere in the world for you or any member of your family (where your contents are insured).

The policy provides the following additional benefits:

- temporary removal of contents
- fees incurred directly in relation to repair or replacement of the home
- removal of debris
- extra costs of reinstatement necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing the home
- loss of rent or temporary accommodation if the home is so damaged by an insured event that it cannot be lived in or let to tenants.

### The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the Home Building and Home Contents section and the Valuables section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of the terms and conditions of cover and exclusions.

The Policy will not cover loss or damage to your Home, Contents or Valuables:

1. intentionally caused by you or a member of your family or a person acting with your consent or the consent of your family
2. resulting from or caused by:
  - inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
  - wear, tear, rust, corrosion, depreciation or gradual deterioration, mildew, mould or algae
  - the action of the sea, high water, tidal wave

The Policy will not insure you or your family against liabilities arising from:

1. any agreement, unless liability would have attached to you or your family if that agreement did not exist
2. death or bodily injury to you or to any person who normally lives with you
3. the conduct of any activity carried on by you or your family for reward except letting the home for domestic purposes or babysitting on a casual basis
4. building work, construction, erection, renovation, alterations and additions or demolition of a building, including the home if the value of the work exceeds \$100,000.

The Policy will not insure you or your family against fines, penalties, or punitive, aggravated or exemplary damages.

These are only some of the events that are not covered by this insurance. Please read the Home Building and Home Contents section and the Valuables section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

#### **The amount of any claim may be reduced**

- (a) where an excess applies (any applicable excess will be shown in your Policy Schedule)
- (b) where you have not requested the insured value of any item to be specified in the Policy and where the value of that item exceeds any applicable sum insured sub limit
- (c) where the claim is for fusion and we apply depreciation because of the age of the motor
- (d) where the claim is for damage caused by storm, rain or wind to retaining walls, free standing walls, gates and fences and we apply depreciation based on their age and condition
- (e) where you do not comply with a condition of this Policy and this contributes to any loss or damage.

Please refer to the General Conditions in Part B of this document.

#### **General Conditions Include:**

##### **Alteration of risk**

You must tell us about any changes in the nature of the risk which occurs during the period of insurance and which increases our risk. If you fail to do so, we may cancel the Policy.

## **Landlord's Residential Protection**

### **Summary of cover and other significant matters**

By way of summary, the principal covers available are:

- cover for accidental loss of or damage to your insured Building occurring during the Period of Insurance (Section 1 – Building Cover);
- cover for accidental loss of or damage to your insured Contents occurring during the Period of Insurance (Section 2 – Contents Cover);
- cover for damage caused by Tenants occurring during the Period of Insurance. This cover is only available if Building and/or Contents cover is specified in the Schedule (Section 3 – Damage caused by Tenants Cover);
- cover for loss of rent as a result of a Tenant's default in rent occurring during the Period of Insurance, up to 15 weeks rent or \$10,000, whichever is the lesser. This cover is only available if Building and/or Contents cover is specified in the Schedule (Section 4 – Tenants Rent Default Cover);
- cover for loss of rent as a result of loss or damage to your Building where your Building is not covered under Section 1 during the Period of Insurance (Section 5 – Loss of Rent for Tenanted Properties); and
- cover for legal liability you and certain other persons incur for accidental death or bodily injury to certain other persons or accidental damage to certain other person's property. This cover is only available if you have taken Building and/or Contents cover (Section 6 – Legal Liability Cover).

Refer to each Cover Section for details of the basis on which we settle any claim.

You need to make sure that you are happy with the extent of cover provided by this insurance. If not, you may not get the cover you require.

We only provide cover up to the amount(s) and limits and Sum(s) Insured specified in your Policy and subject to its other terms, conditions and exclusions. All amounts insured exclude GST.

An Excess may apply when you make a claim. An Excess is the part of a claim you must bear and is payable for each occurrence covered by this insurance. An occurrence is one or a series of occurrences arising out of one cause. When an Excess applies we will reduce the amount we pay by the amount of the Excess or we will ask you to pay it.

The type and amount of Excess is shown in your Policy (usually in this document and the Schedule). We agree on the amount of the Excess(es) with you when you apply for this insurance and the Excess may vary according to where you live and your insurance history.

For example, your home has suffered severe damage as a result of Storm passing over your suburb. If your Policy or Schedule mentions that you have a \$100 Excess, then our claim payment reimbursing you for the overall loss will be reduced by \$100.

If you do not adequately insure yourself for your potential loss, you may have to bear the uninsured proportion of any loss yourself.

We only cover your interest in the insured property unless we specifically include cover for the interest of a third party.

Please note in particular General Condition 8.2 which restricts your cover if your Building or Situation is left unoccupied for a period of 60 days or more.

We may refuse to pay or reduce the amount we pay under a claim in certain circumstances. In particular:

- where an exclusion applies;
- if you do not comply with the terms and conditions of your Policy;
- if you do not comply with your Duty of Disclosure or make a misrepresentation; or
- if you make a fraudulent claim.

We also may cancel your Policy in certain circumstances permitted by law e.g. if you fail to comply with a condition or breach your duty of disclosure.

### **Motor vehicle**

We believe the most significant benefits of this section of the Policy are that it protects:

If you choose comprehensive cover – (Cover 1)

- (a) your financial investment in your motor vehicle if it is stolen, or lost or damaged due to an incident which is covered by the comprehensive cover section of this Policy
- (b) you for your legal liability to third parties in the event of an incident which is covered by the third party property damage cover section of this Policy.

If you choose Third Party Property Damage – (Cover 2)

- (a) you for your legal liability to third parties in the event of an incident which is covered by the third party property damage section of this Policy.

If you choose Third Party Fire and Theft cover – (Cover 3)

- (a) your financial investment in your motor vehicle if it is stolen, or lost or damaged due to fire, explosion or lightning
- (b) you for your legal liability to third parties in the event of an incident which is covered by the third party cover section of this Policy.

If you choose Fire and Theft cover – (Cover 4)

- your financial investment in your motor vehicle if it is stolen or damaged by fire.

### **The Policy does not cover certain things**

Claims may be refused in certain circumstances. Please refer to the Motor Vehicle section of the Farm Insurance Policy Terms and Conditions which follow this PDS for full details of the terms and conditions of cover and exclusions.

The Policy will not cover any loss, damage or legal liability occurring if your vehicle:

1. is being driven by anyone:
  - who does not hold an appropriate driving licence or
  - who is under the influence of alcohol or drugs or
  - whose blood alcohol reading exceeds the legal limit or
  - who following an accident, refuses to provide or allow the taking of a sample of breath, swab, blood or urine for testing analysis as required by the law of any state or territory in which the accident occurred
2. is being used to carry more passengers or carrying or towing a heavier load than it was designed for
3. is being used when it is in an unsafe or unroadworthy condition and you knew or should have known that it was unsafe or unroadworthy.

The Policy will not cover your vehicle for:

1. damage to its tyres (unless it is classed as a mobile farm machine) caused by the application of brakes, road punctures, cuts or bursting unless caused as a result of an incident covered under the type of cover you have selected or people acting maliciously
2. depreciation, wear, tear, rust or corrosion
3. failure or breakdown of a structural, electrical, mechanical or electronic nature.

The Policy will not cover your vehicle or any loss, damage or legal liability arising out of your failure to comply with a condition of this Policy.

These are only some of the events that are not covered by this insurance. Please read the 'Motor Vehicle' section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

### **The amount of any claim may be reduced**

- (a) where you have not requested the insured value of any item to be specified in the Policy
- (b) where an excess applies. 'Excess' means the first amount you must contribute to any claim you make under this Policy.

Depending on the age or experience of the driver and whether you have told us about them and we have noted them on the Policy Schedule, you may have to contribute more than one excess. If we accept your claim, we will deduct the excess shown in your current Policy Schedule from any amount we pay under your claim.

Standard Excess is the first amount you will have to contribute to every claim.

Age or Inexperienced Driver Excess is in addition to the standard excess and applies where a vehicle is driven by a person:

- under the age of 25 years or
- aged 25 years or more but who has not held a driver's licence for 2 or more years.

This excess does not apply if the only damage to your vehicle is a broken windscreen, or window glass, or caused by storm or hail damage.

There are some circumstances where this excess will not apply. Please refer to the section headed 'When No Excess Applies' in the Motor Vehicle section in Part B of this booklet

### Personal Accident and Sickness

We believe the most significant benefits of this section of the insurance Policy are that it offers 24 hour cover for losses resulting from an accident or illness.

This section provides a choice of cover. You can choose any or all of the following types of cover:

- (a) Capital Benefits
- (b) Weekly Benefits – Injury
- (c) Weekly Benefits – Illness.

The Policy provides:

1. lump sum payments (if you have chosen cover for capital benefits) for accidental death and other listed conditions, and
2. periodic payments (if you have chosen cover for weekly benefits – injury or weekly benefits – illness) to replace income that is lost following an accident or an illness.

### The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the Personal accident and sickness section of the Farm Insurance Policy Terms and Conditions which follow this PDS for full details of the terms and conditions of cover and exclusions.

The Policy will not cover you if a claim arises directly or indirectly out of any of the following:

- (a) Capital Benefits
  - Illness (except blindness and permanent paralysis of 2 limbs)
- (b) Weekly Benefits – Injury
  - illness
- (c) Weekly Benefits – Illness
  - injury
  - HIV or any condition caused by HIV including AIDS
  - pregnancy, childbirth or miscarriage
- (d) We will not pay for any claim under any section of the Policy if the claim arises directly or indirectly out of any of the following
  - intentional self injury or suicide or any attempt at suicide
  - flying or other aerial activity unless as a passenger on an aircraft authorised to fly under all laws and regulations which relate to the safety of the aircraft
  - driving or riding in any kind of race
  - motor cycling except for agricultural or pastoral purposes
  - participating in or training for any professional sport unless we agree and you pay any extra premium we require

- practice for or playing organised football of any kind unless we agree and you pay any extra premium we require
- driving a motor vehicle while having a percentage of alcohol and/or drugs in your breath or blood in excess of that permitted by law

These are only some of the events that are not covered by this insurance. Please read the Personal Accident and Sickness section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

### The amount of any claim may be reduced

The amount of any claim made against this section of the Policy may be reduced where an excluded period of claim applies. An excluded period of claim is the number of days after medical treatment by a registered medical practitioner, for which we will not pay any benefits. An excluded period of claim will apply where you have chosen cover for Weekly Benefits – Injury or Weekly Benefits – Illness.

### Boat

We believe the most significant benefits of this section of the Farm Insurance Policy are that it protects:

- (a) your financial investment in your boat up to an agreed value if it is lost or damaged due to an accident
- (b) you for your legal liability to third parties in the event of an accident.

Optional extensions are available and need to be considered should you intend to use:

1. your boat for water skiing and/or aquaplaning activities
2. your boat in any yacht races (either club or club social)
3. equipment for fishing and or water sports on your boat
4. your boat for permanent living accommodation.

The Policy provides:

- (a) agreed value cover for boat equipment and accessories
- (b) third party cover for \$10,000,000.

### The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the Boat section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of the terms and conditions of cover and exclusions.

The Policy will not cover loss or damage or any third party liability:

1. if you do not keep your boat in good order and repair or in a proper state of seaworthiness and in compliance with any statutory requirements or do not take reasonable precautions when using your boat
2. if your boat is under major hull repair or undergoing alteration unless you have specifically requested cover and we have agreed to cover it
3. if intentionally caused by you or a person acting with your express or implied consent unless required by law
4. caused by normal wear and tear or depreciation

5. caused by mechanical, structural, electrical or electronic failures. The resultant damage to your boat due to the failure will be paid for but the cost of repairing or replacing the item that failed will not
6. caused by faulty design or construction of your boat.

The Policy will not cover loss or damage to sails and protective covers caused by the force of wind unless there has also been damage caused to the masts, spars or the boat has stranded or collided.

These are only some of the events that are not covered by this insurance. Please read the Boat section of the Farm Insurance Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

### **The amount of any claim may be reduced**

The amount of any claim made against the Policy may be reduced:

1. where an excess applies (any applicable excess will be shown in your Policy Schedule)
2. where you have not requested the insured value of any item to be specifically specified in the Policy.

### **Significant risks – Home Building, Home Contents, Valuables, Motor, Personal Accident and Sickness and Boat**

#### **This product may not match your expectations**

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS (Part A of this booklet) and the Policy Terms and Conditions (Part B of this booklet) carefully. Please ask your Financial Services Provider if you are unsure about any aspect of this product.

#### **Your sum insured may not be adequate**

#### **Home building, home contents and valuables**

If you select replacement or reinstatement conditions for home and contents, claims are settled without contribution for age, depreciation or wear and tear. This means it is important that the sums insured you select cover the cost of replacing your home and contents on a new for old basis (except where specifically stated otherwise). The sums insured that you select must make allowance for structural improvements (such as sheds, pergolas, and fencing), GST and any additional benefits that are included in the sum insured (for example: costs of removal of debris, architects fees).

It is important that you read the sub-limits in the Terms and Conditions for items such as works of art, antiques, items of jewellery, collections, office equipment and cash. If you have an item or a group of items that will cost more than the sub-limit to replace, then you will need to nominate that item to ensure that it is covered for more than the sub-limit.

For example, there is a sub limit on jewellery of \$10,000 per item and 25% in total. If it would cost more than this to replace your jewellery as new, then you must specify your jewellery items to ensure that you are covered for their full value.

### **Motor vehicle**

It is important that you ensure all accessories and equipment insured are separately listed on the Policy Schedule with their respective agreed values otherwise the maximum amount we will pay for any part or item will be its current market value.

### **Personal accident and sickness**

To ensure that the amount of insurance is adequate to cover losses in the event of a claim, you should establish an adequate sum insured when initially arranging cover and also take care to amend the sums insured when your situation changes.

If you have chosen cover for Weekly benefits – Injury or Weekly Benefits – illness and you apply for a weekly benefit sum insured that is less than the earnings you stand to lose, your periodic payments will be capped to the weekly sum insured you choose.

### **Boat**

This Policy is an agreed value policy. A separate agreed value will apply to each of the hull, equipment and accessories where specified on the Policy Schedule.

This means it is important that you ensure all items insured are separately listed on the Policy with their respective agreed values otherwise the maximum amount we will pay for any part or item will be its current market value.

### **Overdue Premium**

You must pay your premium on time otherwise your Policy may not be valid.

If you have not paid by the due date or your payment is dishonoured, this Policy will not be valid and there will be no cover.

For more detailed information regarding payment options refer to the section headed 'How you can pay your premium' in Part B (Terms and Conditions).

### **A claim may be refused**

We may refuse to pay or reduce the amount we pay under a claim if you do not comply with the Policy conditions, if you do not comply with your Duty of Disclosure, or if you make a fraudulent claim.

### **The cost of this Insurance Policy**

The total premium is the amount we charge you for this insurance Policy. It includes the amount which we have calculated will cover the risk, and any taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

When calculating your premium we take a range of rating factors into account. These factors, and the degree to which they affect your premium, will depend upon the information you provide to us.



The following factors have a significant impact on the calculation of your premium:

#### **Home buildings, contents and valuables**

- sums insured
- type of cover selected
- the location and construction of the home
- the age of the oldest insured person
- whether the home is occupied by you as a principal residence or in some other manner
- previous insurance and claims history.

#### **Motor vehicle**

- type of cover selected
- the make and model of the insured motor vehicle
- the age of the insured person
- the place where the motor vehicle is usually parked
- previous insurance and claims history of you and any other drivers.

#### **Personal accident and sickness**

- the type of cover selected
- sum insured
- age of the insured person.

#### **Boat**

- make, model and type of boat
- construction
- maximum speed (powered craft)
- sum insured
- where and how you use your boat.

A quote for premium may be obtained from your Financial Services Provider.

#### **Duty of Disclosure – What you must tell us**

Under the Insurance Contracts Act 1984 (Cth) (the Act), you have a Duty of Disclosure. The Act requires that before a Policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the Policy, and on what terms. Your Duty of Disclosure will depend on whether this is a new Policy or not.

#### **New business**

Where you are entering into this Policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

- **Who needs to tell us**  
It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered under the Contract of Insurance.
- **If you do not tell us**  
If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the Policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the Policy as invalid.

#### **Renewals, variations, extensions and reinstatements**

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**
  - that diminishes the risk
  - that is of common knowledge
  - that we know or should know in the ordinary course of our business as an insurer, or
  - which we indicate we do not want to know.
- **If you do not tell us**  
If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as invalid.

#### **Privacy**

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth) and its principles when collecting and handling your personal information. We have developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make.

We may need to disclose personal information to our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaus, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of litigation.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

We aim to ensure that your personal information is accurate, up to date and complete. Please contact us if you would like to seek access to this information or in order to revise any information we have on record that is incorrect or incomplete. If you have any issues regarding the way we have handled your personal information you may contact us. Should you wish to obtain further information about our privacy policies, please contact us and ask for a copy of our Privacy Policy. From time to time we may advise you of other products or services that may be relevant or of interest to you. If you do not wish to receive this advice, please call us.

## The General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. We are a signatory to the Code of Practice. You can obtain more information on the Code of Practice and how it assists you by contacting us on (08) 8291 2300.

### How to make a claim

Please contact your Financial Services Provider to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim. Full details of what you must do for us to consider your claim are provided in the 'Claims' section in part B of this booklet.

### Complaints – Internal and External Complaints Procedure

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

Wesfarmers has a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest Lumley Insurance office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may be able to access the services of an independent external dispute resolution body called Financial Ombudsman Service (FOS).

The Financial Ombudsman Service (FOS) resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. Lumley Insurance is bound by the determination of FOS but the determination is not binding on you.

FOS' contact details are as follows:

The Financial Ombudsman Service  
General Inquiries: 1300 78 08 08  
GPO Box 3, Melbourne VIC 3001  
Website: [www.fos.org.au](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto:info@fos.org.au)

### Compensation Arrangements

Lumley Insurance is a general insurer authorised under the Insurance Act 1973 (Cth) to carry on general insurance business in Australia. We are supervised by the Australian Prudential Regulation Authority (APRA) and subject to the prudential requirements of the Insurance Act 1973 (Cth) (Insurance Act). The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Us are met within a stable, efficient and competitive financial system.

Because of this:

- the protection provided under the Financial Claims Scheme legislation applies in relation to Us and this policy. This legislation has been put in place to protect certain eligible persons where a general insurer authorised under the Act fails and is unable to meet its obligations under a policy; and
- we are exempted by the Corporations Act 2001 (Cth) from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of that Act. We have compensation arrangements in place that are in accordance with the Insurance Act.

### Taxation implications

#### Goods and Services Tax

The Policy has provisions relating to GST. In summary, they are as follows but please read the provisions in full. They can be found in Part B Terms and Conditions, under the heading 'How Goods and Services Tax affects any payments we make'.

1. The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.
2. When we pay a claim, your GST status will determine the maximum amount we pay.

#### Other taxation implications

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

### Cancelling your policy

#### How you may cancel this Policy

1. You may cancel this Policy at any time by telling us in writing that you want to cancel it. You can do this by giving the notice to your Financial Services Provider.
2. Where 'you' involves more than one person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

#### How we may cancel this Policy

1. We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
2. We will give you this notice in person or send it to your address last known to us.

### The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

## Cooling-off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your Financial Services Provider electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. Even after the cooling-off period ends, you still have cancellation rights however your Financial Services Provider may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

## Association with an Insurance Broker

We have an association with MGA Insurance Brokers Pty Ltd ABN 29 008 096 277. MGA Insurance Brokers Pty Ltd and Millennium Underwriting Agencies Pty Ltd have some common directors and a proportion of the shares of each Company have common ownership. MGA Insurance Brokers Pty Ltd are members of the Austbrokers Group and Austbrokers have an equity interest in their business.

## Part B – Policy Terms and Conditions

(This Part does not form part of the Product Disclosure Statement)

### Insurer

The insurer of this product is:  
Wesfarmers General Insurance Limited ABN 24 000 036 279  
AFS Licence No 241461 trading as Lumley Insurance 309 Kent Street, Sydney NSW 2000.

### Our agreement with you

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The excesses set out in the section headed 'What you must pay if you make a claim – Excess' apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General Conditions' apply to all types of cover.

### Your Policy

Your Farm Insurance Policy consists of Part B (Terms and Conditions) of this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask your Financial Services Provider.

You should keep your Policy Booklet and Policy Schedule together in a safe and convenient place for future reference.

## Providing proof

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase and valuations
- receipts or other confirmation of the purchase of your vehicle or any accessories
- all service and repair records
- documents which substantiate your earnings
- medical certificates.

We may ask you for these if you make a claim.

## Other party's interests

You must tell us of the interests of all parties (e.g. financiers, owners, lessors) who will be covered by this insurance. We will protect their interests only if you have told us about them and we have noted them on your Policy Schedule.

## How you can pay your premium

You can pay your premium in one annual payment by cash, cheque, credit card, BILLPAY or by arrangement with an accredited premium funder.

## Paying your annual premium

You must pay your premium by the due date. If we do not receive your premium by this date or your payment is dishonoured this Policy will not operate and there will be no cover. We are entitled to deduct from any amount we pay you under a claim any unpaid premium.

## Preventing our right of recovery

If you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this Policy, we will not cover you under this Policy for that loss, damage or liability.

## How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount of the GST on the premium.

When we pay a claim, your GST status will determine the maximum amount we pay.

When you are:

- (a) not registered for GST, or are otherwise not entitled to claim an Input tax Credit the maximum amount we pay is the sum insured or the other limits of insurance cover including GST, and the sum insured and other limits of insurance cover shown on your policy documentation are inclusive of GST
- (b) registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where

you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition.

In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS), and the sum insured and other limits of insurance cover shown on your policy documentation are exclusive of GST.

You must advise us of your correct Australian Business Number and Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit, Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

### Words with special meanings

Some key words and terms used in this Policy have a special meaning. If words and terms are only used in just one Section of the Policy, we will describe their special meaning in that Section.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

#### Aircraft

means any vessel, craft or thing made or intended to fly through or move through the atmosphere or space.

#### Dangerous Goods

means goods defined by the Australian code for the transport of dangerous goods by rail and road.

#### Family

means

- (a) you and your spouse (legal or de facto), and children who normally live in your home,
- (b) you and your spouse's parents who normally live in your home.

#### Farm

means the situation(s) shown in the Policy Schedule and comprising a single operating unit at which the farm business is conducted.

#### Farm buildings

includes tanks, stockyards, stock races and services attached to farm buildings, feed silos, fixed plant that forms part of any farm building and windmills.

Farm buildings does not include fencing, power poles and the overhead wiring between the power poles.

#### Farm Business

means all activities connected with the running of the business of the farm.

Farm business does not mean contract farming but occasional contract farming is allowed where such contracting in any financial year contributes less than 30% when combined with the annual turnover of your farm business.

Farm business does not include any activities carried out in or in connection with your home buildings.

#### Farm Contents

means all tools of trade, plant and equipment and items which are used during the normal operation of the farm business owned by you or for which you are legally responsible. It includes fixed plant in the open air which is used in connection with the farm business.

Farm contents does not include:

- (a) farm buildings
- (b) hay, growing plants, animals, birds or fish
- (c) mobile farm machinery, motor vehicles, motor cycles, any other vehicles and spare parts or accessories attached to them
- (d) aircraft or watercraft and their accessories
- (e) works of art, curios, antiques, pictures, or
- (f) home contents.

#### Farm Produce

means food and other products grown on the farm for commercial sale.

Farm produce does not include:

- (a) growing plants, animals, birds or fish
- (b) manufactured or processed products or their containers other than still wine where the annual turnover from its production does not exceed 20% of the total annual farm turnover, and honey
- (c) semen, embryos or their containers.

#### Farm Property

means collectively tangible property of every kind and description including items of farm buildings, farm contents, mobile farm machinery, farm produce, hay, fencing, power and telephone poles and wiring that you have chosen to insure. Property insured includes all such property acquired during the current period of insurance. However we will not pay claims on property acquired but not disclosed to us unless it can be reasonably proven it was the intention to insure such property under this Policy and

that such property or similar property has been insured in previous years. Farm property does not include animals, birds or fish.

**Fencing**

means all boundary and internal fencing at the farm.

**Flood**

means the inundation of normally dry land by water which has escaped or been released from the confines of any natural watercourse or lake (whether modified or not) or from any reservoir, dam or canal.

**Fusion**

means the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by electric current.

**Genetically Modified or Engineered Organism**

means a living plant, animal or microbe that has been altered by the addition or modification of a gene through the process of genetic engineering and contains genes or portions of genes from unrelated organisms.

**Gross Combination Mass**

means the maximum allowed weight of your truck and trailer combination including the goods carried by that combination.

**Gross Vehicle Mass**

means the maximum allowed weight of your vehicle and the goods it can carry.

**Hay**

means stoked, baled or rolled hay which you own.

**Impact**

means a collision of two or more objects

**Indemnity Value**

means the cost necessary to replace, repair or rebuild the insured property to a condition substantially the same as but not better nor more extensive than its condition at the time of the loss or damage taking into consideration its age, condition and remaining useful life.

**Market Value**

means the cost to buy a vehicle or property of a similar type, age and condition to the damaged or destroyed items at the time of the loss or damage:

- (a) adjusted for any special features, and
- (b) having regard to used prices guides and any other relevant information, but excluding costs and charges for registration, stamp duty transfer and any dealer warranty costs.

**Mobile Farm Machinery**

means tractors, headers, fruit pickers and other similar machines which are used solely for farming purposes, but not automobiles, utilities and trucks.

Mobile farm machinery also includes trailers, ploughs, seeding equipment, balers and other implements drawn or intended to be drawn by any such machinery.

**Occurrence**

means an event including continuous or repeated exposure to substantially the same conditions or repeated exposure to substantially the same conditions which results in personal injury or property damage which you neither expected nor intended to happen.

**Open Air**

means outside a building on the farm and includes:

- non lockable structures, and non lockable part of the home buildings or farm buildings, or
- in or on a motor vehicle, motor cycle, trailer, caravan or tent, whether they are locked or not.

**Pair, Set, Collection**

means two (2) or more articles whose collective value exceeds the sum of their individual values.

**Period of Insurance**

means the dates and times between which we insure you. It is shown in the Policy Schedule.

**Policy**

includes this Policy wording, the Policy Schedule and any future documents issued to you which amend the Policy wording or Policy Schedule.

**Policy Schedule**

means the schedule of insurance, or any endorsement schedule we give you.

**Rainwater**

means rain falling naturally from the sky including rainwater run-off over the surface of the land. Rainwater does not mean flood.

**Replacement Cost**

means

- (a) the reasonable and necessary cost of rebuilding, replacing or repairing any lost or damaged property or item to a condition substantially the same as but not better nor more extensive than its condition when new, or
- (b) at our option, the actual reinstatement, replacement or repair of that property or item.

**Storm**

means violent wind (including cyclones, tornadoes) thunderstorms or hailstorms which may be accompanied by snow or rain.

**Temporary Removal or Temporarily Removed**

means to remove items from the farm and return them before 90 days expires. Items removed permanently from the Farm for any period are not temporarily removed.

### **Tools of Trade**

means tools or machines that are used or have been used in the past twelve months for any income earning activity or pursuit.

### **Unoccupied Farm**

means a farm without a permanent resident.

### **Watercraft**

means any vessel, craft or anything made or intended to float on or in or travel through water.

### **We, Our, Us**

means the Insurer, through its agent Millennium Underwriting Agencies Pty Ltd ABN 38 079 194 095.

### **You, Your**

means the persons and entities who are named in the Policy Schedule as the Insured. If home buildings, home contents and/or valuables are insured by this Policy, for the purpose of those sections, you/your also includes your family.

## **Types of Cover**

This Policy offers you a choice of cover. You can choose any or all of the following:

- Section 1: Home building and home contents
- Section 1(a): Landlord's Residential Protection
- Section 2: Valuables
- Section 3: Farm property
- Section 4: Livestock and working dogs
- Section 5: Farm liability
- Section 6: Machinery breakdown
- Section 7: Electronic equipment
- Section 8: Transit
- Section 9: Motor vehicle
- Section 10: Personal accident and sickness
- Section 11: Boat
- Section 12: General property
- Section 13: Theft
- Section 14: Business interruption

The types of cover you have chosen will be shown on your Policy Schedule.

## **Section 1 – Home Building and Contents**

This section covers loss or damage to home buildings and home contents. If you have chosen this cover it will be shown in your Policy Schedule.

Cover 1 - insures loss or damage caused by certain events that are defined in the section.

Cover 2 - insures all accidental loss or damage.

This section also provides you with a limited cover for your liability to people who are injured anywhere in the world.

It does not however cover your liability to others when the occurrence arises from farm business. Liability arising from farm business is covered under the farm liability section.

### **What we insure**

We will cover you for loss or damage:

- (a) to home buildings and home contents which you have elected to insure, depending on the cover you have chosen
- (b) which occurs during the Period of Insurance.

We also provide a limited legal liability cover as set out under 'Your legal liability to others'.

### **Cover options**

You may choose to insure your home buildings and home contents in one of two ways:

Cover 1 insures loss or damage caused by certain events which are defined in this Section. We call these insured events.

Cover 2 insures loss or damage caused by any accidental loss or damage.

The cover you have chosen is shown in the Policy Schedule.

### **Definitions which apply to this Section**

Home buildings means the dwelling used primarily as a place of residence at the farm shown in the Policy Schedule.

Home buildings includes

- (a) outbuildings, fixtures and structural improvements including in ground swimming pools, in ground spas, saunas, tennis courts, jetties and pontoons used for domestic purposes
- (b) fixed light fittings, fixed wall coverings, fixed ceiling coverings and fixed floor coverings
- (c) services (whether underground or not) that are your property or which you are liable to repair or replace or pay the cost of their repair or replacement
- (d) landscaping, paved pathways and paved driveways, retaining walls, fences and gates entirely or partly on the site
- (e) trees, shrubs and plants within the homestead block.

What 'home buildings' does NOT mean:

- (a) carpets (whether fixed or not), curtains or internal blinds, unless you regularly lease out the home on an unfurnished basis
- (b) earth or gravel pathways or driveways or other unpaved surfaces
- (c) a hotel, motel, nursing home, boarding house, buildings of flats, strata title unit or caravan (whether fixed to the site or not)
- (d) any building used for any business or trade, except for a dwelling used principally as a place of residence that also contains an office or surgery
- (e) a building in the course of construction except for construction, erection, renovation, alterations and additions up to \$100,000
- (f) a temporary building or structure
- (g) trees, shrubs and any other plant life including grass or lawns, or soil, sand, gravel, bark or mulch
- (h) any contents as defined in 'Home Contents means'.

Home contents means, items (a) to (h) below, while they are at the site, and which belong to you or your family or for whose loss or damage you or your family are legally liable.

- (a) all household goods and personal effects, cash, coins and negotiables.  
'Negotiables' means treasury notes, savings certificates, stamps, money orders, gift certificates and any other negotiable instruments
- (b) articles of special value which you have listed on the Policy Schedule under 'special contents items'
- (c) if you live in a strata title building, the internal paintwork, wallpaper and any fixture or structural improvement within or attached to that residence which the Body Corporate is not required by law to insure
- (d) if you are a tenant, landlord's fixtures and fittings for which you are legally liable and any fixtures and fittings installed by you for your own use
- (e) any of the following equipment if it does not require registration
  - golf buggies
  - motorcycles up to 250cc engine capacity
  - garden equipment, or
  - motorised wheelchairs.
- (f) canoes, surfboards, surfskis or sailboards, and any other watercraft up to:
  - 4 metres in length, and
  - under 10 horsepower.
- (a) A watercraft motor:
  - of no more than 10 horsepower, and
  - not attached to a watercraft, and
  - at the home.
- (h) equipment used in an office or surgery for earning income at the farm which belong to you or your family or for whose loss or damage you or your family are legally liable.

What 'home contents' does NOT mean:

- (a) fish, birds, or animals of any description
- (b) trees, shrubs and any other plant life (other than pot plants)
- (c) any caravan or trailer
- (d) motorised vehicles other than in clause (e), under the heading 'Home contents means'
- (e) watercraft other than in clause (f), under the heading 'Home contents means'
- (f) aircraft or their accessories (other than a non-pilotable model aircraft)
- (g) accessories or spare parts, keys or remote locking or alarm devices of motor vehicles (including motorcycles and motor scooters), caravans, trailers, aircraft or watercraft while they are in or on the motor vehicle, caravan, trailer, aircraft or watercraft
- (h) photographic and video equipment and musical instruments or musical equipment used for earning income
- (i) any property
  - illegally in your possession
  - stored in a dangerous and illegal way
  - connected with growing or creating any illegal substances.
- (j) commercial or retail trade stock.
- (k) the home or any part of the home, as defined in 'Home building means'.

## Cover 1 – Insured Events

If you choose this cover we will pay for loss or damage which occurs to your home buildings and home contents as a result of the insured events listed in the left column of this table.

We will not pay for the loss or damage described in the right column of this table (or any loss or damage which is otherwise excluded under this section of the Policy).

Insured Events	We will not pay for
Fire or Explosion	Loss or damage to any item caused by: <ul style="list-style-type: none"> <li>the deliberate application of heat</li> <li>scorching, melting or charring unless by a visible flame</li> </ul>
Storm or Rainwater	Loss or damage caused by: <ul style="list-style-type: none"> <li>the action of the sea, high water, tidal wave</li> <li>water seeping through a wall or floor</li> <li>mildew, algae</li> <li>atmospheric or climatic conditions other than storm</li> <li>water entering the home buildings through an opening made for the purpose of alterations, additions, renovations or repair.</li> </ul> Loss or damage to hail nets or shade cloth
<p>Flood  <b>(Full flood</b> cover applies only in South Australia if indicated on the policy schedule. <b>Limited flood</b> cover applies if indicated on the policy schedule in all other States and Territories in Australia and in some areas of South Australia).</p> <p>Flood means the inundation of normally dry land by water escaping or being released from the normal confines of any natural watercourse, lake (whether modified or not), canal, dam or reservoir.</p> <p><b>Full Flood</b> cover means loss or damage to your buildings and contents caused by flood up to the sums insured stated in the policy schedule.</p> <p><b>Limited Flood</b> cover means loss or damage to your buildings and/or contents, excluding swimming pools and spas, caused by flood up to a maximum of \$10,000 or 5% of the building and/or contents sum insured, whichever is the lesser.</p>	
Lightning or Thunderbolt	Loss or damage caused by fluctuations in the power supply unless there is evidence of a lightning strike
<p>Earthquake  All destruction or damage occurring within a period of 48 hours of the earthquake is regarded as one Insured Event</p>	
Theft	Loss or damage caused by: <ul style="list-style-type: none"> <li>theft by any person who is living at the farm unless there is evidence that your home has been entered forcibly and violently</li> <li>theft of cash or negotiable securities unless there is evidence that your home has been entered forcibly and violently</li> </ul> <p>Note: Forcible and violent entry does not include:</p> <ul style="list-style-type: none"> <li>entry through a door or window that has been left open or unlocked</li> <li>where the home has been entered with the consent of the owner or occupier of the home</li> </ul>
Vandalism	Loss or damage intentionally caused by: <ul style="list-style-type: none"> <li>you, your family or your family’s visitors, a tenant or tenant’s visitors or family</li> </ul>
Riot or Civil Commotion	
Action of a civil authority in attempting to prevent the spread of fire	



<b>Insured Events</b>	<b>We will not pay for</b>
<p>Bursting, leaking, discharging or overflowing of fixed basins, shower bases or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind.</p> <p>Water suddenly escaping from a waterbed or aquarium.</p> <p>If we accept a claim because damage has occurred as a direct result of the liquid escaping we will also pay the reasonable costs of locating the cause of the damage and the costs of reinstating the property damaged or disturbed in the course of work.</p>	<p>Loss or damage which:</p> <ul style="list-style-type: none"> <li>• occurs gradually over time</li> <li>• results from water escaping from a shower base not fitted with a tray or water proof membrane</li> <li>• is caused by the porous condition of any tiles, grouting or sealant.</li> </ul> <p>Repair or replacement of the apparatus, tank or pipe itself.</p>
<p>Impact by:</p> <ul style="list-style-type: none"> <li>• a vehicle, an aircraft or a watercraft</li> <li>• space debris or debris from an aircraft</li> <li>• an animal</li> <li>• a falling tree or part of a tree</li> <li>• a mast or a television or radio aerial that has broken or collapsed</li> </ul>	<p>Loss or damage caused by:</p> <ul style="list-style-type: none"> <li>• a domestic animal kept on the farm</li> <li>• felling or lopping trees on the farm</li> <li>• rodents, vermin, birds or insects gnawing, chewing, pecking, clawing, scratching, or in any way polluting or contaminating your home or contents.</li> </ul>
<p>Breakage of fixed glass or fixed ceramic material</p> <ul style="list-style-type: none"> <li>• for home buildings - any fixed glass, shower base, sink, bath, lavatory pan or cistern</li> <li>• for home contents - glass forming part of an item of furniture</li> <li>• domestic telephones</li> </ul>	<ul style="list-style-type: none"> <li>• Damage to any property other than the broken glass or ceramic material, shower base, basin, sink, lavatory pan, cistern or telephone</li> <li>• Any item that is chipped or scratched</li> <li>• Breakage of glass in a picture frame or clock</li> <li>• Glass in television sets, radios, visual display units, cellular telephones or any other computer or electronic equipment</li> <li>• Glassware, crystal, ornaments</li> </ul>
<p>Fusion of an electric motor.</p> <p>The cost of rewinding or at our option replacing the motor.</p> <p>For refrigerators and air conditioning units we pay for the replacement of refrigerant gas and refrigerant driers only if replacement of the refrigerant gas or drier is made necessary because of the fusion.</p> <p>You will have to contribute towards the total cost of repair or replacement including labour charges as follows:</p> <ul style="list-style-type: none"> <li>• any motor up to 15 years from the date of manufacture or rewinding – no contribution</li> <li>• for each year or part thereof over 15 years of age or last rewinding – 25% per year.</li> </ul> <p>In no case will your contribution exceed 90% after applying the excess</p>	<p>Repair or replacement of additional parts or service items.</p>
<p>If this policy also insures your contents we will also pay up to \$1,000 for spoilage of food in domestic refrigerators or freezers at the farm caused by:</p> <ul style="list-style-type: none"> <li>• breakdown of the refrigerator or freezer.</li> <li>• failure of the electricity supply.</li> <li>• Contamination by lubricant oil or refrigerant.</li> <li>• Accidental damage to the freezer</li> </ul>	<p>Loss or damage caused by</p> <ul style="list-style-type: none"> <li>• Intentionally switching off or disconnecting the electricity by the supplier.</li> <li>• Strikes</li> </ul>

## Cover 2 – Accidental Damage

If you choose this cover we will pay for loss or damage which occurs to your home buildings and home contents as a result of an event listed in the left column of this table.

We will not pay for the loss or damage described in the right column of this table (or any loss or damage which is otherwise excluded under this section of the Policy).

Insured Events	We will not pay for
<p>Accidental loss or damage other than earthquake, fusion or spoilage of food</p>	<p>Loss or damage from theft or vandalism caused by tenants or their visitors.</p> <p>Loss or damage resulting from or caused by:</p> <ul style="list-style-type: none"> <li>• water seeping through a wall or floor atmospheric or climatic conditions other than storm</li> <li>• mildew or algae</li> <li>• water entering the home buildings through an opening made for the purpose of alterations, additions, renovations or repair</li> <li>• a domestic animal kept on the farm</li> <li>• rodents, vermin, birds or insects gnawing, chewing, pecking, clawing, scratching or in any way polluting or contaminating your home or contents</li> <li>• the deliberate application of heat.</li> </ul> <p>Loss or damage to:</p> <ul style="list-style-type: none"> <li>• hail nets or shade cloth by storm or wind</li> <li>• sporting equipment while in use or play</li> <li>• trees, shrubs or plants which is not sudden, unforeseen and accidental.</li> </ul>
<p>Flood  <b>(Full flood cover applies only in South Australia if indicated on the policy schedule. Limited flood cover applies if indicated on the policy schedule in all other States and Territories in Australia and in some areas of South Australia).</b>                      Flood means the inundation of normally dry land by water escaping or being released from the normal confines of any natural watercourse, lake (whether modified or not), canal, dam or reservoir.  <b>Full Flood cover</b> means loss or damage to your buildings and contents caused by flood up to the sums insured stated in the policy schedule.  <b>Limited Flood cover</b> means loss or damage to your buildings and/or contents, excluding swimming pools and spas, caused by flood up to a maximum of \$10,000 or 5% of the building and/or contents sum insured, whichever is the lesser.</p>	
<p>Earthquake                      All destruction or damage occurring within a period of 48 hours of the earthquake is regarded as the one event</p>	
<p>Fusion of an electric motor.                      The cost of rewinding or at our option replacing the motor.                      For refrigerators and air conditioning units we pay for the replacement of refrigerant gas and refrigerant driers only if replacement of the refrigerant gas or drier is made necessary because of the fusion.                      You will have to contribute towards the total cost of repair or replacement including labour charges as follows:</p> <ul style="list-style-type: none"> <li>• any motor up to 15 years from the date of manufacture or rewinding – no contribution</li> <li>• for each year or part thereof over 15 years of age or last rewinding – 25% per year.</li> </ul> <p>In no case will your contribution exceed 90% after applying the excess</p>	<p>Repair or replacement of additional parts or service items.</p>
<p>If this policy also insures your contents we will also pay up to \$1,000 for spoilage of food in domestic refrigerators or freezers at the farm caused by:</p> <ul style="list-style-type: none"> <li>• breakdown of the refrigerator or freezer.</li> <li>• failure of the electricity supply.</li> <li>• Contamination by lubricant oil or refrigerant.</li> <li>• Accidental damage to the freezer</li> </ul>	<p>Loss or damage caused by</p> <ul style="list-style-type: none"> <li>• Intentionally switching off or disconnecting the electricity by the supplier.</li> <li>• Strikes</li> </ul>

## What we will pay when you insure home buildings

When you insure home buildings we will, at our option

- repair, replace or rebuild or pay you the reasonable cost to repair, replace or rebuild, the damaged part of the Building up to its replacement cost; or
- pay you up to the Building Sum Insured.

You may choose to have the home buildings replaced at another site, but we do not pay more than the sum insured.

If your home buildings are damaged beyond economic repair and you do not commence rebuilding within 6 months of the damage occurring, (or any other period which we agree with you) you may have to pay any increase in cost caused by your delay. Otherwise we will pay the indemnity value.

If part of your home is damaged, we pay only for the part or parts of the home that actually sustained damage.

We do not pay to replace any undamaged materials.

However, if

- it is impossible to acquire new material to replace the damaged material that reasonably matches the undamaged portion to a similar extent as immediately prior to the insured event occurring, and
- the amount of damaged material that cannot be matched to the undamaged material is more than 40% of the total material that would have to be replaced if all the matching damaged and undamaged material was replaced, then we will replace both the damaged and undamaged material.
- Where materials that are required to settle a claim that we agree to pay are not commercially available in Australia, at our option, we:
  - replace the material with the nearest equivalent or similar new materials available in Australia or overseas, or
  - pay the cost to replace the material with the nearest equivalent or similar new materials available in Australia and overseas.

## Fees

We will pay any reasonable fees which we have approved and which are incurred directly in relation to repair or replacement of the home buildings.

## What we will pay when you insure home contents

- (a) At our option we:
- repair the damaged item, or
  - replace the items with items substantially the same as, but not better than when new, or
  - pay the reasonable cost of repair or reinstatement to a condition substantially the same as, but not better than when new, or
  - pay up to the sum insured shown in your Policy Schedule. If your contents are damaged beyond economic repair, we will pay no more than the reasonable cost of replacement when new even if

you have insured for an amount greater than the reasonable cost of replacement when new.

When we pay your claim for all your contents being damaged beyond economic repair, the Policy is exhausted and comes to an end. We will not pay more than the total contents sum insured for all contents lost or damaged.

- (b) If we agree to pay a claim where film, photos, home movies or home videos or any similar recorded material is destroyed, we pay for the replacement of new, blank film, videos or similar (e.g. if a compact disc upon which you had photos stored is destroyed, we would replace it with a new, blank compact disc). We do not pay to reconstruct any circumstances or conditions.
- (c) If we agree to pay a claim where software is lost, damaged or destroyed, we pay the cost to replace it with the nearest equivalent new software. We do not pay for any software that was acquired by you at no cost.
- (d) Where an item required to settle a claim that we agree to pay is not commercially available in Australia, at our option, we:
- replace the item with the nearest equivalent or similar new item available in Australia or overseas, or
  - pay the cost to replace the item with the nearest equivalent or similar new item available in Australia or overseas.

When you insure Home Contents we will pay for loss or damage to the insured items in accordance with the basis of insurance set out in the following table:

We will pay for	Basis of Insurance	Exception/Qualification to what we pay
Home Contents	Replacement Cost	
Clothing and Linen	Replacement Cost	
Carpets and other floor coverings, curtains and internal blinds	Replacement Cost	We will pay only for items in the room, hall or passage where the damage occurred
Special items listed in the Policy Schedule	Replacement Cost	We will pay no more than the amount shown in the Policy Schedule for each special item
Works of art, pictures, tapestries, rugs, antiques forming part of unspecified home contents	Replacement Cost	Cover 1 Insured Events – up to \$20,000 Cover 2 Accidental Damage – up to sum insured
Items of jewellery, gold or silver articles, fur or watches forming part of unspecified home contents	Replacement Cost	Cover 1 Insured Events – \$5,000 per item up to 25% of sum insured Cover 2 Accidental Damage – \$10,000 per item up to 25% of sum insured
Mobile phones, portable electronic equipment	Replacement Cost	Cover 1 Insured Events – up to \$1,500 Cover 2 Accidental Damage – up to \$2,000
Hearing Aids	Replacement Cost	Cover 1 Insured Events – up to \$1,000 Cover 2 Accidental Damage – up to \$2,000
Laptop Computers	Replacement Cost	Cover 1 Insured Events – up to \$5,000 Cover 2 Accidental Damage – up to \$10,000
Collections of any kind forming part of unspecified home contents	Replacement Cost	Cover 1 Insured Events – \$5,000 per collection up to 25% of sum insured Cover 2 Accidental Damage – \$10,000 per collection up to 25% of sum insured
Office or surgical equipment used by you or your family in your or their own business on the farm	Replacement Cost	Cover 1 Insured Events – up to \$20,000 Cover 2 Accidental Damage – up to sum insured
Other equipment used by you or your family for earning income	Replacement Cost	\$5,000 in total
Accessories, or spare parts of motor vehicles, caravans, trailers and watercraft NOT in or on the motor vehicle, caravan, trailer or watercraft	Replacement Cost	Cover 1 Insured Events – up to \$1,000 Cover 2 Accidental Damage – up to \$2,000
Bicycles		Cover 1 Insured Events – up to \$5,000 Cover 2 Accidental Damage – up to \$10,000
Cash, treasury notes, saving certificates, stamps, money orders and other negotiable instruments, bullion or documents	Face Value	Cover 1 Insured Events – up to \$1,000 Cover 2 Accidental Damage – up to \$2,000
Home contents in the open air	<ul style="list-style-type: none"> <li>• Up to \$2,000 for loss or damage caused by Storm or Rainwater</li> <li>• Up to \$1,000 for cash and negotiable securities</li> </ul>	
Home contents belonging to any student member of your family required to live away from home to receive secondary or tertiary education	Replacement Cost	Cover 1 Insured Events – no cover Cover 2 Accidental Damage – up to sum insured

### Additional Benefits

We provide the following additional benefits as part of the sums insured for home and contents, depending on the type of cover you have chosen.

#### 1. Temporary removal

If your home contents are temporarily removed from the home buildings, we will pay:

- (a) up to 25% of the sum insured under unspecified contents where you have chosen the insured events cover option subject to the limits stated in the section 'What We Will Pay When You Insure Home Contents'

- (b) up to the home contents sum insured where you have chosen the accidental damage cover option subject to the limits stated in the section 'What We Will Pay When You Insure Home Contents'

We insure your contents anywhere:

- in Australia or New Zealand while you have temporarily removed them from the site, and
- in the rest of the world while you have temporarily removed them from the site, for a period of up to 90 days, in any one period of insurance.

For the purpose of this additional benefit 'Home Contents' includes items purchased by you but not yet transported to the home building.

## 2. Fees

If this Policy insures your home and:

- it is damaged as a result of an insured event, and
- we agree to pay a claim

we pay any reasonable fees which we have approved and which are incurred directly in relation to repair or replacement of your home.

## 3. Removal of debris

If this Policy insures your home and:

- it is damaged as a result of an insured event, and
- we agree to pay a claim

we will pay the reasonable costs of demolition and removal of debris from the site to the nearest authorised facility.

If the damage is caused directly by a fallen tree that has, as a result of an insured event, become debris, we will remove the tree from the site. We will remove a standing tree or branch that formed part of the tree that caused the insured damage only if:

- (a) we agree that the remaining tree or branch is unsafe
- (b) the remaining tree or branch only became unsafe as a direct result of the insured event causing damage to the tree, and
- (c) all necessary approvals have been obtained and removal of the tree or branch would not result in a breach of any laws, by-laws, regulations or contractual obligations.

We will remove a stump that formed part of the tree that caused the insured damage only if:

- (a) all necessary approvals have been obtained and removal of the stump would not result in a breach of any laws, by-laws, regulations or contractual obligations, and
- (b) not removing the stump would interfere with repairing or replacing the damaged part of the home required to settle your claim.

If this Policy insures your contents and:

- they are damaged by an insured event, and
- we agree to pay a claim

we pay the reasonable costs of removal of contents debris from the site to the nearest authorised facility.

## 4. Extra costs of reinstatement

If this Policy insures your home and:

- it is damaged as a result of an insured event, and
- we agree to pay a claim

we will pay the extra costs necessary to meet the requirements of any statutory authority in connection with rebuilding or repairing your home at the site.

If only part of your home is damaged, we will pay only the extra costs you incur in repairing that part.

We will NOT pay any extra costs which resulted from any notice which a statutory authority served on you before your home suffered loss or damage.

## 5. Illegal use of credit card or financial transaction card

If this Policy insures your contents and a credit card or financial transaction card is lost or stolen, we pay up to \$5,000 towards any legal liability you incur from its unauthorised use.

We do NOT pay if:

- the card does not belong to you or your family
- you have not complied with the card issuer's requirements
- the unauthorised user of the card is someone living at the site.

## 6. Visitor's contents

If this Policy insures your contents in your primary residence, we also insure contents up to \$5,000 in total belonging to any visitors temporarily living with you at the site for up to 30 consecutive days.

We do NOT pay:

- for visitors' contents that are insured under another policy taken out by someone other than you or your family
- for any cash or negotiable instruments.

## 7. Replacement of locks and keys

We pay up to \$2,500 to replace/alter locks or keys or modify burglar alarms if:

- locks to your home are damaged, or
- keys to your home are lost, damaged or stolen from anywhere in Australia.

## 8. Change of site

If this Policy insures your contents and you are moving into a new home within Australia, we insure your contents at both sites for a maximum of 30 days. The maximum we pay at each site will be the proportion of the sum insured that the value of the contents at that site bears to the total value of the contents at both sites.

You must tell us your new address within 30 days of first moving to it. If you wish to insure your contents at your new address after that 30 days, we must agree to insure them at that address.

You must pay us any additional premium we ask and comply with any conditions we impose.

## 9. Contents being conveyed to your new residence

The following benefit applies if this Policy insures your contents in your primary residence.

We insure your contents if they are damaged while they are in a vehicle being used to convey your contents. The damage must occur directly as a result of:

- theft from the conveying vehicle involving the use of violent force
- fire on the conveying vehicle
- collision and/or overturning of the conveying vehicle while your contents are in transit by road to:
  - your new, principal place of residence, or
  - a storage facility at which your contents or some of your contents will be temporarily located pending conveyance to your new principal residence within Australia.

We do NOT insure your contents:

- for removal to any residence other than the one intended to be occupied by you as your principal residence
- for damage to china, glass, earthenware or any other item of a brittle nature
- for damage caused by scratching, denting, bruising or chipping
- for any more than \$5,000 in any one period of insurance • outside Australia.

#### 10. Contracting purchaser

If this Policy insures your home, and you have entered a contract to sell the home, this Policy insures the purchaser from:

- when they become liable for any damage to the home until the contract is settled or terminated, or
- until the purchaser insures the home whichever happens first.

#### 11. Trees, shrubs and plants

If this Policy covers your home buildings, we pay up to \$150 for damage to any one tree, shrub or plant within the homestead block and up to \$1,500 in total in any one period of insurance caused directly by an insured event described in, 'What you are insured against, and what you are NOT'. We treat all grass and lawn on the site as one plant.

We do not insure you for any event that is not sudden and unforeseen.

We only repair or replace trees, plants or shrubs, that as a direct result of the insured event, are so damaged that they die, are permanently disfigured or not recovered after being stolen.

#### 12. Waiver of excess if your property is a total loss

You are not required to pay an excess if we agree to pay a claim as a result of damage that renders your home, contents or both beyond economic repair.

#### 13. Monitored alarm attendance after theft

If this Policy insures your contents in your primary residence, we will pay up to \$1,250 for the reasonable costs actually incurred by you for the security firm that monitors your burglar alarm to attend your home during or immediately after an actual or attempted theft from your home if:

- there is evidence of forcible or violent entry
- the theft or attempted theft is not committed by any person who is living at the site, and
- you report the incident to the police as soon as possible and in any event, no more than 24 hours after the theft or attempted theft occurred.

We do NOT pay:

- for any false alarms, or
- where there is no evidence of a theft or an attempted theft, or
- more than \$1,250 in any period of insurance.

#### 14. Replacement of documentation

If this Policy insures your contents in your primary residence, we will pay up to \$1,000 for the reasonable costs to replace the following documentation directly damaged by an insured event that has caused a claim that we agreed to pay:

- Title Deeds
- Birth Certificates
- A Marriage Certificate
- Passports
- Drivers Licences
- Proof of Age Card.

We pay the following additional benefits over and above the sums insured for home or contents, depending on the type of cover you have chosen.

#### 15. Loss of rent or temporary accommodation

We pay the following benefit if your home is so damaged by an insured event that it cannot be lived in or let to tenants.

If this Policy insures your home, we pay up to \$20,000 or 20% of the sum insured for your home, whichever is the higher for:

- loss of rent or rentable value if the home is tenanted or is between tenants at the time the loss or damage occurred
- additional cost of reasonable temporary accommodation where the home is your principal place of residence.

If this Policy insures your contents, we pay up to \$20,000 or 20% of the sum insured for your contents, whichever is the higher for:

- loss of rent or rentable value if the home is a strata title residence and it is tenanted or is between tenants at the time the loss or damage occurred
- additional cost of reasonable temporary accommodation where you are a tenant or strata title owner permanently residing in the home.

We do NOT pay for:

- loss of rent if the home has been untenanted for 30 consecutive days immediately before the loss
- any rent lost outside the period of untenantability
- any rent lost later than 12 months after the damage occurs.

#### 16. Automatic reinstatement of sum insured

This benefit applies to the sums insured for home and unspecified contents as shown in your Policy Schedule.

Following payment of a claim other than a claim for total loss, the sums insured will be reinstated unless you request otherwise or we tell you otherwise.

#### 17. Inflation adjustment

This benefit only applies to the home and contents sums insured as shown in your Policy Schedule.

During each period of insurance, we increase the home buildings and home contents sums insured in line with consumer price index until the next renewal date.

#### 18. Compensation for death

If this Policy insures your contents in your primary residence:

- we pay up to \$10,000 to the legal representative of the deceased person in the event of death of you or a member of your family normally living with you

- as a direct result of physical injury caused by an event at the site if the event that caused the death also caused damage for which we agree to pay a claim.

Under this benefit, we do NOT pay more than \$10,000 in total in any one period of insurance.

### 19. Modifications to the home

If you occupy the home insured by the Policy as your primary residence or this Policy insures your contents in your primary residence, and as a direct result of an insured event occurring at the site for which we agree to pay a claim:

- you, or
- a member of your family normally living with you permanently become a paraplegic or quadriplegic, we pay up to \$10,000 for the cost incurred by you in modifying your home or in relocating you to a suitable home.

By the terms ‘paraplegic’ and ‘quadriplegic’, we mean paraplegia and quadriplegia that continues for a period of 12 months and for which there is a prognosis made by a qualified and registered medical practitioner that it will continue for an indefinite period.

### 20. Legal costs

If this Policy insures your home, we pay the reasonable legal costs incurred in discharging your mortgage following settlement of a claim for total loss.

### 21. Location costs -escaping liquid

If this Policy insures your home and we pay for damage caused by liquid escaping from any fixed basin, shower base, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid, we will also pay the reasonable costs of locating the cause of the damage and of reinstating the property damaged or disturbed in the course of work.

We do NOT pay for repair or replacement of the apparatus, tank or pipe itself.

We pay up to \$1,000 to repair the cause of the loss or damage provided such loss or damage has occurred in the home.

### 22. Fire fighting

We will pay up to \$7,500 for all costs incurred for:

- extinguishing fire at, near, or threatening to spread to the Farm, preventing or lessening the effect of any such fire,
- gaining access to the Farm after the fire has occurred, or
- replenishing fire fighting equipment.

### 23. Temporary protection

We will pay the reasonable cost of temporary repairs to the Home Buildings following loss or damage insured by this Section for the purpose of securing the premises and safeguarding property from further loss.

### 24. Limited flood cover

Notwithstanding anything to the contrary contained in the columns headed “We will not pay for” in Cover 1 -Insured

Events and Cover 2 -Accidental Damage, we will cover loss or damage to your building and/or contents, excluding swimming pools and spas, caused by flood up to a maximum of \$10,000 or 5% of the contents sum insured, whichever is less and \$10,000 or 5% of the building sum insured, whichever is less.

### 25. Veterinary expenses for domestic cats and dogs

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we pay the reasonable veterinary expenses incurred by you if your domestic cat or dog, normally kept at the site, is accidentally injured as a result of a road accident, fire, lightning or earthquake.

We will not pay:

- more than \$1,000 in total in any one period of insurance
- costs or expenses resulting from the physical loss, theft or death of an animal including but not limited to post mortem, disposal, burial or cremation
- routine elective or preventative veterinary treatment such as vaccinations, spaying or heartworm testing
- for treatment of any pre-existing condition
- for treatment of injury or illness arising from or connected with a sporting event, cat or dog show, business occupation or commercial activity, including but not limited to guard dog services, commercial breeding, hire or renting out of the animal, or
- if the injured cat or dog was not registered and/or micro-chipped as required by any law or regulation made by any government or public authority.

### 26. Taxation audit

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we will pay or reimburse you for accountant’s fees which you reasonably incur as a result of your personal taxation affairs being audited by the Australian Taxation Office. The maximum we pay is \$5,000 for any one audit.

We do not pay or reimburse you for:

- any fines, penalties or shortfall in the amount of tax payable
- any audit conducted in relation to criminal activity
- any audit not commenced during the period of insurance
- any fees incurred outside any statutory time limit
- any fees incurred as a result of any fraudulent act or fraudulent admission or any statement made by you or on your behalf to a taxation officer which:
  - is false or misleading in a material particular, and
  - can be attributed to deliberate evasion or recklessness as stipulated in income tax ruling IT2517
- any audit conducted in relation to any facts or circumstances of which you were aware, or ought to have been aware, prior to the commencement of this Policy which were likely to lead to your making a claim under this Policy, or
- any fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit.

## 27. Legal defence costs

If you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence, we will pay or reimburse you for your legal fees, costs, and expenses which you reasonably incur in legal proceedings initiated against you by a third party (and defended by you) but only where the proceedings are commenced in Australia during the period of insurance.

The maximum we pay is \$5,000 for any one claim or series of claims arising from the same cause or event.

We do not pay or reimburse for proceedings or claims:

- for or relating to fines, penalties, punitive damages
- by family members including spouse, ex-spouse, partner, or ex-partner
- for or relating to divorce, separation, child visiting, maintenance, property disputes
- for or relating to dishonesty, intentional violence, or misconduct
- for or relating to defamation or slander
- relating to facts or occurrences, occurring prior to the commencement of the Policy which you knew or ought to have known at the time of commencement of this Policy, would, or might, give rise to a claim
- initiated, threatened or commenced prior to the commencement of this Policy
- under or relating to any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme or compulsory third party insurance
- which could have been made under the Section “Your Personal Legal Liability to Others” if you had chosen to insure your home (if you own it) or your contents.

### The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay more for home buildings, home contents and special items than the lesser of:

- the sums insured for each which are listed in your Policy Schedule subject to the inflation clause below, and
- the additional limits which are set out in this section.

### Pairs, sets and collections

In the event of a total loss of any article or articles which are part of a pair or set or collection we agree to pay you the full amount of the value of such pair or set or collection and you agree to surrender the remaining article or articles of the pair or set to us.

If you elect not to surrender the remaining article(s) of the pair or set or collection to us, then we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set or collection or for any reduction in value of the remaining part or parts.

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

Exclusions which apply to this section – loss or damage to home contents and home buildings

We will not pay any claim under this section of the Policy when the claim arises directly or indirectly out of:

1. inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
2. wear, tear, rust, corrosion, depreciation or gradual deterioration
3. mildew, algae, atmospheric or climatic conditions (other than storm)
4. settling, shrinkage or expansion in buildings, foundations, walls or pavements
5. the removal or weakening of supports or foundations for the purpose of alterations additions, renovations or repair
6. damage to swimming pools or similar structures caused by hydrostatic pressure
7. mechanical, electrical or electronic breakdown where fusion does not occur
8. loss of or damage to electronic data caused by electronic or mechanical derangement or malfunction or by a virus, or processing error
9. any consequential loss other than that specifically provided by this section
10. any process of cleaning involving the use of chemicals
11. vermin, insect, wildlife
12. tree roots
13. erosion, subsidence, landslide or earth movement other than as a direct result of one of the following insured events:
  - storm
  - earthquake
  - escaping liquid and occurring no more than 72 hours after the event.
14. the action of the sea, high water, tidal wave.

## Your personal legal liability to others

### What we will pay

If this section covers your home buildings or if the home building is a strata title residence and your home contents are insured under this section, we insure you and your family against any claim for compensation or expenses which you or your family become legally liable to pay for:

- (a) the death of, or bodily injury to, any person
- (b) the loss of, or damage to, property

resulting from an occurrence during the period of insurance arising out of the ownership of the home buildings or occupancy of the home buildings.

In this context, we include land, trees, shrubs and other plant life as part of your home buildings.

If this Section covers your home contents, and the home building is your primary residence, we insure you and your family against any claim for compensation or expenses which you or your family become legally liable to pay for:

- (a) the death of, or bodily injury, to any person
- (b) the loss of, or damage to, property



resulting from an occurrence during the period of insurance anywhere in the world not related to the ownership of your home buildings.

We will not pay more than this amount in total under all policies we have issued to you which cover the same liability.

We will pay legal costs which we approve. However, we will only pay up to the amount shown in your Policy Schedule for any one occurrence.

### **Additional benefits**

In addition to the personal legal liability cover payable under this section, we will also pay the following benefits.

Note: These additional benefits only apply when you occupy the home insured by this Policy as your primary residence or this Policy insures your contents in your primary residence.

### **Motor vehicle liability**

- (a) We insure you and any member of your family against any claim for compensation or expenses which you or the member of your family become legally liable to pay for:
- the death of, or bodily injury to any person
  - the loss of, or damage to property arising from the ownership, custody or use of:
  - any vehicle which is a type that is not required to be registered by law
  - any motorised wheelchair
  - any domestic trailer not attached to any vehicle resulting from an occurrence during the period of insurance.
- (b) We also insure you or any member of your family against claims for:
- death or bodily injury caused by you or your family solely as a result of you or your family being passengers in a registered vehicle
  - death or bodily injury caused by any registered vehicle if the occurrence causing the death or bodily injury takes place at the farm during the period of insurance.

We do NOT insure you or your family:

- (a) if you or your family are entitled to be wholly or partly protected by any compulsory statutory insurance or accident compensation scheme, or would have been but for failure to register the vehicle or to apply for cover under the scheme or to comply with a term or condition of the scheme
- (b) if you or your family are entitled to be wholly or partly protected by any other policy of insurance which specifically covers the vehicle (except where this exclusion would contravene s.45 of the Insurance Contracts Act, 1985).

### **Committee member of a social or sporting club**

We insure you and any member of your family against any claim for compensation or expenses which you or the member of your family become legally liable in Australia to pay for an alleged or actual act or omission arising out of your position as a committee member of a sporting club or social club.

We will not pay if you receive any payment or remuneration of any kind for holding the position.

The most that we will pay under this additional benefit in any one period of insurance is \$10,000.

We do not insure you or your family against liabilities arising from:

- (a) any act or omission for which you or your family receive reimbursement from the sporting or social club, or
- (b) any act or omission which is committed or alleged to have been committed prior to the period of insurance commencing or after it has ended.

Exclusions which apply to this section – legal liability

We do not insure you or your family:

1. against death, injury, loss, damage or liability of any nature which is directly or indirectly connected in any way with asbestos.
2. against fines, penalties, or punitive, aggravated, multiple or exemplary damages.

We do not insure you or your family against liabilities arising from:

1. any agreement, unless liability would have attached to you or your family if that agreement did not exist except for your liabilities as a tenant under the terms of the lease for your primary residence
2. death of or bodily injury to you or to any person who normally lives with you.  
In this exclusion we consider that a person normally lives with you, if that person:
  - has used your home, or
  - is living with you and intends or intended to use your homeas their primary residence for 60 days or more out of any 90 consecutive day period (irrespective of the commencement date of the Policy) during which there is an occurrence.
3. death of or bodily injury to anyone employed by you or by someone who lives with you if the death or injury arises out of their employment
4. damage to property belonging to you or any person who normally lives with you or to your or their employees
5. any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme
6. the ownership, custody or use of any lift, aerial device or aircraft (except model aircraft or toy kites), aircraft landing area, boat exceeding 4 metres in length (except canoes, surfboards, surf skis or sailboards) or motorised watercraft in excess of 10 horsepower
7. any claim arising out of your trade business or occupation or other activity that earns money or income other than:
  - letting the home for domestic purposes
  - babysitting on a casual basis.

For the purpose of this exclusion, babysitting is not considered to be on a casual basis where:

- the babysitting is not of a casual nature
- any licence or other permission is required by any government body or public authority in order to legally conduct the babysitting
- the income derived from babysitting is the primary or only source of your or your family's income
- there is a registered business associated with the babysitting.

8. vibration or the weakening of, removal of or interference with support to land, buildings or other property
9. building work, construction, erection, renovation, alterations, additions or demolition of a building, including the home if the value of the work exceeds \$100,000
10. death or bodily injury to any person arising out of pregnancy or the transmission of any communicable disease by you or your family
11. any claim arising out of the ownership occupancy or possession of any land or buildings other than those at the farm stated in your policy schedule
12. loss, damage or injury intentionally caused by you or a member of your family or a person acting with your consent or the consent of any member of your family
13. the lawful seizure, confiscation, nationalisation or requisition of the property insured
14. destruction of or damage to property by any government or public or local authority
15. the ownership or use of any motor vehicle other than under the cover given by the 'Additional benefit – Motor Vehicle Liability'
16. any act or omission that is knowingly illegal, dishonest, fraudulent, willful, malicious or done with reckless disregard for their consequences by you, your family or a person acting with the consent of you or your family.

### Excesses that apply to this section

You will have to pay an excess for each claim you make under this section of the Policy. The amount of excess is shown in your Policy Schedule, other than the earthquake excess.

You will have to pay an excess of \$200 for any loss or damage to home buildings caused by earthquake, subterranean fire or volcanic eruption during any period of 48 consecutive hours commencing from the time damage is first sustained.

### When no Excess applies

No excess applies to claims under the personal legal liability cover.

### Conditions which apply to this section

There are also general conditions that apply to all sections of this Policy.

### Exterior walls or roof alterations

If ever the exterior walls or roof of the home buildings are temporarily opened up due to building alterations, you must inform us about it.

You must also take reasonable precautions to adequately cover temporarily exposed roof or wall openings to prevent rainwater or water damage and to secure against theft or vandalism. If you do not do this and water damage, theft or vandalism occurs, we may reduce or refuse to pay any claim arising from storm, rainwater, escape of water, theft or vandalism.

### Discharge of liabilities

At any time, for all claims made against you for any one occurrence we can pay to you or on your behalf, after deducting any amounts already paid:

- (a) the sum insured for legal liability under this section, or
- (b) any lower sum for which the claim may be settled. If we do so:
  - (a) the conduct of any outstanding claim against you will become your responsibility, and
  - (b) we will not be liable to pay any other amounts under this section other than any costs, charges, or expenses, agreed to by us in respect of the period prior to the payment.

### Unoccupancy

If your home is unoccupied for more than 90 consecutive days, you must tell us and obtain our written agreement for cover to continue.

If you do not do so, the cover for home and contents is limited to lightning, thunderbolt and earthquake for the period in excess of 90 consecutive days during which the home has been left unoccupied.

The period of 90 consecutive days is calculated from the date when the home was last occupied regardless of the commencement or renewal date of the Policy.

'Occupied' means that the home is furnished such that it is comfortably habitable and you, your family or someone with your consent has resided in the home overnight.

To be occupied the home must:

- contain at least one usable bed/mattress
- contain at least one dining table or bench, a chair and some other furniture
- be connected to the electricity, and
- be connected to hot and cold running water.

## Section 1(a) – Landlords Residential Protection

### Definitions

In this Section some words have a special meaning (whether expressed in the singular or the plural) and we define them below:

#### Accident or Accidental

means an unforeseen and unintended event and includes a series of accidents arising out of the one event.

#### Allowable Reletting Expenses

means reletting expenses as specified in the current Lease for your property.

**Bond Money**

means money (being not less than 4 weeks rent) paid by the Tenant and held as security against loss of or damage to the Building and/or Contents, outstanding rent or other costs.

**Building**

means the insured building as defined in Section 1, Building Cover, unless otherwise stated in your Policy.

**Business**

means any business, trade, profession, occupation, agistment of stock, grazing, farming, commercial or income earning activity, but it does not mean tenancy of the Building.

**Contents**

means contents as defined in Section 2 Contents Cover.

**Excess**

means the amount of money, which you must pay if you have a claim. It applies to each occurrence. Should more than one excess appear on the Schedule then the highest excess only shall apply. For earthquake claims, only one excess applies to all loss or damage occurring within 72 hours of the earthquake.

**GST**

means Goods and Services Tax.

**Lease**

means a written and enforceable rental agreement between you and the Tenant that is issued for a minimum period of 3 months. It also includes any extension of the Lease by way of periodic tenancy that immediately follows the expiration of the agreement on the terms set out in the Lease.

**Malicious Damage or Vandalism**

means a wrongful act motivated by malice, vindictiveness or spite with the intention of damaging the property. **This does not include:**

- Tenant neglect, carelessness, poor housekeeping or unhygienic living habits;
- damage occurring during maintenance operations carried out by the Tenant or anyone acting on their behalf;
- damage as a result of repairs, or attempted repairs, carried out by the Tenant or anyone acting on their behalf;
- damage caused by the failure of your Tenant or your Tenants guests failing to control their children;
- damage caused by pets belonging to your Tenant or your Tenants guests;
- accidental damage or accidental loss; or
- scratching, denting, chipping, rubbing or chaffing.

**Sum Insured**

means the relevant sum insured for each of the following as specified in the Schedule or your Policy:

- your Building;
- your Contents;
- your Specified Contents.

The Sum Insured, or any other amount stated in your Policy and any claim settlements, exclude GST.

**Tenant**

means the persons named in the Lease including any other person who permanently resides at the Situation and their visitors.

**Total Loss**

means where we decide to pay you the full Sum Insured for the relevant insured property.

**The Agreement Between You and Us (Your Policy)**

In return for your payment of the Premium or your agreement to pay it to us within the time we require, we agree to indemnify you against loss, damage or liability caused by a covered event occurring during the Period of Insurance, subject to the terms, conditions and exclusions of your Policy.

**1. Building Cover**

This cover only applies when Building Cover is specified as covered in the Schedule.

**1.1 Definition of Building**

Building means the insured building described in the Schedule at the Situation, being a residential dwelling house, flat or home unit, including:

- all domestic outbuildings and any professional offices or surgeries and their fixtures and fittings, including boat sheds, jetties, garages, outbuildings, lifts and inclinators, (in all instances, the Policy excludes your legal liability under Section 6 – Liability Cover for lifts and inclinators),
- fixed coverings to walls, floors and ceilings, (carpets, internal blinds and curtains are excluded, except where the Situation is tenanted under a Lease on an unfurnished basis),
- services (whether underground or not) including communication installations, electricity and water, and
- all domestic structural improvements including fixed swimming pools and spas, saunas, tennis courts, paving, paths, driveways, walls, retaining walls, gates, fences, masts, aerials, clothes lines, exterior blinds and awnings.

The following are not included:

- property of Tenants, roomers, boarders or paying guests;
- carpets, internal blinds and curtains;
- pontoons,
- trees, shrubs and other plant life including when growing in pots, and
- keys to doors or window locks and the combination of safes.

**1.2 Accidental loss or damage cover**

We will cover Accidental loss of or Accidental damage to your Building occurring at the Situation and during the Period of Insurance, including either full flood cover or limited flood cover as shown below.

**Full flood** cover applies only in South Australia if indicated on the policy schedule. **Limited flood** cover applies if indicated on

the policy schedule in all other States and Territories in Australia and in some areas of South Australia. Flood means the inundation of normally dry land by water escaping or being released from the normal confines of any natural watercourse, lake (whether modified or not), canal, dam or reservoir.

**Full Flood** cover means loss or damage to your buildings and contents caused by flood up to the sums insured stated in the policy schedule.

**Limited Flood** cover means loss or damage to your buildings and/or contents, excluding swimming pools and spas, caused by flood up to a maximum of \$10,000 or 5% of the building and/or contents sum insured, whichever is the lesser.

### 1.3 How we settle any valid claim

- (a) We will, at our option:
  - (i) repair, replace or rebuild or pay you the reasonable cost to repair, replace or rebuild, the damaged part of the Building up to its Replacement Cost; or
  - (ii) pay you up to the Building Sum Insured.
- (b) If we choose to repair, replace or rebuild or pay you the reasonable cost to do so and you do not:
  - (i) commence repairing, replacing or rebuilding your Building within 6 months of the loss or damage; or
  - (ii) wish to repair, replace or rebuild your Building, we will:
    - (i) deduct an amount from any claim settlement for depreciation, wear and tear, based on the age and condition of the Building immediately before the loss or damage;
    - (ii) pay you up to the Building Sum Insured; or
    - (iii) pay for the damaged portion of fixed coverings to walls, floors and ceilings only in the room, hall or passage where the loss or damage occurred.
- (c) A \$300 Excess applies to Accidental Damage and Malicious Damage claims.
- (d) A \$100 excess applies to all other claims.

### 1.4 Additional Benefits and Limitations:

- (a) **Removal of debris**

We will cover the reasonable expenses to remove Building debris following loss or damage covered under Section 1.2 above up to a maximum of 10% of the Building Sum Insured.
- (b) **Architects and other fees**

We will cover architects, surveyors, consulting engineers and legal fees following loss or damage covered under Section 1.2 above up to a maximum of 10% of the Building Sum Insured.
- (c) **Additional Building costs**

We will cover the additional cost of complying with any government or local authority by-laws that regulate the repair, rebuilding or demolition of your Building made necessary by loss or damage covered under Section 1.2 above, provided you repair or rebuild your Building at the same Situation. We will only pay costs which relate to the damaged parts of the Building. Payment is limited to a maximum of 10% of the

Building Sum Insured. We will not pay any extra costs if you receive notice of any building regulation requirements you must comply with before the date when the loss or damage occurred.

#### (d) Loss of rent for tenanted properties

- (i) If the Building is a tenanted property under a Lease and becomes uninhabitable following loss or damage covered under Section 1.2 above, we will pay you rent for the period it takes to repair or rebuild the Building, up to a maximum of 12 months or an amount not exceeding 10% of the Building Sum Insured, whichever is less. Subject to the above limits, the amount we pay you will be the lesser of the amount that your Building could be rented out for each week or the weekly rent you were paid by your Tenant immediately before the loss or damage.
- (ii) This cover also applies when access to the Building being a tenanted property, is prevented due to loss or damage to a nearby property being so damaged that your Tenant cannot access the Building, causing you to lose rent.

#### (e) Fusion

We will pay for Accidental loss or damage caused by the actual burning out of an electric motor forming part of the Building. We will, at our option, pay the reasonable cost to repair or replace the electric motor or any sealed compressor following the loss or damage to the motor.

However, we will reduce the amount we pay in respect of each claim as follows:

- motors up to 10 years since the date of manufacture no reduction will apply
- motors over 10 years since the date of manufacture 10% for each full year. In no instance will the reduction exceed 90% after applying the excess.
- a \$100 Excess applies to all Fusion claims.

Payment is limited to a maximum of \$1,000 during any one Period of Insurance for any and all claims, unless otherwise agreed.

We will not pay for:

- (i) the repair or replacement of any part which does not form part of the electric motor or actual sealed compressor unit and normal service or exchangeable items;
- (ii) loss or damage to any submersible and bore hole type pumps over 3hp;
- (iii) the cost of repair or replacement of rectifiers and transformers; or
- (iv) motors under any warranty or manufacturers' guarantee.
- (v) motors more than 15 years since the date of manufacture

#### (f) Mortgagee legal costs

We will cover the reasonable legal costs associated with the discharge of a mortgage or mortgages on the Building following the settlement of a claim for a Total Loss of your Building.

**(g) Strata Title mortgagee**

When you own part of a building that has been subdivided, usually into strata title units, and you have a mortgage on that part of the building, we will cover the part of the building that you own for loss or damage on the same basis as set out in Section 1.2.

We will pay up to the amount you owe on your mortgage but no more than the Building Sum Insured. We will pay this to your mortgagee when you are required to pay your mortgage in full following a loss.

We will only pay this when the body corporate has not insured the building, or it has not insured the buildings for damage that you can claim for under your Policy.

**(h) Fumigation costs**

We will pay the clean up and fumigation costs incurred by you with our prior agreement, where following the death of a Tenant at the Situation the Building is unfit for human occupation, unless otherwise excluded. Payment is limited to a maximum of \$2,000 for any one claim.

(Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

**2. Contents Cover**

This cover only applies when Contents cover is specified as covered in the Schedule.

**2.1 Definition of Contents and specified limits**

Contents means your:

- carpets, internal blinds and curtains, except where covered under Section 1 – Building Cover,
- swimming pools and spas not permanently fixed,
- furniture and furnishings that are not built in,
- fixtures and domestic structural improvements inside a Strata Title unit that are not insured by the Body Corporate, when the Contents Sum Insured is not otherwise exhausted,
- fine art, paintings, antiques and curios and other bona fide works of art up to \$1,000 any one article up to a maximum 5% of the Contents Sum Insured for any one claim, unless separately specified in the Schedule as Specified Contents,
- portable domestic appliances that are not built in.

Contents are not:

- birds, fish and animals,
- motorised land vehicles and their attached accessories and spare parts including motor vehicles, motorcycles, mini bikes and farm vehicles, motorised golf buggies, ride on mowers and motorised wheelchairs,
- watercraft
- jet skis,
- aircraft or aerial device, excluding non-pilotable model aircraft or toy kites and their accessories and spare parts

- any conveyance designed to travel on an air-cushion over surface of land or sea and their accessories and spare parts
- stock, money and stamps belonging to your Business,
- property of Tenants, roomers, boarders or paying guests,
- caravans and trailers,
- trees, shrubs and other plant life, except when growing in pots,
- keys to doors or window locks and the combination to safes,
- cassette players, electronic diaries, record players, televisions, compact disc players, mobile or portable telephones, radios, tape recorders and video recorders, jewellery, watches, furs and gold or silver articles,
- coin collections, stamp collections, firearms, precious stones (being unset gems) and bullion,
- money and negotiable documents of any kind and credit cards or financial transaction cards,
- computer systems including portable computers and their accessories and photographic equipment and their accessories,
- office and surgery equipment and tools belonging to you and your Business,
- clothing and personal effects, and
- sporting and fishing equipment including pedal cycles and watercraft.

**2.2 Accidental loss or damage**

We will cover Accidental loss of or Accidental damage to your Building occurring at the Situation and during the Period of Insurance, including either full flood cover or limited flood cover as shown below.

**Full flood** cover applies only in South Australia if indicated on the policy schedule. **Limited flood** cover applies if indicated on the policy schedule in all other States and Territories in Australia and in some areas of South Australia.

Flood means the inundation of normally dry land by water escaping or being released from the normal confines of any natural watercourse, lake (whether modified or not), canal, dam or reservoir.

**Full Flood** cover means loss or damage to your buildings and contents caused by flood up to the sums insured stated in the policy schedule.

**Limited Flood** cover means loss or damage to your buildings and/or contents, excluding swimming pools and spas, caused by flood up to a maximum of \$10,000 or 5% of the building and/or contents sum insured, whichever is the lesser.

**2.3 How we settle any valid claim**

- (a) We will, at our option:
- (i) repair or replace or pay you the reasonable cost to repair or replace, your Contents up to their Replacement Cost; or
  - (ii) pay you up to the Contents Sum Insured, taking into account the relevant limits that apply to particular contents. See Section 2.1 for the limits and the Schedule for any Specified Contents limits.
- (b) Pairs, Sets and Parts  
If loss or damage occurs to an item, which is part of a pair, set, system, collection or larger unit, we will only

pay the value the item itself has as a proportion of the combined pair, set, system, collection or larger unit.

We will not pay any allowance for any special value that the item may have in forming part of a pair, set, system, collection or larger unit or for any reduction in the value of the remaining part or parts.

- (c) We will pay for the damaged portion of fixed coverings to walls, floors and ceilings only in the room, hall or passage where the loss or damage occurred
- (d) You will need to bear any additional Excess
- (e) A \$300 Excess applies to all claims unless otherwise specified in your Policy.

#### 2.4 Additional Benefits and Limitations:

- (a) Removal of debris

We will cover the reasonable expenses to remove debris of Contents following a covered loss in Section 2.2 up to a maximum of 10% of the Contents Sum Insured.

- (b) Fusion

We will pay for Accidental loss or damage caused by the actual burning out of an electric motor forming part of the Contents. We will, at our option, pay the reasonable cost to repair or replace the electric motor or any sealed compressor following the loss or damage to the motor. However, we will reduce the amount we pay in respect of each claim as follows:

- motors up to 10 years since the date of manufacture no reduction will apply
- motors over 10 years since the date of manufacture by 10% for each full year. In no case will the reduction exceed 90% after applying the excess
- a \$100 Excess applies to all Fusion claims
- Payment is limited to a maximum of \$1,000 during any one Period of Insurance for any and all claims, unless otherwise agreed.

We will not pay for:

- (i) the repair or replacement of any part which does not form part of the electric motor or actual sealed compressor unit and normal service or exchangeable items;
- (ii) loss or damage to any submersible and bore hole type pumps over 3hp;
- (iii) the cost of repair or replacement of rectifiers and transformers;
- (iv) motors under any warranty or manufacturers' guarantee;
- (v) motors more than 15 years since the date of manufacture.

#### 2.5 Exclusions

We will not pay for loss or damage to Contents whilst they are away from the Situation or in transit.

(Please refer to the other general terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

### 3. Damage Caused by Tenants Cover

This cover only applies when specified as covered in the Schedule and Building and/or Contents are insured under this policy.

#### 3.1 Damage caused by Tenants Cover

We will cover you for loss of or damage to your Building and/or Contents whilst at the Situation arising from a Deliberate or Intentional Act by a Tenant, notwithstanding General Exclusion 7.1.(i).

A Deliberate or Intentional Act means larceny, theft, Malicious Damage or Vandalism.

#### 3.2 How we settle any valid claim

We cover you in accordance with the relevant basis of settlement in the Building and/or Contents Cover Sections up to the relevant Buildings and/or Contents Sum Insured, subject to the following:

- (a) we will only pay a claim when there is a Lease between you and the Tenant which states the term of the rental period, the amount of rent payable to you and the amount of Bond Money that the Tenant is required to pay;
- (b) any claim will be reduced by the amount of the Tenant's Bond Money that is remaining after deducting Allowable Reletting Expenses you are legally entitled to receive from the Tenants Bond Money, before applying a \$300 Excess, except for theft claims where the Excess is reduced to \$100.

It is necessary for you and your rental agent to use all reasonable means to minimise any loss or damage.

(Please refer to the other terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

### 4. Tenants Rent Default Cover

This cover only applies when specified as covered in the Schedule and Building and/or Contents are insured under this Policy.

#### 4.1 Coverage

We will cover you for rent default if your Tenant:-

- (a) vacates the Situation leaving the premises unfit for occupation for at least 7 days when caused as a direct result of a Deliberate or Intentional Act to the Building and/or Contents. A Deliberate or Intentional Act means larceny, theft, Malicious Damage or Vandalism,
- (b) vacates the Situation without notice before the expiration date of the Lease,
- (c) defaults in paying rent owed at the Situation under the terms of the Lease to you or your rental agents, or
- (d) is legally evicted from the Situation.

#### 4.2 How we settle any valid claim

The most we will pay during any one Period of Insurance is up to 15 weeks rent provided:

- (a) there is a Lease between you and the Tenant which states the term of the rental period, the amount of rent payable to you and the amount of Bond Money that the Tenant is required to pay,
- (b) any claim will be reduced by the amount of the Tenant's Bond Money that is remaining after deducting Allowable Reletting Expenses you are legally entitled to receive from the Tenants Bond Money, before

applying the Excess specified for this Cover in the Schedule,

- (c) any claim under Section 4 Tenants Rent Default Cover will cease when the Situation is re-tenanted,
- (d) a breach notice for non-payment of rent or a notice of termination for non-payment of rent is issued as soon as practical when the rent is in arrears to the Tenant by you or your rental agent, and
- (e) the regulations and procedures outlined in the relevant State legislation relating to ending a tenancy, are strictly adhered to by you and your rental agent.

#### 4.3 Additional benefits and limitations

- (a) Legal expenses  
When we agree to pay legal expenses before they are incurred, we will also cover the legal expenses for you to legally evict your Tenant and/or to recover any amount payable by the Tenant for damage caused by Tenants and/or rent default to you, up to a maximum of \$5,000 for any one claim.  
It is necessary for you and your rental agent to use all reasonable means to minimise any loss or damage.
- (b) Death of the Tenant  
Where there is only one Tenant named on the Lease, and that Tenant dies during the term of the Lease we will also pay you the weekly rent payable under the Lease from the date that you received the last rent payment from the Tenant or from the Tenant's estate.

The most we will pay during any one Period of Insurance is 15 weeks rent up to the amount shown in your Schedule for this cover. Any claim under Section 4.3 (b) Death of the Tenant will cease when the Situation is re-tenanted. Any claim will be reduced by the amount of the Tenant's Bond Money that is remaining after deducting any Allowable Reletting Expenses you are legally entitled to receive from the Tenant's Bond Money.

(Please refer to the other terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

### 5. Loss of Rent for Tenanted Properties Cover

This cover only applies when you are not covered under Section 1 Building Cover and when Loss of Rent for Tenanted Properties is specified as covered in the Schedule.

#### 5.1 Loss of Rent for Tenanted Properties

When the Building, as defined below, is a tenanted property under a Lease and becomes uninhabitable following physical loss or damage caused to the Building or to the building of which it forms part, which occurs during the Period of Insurance and that loss or damage is:

- (a) covered under an insurance policy; and
- (b) not excluded by the General Exclusions section,

we will pay you rent for the period during which the Building remains uninhabitable because of that loss or damage, up to a maximum period of 12 calendar months, limited to \$15,000 or the amount specified in the Schedule.

Subject to the above limits, the amount we pay you will be the lesser of the amount that your Building could reasonably be

rented out for each week or the weekly rent you were paid by your Tenant immediately before the loss or damage.

#### 5.2 Definition of Building

In this section Building means the insured building described in the Schedule at the Situation being a residential dwelling house, flat or home unit including:

- (a) fixed coverings to walls, floors and ceilings, (carpets, internal blinds and curtains are excluded, except where the flat or unit is tenanted under a Lease on an unfurnished basis); and
- (b) services (whether underground or not) including communication installations, electricity and water.

The following are not included:

- (a) property of Tenants, roomers, boarders or paying guests,
- (b) carpets, internal blinds and curtains;

### 6. Legal Liability Cover

This cover only applies when Legal Liability cover is specified as covered in the Schedule.

#### 6.1 Legal liability cover

We will cover you for your legal liability for:

- (a) death or bodily injury to another person; and
- (b) damage to another person's property, caused by an Accident occurring during the Period of Insurance, subject to the following:
  - (i) where the Building is insured under the Policy, we only indemnify you for your legal liability as owner or as owner occupier of the Building;
  - (ii) when Contents are insured and you are the owner and/or occupier of the Situation or the Contents are in a Strata Title unit owned by you, we only indemnify you for your legal liability as the owner of the Contents and/or the occupier of the Situation, but not any legal liability in connection with ownership of the Building or any building on the Situation;
  - (iii) indemnity for your legal liability is subject always, to the extent permitted by law, to indemnities provided under any travel insurance or any other insurance being first invoked and exhausted prior to indemnity being provided under your Policy, unless otherwise stated.

#### 6.2 How we settle any valid claim

We will pay the cost of:

- (a) compensation; and
- (b) legal fees and expenses, that you are legally liable for in relation to a claim under 6.1 above.

However, we will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

The maximum amount we will pay for your legal liability under this Section in respect of any one claim or series of claims arising from the same Accident is the amount shown in the Schedule.

Where we have issued a separate policy or policies which also cover your legal liability in respect of an Accident, this limit applies to all claims combined under this Section and the other policy or policies, which arise from that Accident.

### 6.3 Exclusions

We will not cover you for your legal liability to pay compensation:

- (a) for death or bodily injury to you or any other person who normally resides with you at the Situation,
- (b) for property that belongs to you or any other person who normally resides with you at the Situation,
- (c) for property that is in your physical and legal control or that of any other person who normally resides with you at the Situation,
- (d) to any person you employ where you are legally obliged to provide cover under any workers compensation legislation or similar laws and any legal liability that arises from their employment with you,
- (e) directly or indirectly arising from or in any way connected with any Business carried on by you or any liability that directly or indirectly arises from any person employed by the Business,
- (f) directly or indirectly arising from or in any way connected with the ownership, operation, maintenance or use of any:
  - (i) motorised land vehicles including motor vehicles, motorcycles, mini bikes and farm vehicles, motorised golf buggies, motorised wheelchairs, but excluding ride-on mowers under 18hp not requiring registration or statutory motor insurance for the purpose it was being used at the time of the Accident,
  - (ii) caravans and trailers,
  - (iii) watercraft,
  - (iv) jet skis,
  - (v) aircraft landing areas or aircraft or aerial devices,
  - (vi) any conveyance designed to travel on an air-cushion over surface of land or sea,
  - (vii) pontoons,
  - (viii) lifts and inclinators,
- (g) for claims directly or indirectly arising from or in any way connected with your Building undergoing any process of construction, demolition, alteration and repair where the value of such work exceeds \$100,000,
- (h) directly or indirectly arising out of or in any way connected with any disease that is transmitted by you or any other person who normally resides with you at the Situation,
- (i) for penalties or fines, or awards of aggravated, exemplary or punitive damages made against you,
- (j) for your failure to take all reasonable precautions to comply with statutory obligations and regulations imposed by any authority,
- (k) directly or indirectly arising from or in any way connected with a Strata Title unit when Section 1. Building Cover insures the interest of a mortgagee in a Strata Title unit only,
- (l) arising from any agreement or contract you enter into unless you would have been liable in the absence of such agreement or contract,

- (m) directly or indirectly arising from or in any way connected with asbestos,
- (n) for your legal liability to yourself, any other person who is insured (see definition of "you" and "your") or for any person who normally lives with you.

(Please refer to the other terms, conditions and exclusions of this document and your other Policy documents as they affect this cover).

### 7. General Exclusions

These General Exclusions apply to this Section 1(a) of your Policy unless otherwise stated. Your Policy does not cover:

- 7.1** loss or damage to your property which is caused by, arising from or in any way connected with:
- (a) wear or tear, rust, corrosion, gradual deterioration and depreciation,
  - (b) mechanical, electrical or electronic breakdown including when caused by any power supply irregularity including power surge, except when caused by the actual burning out of an electric motor or any other insured event,
  - (c) mildew and atmospheric or climatic conditions other than by rain, snow, sleet and hail,
  - (d) domestic animals and any other animal kept by you or your family or a Tenant,
  - (e) vermin, insects or by the pecking, clawing, chewing, eating or nesting by birds and other wildlife,
  - (f) any process of cleaning, repairing, restoring or retouching of any item,
  - (g) any process involving the application of heat or the use of chemicals, other than household chemicals,
  - (h) larceny, theft, attempted theft, burglary,:
    - (i) by you or a person living with you at the Situation;
    - (ii) by a Tenant, roomer, boarder or paying guests or their visitors,
    - (iii) from unlocked garages, storage areas of residential flats, units and the like or common areas of residential flats, units and the like except as provided for in Section 3 – Damage caused by Tenants Cover and Section 4 – Tenants Rent Default Cover.
  - (i) Malicious Damage or Vandalism or deliberate or intentional acts by:
    - (i) you or a person living with you at the Situation,
    - (ii) any person who entered the Situation with your consent or the consent of any person who is living with you at the Situation, or
    - (iii) a Tenant, roomer, boarder or paying guests or their visitors except as provided for in Section 3 – Damage caused by Tenants Cover and Section 4 – Tenants Rent Default Cover.
  - (j) settlement, shrinkage, vibration or expansion in buildings, foundations, walls or pavements,
  - (k) faulty workmanship, inherent defect, errors or omissions in design, structural defects and faulty design,
  - (l) water seeping or otherwise percolating through a wall, floor or roof,
  - (m) the roots of trees, shrubs, plants and grass,



- (n) erosion,
- (o) fire, explosion or thunderbolt caused by:
  - (i) arcing, sparking scorching or heat damage where there is no flame; or
  - (ii) irregularities in the power supply unless there is visible evidence of a lightning strike.
- (p) water, hail or wind entering the Building or building at the Situation, through an opening made for the purpose of construction, demolition, alteration or repair irrespective of the value of such work,

**7.2** Loss or damage to:

- (i) free standing walls and retaining walls whether they form part of the Building or not,
  - (ii) a glass house, greenhouse or conservatory whether constructed principally of glass or not,
  - (iii) gates and fences not constructed of metal, brick, concrete, masonry, stone, or timber more than 15 years old.
- caused by, arising from or in any way connected with Storm.

**7.3** Loss or damage to:

- (a) glassware, crystal, ornaments, vases or lamps,
- (b) a picture tube or screen in a television or electronic visual display unit,
- (c) a ceramic or glass cooking top,
- (d) glass in a picture frame, painting, radio set or clock,
- (e) any item of travertine whether fixed or unfixed, tiles, bench tops, spas or hot tubs,
- (f) glass in any glasshouse, conservatory or greenhouse,
- (g) any items which were wholly or partly in a defective condition at the time of the breakage

**7.4** consequential loss of any kind, other than the Loss of Rent for Tenanted Properties Additional Benefit in Section 1 Buildings Cover, Loss of Rent for Tenanted Properties Cover Section 5 and Section 4 – Tenants Rent Default Cover.

**7.5** loss or damage or liability arising from the consequences of war, undeclared war, rebellion, civil war, insurrection, revolution, invasion, war like acts of military forces or personnel, or the destruction or seizure of property for military purposes.

**7.6** loss or damage or liability caused by the confiscation, destruction or seizure of property by any government or local or public authority or other authority except when in connection with any riot or civil commotion.

**7.7** loss or damage or liability caused by or arising from nuclear or radioactive contamination.

**7.8** loss or damage or liability caused by or in connection with contamination and pollution and the removal of any resultant pollutants and contaminants.

**7.9** loss or damage or liability arising out of the failure or inability of any item, equipment or computer software including but not limited to firmware, data and embedded chips to recognise correctly, to interpret correctly or to process correctly any date or to function correctly beyond any time when that

item, equipment or computer software has not recognised, interpreted or processed correctly any date. We will pay for any resultant loss or damage that is covered by the Policy, other than resultant loss or damage to any frozen food, computer equipment or computer software.

**7.10** loss or damage to your property when your Building is undergoing any process of construction, demolition, alteration or repair.

This exclusion does not apply to Building or Contents not affected by the construction, demolition, alteration or repair or when your Building is enclosed and under roof, with all outside doors and windows permanently in place.

**7.11** loss or damage or liability resulting from or in connection with any error in computer programming or instructions to the computer.

**7.12** loss or damage or liability when intentionally caused by you or your immediate family or a person acting with your consent, including losses resulting from the taking or other misappropriation of the Contents or Specified Contents.

**7.13** loss or damage to property when sent by courier or by post.

**7.14** loss or damage caused by or in connection with earth movement caused by landslip, landslide or subsidence, unless such loss or damage occurs within 24 hours of and as a direct result of one or more of the following listed events:

- (a) Storm, rainwater or wind, or
- (b) earthquake, or
- (c) explosion, or
- (d) water escaping from fixed pipes or apparatus.

**7.15** any GST, or any fine, penalty or charge for which you are liable arising out of your misrepresentation of, or failure to disclose, your actual Input Tax Credit entitlement in the settlement of any claim or Premium relating to the Policy.

**7.16** loss or damage or liability caused by or in connection with your failure to use all reasonable means to protect and maintain the Building and/or Contents before, at, or after the time of any loss or damage.

**7.17** loss or damage caused by or in connection with storm surge (meaning an abnormal rise in the level of the sea along a coast caused by winds of a severe cyclone typically at least 30 kilometres across and 2 –5 meters above the average sea level), tidal wave or high water.

**7.18** loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with:

- (a) any act of Terrorism; or
- (b) any action taken in controlling, preventing, suppressing, retaliating against or in any way responding to or relating to an act of Terrorism regardless of any other contributing cause or event.

"Terrorism" means an act, including but not limited to, the use of or threat of, force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature

or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to coerce, influence or intimidate any government and/or the public or any section of the public.

**7.19** loss or damage caused by, or in any way connected with any Accidental breakage of:

- (a) fixed glass forming part of the Building and any porcelain or marble or granite or fibreglass whilst in a fixed shower base, basin, sink, bath, lavatory pan or cistern,
- (b) fixed mirrors and glass when forming part of an item of furniture including fixed and unfixed glass table tops, if the break does not extend the entire thickness of the damaged item.

**7.20** the cost of repair or replacement of fixed guttering, fixed tanks, fixed pipes, waterbeds or other fixed apparatus used to hold or carry liquid of any kind,

**7.21** loss or damage caused by, or in any way connected with a faulty or porous shower recess or cubicle,

**7.22** loss or damage to electronic data unless the loss or damage was caused by an event for which you are covered under your Policy.

Electronic data means software, programs, facts, concepts and information converted to a form useable for communications, display, distribution, interpretation, or processing by electronic or electromechanical data processing or electronically controlled equipment.

## 8. General Conditions

These conditions apply to this Section 1(a) of your Policy.

### 8.1 General Duties

- (a) you must comply with the conditions of your Policy,
- (b) you must tell us as soon as possible about any circumstances which changes the information you have provided to us and which may affect the risks insured under your Policy or the occurrence of any events which are excluded under the General Exclusions Section of the Policy,
- (c) you must not give anyone else an interest in your Policy without our written consent,
- (d) you must pay us the Premium for this insurance,
- (e) you must obey all laws and safety regulations,
- (f) you must take reasonable precautions to prevent any injury, loss or damage which could result in a claim under your Policy,

### 8.2 Building not lived in for more than 60 days

Unless our written consent has been obtained, your Building Cover and Contents Cover following any loss or damage at the Situation will be limited to lightning, thunderbolt and earthquake only if you leave the Situation unoccupied for a period of 60 days or more. Further, your damage caused by Tenants Cover and Tenants Rent Default Cover will not apply when the Tenant ceases to occupy the situation. If we consent then an additional Premium and/or other terms may be required commencing from the date you leave the situation unoccupied.

## 9. Claims

### 9.1 Automatic reinstatement after partial loss

When we pay a claim under your Policy for partial loss or damage to the Building or Contents the Sum Insured will be automatically reinstated to the original Sum Insured shown on the Schedule.

We will not reinstate the Sum Insured where partial loss or damage occurs to the Damage caused by Tenants Cover or Tenant Rent Default Cover.

When we pay a claim under your Policy for partial loss or damage to Specified Contents, the Sum Insured for these items will not be automatically reinstated and the Sum Insured will be reduced by the amount paid by us.

### 9.2 Total loss

If we pay your claim for a Total Loss then the Building and/or Contents cover will end.

### 9.3 Excess

Unless otherwise specified in the Schedule, you will have to contribute the Excess shown hereunder: \$300 Accidental and Malicious Damage claims \$100 all other claims.

## Part B – Section 2 – Valuables

This section gives you the opportunity to insure personal items which are of particular value to you and that you take away from the home. We cover the items that you specifically tell us about for the amount that you ask us to cover them for. You can also cover your clothing and personal effects that you usually carry or wear as miscellaneous valuables for a fixed amount that we agree with you.

If you have chosen this cover it will be shown on your Policy Schedule.

### What we insure

This section insures the valuables which you choose to insure for:

- accidental loss or damage that occurs during the period of insurance
- while they are anywhere within Australia or New Zealand (or any other geographic limit stated in the Policy Schedule), and
- in direct transit between these countries
- for up to 90 consecutive days anywhere in the world.

The valuables that you choose to insure will be listed in the Policy Schedule.

These items may be insured as either 'specified valuables' where each item is shown separately with a sum insured or as 'miscellaneous valuables'.

By miscellaneous valuables we mean:

- jewellery
- gold or silver objects
- watches
- sporting equipment except while in use or play

- camping equipment, back packs and sleeping bags
- photographic equipment including video equipment
- musical equipment
- battery operated sound equipment
- binoculars
- clothing
- wheelchairs, crutches and walking sticks
- other personal belongings specifically designed to be worn or carried on the person
- luggage.

### What will we pay

We may choose to settle your claim by:

- providing you with new similar items or materials
- repairing the items
- paying you cash. We usually settle claims for jewellery and electrical items by replacing the items.

### The maximum amount we will pay

For each of the specified valuables, we will not pay more than the sum insured for that item which is listed in the Schedule.

For any item insured as miscellaneous valuables, we will pay up to 25% of the sum insured on the Policy Schedule.

### Pairs, sets and collections

In the event of a total loss of any article or articles which are part of a pair or set or collection we agree to pay you the full amount of the value of such pair or set or collection and you agree to surrender the remaining article or articles of the pair or set to us.

If you elect not to surrender the remaining article(s) of the pair or set or collection to us, then we pay no more than the actual value of the item. We do not give any allowance for any special value it may have as forming part of a pair or set or collection or for any reduction in value of the remaining part or parts.

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

### Excess

For each claim you make under this section of the policy you will have to pay an excess. The amount of excess is shown on the Policy Schedule.

### Exclusions which apply to this section

We will not pay for any loss or damage caused directly or indirectly by:

1. inherent defects, structural defects, faulty workmanship, faulty design or any gradual process
2. wear, tear, rust, corrosion, depreciation or gradual deterioration
3. mildew, algae, atmospheric or climatic conditions (other than storm)

4. mechanical, electrical or mechanical breakdown where fusion does not occur
5. loss of or damage to electronic data caused by electronic or mechanical derangement or malfunction or by a virus, or processing error
6. any consequential loss other than that specifically provided by this Section
7. any process of cleaning involving the use of chemicals
8. vermin, insects, wildlife.

We will not pay for loss of or damage to sporting equipment while it is in use or play.

## Part B – Section 3 – Farm Property

If you have chosen this cover it will be shown on your Policy Schedule.

This section of the Policy insures your farm property against loss or damage caused by certain insured events. It also provides some additional benefits such as the cost of:

- extinguishing fires
- neighbours' fire fighting equipment
- legal costs of discharging your mortgage if a claim is settled for a total loss
- farm planning
- rewriting records
- overtime rates, and
- the cost of finding the source of damage.

We only cover farm property that you have asked us to insure on your application. Be sure that you include details of all farm property that you want to insure on the application –or contact us at any time if you want to add other farm property.

### What we insure

This section insures:

- (a) loss or damage to the items of farm property that you have chosen to insure
- (b) which is caused by any of the insured events listed in this Section (unless the cover is limited to one or more insured event)
- (c) during the period of insurance. Mobile machines insured for loss or damage caused by:
  - fire,
  - theft,
  - vandalism, and
  - storm or rainwater as provided for under the storm or rainwater insured event up to their sum insured as shown in your Policy Schedule. And for
  - loss or damage caused by accidental damage as provided for under the accidental damage defined event up to a maximum of \$25,000.

### What we will pay

We will pay the amounts that are shown below:

#### Loss or damage at the farm

For loss or damage that occurs at the farm (including farm property temporarily removed from the farm)

- (a) for farm contents, farm buildings, fencing and power and telephone poles and wiring, we will pay the replacement cost or the indemnity value, depending on which you have selected (see 'conditions which apply to this section' if you have chosen to insure your farm buildings for replacement cost.)
- (b) (i) for mobile farm machinery, we will pay the market value
  - (ii) if Mobile Farm Machinery up to 12 months old (from the date of original registration as a new vehicle or in the case of an unregistered vehicle, the actual purchase date) cannot be economically repaired we will, at our option, replace it with a new item of the same or equivalent make and model.
- (c) for the cost of removal, disposal, cleaning up or storage of debris or demolition, dismantling, shoring up or any temporary repairs to any item of farm property: we will pay up to 10% of the sum insured for the damaged item
- (d) for the cost of surveying, legal and other fees incurred in repairing or reinstating a farm building: we will pay up to 10% of the sum insured applicable to the damaged farm building
- (e) for the cost of temporary protection of any damaged farm building until it is repaired or reinstated, we will pay a maximum of 10% of the sum insured applicable to the damaged farm building
- (f) for fencing, we will pay the cost of the materials which are lost or damaged and the cost of labour required to repair or replace the fencing. We will not pay the cost of labour when material only cover is selected.

#### **Floor space ratio index (plot ratio)**

If reinstatement of damage to any farm building is limited or restricted by any legislation or delegated legislation in a manner that results in the reduction of the floor space ratio index (plot ratio) of the site, then in addition to any amount payable on reinstatement of that farm building, we will pay the difference between:

- (a) the actual costs incurred in reinstating the farm buildings to the lower floor space ratio index (plot ratio), and
- (b) the estimated cost of reinstatement at the time of the damage if the floor space ratio index (plot ratio) had not been reduced.

We will not pay any more than the sum insured for the farm building.

#### **Temporary Repairs**

We will pay the cost of temporary repairs for the purpose of securing the farm buildings and safeguarding farm property from further loss.

#### **Damage during alterations and additions**

If loss or damage occurs to any farm building during the course of construction, erection, renovation, alterations or additions which cost less than \$100,000, we will pay up to the cost of those alterations or additions even if you have not told us about them.

You must tell us when the alterations and additions are completed, we will then increase the sum insured for that farm building and you must pay us an additional premium.

If the alterations or additions cost more than \$100,000, we do not cover the farm building concerned while they are taking place. To obtain cover for the farm building you must tell us about the alterations or additions before they commence. We will then increase the sum insured for that farm building and you must pay us an additional premium.

In any event we will not pay for damage caused by storm, rainwater, water damage, theft or vandalism which occurs during repair, renovation or alteration to the external walls or roofing of the farm buildings unless you obtain our written agreement to cover these risks before the building work commences.

#### **Loss or damage during temporary removal**

For loss or damage to any item of farm contents, mobile farm machinery or fixtures and fittings of farm buildings while it is temporarily removed to anywhere in Australia other than the farm, including during transit by road, rail or inland waterways:

- (a) for farm contents: we will pay up to the farm contents sum insured,
- (b) for mobile farm machinery: we will pay the indemnity value of the item which has been temporarily removed, and
- (c) for fixtures and fittings of farm buildings: we will pay up to the sum insured for the farm building from which they have been removed.

We will not pay any amount for:

- (a) any item which has been removed from the farm for more than 90 days, or
- (b) water damage to any item while it is in the open air unless it comprises or forms part of a structure designed to function without the protection of walls or a roof.

#### **Unspecified structures**

If you have chosen to insure unspecified structures, for loss or damage to any structure on the farm (other than a domestic structure) which you have not specifically insured: we will pay the market value up to the limits shown in the Policy Schedule for any one building and the total sum insured in any one Period of Insurance.

We will not pay more than the sum insured for all unspecified farm structures which is shown in the Policy Schedule.

#### **Unspecified contents**

If you have chosen to insure unspecified contents (other than domestic contents), for loss or damage on the farm to contents which you have not specifically insured, we will pay the replacement value up to the limit shown in the Policy Schedule for damage caused by or arising from an insured event.

We will not pay more than the sum insured for all unspecified farm contents which is shown in the Policy Schedule.

### **Unspecified Farm Machinery**

If you have chosen to insure unspecified farm machinery, for damage to any farm machinery which you have not specifically insured, we will pay up to the limits shown in the Policy Schedule for any one item and the total sum insured in any one Period of Insurance.

We will not pay more than the sum insured for all unspecified farm machinery which is shown in the Policy Schedule.

### **Replanting trees**

If trees on the farm are damaged by fire, for the cost of removing damaged trees, ground preparation and planting of seedlings:

- (a) we will pay up to \$1,000 automatically, but
- (b) if you elect to insure farm trees for more than \$1,000, we will pay up to the sum insured for farm trees in the Policy Schedule.

This cover only applies to damage to farm trees by fire.

### **Miscellaneous items**

If you have chosen to insure the following items, we will pay the Market Value in respect of loss or damage to:

- (a) hay while it is stacked, baled, rolled or stooked
- (b) grain while it is in storage on the farm, or
- (c) wool between the time it is shorn to the time you cease to own it.

### **Additional Benefits**

We will pay the following amounts in addition to the sums insured which are shown in the Policy Schedule.

#### **Fire fighting**

We will pay up to \$10,000 for all costs incurred for:

- (a) extinguishing fire at, near, or threatening to spread to the farm
- (b) preventing or lessening the effect of any such fire
- (c) gaining access to the farm after the fire has occurred, or
- (d) replenishing fire fighting equipment.

#### **Discharge of Mortgage Legal Costs**

We will pay the legal costs incurred by you to discharge any mortgage if your farm building is an actual or constructive total loss.

#### **Farm planning**

We will pay up to \$3,000 for the cost of farm planning, (should it be required) when more than 25% of your fencing is damaged as a result of any insured event for which fencing is insured.

We will not pay any amount under this clause if you have not insured fencing under this section.

#### **Rewriting of records**

We will pay up to \$2,000 for the clerical cost you expend in rewriting documents other than computer records as a result of destruction caused by any insured event.

We will not pay any amount if your documents or computer records are insured under the 'Electronic equipment' section of this Policy.

### **Overtime rates**

If it is necessary to carry out repair or reinstatement work at overtime rates or on public holidays, we will pay the reasonable extra charges for that work.

This includes express freight within Australia (by a scheduled air or road carrier), for up to 50% in excess of the usual cost of that freight.

### **Search and find**

We will pay up to \$5,000 for the reasonable costs of locating the source of loss or damage caused by bursting or leaking of any water mains, pipes, gutters, drains, tanks or fixed apparatus used to hold or carry water.

### **Neighbours' fire fighting equipment**

We will pay up to \$10,000 to replenish fire fighting equipment or for the Indemnity Value of fire fighting equipment belonging to your neighbours which is damaged while fighting a fire on your Farm.

### **Employees' belongings**

We will pay up to \$5,000 each event for loss or damage to any tools, equipment, personal effects or clothing belonging to your employees as a result of any Insured Event.

### **Inflation adjustment**

During each period of insurance we increase the farm buildings and farm contents sums insured in line with the consumer price index until the next renewal date.

### **Additional Costs**

We will pay the additional expenditure necessarily and reasonably incurred to an amount not exceeding \$25,000 or 30% of the Total Sum Insured on the livestock section of this policy, whichever is the greater, following:

- destruction of or Damage to Your pastures by fire, and
- destruction of or Damage to Your buildings, machinery, plant and other contents, fencing, livestock and hay by an event covered by this section of the policy for the purpose of maintaining pastoral activities on the same scale as the twelve months immediately preceding the Damage.

This additional benefit will be in accordance with Cover 2 Additional Cost of Working and Cover 3 Agistment and Fodder Replacement following fire in the Business Interruption section of this policy. This additional benefit is payable in excess of any amount you insure under Covers 2 or 3 of the Business Interruption section of this policy.

### **The maximum amount we will pay**

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more under this section than the lesser of the replacement cost or indemnity value (whichever is applicable) and the sum insured for each item of farm property.

This does not apply to any of the additional benefits listed above.

Even if the replacement cost applies, we will not pay any greater amount than we would have paid if you had chosen the indemnity basis until you incur costs which are equal to the replacement cost of the damaged item(s).

**Farm property temporarily removed**

Where farm property is temporarily removed from the farm, we will not pay more than:

- (a) for farm contents – the greater of \$5,500 or 20% of the farm contents sum insured
- (b) for fixtures and fittings of farm buildings – the greater of \$5,500 or 10% of the sum insured for the farm building from which they have been removed.

Farm property includes items purchased by you but not yet transported to your property.

**Excess**

For each claim you make under this section of the Policy you will have to pay an excess. The amount of the excess is shown on the Policy Schedule.

**Insured Events which apply to this section**

The left column of this table lists the insured events against which we cover the farm property you have chosen to insure under this section.

We will not pay for the loss or damage described in the right column of this table (or any loss or damage which is otherwise excluded under this section of the policy.)

Insured Events	What we will not pay for
Loss or damage caused by: <ul style="list-style-type: none"> <li>• fire or explosion</li> </ul>	Loss or damage to Farm Property caused by: <ul style="list-style-type: none"> <li>• the deliberate application of heat; scorching, melting or charring unless by a visible flame</li> </ul>
Lightning or thunderbolt	
Explosion or collapse of boilers, economizers or pressure vessels or their equipment and contents	Damage to boilers, economizers or pressure vessels or their equipment or contents where a certificate is required to be issued under the terms of any statute or regulations
Earthquake. All destruction or damage occurring within a period of 48 hours of the earthquake is regarded as the one insured event	
Bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind	Loss or damage which: <ul style="list-style-type: none"> <li>• occurs gradually over time</li> <li>• results from water escaping from a shower base not fitted with a tray or water proof membrane</li> <li>• is caused by the porous condition of any tiles, grouting or sealant</li> </ul> Repair or replacement of the apparatus, tank or pipe itself
Accidental breakage of fixed glass in farm buildings	Breakage of glass in any glasshouse or greenhouse
Riot or civil commotion	
Vandalism	Loss or damage intentionally caused by: <ul style="list-style-type: none"> <li>• you, your family or your family’s visitors</li> <li>• a tenant, or tenant’s visitors</li> <li>• any person at the farm with your consent or the consent of a person living at the farm</li> </ul> Loss or theft of or damage to trees on the farm Loss or damage to automobiles, utilities or trucks
Impact by: <ul style="list-style-type: none"> <li>• a vehicle, an aircraft or a watercraft</li> <li>• space debris or debris from an aircraft</li> <li>• an animal</li> <li>• a falling tree or part of a tree</li> <li>• a mast or a television or radio aerial that has broken or collapsed</li> </ul>	Loss or damage to farm property caused by: <ul style="list-style-type: none"> <li>• a domestic animal kept on the farm</li> <li>• rodents, vermin, birds or insects gnawing, chewing, pecking, clawing, scratching, or in any way polluting or contaminating your farm property</li> <li>• a falling tree or branch to any registered motor vehicle or it’s accessories</li> </ul> Loss or damage to <ul style="list-style-type: none"> <li>• automobiles, utilities, trucks</li> </ul>

Insured Events	What we will not pay for
Storm or Rainwater	<p>Loss or damage caused by:</p> <ul style="list-style-type: none"> <li>• action of the sea, high water, tidal wave</li> <li>• flood</li> <li>• erosion, subsidence, landslide, mud slide, shrinkage or an earth movement other than earthquake</li> <li>• water seeping through a wall or floor</li> <li>• mildew, algae</li> <li>• atmospheric or climate conditions other than storm, or</li> <li>• water entering into any building as a result of structural defects, faulty design or faulty workmanship</li> </ul> <p>Loss or damage to:</p> <ul style="list-style-type: none"> <li>• farm property in the open air unless it forms part of a permanent structure designed to function without the protection of walls or roof</li> <li>• water entering the farm buildings through an opening made for the purpose of alterations, additions, renovations or repair</li> </ul>
	<ul style="list-style-type: none"> <li>• greenhouses, shade structures, hail nets or shade cloth, buildings whose roof and/or sides are constructed of plastic or any polymer substance, fibreglass, shade cloth or similar materials</li> <li>• automobiles, utilities, trucks</li> </ul>
Loss of or damage to farm buildings, farm machinery or farm contents caused by any accident. The total amount payable under this extension is limited to \$25,000	<p>Loss or damage caused by:</p> <ul style="list-style-type: none"> <li>• insured events listed above by any event or circumstance excluded therein</li> <li>• wear and tear, fading, scratching or marring, gradual deterioration, or developing flaws, normal upkeep or making good, testing, intentional overloading, experiments of any kind</li> <li>• the action of birds, moths, termites or other insects, vermin, rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour, texture or finish</li> <li>• error or omission in design, plan or specification or failure of design</li> <li>• faulty materials or faulty workmanship</li> <li>• any order of any government, public or local authority including the confiscation, nationalization, requisition, repossession of or damage to any property</li> <li>• incorrect siting of buildings as a result of incorrect design or specification</li> <li>• consequential loss of any kind other than as provided by the additional costs clause</li> <li>• machinery breakdown, electrical or electronic breakdown (except for resultant damage), boiler or pressure vessel explosion or implosion</li> <li>• computer virus</li> </ul> <p>We will not cover loss or damage to:</p> <ul style="list-style-type: none"> <li>• automobiles, utilities, trucks, caravans or watercraft other than by fire</li> <li>• shrubs or pot plants</li> <li>• live animals, birds or fish or any other living creature</li> <li>• any property in transit other than incidental transit within situations occupied by you</li> <li>• property during the course of, and as a result of, its processing</li> </ul>

Insured Events	What we will not pay for
Action of a civil authority in attempting to prevent the spread of a fire	
Theft of Farm Contents and Farm Produce	We will not pay more than \$25,000 in total for any one claim
Subject to dairy plant being insured in the Machinery Breakdown Section of this policy we cover accidental contamination of milk as a result of contact with cleaning products or other foreign materials	<ul style="list-style-type: none"> <li>Contamination by bacteria</li> <li>We will not pay more than the average value per litre you were paid in the 5 working days prior to the loss</li> <li>The maximum we pay is \$10,000</li> </ul>
Fusion of an electric motor We will pay up to \$550 for the cost of rewinding, or at our option, replacing the motor. Fusion is the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by an electric current	Repair or replacement of additional service items
Produce in transit for Fire, Flood, Collision and/or Overturning of conveying vehicle, in accordance with the conditions and exclusions of the Transit section of this policy	More than \$1,000 in total during any period of insurance

### Exclusions which apply to this section

We will not pay any claim which arises directly or indirectly out of:

- consequential loss of any kind other than as provided by the additional costs clause
- wear, tear, depreciation, deterioration, atmospheric conditions, mould, mildew, insects, vermin, action of light, rot, inherent defect
- any process of cleaning, repairing, restoring, alteration or renovation
- loss or damage which is caused by failure to maintain your farm property in a good state of repair and you knew or should have been reasonably aware of the need to rectify the problem which caused the loss or damage.

We will not pay for any loss or damage to animals, birds or fish.

### Conditions which apply to this section

There are also general conditions that apply to all sections of this Policy.

If you have selected the replacement cost, then the following conditions apply:

#### Additional cost of reinstatement

In addition to the replacement cost, we will also pay any additional costs you incur in reinstating the farm buildings to comply with any legislative requirements. However:

- this does not include the costs of complying with any requirement imposed on you before the insured event occurred, and
- these additional costs will not be subject to any adjustment for underinsurance
- we will not pay more than the sum insured shown in the Policy Schedule.

If the cost of repair or reinstatement of the damage is less than 50% of the cost of replacement of the whole of the farm

building which is damaged, notwithstanding the following clause, we will only pay the additional cost of complying with the legislative requirements which are directly attributable to the damaged portion.

#### Commencement of work

You must start the work required to repair, or reinstate the farm property within 6 months unless we agree otherwise. If you do not, we will only pay the costs that would have been incurred had the work started at the time it should reasonably have been started.

### Section 4 – Livestock & Working Dogs

Under this section we insure the working dogs and livestock that you ask us to insure against death including destruction for humane reasons. If you have chosen this cover it will be shown on your Policy Schedule.

We also pay some veterinary fees if these are incurred as a result of an accident and cover is provided for teat damage caused by fire.

#### What we insure

Under this section we insure:

- the livestock or working dogs that you have chosen to insure
- against death which occurs during the period of insurance
- while the livestock or working dogs are:
  - at the farm
  - on agistment
  - on a public road or public land other than when they have strayed from unfenced land or open pasture
  - at a saleyard, or breeder's property, or
  - on exhibition.

The livestock or working dogs that you have chosen to insure are shown in the Policy Schedule.



## Definitions which apply to this section

### Working dogs

means dogs that are used in connection with the farm activities, but not dogs kept as domestic pets.

### Death

includes destruction that is necessary for humane reasons.

### What we pay

When livestock are insured by this section, we will pay for death caused by:

- (a) fire, lightning, explosion, earthquake, malicious damage and theft
- (b) impact by:
  - any vehicle, or
  - aircraft or articles dropped from them. When working dogs are insured by this section, we will pay for:
    - death following accident, illness or disease
    - proven theft
    - Euthanasia or destruction following veterinary advice on humane grounds but excluding old age.

If livestock are insured under this section, but you have not specified working dogs, we will pay up to \$500 for death of any working dog caused by accidental death or injury.

### How much we will pay

If you replace the insured livestock within 120 days of death, we will pay the lesser of the replacement cost or 110% of the sum insured.

If you do not replace the insured livestock within 120 days of their death, we will pay the lesser of the market value at the time of death or the sum insured.

In addition to the sum insured, we will pay the reasonable costs incurred by you for the disposal of carcasses after an event insured by this section up to the lesser of 5% of the sum insured or \$3,000.

### Additional Benefits

#### Teat Damage

If as a result of fire, insured livestock which are used for milk production or breeding are not able to yield milk, then we will pay the loss of value of the livestock.

We will not pay for any consequential loss of any kind.

### Veterinary Attention

We will pay up to the value at the time of the injury of livestock or a working dog for the reasonable cost of veterinary attention following an insured event for livestock or an accident for a working dog provided that it is economical to seek veterinary attention.

### Increase in sum insured

The sum insured for livestock is increased by 20% for a period of 3 calendar months, such term as specified in the schedule. If no period is indicated in the schedule the 3 calendar months will begin from the inception date of the policy period.

### Damage, destruction or theft of livestock / Death caused by dogs not owned by you

We will pay the amount selected by you and shown in the Policy Schedule but not more than \$5,000 for

- theft of livestock
- death of livestock caused by a dog or dogs not owned by you

### Stud animals

We will pay up to \$10,000 per animal and \$50,000 in aggregate for death by accident anywhere in Australia or New Zealand of stud cattle, stud sheep and stud goats for a period not exceeding 7 days from their date of purchase by you from a registered livestock dealer.

### Maximum amount

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum insured shown in the Policy Schedule for this section for each animal or category of animal.

### Excess

For each claim made under this section you will have to pay an excess. The amount of the excess is shown on your Policy Schedule.

### Exclusions which apply to this section

We will not pay for death:

1. of any livestock or working dog which was not in sound health, or was suffering from any injury or physical disability at the time this insurance started, unless you were unaware of, and a reasonable person in the circumstances could not have been expected to be aware of such injury, illness or physical disability
2. of working dogs which is caused by or results from:
  - theft by any member of your family or employees
  - the loan of the working dog to another person for monetary reward, or under any financial arrangement.
3. working dogs if they are less than two months or more than ten years old
4. of poultry except where death is directly caused by fire, or lightning to the farm buildings in which the poultry is housed.

### Conditions applying to this section

There are also general conditions which apply to all sections of this Policy

- You must tell us within 12 hours of the death of any working dog insured under this section.
- We may arrange a post mortem examination by a veterinary surgeon.

- You must not dispose of any carcass until 24 hours after you have notified us of the death.
- You must provide us with full written particulars of the cause of death, the identity and value of the animal within 21 days of its death.
- You must authorise the release to us of any veterinary records we may need in relation to the claim.

## Section 5 - Farm Liability

This section covers you for your legal liability for injury or damage to other people or their property.

This liability must arise out of something that happened in connection with your farm business while this Policy was in force and caused by an occurrence in connection with your business.

If you have chosen this cover it will be shown on your Policy Schedule.

### What we insure

This section insures your legal liability to pay compensation to others in the circumstances which are set out in the sections headed 'What we will pay' and 'Extensions/qualifications to this cover' of this section of the Policy.

### Definitions which apply to this section

#### Medical practitioner

includes qualified medical practitioners, nurses, dentists and first aid attendants.

#### Occurrence

means an event, including continuous or repeated exposure to substantially the same general conditions, which results in personal injury or property damage or advertising liability which you neither expected nor intended to happen.

#### Personal injury

means:

- bodily injury (and this expression includes death and illness), disability, shock, fright, mental anguish, mental injury
- false arrest, wrongful detention, false imprisonment or malicious prosecution
- wrongful entry or eviction or other invasion of privacy
- a publication or utterance of a libel or slander or other defamatory or disparaging material
- assault and battery which is not committed by you or at your direction unless reasonably committed for the purpose of preventing or eliminating danger to person or property.

#### Pollutants

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

### Products

means any goods, products and property after they have ceased to be in your possession or under your control which were (or is deemed by law to have been) manufactured, grown, extracted, constructed, erected, installed, repaired, serviced, treated, sold, supplied, or distributed by you in connection with your farm business.

Products includes any container of that property other than a vehicle.

### Property damage

means

- physical damage to, or loss or destruction of, tangible property including any resulting loss of use of that property,
- loss of use of tangible property which has not been physically damaged, lost or destroyed provided such loss of use is caused by an occurrence.

### Vehicle

means any type of machine on wheels or self-laid tracks which is intended to be propelled by other than manual or animal power. Vehicle includes any trailers or other attachments which are intended to be drawn by any machine.

### You, your

in this section means:

The persons and entities who are named in the Policy Schedule as the Insured and includes:

- if the insured named in the Policy Schedule is a company, all subsidiary companies (now or subsequently constituted) of the insured named in the Policy Schedule provided their places of incorporation are within Australia or any territory of Australia
- every director, executive officer, employee, partner or shareholder of the farm business (or in a company described in paragraph (a)) but only while acting within the scope of their duties in such capacity
- every principal, in respect of that principal's liability for you (or in a company described in paragraph (a)) caused by the performance of work for that principal, but subject always to the extent of coverage and the limit of liability provided by the section
- every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance service formed with your consent (other than an insured designated in paragraphs (c) and (e)) in respect of claims arising from their duties connected with the activities of any such club, organisation or service. This insurance will not apply to personal injury to or property damage of any participants of any game, match or the like
- your partner, joint venturer, co-venturer or joint lessee but only
  - with respect to liability incurred as the partnership, joint venture, co-venture, joint lease, and
  - provided the partnership, joint venture, co-venture, joint lease has been notified to us within 60 days of formation and has been endorsed on the Policy Schedule.

- (f) your directors or senior executives in respect of any private work undertaken by your employees for such director or senior executive.

## What we will pay

### Legal liability

Subject to the following, we will pay to you or on your behalf:

- (a) any amount that you are legally liable to pay to another person including costs awarded against you
- (b) for personal injury or property damage happening within the period of insurance
- (c) which arises out of an occurrence in connection with the farm business.

### Legal costs

In addition to the limit of liability, we will pay in relation to a claim covered under this Policy, all:

- (a) expenses incurred by us in defence of a claim;
- (b) costs awarded against you and all interest accruing after judgement until we have paid, tendered or deposited in court that part of any judgement which does not exceed the limit of liability;
- (c) reasonable costs and expenses, other than loss of earnings, incurred by you with our written consent; and
- (d) costs or expenses incurred by you for rendering first aid to others at the time of any personal injury; provided that:
  - (i) if to dispose of or settle a claim covered under this Policy, compensation is payable in excess of the limit of liability, our liability in respect of these costs and expenses will be limited to the proportion of the costs and expenses as the limit of liability bears to the total compensation payable to dispose of or settle the claim;
  - (ii) we will not pay for any costs or expenses that are incurred after we have paid or agreed to pay an amount equal to the limit of liability; and
  - (iii) in relation to any claim made and actions instituted within the United States of America or the Dominion of Canada or their territories, protectorates or dependencies, our liability to pay any of the costs or expenses detailed above shall be included in the limit of liability, and not paid in addition to the limit of liability.

### Defending claims

- (a) We will defend any proceedings against you seeking damages for personal injury and/or property damage in your name and on your behalf even if the suit is groundless or fraudulent.
- (b) In the conduct of your defence we reserve the right to investigate, negotiate and settle any claims or suit as we consider appropriate.
- (c) We will not defend any proceedings after the applicable limit of liability has been exhausted.

## Extensions/qualifications to this cover

### Property in your control

We will not pay any amount for claims for property damage to property in your physical or legal control other than claims in relation to:

- (a) premises which you rent (including the landlord's fixtures and fittings)
- (b) premises (and their contents) which you do not own or rent but which you temporarily occupy to carry out work in or on the premises (except for property damage to that part of the premises or their contents on which you are working)
- (c) a vehicle in your physical or legal control where the property damage occurs in a car park that you own or operate.

We will NOT pay if:

- you own or operate the car park for reward as part of your farm, or
- the vehicle is owned or being used by you or on your behalf
- (d) employee's property
- (e) other tangible property which is not owned by you but is in your physical or legal control, which you are not required to insure under a contract or agreement. This does not apply to any property on which you are or have been working.

The maximum amount we will pay for claims for property damage to livestock and property in your physical or legal control arising out of the one occurrence is:

- (a) \$20,000 any one animal any one occurrence
- (b) \$200,000 any other item of property any one occurrence
- (c) \$250,000 in the aggregate any one period of insurance.

### Registered vehicles

Subject to the following, we will not pay for any claims for personal injury or property damage which arise out of the ownership, possession, operation or maintenance by you of any vehicle, which is required under any legislation to be registered or in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance has been affected).

However, we will pay claims for:

- (a) personal injury where
  - that compulsory liability insurance or statutory indemnity does not provide indemnity, and
  - the reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity do not involve a breach by you of legislation relating to vehicles.
- (b) property damage
  - arising out of and during the loading or unloading of goods to or from any vehicle,
  - caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling while being operated or used by you or on your behalf within the confines of the farm,
  - caused by the use of any tool or plant forming part of or attached to or used in connection with any

- vehicle (excluding while the vehicle is travelling, transporting or carting goods) at any work site.
- (c) property damage or personal injury arising out of the ownership, possession, operation or maintenance by you of any mobile farm machinery which
  - is used in connection with the farm business, and
  - is on your farm or any private property or roadway or a road and is being driven for the purpose of:
    - moving in rural areas between properties used or cultivated for primary production, or
    - delivery to or from your farm after you have purchased or sold it, or
    - going to or returning from a workshop for the purpose of repair or service.
- (d) personal injury and property damage claims arising from your use of a registered vehicle as a tool of trade on a work site.
- (e) Property damage where any vehicle which is registered or required under any legislation to be registered is being used in connection with farm business on any private property or a roadway.

We will not pay under this clause 'Registered vehicles' any amount for which you are or are required to be insured by any law relating to the compensation of persons for injuries received in motor vehicle accidents.

#### Overspray damage

We will pay for property damage claims arising as a result of ground based spraying operations carried out in connection with your farm business, however:

- (a) we will not pay for property which you own or have any interest in, and
- (b) we will not pay claims for any environmental impairment that may result from the spraying.

#### Landing areas

We will pay for property damage and personal injury claims that arise from the maintenance by you of any landing areas on your farm.

Landing area includes any area on which aircraft land, take off or are housed, serviced or operated.

However, we will not pay any amount if:

- (a) the landing area does not comply with all relevant regulations, statutes and by-laws in force, and
- (b) you operate the landing area for financial gain.

#### The maximum amount we will pay

##### Limit of liability

We will not pay more than the limit of liability shown in the Policy Schedule for this section:

- (a) for all claims during any one period of insurance when the personal injury or property damage is caused by your products
- (b) for fire or flood: all claims during any one period of insurance
- (c) for farm pollutants: all claims during any one period of insurance

- (d) for each other claim or series of claims for personal injury or property damage which is caused by or arising from the same occurrence.

#### Excess

For each claim you make under this section of the Policy you will have to pay an excess. The amount of the excess is shown on the Policy Schedule.

#### Exclusions which apply to this section

We do not insure you for:

##### 1. Employment liability

Any liability:

- (a) for personal injury to your employees arising directly or indirectly out of their employment in your farm business

Provided this exclusion (a) does not apply in respect of liabilities for injury which are not compensated under the workers' compensation legislation in Queensland and Northern Territory where employment is not a major significant factor causing the injury

- (b) where you would have been entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to workers' compensation including any legislation of any state or territory (even if you have not taken out that insurance)
- (c) any claim or claims arising out of the provisions of any workers' compensation legislation or any industrial award or agreement or determination.

For the purpose of this exclusion 'employee' means any person engaged under a contract of service or apprenticeship with you but does not include any person employed under such contract who is excluded from the definition 'worker' under any workers' compensation legislation.

##### 2. Excluded persons

Personal Injury to:

- (a) you or your family
- (b) where you are a company
  - any director of your company or
  - any family of a director of your company.

##### 3. Host farms

Property damage or personal injury which arises out of the use of the farm for providing accommodation, tourism or leisure facilities or activities for reward unless specified on your Policy Schedule.

##### 4. Product defect

Property damage to your products if the damage is attributed to any defect in them or to their harmful nature of or unsuitability.

##### 5. Loss of use

Loss of use of tangible property which has not been physically damaged, or lost or destroyed as a result of:

- (a) a delay or lack of performance by or on behalf of you of any agreement

- (b) failure of your products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented.

This does not apply to loss of use of other tangible property which results from sudden and accidental physical damage to or destruction of your products after they have been put to use by any person or organisation other than you.

#### **6. Product recall**

Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of your products or any property of which they form a part if such products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

#### **7. Aircraft and watercraft**

Claims arising out of:

- (a) the ownership, maintenance, operation or use by you of:
  - any aircraft or hovercraft, or
  - any watercraft exceeding 8 metres in length.
- (b) your products that are aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to your knowledge is incorporated in an aircraft.

#### **8. Aerial spraying**

Claims arising directly out of any aerial spraying.

#### **9. Contractual liability**

Liability in respect of any obligation assumed by you under any agreement except to the extent that:

- (a) the liability would have been implied by law
- (b) the liability arises from provision in a contract for lease of real or personal property other than a provision which obliges the insured to effect insurance or provide indemnity in respect of the subject matter of the contract
- (c) the liability is assumed by you under a warranty of fitness or quality as regards the products.

#### **10. Professional liability**

Claims arising out of the rendering of or failure to render any professional advice or service by you, or any related error or omission.

This exclusion does not apply to a medical practitioner you employ to provide first aid and other emergency medical services at your farm, provided such professional advice or service is not given for a fee.

#### **11. Defamation**

Liability arising out of the publication or utterance of any defamatory material:

- (a) made prior to the commencement of the period of insurance
- (b) made by you or at your direction when you knew it was false, or
- (c) related to advertising, broadcasting, or telecasting activities conducted by you or on your behalf.

#### **12. Pollution**

Liability directly or indirectly caused by or arising out of the discharge, dispersal, release, escape or seepage of pollutants into or upon any property, land, the atmosphere, watercourse or body of water. We shall also not be liable to pay any costs and expenses incurred in the prevention, removal or clean-up of such Pollutants. This exclusion shall not apply if such discharge, dispersal, release or escape is caused by a sudden, identifiable, unexpected and unintended happening and takes place in its entirety at a specific time and place and provided the limit of our liability in such circumstances, whether or not there is more than one occurrence during the period of insurance, is limited in the aggregate to the limit of liability.

#### **13. Territorial limits**

Claims made and actions:

- (a) instituted within the United States of America or Canada or any other territory coming within the jurisdiction of the Courts of those countries, or
- (b) to which the laws of the United States of America or Canada apply.

This exclusion does not apply to claims and actions arising from the presence outside Australia of any person who is normally resident in Australia and who is not undertaking manual work or supervision of work of any kind while in the United States of America or Canada.

However we will pay no more than the limit of liability shown in the Policy Schedule (inclusive of all legal costs, expenses and interest) for any such claims.

#### **14. Exports to USA or Canada**

Claims for personal injury or property damage caused by or arising out of the products knowingly exported by you or your agents or servants to the United States of America or Canada.

#### **15. Asbestos**

Death, injury, loss, damage or liability of any nature which is directly or indirectly connected in any way with asbestos.

#### **16. Faulty workmanship**

Property damage to that part of any property upon which you are or have been working where the property damage arises from your work or the cost of performing, correcting or improving any work undertaken by you.

#### **17. Treatment or dispensing**

Personal injury or property damage arising from:

- (a) the treatment by you or on your behalf of humans or animals for any physical or mental deficiency, injury, illness or disease, or
- (b) the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

#### **18. Defect in design**

Any defective design or error in specification or formula in any of your products but we will insure you for products you do not manufacture but are sold, supplied or distributed by you where by law you are deemed to be the manufacturer.

## 19. Property in custody and control

Property Damage to:

- (a) property you own or property rented to you, or
- (b) property in your physical or legal control, except as provided for in extension/qualification 'property in your control'

## 20. Information technology hazards, computer data, program and storage media

- (a) Personal injury or property damage arising, directly or indirectly, out of, or in any way involving your 'internet operations'.

This exclusion does not apply to personal injury or property damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

Internet operations means the following:

- (i) use of electronic mail systems by you or your employees, including part-time and temporary staff, contractors and others within your organisation
  - (ii) access through your network to the world wide web or a public internet site by you or your employees, including part-time and temporary staff, contractors and others within your organisation
  - (iii) access to your intranet (meaning internal company information and computing resources) which is made available through the world wide web for your customers or others outside your organisation and
  - (iv) the operation and maintenance of your web site. Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.
- (b) Property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
    - (i) the use of any computer hardware or software
    - (ii) the provision of computer or telecommunication services by you or on your behalf
    - (iii) the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

## 21. Punitive damages

Punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

## 22. Fines, penalties

Fines, penalties or liquidated damages.

## 23. Genetically Modified or Engineering Organism

Liability directly or indirectly caused by or arising out of any genetically modified or engineered organism manufactured or imported by you.

## Conditions which apply to this section

There are also general conditions which apply to all sections of this Policy

### Territorial limitations

The indemnity provided by this section applies world wide subject to the exclusion headed 'Territorial limits'.

### Joint insureds

Where you comprise more than one person or a company, we will treat each as a separate insured. The words you or your will apply to each in the same manner as if a separate Policy had been issued to them.

This does not alter or increase the limit of liability for this section for any occurrence or period of insurance and is subject to exclusion 2 – 'excluded persons' in the 'Farm liability' section of this Policy.

### Reasonable care

In addition to your obligations set out in the general conditions of the Policy, you must:

- (a) take all reasonable precautions to prevent the manufacture, sale or supply of defective products
- (b) take all reasonable precautions to comply and ensure that your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities:
  - for the safety of persons and property
  - for the disposal of waste products, or
  - for the handling, storage or use of flammable liquids, infectious or explosive substances, gases or toxic chemicals.
- (c) at your own expense take reasonable action to trace, recall or modify any of your products which contain any defect or deficiency which you know about or have reason to suspect.

This includes but is not limited to any of your products which are subject to a government or statutory ban.

### Inspections

You must allow us to examine and audit your farm business books and records at any time during or within 3 years of the expiry of the period of insurance. Our rights of examination and audit after expiry of the policy are restricted to matters which in our opinion are relevant to the policy.

Neither our right to make, nor our failure to make, nor our making of any inspection, nor any report of an inspection may be used by you or others in any proceedings involving us.

## Section 6 – Machinery Breakdown

### What we insure

If any item or items or any part of an item referred to in the Policy Schedule, suffers insured damage during the period of insurance we will indemnify you in respect of such loss or damage as provided in the basis of settlement clause.

If you have chosen this cover it will be shown on your Policy Schedule.

### Definitions which apply to this section

#### Plant and machinery

refers to:

- Cover 1 – Blanket cover
  - (a) ‘Electrical and mechanical’ items driven by motors with capacity not exceeding 15 kilowatts (20HP), including electronic and other integral parts of the insured items including boilers, pressure vessels and pressure pipe systems as defined in (b) below.
  - (b) ‘Boilers, pressure vessels and pressure pipe systems’ means the permanent structure of those insured items which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to boilers the rotating, reciprocating or electrical apparatus attached to them.
- Cover 2 – Selected machinery covers
  - Items as selected including electronic and other integral parts of the insured items.

Plant and machinery does not include:

- (a) submersible pumps with respect to Cover 1 (Blanket cover)
- (b) vehicles or mobile plant
- (c) computers, electronic data processing equipment, office equipment, telecommunication transmitting and receiving equipment, audio visual amplification and surveillance equipment
- (d) research, diagnostic and electro medical equipment
- (e) domestic appliances
- (f) televisions, videos, gambling or amusement machines
- (g) lifts or escalators

#### Insured damage

means sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use.

#### Additional Cover

We will indemnify you for loss or damage to property not insured under this section which is owned by you or if you are responsible for loss or damage to it provided:

- that loss or damage occurred within the location during the period of insurance as a direct result of impact from part of an insured item of plant and machinery and
- the loss or damage is directly caused by insured damage and occurs in circumstances where cover is provided, and not excluded under this section and provided we will not pay more than the sum insured or limit any one loss as specified in the Policy Schedule for that insured item of plant and machinery as specified in the Policy Schedule for loss or damage caused to the uninsured item.

#### Basis of Settlement

In the event of insured damage under this section we will pay you, up to the sum insured or limit any one loss (whichever is selected) less the applicable excess, the reasonable cost of repairs or replacement necessary to return the insured item to its former state of operation including:

- (a) cost of dismantling, re-erection and removal of debris
  - (b) replacement of refrigerant lost from an insured item as a direct result of insured damage
  - (c) charges for overtime and work on public holidays where necessarily and reasonably incurred
  - (d) freight within the Commonwealth of Australia by any recognised scheduled service, and
  - (e) hire of a temporary replacement item during the time taken to repair damage to any insured item
- provided the total of all these costs in clauses (c),(d) and (e) in this section are limited to 50% of the normal cost of repair payable under this section.

Our liability inclusive of these additional costs will not exceed the sum insured specified in the Policy Schedule.

All insured damage which can be repaired must be repaired, however should the item be uneconomical to repair due solely to the nature of the insured damage, settlement will be as follows:

- (a) the cost of replacement of the insured item by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the insured item when new, or
- (b) the sum insured for the insured item if selected machinery cover is selected, or
- (c) the limit any one loss if the blanket cover is selected.

We will pay the lesser (a), (b) and (c).

We are not required to replace or repair the insured item exactly, but to repair or replace to an equivalent standard.

The value of any salvage will be subtracted from any amount payable under this section.

The sum insured for insured items of plant and machinery specified in the Policy Schedule will be automatically reinstated following insured damage for no extra premium.

The amount of each claim otherwise payable will be reduced by the amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess.

Where components or manufacturer’s specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.

#### Deterioration of stock in cold storage - Extension

If you have chosen this cover it will be shown on your Policy Schedule.

## Scope of Cover

We will indemnify you up to the sum insured for loss of or damage to the stock specified on the Policy Schedule while the stock is contained in the cold storage spaces cooled by the plant and machinery nominated in the Policy Schedule, and caused by deterioration or putrefaction as a result of:

- (a) insured damage to the refrigeration machinery
- (b) sudden and unforeseen failure of the public power supply
- (c) operation of or failure to operate, controls or protective devices within the refrigeration machinery, but this does not include loss caused by the manual operation or manual setting of controls or protective devices
- (d) contamination of the stored stock by the accidental escape of refrigerant into the cold chamber or
- (e) sudden leakage of refrigerant from the refrigeration machinery or pipe system forming part of the refrigeration machinery occurring during the period of insurance at the location.

## Basis of Settlement

- (a) We will pay the cost of replacement of the lost or damaged stock calculated immediately prior to the loss or damage occurring, but we will not pay more than the sum insured stated in the Policy Schedule for the stock less the applicable excess.
- (b) The amount we pay for each claim will be reduced by the amount of the excess shown in the Policy Schedule.

## Exclusions – Applying to this Extension

(in addition to the exclusions contained in 'Exclusions applying to this section').

We will not pay for:

1. any loss or damage due to shrinkage, inherent defects or diseases
2. loss or damage caused by improper storage, collapse of the packing material or storage structure
3. penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever and
4. loss or damage following loss of public power supply due to:
  - (a) the deliberate act of any public power supply authority
  - (b) the decision by any public power supply authority to restrict or withhold supply
  - (c) shortage of power generation fuel or water.

The sum insured under this extension will be automatically reinstated following insured damage for no extra premium.

## Exclusions which apply to this section

We will not pay for:

1. loss or damage caused by or arising from:
  - (a) fire, smoke or soot
  - (b) extinguishing a fire including subsequent demolition or repair work
  - (c) lightning

- (d) chemical explosion (other than explosion of flue gas in boilers)
  - (e) impact of landborne vehicles, aircraft or waterborne craft
  - (f) earthquake, subterranean fire or volcanic eruption
  - (g) landslide or subsidence
  - (h) storm, tempest, flood, windstorm or cyclone
  - (i) water escaping, discharged or leaking from any source which is external to the plant and machinery insured
  - (j) theft or burglary
  - (k) intentional or malicious damage or
  - (l) the carrying out of tests involving abnormal stresses, including overloading of any insured item.
2. the cost of:
    - (a) replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, thermal expansion valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media
    - (b) replacement of component parts worn through normal machine operation
    - (c) adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment
    - (d) repairs to piping and other ancillary systems due to cracking of pipe work or
    - (e) replacement of refractory or brickwork forming part of an insured item unless necessary as part of the rectification of insured damage not otherwise excluded under this section.
  3. the cost of:
    - (a) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments
    - (b) alteration, additions, improvements or overhauls whether carried out in the course of repairs covered by this Policy or as a separate operation
    - (c) modification or alteration of insured plant which has suffered insured damage to enable it to operate with a more ozone friendly refrigerant gas as required by the UNEP (United Nations Environmental Protection) Montreal Protocol with respect to substances which deplete the ozone layer
    - (d) replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation)
    - (e) replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting
    - (f) repair of scratches to painted or polished surfaces
    - (g) repair of slowly developing deformation or distortion of any part
    - (h) repair of blisters, laminations, flaws or grooving even when accompanied by leakage
    - (i) damage caused to insured item or items caused by any hydraulic testing
    - (j) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking



- (k) repairs to shaft keys requiring tightening, fitting renewal
  - (l) damage caused by the movement of foundations, masonry or brick work, or
  - (m) removal or installation of underground pumps and well casings unless specifically noted on the Policy Schedule. This exclusion does not include submersible pumps.
4. Consequential loss.
  5. Insured damage to any item being moved caused by dual lifting.
  6. Anything to the extent you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant Item or any other person.

### Special conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

In addition to complying with those general conditions, on the happening of any occurrence which might give rise to a claim under this section you must:

- (a) take all reasonable steps to minimise the extent of the loss
- (b) preserve any damaged or defective plant or items and make them available to us for inspection.

Our liability will cease for any plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

### Newly installed items

At the end of each period of insurance you will furnish us with details of any items newly installed or which have been deleted during the period of insurance. Additional or return premiums will be calculated corresponding to the type and value of the items and the period of insurance from the time of completion of the successful commissioning of the items. Provided that our liability for all additional items will not exceed fifty percent of the total sum insured or limit of liability as stated in the Policy Schedule.

### Inspection

You will permit us or our representative at all reasonable times the right to inspect and examine any items insured by this section.

This insurance only applies after completion of successful initial commissioning.

## Section 7 – Electronic Equipment

### What we insure

If any insured item or items of electronic plant or any part of an item of electronic plant specified in the Policy Schedule which is at the location or is at other premises for the sole purpose of maintenance, repair or service suffers insured damage during the period of insurance, we will indemnify you as provided in the basis of settlement.

If you have chosen this cover it will be shown on your Policy Schedule.

### Definitions which apply to this section

#### Insured damage

means sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use, caused by malicious or accidental damage, vibration, power surge, low voltage, mechanical, electrical and electronic breakdown.

#### Electronic plant

means all computers, word processors including all ancillary equipment attached thereto, software, other electronic equipment as specified in the Policy Schedule as insured items.

#### Software

means the collection of programs which cause a computer to perform a desired operation or series of operations.

#### Electronic data

means the information stored on the electronic data media.

#### Electronic data media

means the discs or tapes used in the computer to store the information.

#### Basis of Settlement

- (a) In the event of insured damage to the insured item of electronic plant we will pay the cost of replacement or repairs necessary to return the Insured Item to its former state of operation including:
  - (i) cost of dismantling, re-erection and removal of debris
  - (ii) charges for overtime and work on public holidays where necessarily and reasonably incurred and
  - (iii) freight within the Commonwealth of Australia by any recognised scheduled service

provided that the costs in clauses (ii) and (iii) above are limited to 50% of the normal cost of repair payable under this section.

Our liability inclusive of these additional costs will not exceed the sum insured specified in the Policy Schedule.
- (b) No deduction will be made for depreciation or parts replaced except for valves, tubes (including picture and x-ray tubes) and light sources. We will deduct a proportion of the replacement cost of these items being the proportion which the period of use up to the time of failure, bears to the normal service life expected by the manufacturer or supplier.
- (c) All insured damage which can be repaired, must be repaired, however, should the item be uneconomical to repair due solely to the nature of the insured damage, settlement will be as follows:
  - (i) the sum insured for the insured item as stated in the Policy Schedule or
  - (ii) for insured items less than six years old the cost of replacement of the insured item by an item of similar, function, type, capacity and quality and in

a condition equal to but not better than, the condition of the insured item when new or

- (iii) for insured items six years or older, the installed value of the insured item will be depreciated by 10% per annum for each year of service to a maximum of 70%.

Our liability will be the lesser of (c) (i), (c) (ii) or (c) (iii), less the applicable excess.

- (d) The value of any salvage will be subtracted from the amount payable under this clause. For each claim under this section you will have to pay an excess
- (e) If more than one Insured Item is lost or damaged in one occurrence, we will apply only the highest of the excess applicable to such insured items.
- (f) The amount we pay for each claim otherwise payable will be reduced by the amount of this excess shown in the Policy Schedule.

### Exclusions which apply to this section

This section does not cover:

1. insured damage to electronic data and electronic data media unless you have computers insured
2. insured damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to or malfunction of air conditioning equipment, or
3. the cost of:
  - replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts, or
  - replacement of component parts worn through normal use or operation

unless necessary as part of the rectification of insured damage which is not otherwise excluded under this section.

4. the cost of:
  - (a) maintenance work
  - (b) alterations, additions, improvements or overhauls whether carried out in the course of repairs covered by this Policy or as a separate operation
  - (c) replacement or repair following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation)
  - (d) temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs
  - (e) repairs of scratches to painted or polished surfaces or
  - (f) anything to the extent you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant insured item or any other person.
5. loss or damage caused by software viruses or other disruptive programming techniques
6. consequential loss of any kind or description whatsoever, subject to any extension selected by you.

### Special conditions which apply to this section

This insurance only applies after completion of successful initial commissioning. There are also general conditions which apply to all sections of this Policy.

### Electronic data and electronic data media – Extension 1

If you have chosen this cover it will be shown on your Policy Schedule.

### Scope of Cover

We will indemnify you for insured damage to the electronic data and electronic data media caused solely as the result of insured damage to the computer which is specified in the Policy Schedule.

### Basis of Settlement

We will pay you for such insured damage up to the sum insured less the applicable excess specified in the Policy Schedule including:

- (a) the actual cost of replacement of lost or damaged electronic data media by new unused materials
- (b) any expenses which can be proved to have been incurred by you only for the purpose of restoring the electronic data by reproduction of data or information in a condition equivalent to that existing prior to insured damage and necessary to allow operation of the insured item to continue in the normal manner. Lost electronic data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form.  
And provided:
- (c) We will only be liable for costs and expenses incurred within a period of twelve 12 months following the insured damage within the period of insurance.
- (d) This extension only applies while the insured electronic data media is:
  - (i) at the location
  - (ii) at a media storage location or
  - (iii) temporarily at an alternative location for processing purposes or in transit between any of these locations.
- (e) The amount of each claim otherwise payable will be reduced by the amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess

### Exclusions - applying to this extension 1

The exclusions contained in this Electronic Equipment section also apply to this extension. There are also general exclusions which apply to all sections of the Policy which you must read. We will not pay for:

- (a) loss or distortion of electronic data contained on the electronic data media while mounted in or on any machine for use of processing unless such loss or distortion occurs:
  - (i) at the location due to insured damage to an insured computer which is specified in the Policy Schedule or
  - (ii) at another location temporarily for processing purposes due to insured damage to the insured computer which would not be covered if the insured computer were insured under this section

- (b) loss or distortion caused by computer virus being an executable programme or computer code segment that is self-replicating, requires a host programme or executable disc segment in which it can be contained and which destroys or alters the host programme or other computer code or data causing undesired programme or computer system operation
- (c) wasting or wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration
- (d) loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment which would not be covered if the equipment were insured under this section
- (e) consequential loss of any kind or description whatsoever
- (f) work undertaken without our approval other than for minor temporary or provisional repairs. There is no cover under this extension with respect to any insured item which has been operated without being satisfactorily repaired following insured damage.

### Special condition – applying to Extension 1

It is a condition precedent to indemnity under this extension that you must have duplicate copies of updated file media stored off site at alternative premises.

### Increased cost of working – Extension 2

If you have chosen this cover it will be shown on your Policy Schedule.

- (a) Scope of Cover
  - We will indemnify you as set out in (b) below up to the sum insured for any additional costs of operating your business directly resulting from interruption or interference to your business as defined in the Policy Schedule but only if:
    - the interruption or interference is as a result of insured damage to the insured computer which is specified in the Policy Schedule and
    - the interruption or interference is caused solely as a result of insured damage.
  - We will deduct from the amount payable by us any sum saved during the period of the interruption in respect of charges and expenses of the business which may cease or be reduced as a result of the insured damage, including any such savings occurring by reason of the interruption of the normal operation of the electronic operation of the data processing system.
- (b) Basis of Settlement
  - (i) We will pay you for the additional expenditure incurred over and above the normal expenses which would have been incurred by you for the operation of your insured computer by the use of substitute equipment to maintain normal business operation during the interruption up to the sum insured specified in the Policy Schedule, less the applicable excess including:
    - the actual hire charges incurred for the rental of substitute equipment and
    - the cost of additional personnel and transport expenses incurred with the use of the substitute equipment.
  - (ii) The indemnity period and the time excess will commence upon the commencement of use of a substitute insured computer.
  - (iii) We will be liable for additional expenditure incurred during the actual period of the interruption but not exceeding the period specified in the Policy Schedule as the indemnity period.
  - (iv) The total of all claims payable under this extension during the period of insurance will not exceed the aggregate of the sum insured stated in the Policy Schedule.
  - (v) We will not be liable for loss, damage or costs incurred by you during the time excess.
  - (vi) The amount we pay for each claim will be reduced by the amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess.

### Exclusions – applying to this extension 2

The exclusions contained in this Electronic Equipment section also apply to this extension. There are also general exclusions which apply to all sections of the Policy which you must read.

We will not pay for:

- (a) the costs incurred during:
  - (i) interruption due to the carrying out of alterations, additions, or improvements to the Insured computer
  - (ii) interruption due to the carrying out of cleaning, adjustment, inspection or maintenance of the Insured computer or
  - (iii) the extension of any interruption due to any measure, restriction or regulation imposed by any government, public or local authority.
- (b) additional costs incurred where the period of interruption otherwise applicable is increased beyond 4 weeks due to delay in the repair or replacement of items manufactured outside Australia where such delay results from:
  - (i) measures, restrictions or regulations imposed by any government or public or local authority
  - (ii) the time required to procure replacement parts or complete items in overseas markets
  - (iii) the time required to transport or ship component parts or complete items between the location and any overseas place of repair or replacement or
  - (iv) the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

### Special Condition

For the purpose of this increased cost of working only, exclusion 4 (f) in this section does not apply.

### Special exclusions which apply to this section

We will not pay for loss or damage caused by or arising from:

1. fire, smoke or soot
2. extinguishing a fire including subsequent demolition or repair work
3. lightning
4. chemical explosion (other than explosion of flue gas in boilers)
5. impact of landborne vehicles, aircraft or waterborne craft
6. earthquake, subterranean fire or volcanic eruption
7. landslide or subsidence
8. storm, tempest, flood, windstorm or cyclone
9. water escaping, discharged or leaking from any source which is external to the plant and machinery insured
10. theft or attempted theft or
11. intentional or malicious damage.

### Special conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

In addition to complying with those general conditions.

- On the happening of any occurrence which might give rise to a claim under this section you must:
  - (a) take all reasonable steps to minimise the extent of the loss
  - (b) preserve any damaged or defective plant or items and make them available to us for inspection

Our liability will cease for any plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

- Newly installed items  
At the end of each period of insurance you will furnish us with details of any items newly installed or which have been deleted during the period of insurance. Additional or return premiums will be calculated corresponding to the type and value of the items and the period of insurance from the time of completion of the successful commissioning of the items. Provided that our liability for all additional items will not exceed 50% of the total sum insured or limit of liability as stated in the Policy Schedule.
- Inspection

You will permit us or our representative at all reasonable times the right to inspect and examine any items insured by this section.

## Section 8 – Transit

This section covers you for loss or damage caused by fire, lightning, earthquake, riot, civil commotion, theft, flood, collision or overturning of the conveying vehicle to any goods that you ask us to insure while they are in transit. It does not cover all loss and damage.

It covers the lesser of the replacement cost and the market value.

If you have chosen this cover it will be shown on your Policy Schedule.

### Definition which applies to this section

#### Conveying vehicle

means a road vehicle owned by you or in the control of you or your employee.

### What we insure

Under this section we insure death of livestock and loss or damage to farm property that you choose to insure:

- (a) while they are in transit
- (b) caused by:
  - fire
  - lightning
  - earthquake
  - riot
  - civil commotion
  - theft
  - flood, or
  - collision or overturning of the conveying vehicle
- (c) which occurs anywhere in Australia
- (d) during the period of insurance.

### What we will pay

At our option, we may pay the lesser of the sum insured or the market value of the livestock, or farm property.

With regard to livestock, we will also pay:

- (a) the cost of any destruction which is necessary for humane reasons, and
- (b) the reasonable costs of herding or temporary storage of any livestock to prevent straying after the loss or damage.

### The maximum amount we will pay

We will not pay any more than the sum insured shown in the Policy Schedule for all claims under this section.

We will not pay more than 20% of the sum insured in respect of any one animal unless it is more specifically insured.

### Excess

For each claim you make under this section you will have to pay an excess. The amount of the excess is shown in the Policy Schedule.

### Exclusions which apply to this section

We will not pay for loss or damage which is directly or indirectly caused by:

1. mechanical, electronic or electrical breakdown or derangement unless it occurs as a result of an accident
2. cracking, chipping, denting, marring, scratching or breakage of glass or fragile items or surfaces unless it occurs as a result of an accident to the conveying vehicle

3. rust, oxidation, mildew, mould, moths, vermin, insects, change of colour
4. the action of light or atmospheric conditions, vibration, wear, tear and/or depreciation
5. the use of insufficient or unsuitable packing materials
6. action of the sea, tidal wave.

We will not insure transit of artificial insemination flasks/tanks:

1. unless they are secured in a suitable frame designed to minimise the risk of overturning
2. by sea or by air, or
3. when carried under contract

We will not pay for:

1. any alteration, improvement or overhaul of any item, even if it occurs during repair or replacement following loss or damage which is insured by this section
2. any consequential loss or damage
3. theft in the open air other than from an open back vehicle
4. money
5. documents, manuscripts, patterns, models, moulds, plans, designs, unless they are shown in the Policy Schedule
6. loss, destruction or damage caused by or arising while the conveying vehicle is engaged in racing, pace making, reliability trials or speed testing or is conveying any load in excess of the load for which it was designed
7. any loss or damage to items which are being carried under contract or which are not related to your farm business
8. deer, ostrich or alpaca
9. home contents.

## Section 9 – Motor Vehicle

This section covers your motor vehicles, caravans, cycles and trailers that you choose to insure. If you choose to insure them, they will be listed in the Policy Schedule. We offer you five choices of cover:

### Cover 1 Comprehensive

accidental damage of any kind to your insured vehicle, and third party property damage

### Cover 2 Third Party Property Damage

damage you caused to other people's property using your vehicle

### Cover 3 Third Party, Fire and Theft

loss or damage to your vehicle caused by fire or theft and third party property damage

### Cover 4 Fire and Theft Only

loss or damage to your vehicle caused by fire or theft

If you have chosen to cover your motor vehicle, cycle, caravan or trailers the type of cover you have chosen will be shown on your Policy Schedule.

## What we insure

Under this section, we insure:

- (a) any motor vehicle, cycle, caravan or trailer
- (b) which is owned by you and is listed in the Policy Schedule
- (c) for the type of cover you have chosen
- (d) anywhere in Australia (unless the Policy Schedule limits the radius from the farm in which they are insured while in use)
- (e) a cellular telephone kit (excluding telephone or two-way radio).
- (f) during the period of insurance.

The motor vehicles, cycles, caravans and trailers that you have chosen to insure are shown in the Policy Schedule.

## Definitions which apply to this section

### Motor vehicle

means any type of machine on wheels or self-laid tracks which is intended to be self propelled by other than human or animal power or item of mobile farm machinery that you have chosen, and

- (a) its standard accessories, tools and spare parts
- (b) driving lights, roof racks, tow bars, bull bars, gates, tarpaulins and chains attached to or within your vehicle
- (c) other tools and spare parts and non standard accessories for your vehicle while in or on your vehicle up to \$1,000 in total
- (d) fitted baby seat or capsule
- (e) any other accessories which you have told us about and we have agreed to insure.

### Cycle

means any motor cycle that you have chosen to insure including while fitted to it, standard accessories, tools and spare parts, and those which you have told us about and we have agreed to insure.

### Caravan

means any caravan that you have chosen to insure which is:

- (a) registered for use on public roads
- (b) not a permanent caravan or mobile home.

Caravan does not include an annexe or personal belongings unless you have told us about them and we have agreed to insure them.

### Dangerous goods

means goods as defined by the Australian Code for the Transport of Dangerous Goods by Road and Rail.

### Insured vehicles

means all the Motor Vehicles, Caravans, Cycles and Trailers that you have chosen to insure. They will be listed in the Policy Schedule.

### Third party property damage

means your legal liability for any damage you cause to other people's property resulting from the use of your insured vehicle.

## Total loss

means an insured vehicle:

- (a) where the cost to repair the vehicle plus the value of any salvage (if applicable) exceeds the lesser of the 'market value' or 'sum insured', or
- (b) which is stolen and not recovered within a reasonable period of time as determined by us.

## Trailer

means a wheeled trailer that you have chosen to insure which is registered for use on public roads.

Trailer does not mean any kind of Caravan.

## Cover options

You may choose one of five types of cover for each insured vehicle. These are:

### Cover 1 - Comprehensive

This insures you for:

- (a) accidental damage to, or theft of the insured vehicle, and
- (b) third party property damage.

### Cover 2 - Third party property damage only

This insures your legal liability for damage you cause to other people's property.

### Cover 3 - Third party, fire and theft

This insures you for:

- (a) loss of or damage to the insured vehicle caused by or arising from fire, explosion, lightning, theft or any attempt at theft, and
- (b) Third party property damage.

### Cover 4 - Fire and Theft only

This insures you for fire or theft of the insured vehicle only.

It does not insure you for third party property damage or Personal Injury.

In some circumstances cover for Third Party Property Damage or Personal Injury is available under the Farm Liability section of this policy.

## How much we will pay

### Cover 1 - Comprehensive

If you have chosen comprehensive cover, we will pay the amounts that are shown below:

#### (a) third party property damage

We will provide the same cover as is set out for cover 2 – third party property damage (other than the cover for uninsured third party vehicles).

#### (b) accidental damage including theft For accidental damage to or theft of your insured vehicle:

- (i) if it is economical to repair the damage, we will pay the cost of repair
- (ii) if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value or agreed value for the insured vehicle.

We will determine how much we will pay after we have assessed the damage

(i) if your damaged vehicle is a total loss:

- We will settle the claim on the basis of market value or agreed value depending on the cover shown on the Policy Schedule
- We will at our option:
  - replace your vehicle with an equivalent vehicle or pay you its market value or agreed value, depending on the cover shown in the Policy Schedule, at the time of the total loss, and
  - replace all insured accessories or pay you the cost to replace them as new less depreciation.
- If any sedan or station wagon is classified as a total loss and its market value is less than the amount owed by you under a lease or other financial arrangement in relation to the vehicle, we will pay an additional amount (not exceeding 15% of the market value of the vehicle) equivalent to the difference between the market value and the amount owed less any arrears and/or discount on interest and charges on the unexpired term of the lease or other financial arrangement.

(ii) if your damaged vehicle is NOT a total loss:

- We will repair it to a similar condition to that which it was in before the loss or damage.
- If it is necessary to repair to a better condition than it was in before the loss or damage, then we may ask you to contribute the additional amount to repair it to the better condition.
- If you have insured any accessories we will either repair them or pay for the cost to replace them as new, less an amount for depreciation, wear and tear.

### (c) New motor vehicle replacement

In the event of your insured vehicle being classed as a total loss, we will at our option replace it with a new vehicle of the same or similar make and model as long as it is available in Australia, provided:

- the period from the date of original registration as a new motor vehicle to the date of the loss did not exceed 24 months
- we obtain the written agreement of any other party with a financial interest in the motor vehicle
- the sum insured stated in the schedule is sufficient to cover the replacement value including registration, stamp duty and dealer charges.

If a new replacement vehicle is not available, we will replace your vehicle with the nearest equivalent vehicle available, so long as it is available in Australia. If we cannot agree on a replacement vehicle, we will pay you the amount it would cost to buy a new vehicle the same as, or a near equivalent of, the vehicle which needs replacing.

If the Excess is applicable it is payable to us before we replace your vehicle.

We also pay the registration, stamp duty and dealer charges on the new vehicle but any refund of registration fees or stamp duty applicable must be refunded to us.

**(d) Automatic cover - trailer**

In addition to the sum insured, we will pay the lesser of its market value or \$1,000 for damage to or theft of any box trailer you own which is not more specifically insured under this section if it is damaged while it is attached to your insured vehicle.

**(e) Protection and removal costs**

In addition to the sum insured, after an accident or theft involving your insured vehicle, we will pay the reasonable and necessary cost of:

- protecting the insured vehicle
- emergency repairs that are necessary to allow you to continue your journey (up to a maximum of \$500)
- removing the insured vehicle to the nearest repairer or place of safety
- re-delivery of the insured vehicle to you from those premises following repair
- cleaning up and removal of debris arising from the site of an accident not otherwise insured (up to a maximum of \$10,000).

**(f) Travelling, accommodation and expenses**

We will pay up to \$1,000 for any reasonable additional travelling and accommodation expenses incurred by you and your family resulting from a claim we accept under this section, as long as at the time of accident or theft, your insured vehicle was more than 200 km from the farm.

We will pay if you had intended to pay for overnight accommodation in any event.

**(g) Signwriting**

In addition to the sum insured, if your insured vehicle carries signwriting which is lost or damaged in an accident, we will pay the reasonable cost of replacing the signwriting up to a maximum of \$2,000.

If your insured vehicle is a total loss, then we will pay for the replacement of the signwriting on any replacement motor vehicle you purchase.

**(h) Caravan annexe**

If you have chosen to insure your caravan annexe, then we will pay for loss or damage to the annexe caused by:

- fire
- theft
- overturning, accidental collision or impact of your caravan or the vehicle to which it is attached, or
- storm, unless the annexe is made of canvas and is more than 5 years of age.

**(i) Theft of personal belongings following an accident:**

- (i) personal belongings in a vehicle other than a caravan

If following a collision with another vehicle or theft of your insured vehicle, any of your personal property in your vehicle at the time is stolen, we will pay for the loss of such personal property.

We will pay you the indemnity value of the property stolen, that is the new replacement cost of any item in Australia less an allowance for age, wear, tear and depreciation.

There is NO cover:

- if the vehicle is only broken into while parked
- for money, cheques or negotiables
- for unset gemstones, gold or silver nuggets
- for pets or any living animal, bird or fish
- tools of trade, stock or samples, or
- for mobile phones or two way radios for which there is a fitting installed in the vehicle.

In this clause, personal property means private household or personal possessions belonging to you or any member of your family who normally live with you.

The maximum amount we will pay is \$300 for any one event.

- (ii) personal belongings in a caravan

If you have chosen to insure your personal belongings used in connection with your caravan, we will pay for loss or damage to your personal belongings up to the sum insured shown in the Policy Schedule caused by:

- fire
- theft following forcible entry
- overturning, accidental collision or impact of your caravan, the vehicle to which it is attached, or
- storm.

We will pay you the indemnity value of the property lost, damaged or stolen, that is the new replacement cost of any item in Australia less an allowance for age, wear, tear and depreciation.

We will not pay any amount if your personal belongings are insured under the home buildings and home contents section or the valuables section of this policy.

**(j) Automatic replacement cover**

If you dispose of your Insured Vehicle and replace it with a similar vehicle, or purchase, lease, mortgage or hire purchase an additional similar vehicle then provided the replacement vehicle is worth less than \$100,000, we will automatically insure it under the same cover from the date you acquire it. Cover ceases on the disposed of vehicle.

You must pay us any premium we require. We may alter the Excess.

**(k) Hire car costs following theft**

If your vehicle is stolen, and such theft is covered under this policy, we will reimburse you for the reasonable cost of hiring a similar vehicle providing you first obtain our approval, but:

- we will not pay for hiring charges incurred after your vehicle is found
- we will not pay for fuel or other running costs
- cover is limited to a total period of 30 days
- cover stops once we pay the claim. The maximum amount we will pay is \$2,000 for any one event.

**(l) Disability modifications**

If, as a direct result of an accident to the insured vehicle your driver suffers a permanent disability



necessitating modifications to one of your insured vehicles, we will pay the reasonable cost of those modifications. We will not pay any more than \$3,000 less any amount you are entitled to recover from any compensation fund or authority.

**(m) Funeral expenses**

If, as a direct result of an accident to the insured vehicle, your driver suffers a fatal injury (whether death occurs at the time of the accident or not) we will pay up to \$3,000 for the reasonable costs of burial or cremation, including associated travel costs of the deceased person or their immediate family.

**(n) Additional costs**

We will pay the additional expenditure necessarily and reasonably incurred to an amount not exceeding \$25,000 following damage to your mobile farm machinery by an event covered by this section of the policy for the purpose of maintaining your pastoral activities. This additional benefit will be in accordance with Cover 2 additional cost of working in the Business Interruption section of this policy and is payable in excess of any amount you insure under the Business Interruption section of this policy.

**Cover 2 - Third party property damage**

(a) If you have chosen third party property damage cover, we will pay the amounts that are shown below:

(i) accidental property damage

For each accident we will pay:

The amount you (or any person you have allowed to drive, use or be in charge of your insured vehicle), may be held legally liable to pay for accidental damage to property belonging to other people caused by or arising out of:

- the use of your insured vehicle or goods falling from the insured vehicle
- the operation of loading and unloading your insured vehicle but not the collection or delivery of the load to or from your insured vehicle
- the transportation of dangerous goods. The maximum amount we will pay under this clause is \$1,000,000
- any person who is driving, using or in charge of your insured vehicle with your permission as if they were you and provided they are not entitled to indemnity under any policy or statute and provided such cover is not otherwise excluded.

(ii) substitute vehicle, cycle, caravan or trailer if your insured vehicle is disabled and you are using a substitute which does not belong to you, we will pay all sums you are legally liable to pay another person for damage to their property which is accidentally caused by the use of the substitute, provided that:

- you are only using one substitute motor vehicle, cycle, caravan or trailer at the time,
- the substitute vehicle is not already covered under another insurance policy,
- the substitute is of a similar type to the disabled insured vehicle, and

- the substitute vehicle is not owned by you
- we will not pay for damage to the substitute vehicle

(iii) Compulsory Third Party Insurance gap

we will pay the amount which you or any person driving using or in charge of your insured vehicle with your permission may be held legally liable to pay by way of compensation or damages for death of or bodily injury to persons arising out of the use of your insured vehicle.

We will not cover legal liability for death or bodily injury to:

- you or any person driving or in charge of your insured vehicle
- an employee of yours or who is deemed by any law to be your employee arising out of their employment with you.

We will not pay if:

- (a) your insured vehicle is not registered.
- (b) you or any person using your insured vehicle
  - are wholly or partly covered under any compulsory statutory insurance scheme or accident compensation scheme, or
  - would have been entitled to be covered under any such scheme as it existed at the commencement date of the period of insurance, even though there may have been a change in the law during that period of insurance, or
  - would have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme, or
  - would have been entitled to be covered under any such scheme had cover not been refused because you did not:
    - register your insured vehicle
    - apply for cover under the scheme
    - comply with a term or condition of the scheme.
  - use your vehicle in connection with or a loss is caused by or arises from asbestos or asbestos products or asbestos contained in any product

(iv) uninsured trailer

We will also pay all sums you are legally liable to pay another person for damage to their property which is accidentally caused by the use of any trailer being towed by a motor vehicle, provided that:

- the towage was not for reward
- only one trailer is being towed at the time of the accident.

We will not pay for any damage to the uninsured trailer or anything on or in it.

(v) your employer's or principal's liability

We will pay the amount your employer, principal or partner may be held legally liable to pay for accidental damage to property belonging to other people as a result of an accident while you are using your insured vehicle on business as long as it



is not a use that is excluded by this section under cover 2.

(vi) uninsured third party

In addition to the sum insured for this section, we will pay up to \$5,000 for damage to any insured vehicle which is a sedan, station sedan, panel van or utility as a result of an accident which is primarily the fault of the driver of another vehicle, who is not insured for the damage to your vehicle.

We will only pay if you can supply the name and address of the other driver.

(b) Limit of liability

We will not pay for more than \$30,000,000 for all claims of this type under this section during the period of insurance.

This amount includes your legal costs and expenses in defending or settling claims if you have our agreement in writing.

### Cover 3 - Third party fire and theft

If you have chosen third party fire and theft cover, we will pay the amounts that are shown below:

(a) third party property damage

we will provide the same cover as is set out for cover 2 - third party property damage.

(b) your motor vehicle

we will pay for loss or damage to your insured vehicle caused by or arising from fire, theft or attempted theft as follows:

- if it is economical to repair the damage, we will pay the cost of repair
- if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value and the sum insured for the insured vehicle.

We will determine how much we will pay after we have assessed the damage.

(c) Hire Car Costs following Theft

If your vehicle is stolen, and such theft is covered under this Policy, we will reimburse you for the reasonable cost of hiring a similar vehicle providing you first obtain our approval, but:

- we will not pay for hiring charges incurred after your vehicle is found
- we will not pay for fuel or other running costs
- cover is limited to a total period of 30 days
- cover stops once we pay the claim.

The maximum amount we will pay is \$2,000 for any one event.

### Cover 4 - Fire and Theft only

If you have chosen own vehicle cover, we will pay the amounts that are shown below:

(a) loss or damage by fire or theft:

- if it is economical to repair the damage, we will pay the cost of repair
- if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value and the sum insured for the insured vehicle.

We will determine how much we will pay after we have assessed the damage.

(b) protection and removal costs

after a fire or theft involving your insured vehicle, we will pay the reasonable and necessary cost of:

- protecting the insured vehicle
- emergency repairs that are necessary to allow you to continue your journey (up to a maximum of \$500)
- removing the insured vehicle to the nearest repairer or place of safety
- re-delivery of the insured vehicle to you from those premises following repair
- cleaning up and removal of debris arising from the site of an accident (up to a maximum of \$1,000)
- cleaning up and removal of debris arising from goods falling from an insured vehicle not otherwise insured (up to a maximum of \$5,000).

(c) Theft of Insured Vehicle If your Insured Vehicle is stolen, we will, at our option:

- supply a temporary replacement vehicle for up to thirty days, or
- pay the reasonable cost of hiring a replacement vehicle of a similar type (subject to local availability) until you obtain a replacement vehicle or your Insured Vehicle is returned to you after repair for up to thirty days hire or a maximum amount of \$2,000.

### The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum(s) insured set out in the Policy Schedule for each of the items which are insured by this section, other than for dangerous goods insured under cover 2 and 3.

We will pay up to \$1,000,000 for loss, damage or liability arising out of the carriage or loading and unloading of dangerous goods but we will not pay where the requirements of the dangerous goods code have not been complied with.

### Excess

You must pay any excess shown in the Policy Schedule for this section for each claim made under this section. You may have to contribute more than one excess in respect of the one claim. The excesses are shown in the Policy Schedule and are explained below:

#### Standard excess

This applies to all claims for loss or damage to your insured vehicle.

The standard excess will not apply to the first claim in any period of insurance for breakage of the windscreen or other window glass in your Insured Vehicle if no other damage has occurred.

#### Tipping excess

If any rigid body tipper or tipping trailer covered under this section is involved in an event giving rise to a claim while the tipping hoist is partially or fully extended, the standard excess as stated on the Policy Schedule in addition to any other excesses that may be applicable will be increased by 100%.

### Driver experience excesses

These are payable in addition to the standard excess. They apply if the person using your insured vehicle at the time of the event is:

- (a) under the age of 21 years, or
- (b) 21 years of age or over but under the age of 25, or
- (c) 25 years of age or over and has held a licence to drive the motor vehicle for less than two years.

If more than one driver experience excess applies, then those excesses will be cumulative.

You will not have to contribute to this additional excess if the only damage to your insured vehicle is a broken windscreen or window glass or hail damage.

No driver experience excesses are payable for the following vehicles:

- (a) mobile farm machinery
- (b) any unregistered cycle, and
- (c) caravans.

### When no Excess applies

You will not have to pay any excess if:

- (a) you can satisfy us that the claim involves a collision with another vehicle and the collision which gave rise to the claim was at least 60% the fault of the driver of another vehicle, and
- (b) you tell us the registration number of the other vehicle and the full name and address of the other driver, and
- (c) the amount of your claim exceeds the applicable excesses under this Section and
- (d) the damage to your vehicle was caused by hail.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from a third party.

The standard excess will not apply to the first claim in any period of insurance for breakage of the windscreen or other window glass in your Insured Vehicle if no other damage has occurred.

### Exclusions which apply to this section

We will not pay for:

1. any international or interstate freight charges or more than the manufacturer's latest price for parts which are not available locally (unless these costs are incurred with our consent)
2. if your vehicle has been imported and any part is not available in Australia, more than the cost of parts used in the repair of your vehicle up to the manufacturer's recommended list price in Australia. However if such list is not available, we will only pay for the cost of the parts plus the cost of freighting such parts by sea transport
3. loss of use, depreciation, wear and tear, rust or corrosion
4. any structural failure, mechanical, electrical, electronic or hydraulic breakdown failure or breakage. However

we will cover damage to your vehicle if an accident occurs to your vehicle resulting from structural failure, mechanical, electrical, electronic or hydraulic breakdown failure or breakage, or faulty design or workmanship, if such loss is otherwise covered by this section

5. damage to tyres (other than tyres on mobile farm machinery) caused by the application of brakes or by punctures, bursts or road cuts
6. any loss or damage due to failure to take reasonable steps to ensure the safety of the insured vehicle
7. any loss or damage, if your vehicle was not reasonably secured against further damage or theft, following an accident
8. theft or any malicious act, committed by:
  - any person who is insured by this Policy or in collusion with any person insured by this Policy, or
  - any person or entity to whom the insured vehicle is lent, leased or hired.
9. loss or damage caused by lawful repossession, seizure or other operation of law
10. monetary loss incurred by you through contractual or financial arrangements involving your insured vehicle
11. loss or damage to your caravan, annexe and personal belongings when:
  - let out on hire
  - your caravan is being used other than for private purposes.
12. loss suffered as a result of inability to use your caravan
13. any claim for liability for property damage or personal injury to others if your insured vehicle is not registered at the time of the accident
14. any claim caused by vibration or the weight of your insured vehicle and its load
15. any claim for property damage caused by or arising from the use of your insured vehicle or anything attached to it as a tool of trade for any form of reward other than contracting as provided for in the definition of farm business
16. property damage or bodily injury or liability for more than \$1,000,000 for loss or damage or liability in respect of any one accident or series of accidents arising out of any one event from the transport of dangerous goods
17. any liability for loss or damage to any vehicle other than your own, which is being used to tow a caravan insured by this section
18. any claim if at the time of the loss or accident your insured vehicle was used to carry a number of passengers in excess of that for which your insured vehicle was constructed, registered or licensed
19. any claim if at the time of the loss or accident your insured vehicle was carrying a load in excess of that for which it was designed, registered or licensed
20. any claim if at the time of the loss or accident your insured vehicle was being:
  - tested other than in connection with or while undergoing service or repair
  - used in any experiments

- used in or prepared for reliability trials, speed trials, hill climbing tests, rallies, races or other motor sports events or demonstrations
  - used in or prepared for any stunt for film, video or audio recording, or
  - used while in an unroadworthy or dangerous condition.
21. any claim if at the time of the loss or accident your insured vehicle:
- was used otherwise than in accordance with the description of use stated in the Policy Schedule
  - was used for the conveyance of passengers for hire, fare or reward other than under a private pooling arrangement
  - was let out on hire
  - formed part of your stock in trade
  - was used in the business of a motor driving school
  - was used for the business or occupation of the collection and delivery of goods articles or livestock for reward unless noted in the Policy Schedule.
22. any claim if at the time of the loss or accident:
- you or any person driving or riding with your consent was not licensed to drive or ride your insured vehicle under any law, or
  - your insured vehicle was being driven or ridden on a public road by a person who was not licensed to drive or ride the insured vehicle on a public road.
23. any claim if at the time of the loss or accident you or any person were driving your insured vehicle:
- under the influence of, or when impaired by any drug or intoxicating liquor, or
  - when the percentage of alcohol and/or drugs in the breath or blood was in excess of that permitted by law but if you can prove you did not know that the driver of your insured vehicle was so affected, we will indemnify you.
24. any claim for damage if, following an accident involving your insured vehicle, you or any person entitled to cover under this section refused to submit to a test to determine the percentage of alcohol and/or drugs in the breath or blood when requested to do so
25. any claim for loss or damage resulting from the use of a fuel system that does not comply with the appropriate Australian Standard Code
26. any claim for loss or damage resulting from or occasioned by you (or any person entitled to cover under this policy) stealing, converting, absconding with or otherwise misappropriating your insured vehicle or deliberately inflicting damage with or to your insured vehicle
27. any additional costs, such as but not limited to hire car costs, (other than those covered elsewhere in this policy), because you cannot use your insured vehicle even though your insured vehicle may not be available following loss or damage covered under this section
28. any loss, damage or liability if any articulated motor vehicle covered under this section is, at the time of an accident, being driven by or is in the charge of a person who is under 25 years of age and engaged in contracting work other than farm contracting to the

extent allowed in ‘Words with special meanings – Farm business’

29. any loss, damage or liability if any rigid body motor vehicle with a carrying capacity of 8 tonnes or greater is, at the time of an accident, being driven by or is in the charge of a person under 21 years of age and engaged in contracting work other than farm contracting to the extent allowed in ‘Words with special meanings – Farm business’
30. any breakage of or damage to boring equipment while the boring machine is in operation
31. liability directly or indirectly caused by or arising out of the discharge, dispersal, release, escape or seepage of Pollutants into or upon any property, land, the atmosphere, watercourse or body of water. We shall also not be liable to pay any costs and expenses incurred in the prevention, removal or clean-up of such Pollutants. This exclusion shall not apply if such discharge, dispersal, release or escape is caused by a sudden, identifiable, unexpected and unintended happening and takes place in its entirety at a specific time and place and provided the limit of our liability in such circumstances, whether or not there is more than one occurrence during the period of insurance, is limited in the aggregate to the limit of liability.

### Conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

### Maintenance

You must take reasonable steps at all times to safeguard your insured vehicle from loss or damage and to maintain it in efficient condition.

### Repairs

You must not authorise repairs to your insured vehicle without our consent.

### Cancellation/salvage

If we settle a claim for your insured vehicle on the basis that it is a total loss:

- (a) we will not refund any premium to you for that insured vehicle, and
- (b) we will retain the proceeds of any sale of the wreck of your insured vehicle.

### Alterations

This section of the Policy will automatically terminate if the suspension, wheels or engine of your insured vehicle were altered to increase performance beyond the manufacturer’s specifications unless:

- we have previously agreed to the alteration,
- you have paid any additional premium we require, and
- you have agreed to accept any alteration or addition to the terms of this Policy.

### General average

If the insured vehicle is transported by sea within Australia and as a result of a loss you are charged general average and/or salvage costs, then we will pay those costs.

### **Accident or loss occurring within 9 weeks of renewal**

If you report an accident or theft that affects your No Claim Bonus:

- within the 9 week period to the expiry date of this Policy, or
  - after the expiry date of this Policy but the claim occurred prior to the expiry date,
- you must pay any additional premium payable as a result of the effect of that claim on your No Claim Bonus within 28 days of written notice to you of the additional premium payable.

### **No Claim Discount benefit - Applies to Comprehensive cover only**

If your vehicle is insured for Comprehensive cover and you do not have a claim, we apply a discount off your next year's renewal premium. This reward is called the 'No Claim Discount'.

The more 'claim free' years that you have, the greater the percentage of discount, until you reach the maximum level of discount after 5 years. Even if you have a claim where your No Claim Discount would be affected, you may not lose all of your No Claim Discount. If you have a claim and you have not accumulated any No Claim Discount we will increase your invited renewal premium.

We also accept the number of claim free years that you may have accumulated with another insurer in calculating your No Claim Discount.

### **Accidents/losses affecting your No Claim Discount**

When calculating your renewal premium we take into account accidents/losses that occur during the period of insurance may affect your No Claim Discount.

### **Faultless No Claim Discount benefit - Applies to Comprehensive cover only on sedans, station sedans and utilities used solely for private purposes**

If you have been involved in a collision (and not any other type of accident) with another vehicle we will not penalise your No Claim Discount entitlement when you renew your Policy if:

- you can satisfy us that the collision was at least 60% the fault of the driver of another vehicle, and
- you tell us the registration number of the other vehicle and the full name and address of the other driver.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from the responsible person.

This benefit does not apply to windscreen or window glass damage only claims.

If you live in a State or Territory where liability is apportioned in the courts, or determined by the Barometer of Responsibility, you will qualify as 'faultless' if you are 40% or less to blame for any accident.

Where the driver of the other vehicle disputes who was at fault, the No Claim Discount will be affected but reinstated to the level it was before the claim, if it can be established to our satisfaction that the other driver was at least 60% at fault.

## **Special Clauses**

Only those clauses shown in the Policy Schedule will apply.

### **Dangerous goods**

Provided that the transportation of dangerous goods is limited to classes 2,3,4,5,8 and 9 as listed under The Australian Code for the Transport of Dangerous Goods by Road and Rail.

### **Tools of Trade**

It is agreed that the maximum amount we pay under the 'tool of trade' exclusion is amended to the amount shown in the Policy Schedule in respect only to those motor vehicles whose registration numbers are shown on the Policy Schedule.

### **Radius restriction**

It is agreed that any articulated insured vehicle or any rigid body Motor Vehicle with carrying capacity of 8 tonnes or greater covered under this Section are only covered for loss, damage or liability while operating within the kilometre radius of your home, base(s) or depot(s), shown on the Policy Schedule, unless noted otherwise.

The following special clauses apply to sedans, station wagons or vehicles with a gross carrying capacity under 2 tonnes.

Only those special clauses that are shown on the Policy Schedule will apply.

### **Off Road Clause**

The basic excess plus any other applicable excesses payable under this section is double if your insured vehicle is damaged while it is being driven on any beach or off any public road (excluding driveways) on land not belonging to you.

### **Theft Clause**

If your insured vehicle is stolen and the security system was not active at the time, you must contribute an excess of \$200 in addition to any other excesses payable.

### **Protected No Claim Bonus Clause**

If you are involved in an accident and you make a claim where your no claim bonus would normally be affected, then your no claim bonus entitlement will not be reduced at renewal of your Policy provided you:

- (i) are, at the time of the accident, on maximum no claim bonus, and
- (ii) do not have more than one claim, where this clause is applicable, in any one period of insurance.

## **Section 10 – Personal Accident & Illness**

This section provides certain benefits/lump sum to those persons you choose to insure if they suffer an injury, sickness or disease while this Policy is current.

If you have chosen this cover it will appear on your Policy Schedule.

### **What we insure**

This section insures the persons nominated in the Policy Schedule (we call them the 'insured persons'),

- for the capital benefit and weekly benefits shown in this section and in the Policy Schedule
- if they sustain injury or illness
- during the period of insurance.

You may choose to cover the insured persons for either or both capital benefit or weekly benefits:

- against injury only, or
- against injury and sickness.

The cover options you have chosen are shown in the Policy Schedule.

### Change of occupation

Please remember we only cover you for the occupation of a farm business unless otherwise shown in the Policy Schedule so you should notify us immediately if there is any change in your occupation. We will then decide whether to insure you for your new occupation and if so on what terms.

### Definitions applicable to this section

#### Accident only cover

means where this is shown in the Policy Schedule you will not be entitled to benefits resulting from Illness.

#### Illness

means any sickness or disease which first appears while the section is in force, but not if it results from:

- war, invasion or civil war
- childbirth or pregnancy
- HIV or any condition caused by HIV including AIDS.

#### Injury

means bodily injury (including death):

- resulting from accident which is not an illness, and
- which occurs while this section is in force, and
- includes any condition resulting from exposure to the elements as a result of bodily injury, but NOT bodily injury resulting from:

- war, invasion or civil war
- driving a motor vehicle while having a percentage of alcohol and/or drugs in your breath or blood in excess of that permitted by law
- professional sporting activities unless we agree and you pay any extra premium we require
- flying except as a passenger on aircraft authorised to fly under all laws and regulations which relate to the safety of aircraft
- intentional self injury or suicide
- practice for or playing organised football of any kind unless we agree and you pay any extra premium we require
- driving or riding in any kind of race
- motor cycling except for agricultural or pastoral purposes
- the insured person's criminal or illegal act
- alcoholism or drug addiction.

If you are travelling on a journey and:

- your means of transportation disappears, sinks or is wrecked and

- your body has not been found within one year we will presume that you have died as a result of injury.

### Occupation

means your usual farm business activities or other occupation, business, trade or profession when shown in the Policy Schedule.

### Paraplegia

means total paralysis of both legs and a part of or the whole of the lower half of the body.

### Permanent

means continuing for twelve months and which will, in all probability, continue for the remainder of your life.

### Physical severance

means occurring to a hand or foot at or above the wrist or ankle, to an arm or leg at or above the elbow or knee and to a finger or toe at or above the third joint from its extremity.

### Quadriplegia

means total paralysis of both legs and both arms.

### You/your

in this section of the Policy means:

- the insured person named in the Policy Schedule. All benefits will be paid to this person except for the death benefit which will be paid to their legal personal representative
- if the person who applied for this insurance and paid the premium
  - is some one other than the insured person and
  - is shown in the Policy Schedule as the insured then 'you/your' is that person.

All benefits will be paid to the insured and for the purpose of making a claim, paying a premium and receiving benefits you/your will also refer to the insured.

### What we will pay

#### Weekly Benefits

If because of injury or illness:

- you are prevented from working in your occupation
- within twelve months of the injury or illness.

We will pay you

- the weekly sum insured shown in the Policy Schedule
- up to the maximum period shown in the Policy Schedule as the benefit period

#### Weekly Benefits – Partial Disablement

If because of injury or illness:

- you are prevented from working in your occupation
- within twelve months of the injury or illness we will pay you:
  - 25% of the weekly sum insured shown in the Policy Schedule
  - up to the maximum period shown in the Policy Schedule as the benefit period

But we will NOT pay any benefit for total or partial disablement:

- for the first period that you cannot work which is shown in the Policy Schedule as the excluded period of claim
- in respect of any injury or illness if, while you are receiving weekly benefits, you commence any new occupation
- for more than one injury or illness at any one time.

(a) Injury

We will reduce your payment by any weekly benefits you are entitled to receive from:

- sick leave
- any statutory workers compensation or transport accident scheme.

We will stop paying weekly benefits if you become entitled to a 100% capital benefit.

(b) Illness

We will:

- only pay if you cannot work for more than five consecutive working days counted from the first day you receive medical attention and
- reduce our payment by any weekly benefits you are entitled to receive from
  - sick leave
  - any statutory workers compensation or transport accident scheme.

Please note that while this section of the Policy is in force you must tell us immediately if:

- you take out similar insurance with us or another insurer, and
- the combined weekly benefits under this Policy and the similar insurance will exceed your earnings.

(c) Recurrent Injury or Illness. Where you suffer recurrence of an injury or illness:

- for which you have claimed weekly benefits
- while this section of the Policy is in force
- and there has been a period of less than six months between your return to work in your occupation and the recurrence

It will be treated as a continuation of the original claim.

### Capital Benefits

If injury results in any of the conditions you have selected (as shown in the Policy Schedule) within twelve months of the injury, we will pay the benefit shown as a percentage of the capital sum insured shown in the Policy Schedule.

Please remember, we will assess whether a condition is permanent (items numbered 2 to 27 in the capital benefit table) at the end of the twelve month period from the date of the injury on the medical evidence then available.

Please note:

- the benefit payable in the case of death will be reduced by any capital benefit paid for the same injury
- all further cover ceases if you become entitled to a capital benefit of more than 75% of the capital sum insured
- we will not pay any capital benefit for more than one condition at any one time
- you can only claim one capital benefit for any one condition.

## Capital Benefit Table

<b>Condition</b>	<b>Capital Benefit</b>
1. Death	100%
2. Permanent disablement which results in your being unable to engage in all occupations for which you are reasonably qualified by education, training, or experience	100%
3. Permanent quadriplegia	100%
4. Permanent paraplegia	100%
5. Permanent and incurable paralysis all limbs	100%
6. Permanent unsound mind to extent of legal incapacity	100%
7. Permanent total loss of sight in one or both eyes	100%
8. Permanent total loss of hearing in both ears	100%
9. Permanent total loss of the lens of one eye	50%
10. Permanent total loss of hearing in one ear	50%
<b><i>Permanent Physical Severance or Permanent Total loss of use of the following</i></b>	
11. Both hands	100%
12. Both arms	100%
13. Both feet	100%
14. Both legs	100%
15. One hand and one foot	100%
16. One hand and one arm	100%
17. One foot or one leg	100%
18. Four fingers and one thumb	75%
19. Both joints of one thumb	35%
20. One joint of one thumb	20%
21. Three joints of one finger	15%
22. Two joints of one finger	10%
23. One joint of one finger	7.5%
24. All toes on one foot	15%
25. Great toe – both joints	7.5%
26. Great toe – one joint	5%
27. Each toe other than great	2.5%
<b><i>Other Conditions</i></b>	
28. Third degree burns which cover more than 50% of the entire body	20%
29. Loss of at least 50% of all sound and natural teeth, including capped or crowned teeth – per tooth	1%
30. Permanent total loss of speech	75%
31. Permanent disfigurement by burns to more than 50% of the surface area of the head and neck	30%
32. Fractured leg or patella with established non union	10%
34. Total and incurable blindness or complete and permanent paralysis of any 2 limbs, having continued for at least 12 months, and provided the insured person has become entitled to compensation under benefit 2	100%

## Additional benefits

In addition to any capital benefit and/or weekly benefits that are or both eyes payable under this section, we will pay the following:

### Modification benefit

Where a capital benefit is payable under condition 2 to 5 inclusive we will also pay for the cost necessarily incurred by you in modifying your motor vehicle or home or in relocating your motor vehicle or home or in relocating you to a suitable home, to a maximum sum in all of \$10,000.

### Accommodation expenses

If the insured person reasonably needs to be admitted as an inpatient of a hospital which is more than 200 kilometres from the farm, then we will pay the reasonable accommodation costs incurred for their spouse and children to visit the insured person while in hospital up to a maximum of \$2,000 in total during any one period of insurance.

### Totally disabled spouse

If the spouse of the insured person suffers any injury that entirely prevents the spouse from carrying out their normal duties, then we will pay 25% of the weekly benefit for the period that the spouse is so disabled up to a maximum of \$2,000 in total.

We will not pay any amount if the spouse is in receipt of a capital benefit under this section or the equivalent under any similar policy of insurance.

### Illness - Capital benefit

If the insured person suffers total and incurable loss of sight in both eyes or complete and permanent paralysis of 2 limbs, we will pay an amount to 100% of the Capital Benefit in the table of benefits for injury.

Optional Benefits - if any of the following options are selected, they will be shown on the Policy Schedule. An additional premium is applicable for each of these options.

### Pilot Risk

If this optional benefit is selected we will pay the capital benefit set out in the table above if the insured person suffers any of the conditions described in the table as a direct result of an accident while piloting any aircraft that he is qualified and legally permitted to fly under Australian law. This additional benefit is not available if the aircraft is being used for aerial spraying, aerobatic displays, or is an ultra light aircraft or a rotary wing aircraft.

### Football

If this optional benefit is selected we will pay a maximum of 26 weeks weekly benefit for injury to the insured person arising directly from an accident in the course of playing football.

An excluded period of 14 days will apply to all claims under this benefit.

### Dependent Children

For the purpose of this additional Benefit, 'Dependent Child' means your natural, step, foster or legally adopted child who is under 19 years of age, or in the case of full time students, under

26 years of age, but only if they are unmarried and living permanently with you. Children who are students must attend an accredited educational institution.

We will pay you compensation for injury to your dependent children named in the policy schedule if the injury results in any of the conditions 1 to 35 in the Capital Benefits Table happening to them within 1 year of the injury.

We will not pay more than the percentage of compensation stated in the defined event applied to a capital sum insured of \$25,000.

If the dependent child suffers more than 1 of the defined events as a result of the same injury, we will only pay the higher of the applicable benefits.

We will not pay more than 100% of the compensation in any one period of insurance.

### Educational Benefit – dependent students

We will pay the reasonable costs which must be met in order to provide special education facilities for a dependent child of the insured person as a direct result of an injury causing any of the conditions 2 to 35 in the Capital Benefits Table. The maximum amount we will pay is the Capital Benefit shown in the Policy Schedule.

### Funeral Expenses – dependent children

If the dependent child of the insured person dies as a direct result of an injury we will pay the reasonable costs up to \$3,000 incurred in funeral or cremation expenses including the cost of returning the remains of the dependent child to their normal place of residence.

### Conditions which apply to this section

There are also conditions which apply to all sections of this Policy

### Claims

You must follow these procedures if you sustain an injury or illness. If you do not, we may decline your claim or reduce your benefit:

- (a) you must get proper medical advice from a qualified medical practitioner as soon as possible after sustaining an injury or illness
- (b) you must give us all details of any other insurance covering the same injury or illness
- (c) you (or your legal personal representative) must:
  - complete our claim form, and
  - provide us with all information we may reasonably require.
- (d) you must give us at your own expenses all medical and other certificates and evidence which we may reasonably require to assess the claim
- (e) you must undergo any medical examination we may reasonably require to assess the claim, and which we will arrange at our expense
- (f) you must continue to be a resident of Australia.



We may have a right to recover money payable under this section from another person who is liable to compensate you. You must co-operate with us fully in any action we take in exercising any such right. We have full discretion in the conduct of any proceedings and in the settlement of any claim.

### Medical examination of an insured person

Provided that we give reasonable notice, we will be allowed, at our expense, to have any insured person medically examined or, in the event of death, a post mortem examination carried out.

## Section 11 – Boat

If you have chosen this cover it will be shown on your Policy Schedule.

### Definitions which apply to this section

#### Accident

means an incident that is unforeseen and unintended and that causes loss or damage. This includes a series of accidents arising out of the one event.

#### Boat

means the boat described in the Policy Schedule. Your boat is comprised of:

- the hull
- its motor(s), including fuel tanks (unless they form part of the hull)
- equipment and accessories
- its sails, masts, spars, standing and running rigging
- its trailer.

#### Damage

means any form of physical harm to the boat but does not include wear and tear or anything that was present before this Policy came into force.

#### Equipment and accessories

means safety equipment installed or carried in accordance with statutory requirements and any other equipment intended for the use of or with the boat including:

- any tender used with your boat
- anchors
- oars or paddles
- detachable canopies
- boat and motor covers
- bilge pumps
- life-saving equipment including life jackets
- auto pilot
- depth sounders
- electronic navigation equipment
- global positioning system
- EPIRB (Emergency Position Indicating Radio Beacon)
- two-way radios
- fire extinguishers
- seat cushions
- lights
- batteries
- horns
- cooking stoves
- chairs

- equipment for towing water skiers as shown in the Policy Schedule.

Note: This definition excludes equipment for fishing, diving or any other water sport. Please also refer to the section 'What is not covered'.

#### Excess

means the first amount of any claim which must be paid by you. If an excess is applicable to any sections of your Policy the amount will be shown in the Policy Schedule.

- this amount will be deducted from the amount payable on each claim
- there is no excess for claims arising out of death or bodily injury under the personal accident or legal liability sections of this Policy Section 11.

#### Hull

means the shell of the boat, deck, fixtures and fittings on deck or below deck that are not normally removable and would be normally sold with the boat. Note: Refer to the section 'What is not covered'.

#### Legal liability

means your legal responsibility arising out of the use of the boat to pay compensation for death, injury or damage to other people (including members of your family) or their property. This responsibility only arises if you have done something wrong or you are at fault. Note: Refer to the sections 'What you are not covered for - Liability' and 'When you are not covered'.

#### Motor(s)

includes:

- inboard motors
- outboard motors
- stern drive units
- jet units
- gear boxes
- propellers
- shafts
- skegs
- portable fuel tanks and lines
- wiring harness
- instruments (e.g. tachometer)
- control cables
- generators.

#### Omission

means a failure to act and includes a failure to do or say something.

#### Personal effects

means as listed below:

- clothing
- waterproof gear, bags
- food or beverage coolers
- shoes
- wallets or purses excluding cash and credit cards
- toilet articles
- hats or caps
- keys or pens
- portable: radio, radio cassette and compact disc players.

Note: This definition excludes equipment for water skiing, fishing, diving or any other water sport - this equipment can be covered separately on application. Please also refer to the section 'What is not covered'.

### **Sails, masts, spars, standing and running rigging**

means sails, masts, spars, booms and fittings, spinnaker poles, standing and running rigging. Note: Refer to the section 'What you are not covered for'.

### **Salvage**

means either:

- (a) what is left of the boat after it has suffered loss or damage, or
- (b) the action of saving the boat in a time of peril.

### **Tender**

means an auxiliary boat (or dinghy) (capable of being and usually carried on deck or on davits on your boat or which is towed behind your boat) that is used as a lifeboat or means of transportation between your boat and the shore, or for both purposes. A tender must be marked with the registration number of your boat and not registered in its own right.

### **Theft**

means a person has taken your boat, equipment and accessories without your knowledge, prior consent or agreement, with the intention of permanently depriving you of them.

### **Total sum insured**

means the amount we agree to insure your boat for and is the total value for all of the boat's hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and trailer, whether individual sums insured are specified for these items by you or not.

### **Water skiing or aquaplaning**

means travelling on the surface of water, either barefoot, or on water skis or similar devices designed for that purpose while being towed by your boat. Note: Refer to the sections 'What you are not covered for – Liability' and 'When this water skiers or aquaplaning extension does not cover you'.

### **Yacht racing risks**

means taking part in a sporting event organised by a club or association. Cover applies only when we have agreed to grant the optional yacht racing risk extension or yacht club social racing risk extension and you have paid the premium. This will be shown in your Policy Schedule. Note: Refer to the sections 'What you are not covered for – loss of or damage to your boat' and 'When you are not covered'.

### **Cover for your boat**

#### **What is covered**

We will cover your boat described in your Policy Schedule including:

- the hull
- motors
- equipment and accessories

- sails, masts, spars, standing and running rigging, and
- trailer
- personal effects (or those of any passenger on your boat).

while it is navigating or in transit within the cruising limits specified in your Policy Schedule, and including while the boat is at any marina, slipway or location when laid-up ashore or engaged in any voluntary rescue work.

#### **What is not covered**

We will not cover:

- any boat, being a combination of hull and motor, which is capable of a speed exceeding 50 knots
- moorings
- money, credit cards, spectacles, sunglasses, watches, jewellery, cameras, mobile phones, pagers, consumable stores, compact discs, audio or video tapes.

#### **What can be covered additionally (on application)**

If we agree we will show them in your Policy Schedule:

- any dinghy or tender used with your boat capable of a speed exceeding 20 knots
- equipment for water skiing, fishing, diving or any other water sports (excluding while in use).

Note. These items are not automatically covered unless agreed in writing by us.

Please remember that you will have to pay any excess shown on your Policy Schedule.

#### **Lay up cover option**

If this option is taken, cover for your boat is restricted to accidental loss or damage caused by an insured event as detailed in this section occurring while the boat is within the gates, walls or fence of your home address (or at any location you have advised us of and we have agreed to cover in writing).

This optional restricted cover gives you a discounted premium and only applies if indicated and during the months stated, on your Coverage Summary.

#### **What you are covered for - loss of or damage to your boat**

We will cover you for:

- (a) accidental damage
  - if your boat is damaged accidentally
  - if your boat sinks accidentally, provided it was in seaworthy condition at the time of sinking.
- (b) theft
  - of the entire boat including trailer, outboard motor(s), equipment and accessories
  - of part of the boat including trailer, outboard motor(s), equipment or accessories from:
    - the boat, or
    - the place of storage of the boat, trailer, outboard motor(s) or the equipment and accessories.

In the event of a claim it will not be necessary for you to demonstrate that there is physical evidence of visible and forced entry, but it is a condition of this cover that you are at all times required to take reasonable measures to prevent theft e.g. placing

- equipment/accessories or outboard motors temporarily removed from the boat in a secure place of storage.
- (c) malicious damage if your boat is damaged maliciously
  - (d) transit damage if your boat is accidentally damaged during transit on its own trailer by road, rail or ship, provided your boat is designed to be normally trailed by a boat trailer and you are complying with all statutory requirements. If your boat is transported by sea within Australia and as a result of a loss you are charged general average and/or salvage costs, then we will pay those costs.
  - (e) clean up costs, we will cover you for the reasonable costs of cleaning up an accident site following accidental discharge, emission spillage or leakage upon or into waters or land of oil, diesel, petroleum products effluent or sewage following an insured event up to a maximum of \$20,000. We pay these costs in addition to the sum insured of your boat.
  - (f) pollution hazard. We will cover you for damage caused to your boat by any governmental authority in order to prevent or minimise a pollution hazard or threat of such a hazard resulting from damage to your boat, provided this has not resulted from a lack of due diligence by you
  - (g) recovery or removal of wreck costs. If your boat is damaged or sinks accidentally, and we agree to recover it or the law requires that it must be removed, we will pay the reasonable costs of the removal/recovery of the wreck. These costs are recoverable in addition to the sum insured of your boat and are subject to a limit of \$1,000,000
  - (h) other expenses. If your boat gets into difficulties or is damaged accidentally, we will pay the reasonable cost of taking action to:
    - minimise loss or damage, or
    - remove the boat to safety (including emergency towing), or
    - dry all the electrical equipment in the motor (s), or
    - clean and oil the motor (s).

You do not need our authority to take such action if it is an emergency and you are unable to contact us to obtain authority.

However, you must advise us as soon as possible after the action has been taken.

These costs are recoverable in addition to the sum insured of your boat. The additional amount we will pay is limited to the sum insured of your boat shown in your Policy Schedule.

Please remember that you will have to pay any excess shown on your Policy Schedule.

#### **What you are not covered for - loss of or damage to your boat**

We will not cover you for:

- loss of any outboard motor (s) when they are secured to the boat in a manner other than that specified or recommended by the manufacturer
- theft of your boat or any part of it by persons to whom you have loaned your boat

- loss or damage intentionally caused by you or a person acting with your express or implied consent, unless required by law
- depreciation
- loss or damage caused by normal wear and tear
- loss or damage caused by timber rot, delamination, osmosis, deterioration, vermin, marine growth
- loss or damage caused by rusting or other forms of corrosion, or electrolysis
- loss or damage caused by lack of maintenance
- mechanical, structural, electrical or electronic failures. We will pay the resultant damage to your boat due to the failure, but we will not pay for the cost of repairing or replacing the item that failed
- the cost of repairing or replacing any part of the boat which is defective and the defect is caused by fault or error in design or construction or faulty workmanship
- financial, emotional or psychological loss which occurs because you cannot use your boat
- accidental loss or damage to fishing gear, diving equipment, tools and/or water ski equipment while in use
- damage to sails and protective covers caused by the force of wind unless there has also been damage caused to the masts, spars or the boat
- damage to sails, masts, spars, standing and running rigging while your boat is racing - unless you pay an additional premium and we agree to provide the optional yacht racing risk extension or yacht club social racing risk extension
- any claim arising directly or indirectly from pollution or contamination by any substance
- any fine or penalty.

#### **How much we pay - loss of or damage to your boat**

This is an agreed value policy. Where specified and shown in the Policy Schedule, there is an agreed sum insured for each of:

- the hull
- the motor(s)
- sails, masts, spars, standing and running rigging
- trailer
- equipment and accessories.

Individual items of equipment and accessories have an agreed sum insured where specified by you.

In the event of a claim, the maximum we will pay you for each item lost or damaged is the agreed sum insured for that item.

Where you have not specified a separate sum insured for either a part of the boat as above, or an individual item, then the maximum we will pay is the current market value of the part or item.

However, the maximum amount payable will not exceed the total sum insured under any circumstances. Any amount payable will be reduced if the total market value of the boat including all items listed above exceeds the total sum insured shown in the Policy Schedule by more than 20%. The amount payable will be reduced in proportion to the difference between the market value of the whole boat and the total sum insured.

We will, at our option,

- repair or replace the item involved, or
- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the sum insured (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation may apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

When we take the option of repairing an item, the amount that we pay is limited by the actual value of the item being repaired compared with its age and condition.

If your boat is less than one year old, we will not apply depreciation in determining the amount paid to you.

Your personal effects are automatically covered under the Policy while they are on your boat, and the maximum we will pay for loss of or damage is \$200 for any one item up to a maximum of \$2,000 in total any one claim for the reasonable cost of repairing or replacing the lost or damaged item.

### **Additional benefits**

We give you the following additional benefits:

#### **Personal accident cover**

If you suffer bodily injury as a result of an accident during the period of insurance which arises directly out of the use of your boat, and that results within 6 calendar months in either:

- death
- temporary total disablement
- permanent total disablement.

We will pay in the event of your:

- death - the sum of \$10,000
- temporary total disablement - the sum of \$100 per week, up to a maximum of 100 weeks
- permanent total disablement - the sum of \$10,000.

To qualify for payment you must obtain and follow advice of a qualified medical practitioner (other than you or your spouse) as soon as possible after the accident.

In this additional benefit:

‘Temporary Total Disablement’ means you are unable to carry out all the normal duties of your occupation solely and directly as a result of the injury.

‘Permanent Total Disablement’ means you have been unable to carry out any occupation for which you are fitted by reason of

your education, training or experience for a period of at least 12 consecutive months and you remain unable to do so for a continuous indefinite period solely and directly as a result of the injury.

#### **Power boat association time trials**

We will provide cover if your boat is participating in time trials conducted under the control or regulation of the Power Boat Association to a maximum speed of 15 knots.

#### **Options you can choose for additional premium**

The following options may be obtained on application, and for an additional premium:

#### **Optional yacht racing risk extension**

##### **What you are additionally covered for**

If we have agreed to cover you for yacht racing risks and shown it in your Policy Schedule, we will provide additional cover to you for loss of or damage to your boat including its:

- sails, or
- masts, or
- spars, or
- standing and running rigging while your boat is racing.

We will only cover you when your boat is operating within the following navigational limits:

- moored boats – within 100 nautical miles of your boat’s home port
- trailer boats – within 100 nautical miles of the place where your boat was last launched from:
  - the Australian mainland, or
  - an Australian offshore Island within 200 nautical miles of the Australian mainland including Tasmania.

#### **When you are not covered**

We will not cover you for any racing outside of the areas set out above, unless you have our agreement in writing.

#### **How much we pay under this optional cover**

If an item is lost or damaged while your boat is racing, we will, at our option:

- repair or replace the item involved, or
- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the agreed sum insured (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed value, then depreciation will apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

If you make a claim under this optional cover you will have to pay the yacht racing risk excess shown on your Policy Schedule

for any loss or damage to your boat or any legal liability for damage to other people's property.

The sections of the Policy called

- 'What you are not covered for - loss of or damage to your boat'
  - 'What you are not covered for - legal liability'
  - 'When you are not covered'
- also apply to this extension.

#### **Optional yacht club social racing risk extension**

If we have agreed to cover you for yacht club social racing risks and shown it in your Policy Schedule, we will provide additional cover to you for loss or damage to your boat including its:

- sails, or
- masts, or
- boom, or
- standing and running rigging

while your boat is being raced in yacht club social races not exceeding 15 nautical miles from your boat's home port.

This cover excludes spinnakers and/or extras.

#### **How much we pay**

If an item is lost or damaged while your boat is racing in yacht club social races, we will, at our option,

- repair or replace the item involved, or
- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the sum insured (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed sum insured) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation will apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

If you make a claim under this optional cover you will have to pay the yacht racing risk excess shown on your Policy Schedule for any loss or damage to your boat or any legal liability for damage to other people's property.

The sections of the Policy:

- 'What you are not covered for - loss of or damage to your boat'
- 'What you are not covered for - legal liability'
- 'When you are not covered'

also apply to this extension.

#### **Legal liability cover**

##### **What you are covered for - legal liability - operating your own boat**

We cover you and any person allowed by you to control your boat against legal liability for:

- accidental death or bodily injury to a person other than you
- accidental death or bodily injury to you when another person allowed by you is in control of your boat
- accidental damage to other people's property caused by the use of your boat.

##### **What you are covered for - legal liability - operating a substitute boat**

We will cover you against legal liability for:

- accidental death or bodily injury to a person other than you
- accidental damage to other people's property caused by the use of the substitute boat provided that:
  - you have permission from its owner
  - your boat is not being used at the time
  - you or any member of your family do not own or have an interest in the substitute boat.

If you are entitled to cover under any other policy we will only be liable under this section for the amount your liability exceeds the limits of cover under any other policy.

##### **What you are not covered for - legal liability - operating your own or a substitute boat**

We will not pay the costs of your liability for:

- loss of or damage to any property owned by you or in your custody or control or the property of any other person covered by this Policy
- bodily injury to, or the illness or death of a person who is covered (or should have been covered) by any compulsory compensation insurance, including any compulsory third party boat insurance
- death or bodily injury caused by the activity of scuba diving
- death or bodily injury or property damage intentionally caused by a person covered by this Policy
- loss or damage to third party property arising from the trailer being towed by or breaking away from or accidentally becoming detached from the towing vehicle
- the towing of persons or objects in the air, including parasailing
- water skiing or aquaplaning unless you have chosen the optional water skiers or aquaplaning extension and it is shown in your Policy Schedule
- any tradesperson or company engaged by you for the repair, service or maintenance of your boat
- any claim arising directly or indirectly from pollution or contamination by any substance
- actions that are brought against you in a court or tribunal outside Australia or a court or tribunal that applies laws other than the law of a state or territory of Australia
- any fine or penalty
- aggravated, exemplary or punitive damages.

##### **How much we pay - legal liability**

We will pay the costs of:

- compensation, and
- legal fees and expenses that you are liable for.

We will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

#### **Limit on what we will pay - legal liability**

The maximum we will pay is the amount shown in your Policy Schedule in total for all claims that arise from any one accident. This maximum amount includes all legal fees and expenses.

#### **Liability option you can choose for additional premium**

The following liability option may be obtained on application, and for an additional premium:

##### **Optional water skiers or aquaplaning extension**

#### **What you are additionally covered for**

If we have agreed to cover you and shown it in your Policy Schedule and you have paid any additional premium we ask for, we will cover you or any person allowed by you to control your boat and the person acting as an observer (within the requirements of any law) against legal liability for:

- accidental death or bodily injury to a water skier or aquaplaner (including you) towed by your boat
- accidental death or bodily injury to any person caused by a water skier or aquaplaner being towed by your boat, or
- accidental damage to another person's property caused by a water skier or aquaplaner being towed by your boat.

We will also cover a water skier or aquaplaner towed by your boat against the water skier's or aquaplaner's legal liability to others for accidental:

- death or bodily injury to a person, or
- damage to property other than your boat caused by the water skier or aquaplaner while being towed by your boat.

#### **When this water skiers or aquaplaning extension does not cover you**

We will not pay the costs of liability arising out of:

- water skiing or aquaplaning when there is not a legally competent observer in addition to the driver on board your boat at the time of the accident
- water skiing or aquaplaning when an aerial device or ski ramp is being used
- water skiing or aquaplaning when a ski mast, ski pole, ski tower are being used unless it is professionally designed, manufactured and installed
- competition water skiing
- towing or using air chairs
- towing of any person by personal watercraft that breaches waterways regulations
- towing of any device not designed and professionally manufactured for the purpose of being towed behind a boat (e.g. surfboards or tyre tubes).

#### **The sections of the Policy called**

- 'What you are not covered for - legal liability'
- 'When you are not covered'
- 'How much we pay - legal liability'
- 'Limit on what we will pay - legal liability' also apply to this extension.

#### **Excess**

Excess means the first amount you must contribute to any claim you make under this section of the Policy. For most claims you make on this Policy, you will have to pay the excess which is shown on your Policy Schedule. If you make a claim for loss or damage to your personal effects, the excess will be \$100 for each and every claim for personal effects.

#### **When you will NOT have to pay an excess**

You will not have to pay an excess for claims arising out of death or personal injuries under the personal accident or liability covers.

#### **Exclusions which apply to this section**

##### **General exclusions applying to this section of the Policy**

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- any chemical, biological, bio-chemical, or electromagnetic weapon.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above exclusions.

##### **Additional exclusions applying to this section of the Policy**

We will not cover you when:

1. your boat is outside the cruising limits described in your Policy Schedule
2. your boat is being operated:
  - at a speed greater than 50 knots
  - with a motor more powerful than recommended by the hull manufacturer for the hull specifications

- with more than the maximum number of passengers or load recommended by the hull manufacturer.
3. your boat is in the control of you or any person with your express or implied consent while under the influence of alcohol or of any drug or had a percentage of alcohol or drugs in your/their breath or blood in excess of the percentage permitted by law in the place where the loss, damage or liability occurred

But we will cover you if you were not on board the boat at the time and can clearly demonstrate that you had no reason to suspect that the person in control would be under the influence of alcohol and any drug or had a percentage of alcohol or drugs in excess of legal limits.

4. your boat is under the control of a person not licensed under the applicable law:

But we will cover you if the person:

- was not named as one of the insured in your Policy Schedule, and
- you can clearly demonstrate you had no reason to suspect that person was unlicensed.

5. your boat is being used in racing, speed tests or trials, unless you pay an additional premium and we agree to provide the optional yacht racing risk extension or yacht club social racing risk extension

6. your boat is being used for an unlawful purpose

7. your boat is being used for hire or charter, or for payment or reward at the time of the accident or loss unless we specially agree to cover this use and specify the cover in your Policy Schedule

8. your boat is being towed on a trailer and the driver with your express or implied consent was not licensed to drive a vehicle in accordance with law

But we will cover you if you were not in the vehicle at the time and can clearly demonstrate that you had no reason to suspect that the driver was unlicensed

9. your boat is being transported on a trailer, unless the boat is designed and built for that purpose

10. your boat is being loaded or unloaded or transported by a commercial carrier unless you tell us beforehand in writing, and we agree in writing to cover you

11. the boat is being used for permanent living accommodation unless you tell us beforehand in writing, and we agree in writing to cover you

12. you do not keep the boat in good order and repair, or in a proper state of seaworthiness and in compliance with any statutory requirements (e.g. Waterways Authority Regulations)

13. your boat is undergoing major hull repair or alteration (e.g. extending the length of the boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing, and we agree in writing to cover you.

### Conditions which apply to this section

#### Purchase of a 'new' boat

If you replace the boat or any item shown in the current Policy Schedule and we agree to cover the replacement, the Policy covers it:

- from the time you bought it, and

- up to the same value as your agreed sum insured, and
- no longer covers the old boat or item.

We will give you this cover for the 'new' or replacement boat or item only if:

- you give us written details of it within 14 days of buying it, and
- you pay us any additional premium and government charges that we ask for.

In giving you this cover, we will consider either the price you paid for the hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and its trailer, or our valuation as the agreed sum insured of that item.

#### If you sell or give away your boat

If you sell or otherwise give away your boat or part-ownership in a boat and do not tell us:

- the cover under this Policy ceases immediately without any notice to you from the time of sale or you otherwise give away your boat.

When you tell us that you no longer own the boat, we will:

- refund to you what is left of the premium you paid by deducting an amount which covers the period for which you have been insured with us

If you are giving up an interest as lessor, mortgagee or owner under a hire purchase agreement, you do not have to tell us.

#### Other insurance policies

If at the time of an accident another Policy is in force covering the same risk, we will only pay the amount in excess of the amount that is recovered under those policies limited to the sum insured shown in your Policy Schedule.

#### You must take reasonable care

You must at all times take reasonable care to:

- prevent theft or attempted theft of the boat, outboard motor (s) or the equipment and accessories
- protect your boat against any initial or further loss or damage
- keep your boat in good condition
- prevent death, bodily injury, or illness to other people, or loss or damage to their property, and
- obey any statutory requirements that safeguard people or their property.

## Section 12 – General Property

This section insures the items you select against loss or damage anywhere in Australia. You can choose one of two types of cover:

**Cover 1** insures certain limited types of damage.

**Cover 2** insures any type of accidental loss or damage whatsoever.

If you have chosen cover under this section, the type of cover you have chosen will be shown in the Policy Schedule.

## What we insure

This section insures the items you have chosen to insure against:

- (a) loss or damage in the circumstances provided for in the cover option that you have chosen
- (b) which occurs anywhere in Australia
- (c) during the period of insurance.

The items that you have chosen to insure will be shown in the Policy Schedule.

## Cover Options

You may choose to insure your property in one of the following ways:

### Cover 1 - Fire, Theft and Collision

If you choose this option, we insure the items you have chosen for loss or damage caused by:

- (a) fire, lightning, explosion, malicious damage or vandalism
- (b) theft from a vehicle or premises at the farm
- (c) theft following forcible and violent entry from a locked vehicle or premises away from the farm
- (d) theft of equipment attached to a vehicle by locks or padlocks if visible damage occurred to the securing devices during the theft, or
- (e) collision or overturning of any vehicle in which they are being conveyed.

### Cover 2 - Accidental Loss or Damage

If you choose this option, we insure the items you have chosen against any sudden accidental physical loss or damage which includes all insured events provided by Cover 1 above.

The cover you have chosen is shown in the Policy Schedule.

## Definitions which apply to this section

### Artificial insemination flasks/tanks

means any receptacle designed for storage on the farm and transit of semen in ampoules or straws when liquid nitrogen is used as the refrigerant.

### Mobile communication equipment

means any electronic equipment used for the transmission and reception of radio signals. It includes CB radios, UHF radios and mobile telephones.

### Semen

means any fluid of a male animal which contains spermatozoa in suspension and which is to be used for the artificial insemination of breeding stock.

## What we will pay

At our option, we may replace the lost or damaged item or pay the lesser of its replacement cost or the current market value.

However if only part of the item is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

We will pay the replacement cost of mobile communication equipment.

## The Maximum Amount we will pay

We will not pay any more for any item you have chosen to insure than the sum insured shown in the Policy Schedule for that item.

## Excess

For each claim made under this section you must pay an excess. The amount of the excess will be shown on your Policy Schedule.

## Exclusions which apply to this section

1. We will not pay for loss or damage directly or indirectly caused by:
  - (a) mechanical, electronic or electrical breakdown or derangement unless it occurs as a consequence of an accident
  - (b) cracking, scratching or breakage of glass or fragile items or surfaces unless it occurs as a consequence of an accident
  - (c) rust, oxidation, mildew, mould, moths, vermin, insects, change of colour, or any process of heating, drying, cleaning, dyeing or alteration
  - (d) the action of light or atmospheric conditions or gradually developing conditions, vibration, wear, tear and/or depreciation
  - (e) dishonesty by you or others to whom items insured under this section are delivered, entrusted, loaned or rented
  - (f) action of the sea, tidal wave, high water or flood.
2. We will not pay for loss or damage during transit of artificial insemination flasks/tanks by sea or by air or when carried under contract unless they are secured in a frame designed to minimise the risk of overturning
3. We will not pay for loss or damage to semen which arises from:
  - (a) any rise in temperature which is due to your negligent failure to maintain the supply of liquid nitrogen or inability to obtain supplies of liquid nitrogen, or
  - (b) the handling of any individual ampoules or straws.
4. We will not pay for:
  - (a) any alteration, improvements or overhaul of any item, even if it occurs during repair or replacement following loss or damage which is insured under this section
  - (b) any consequential loss or damage
  - (c) theft in the open air
  - (d) theft from a building or vehicle unless:
    - the building or vehicle was securely locked, and
    - the theft follows forcible and violent entry which is evidenced by visible damage to the building, vehicle or their securing devices.
  - (e) money
  - (f) documents, manuscripts, patterns, models, moulds, plans, designs unless they are shown in the Policy Schedule
  - (g) loss, destruction or damage caused by or arising while the vehicle conveying the item is engaged in racing, pace making, reliability trials or speed



testing or is carrying any load in excess of that for which it was designed or constructed.

## Section 13 – Theft

This section covers you against the theft of farm contents, farm produce and hay as well as damage to farm buildings during the course of theft.

If you have chosen this cover it will be shown on your Policy Schedule.

### What we insure

Under this section we insure loss of or damage to farm contents, farm produce, hay and damage to farm buildings:

- (a) which occurs as a result of theft or attempt at theft
- (b) at the farm
- (c) during the period of insurance.

### What we will pay

- (a) Lost or damaged property (except contents for which we will pay the replacement value)  
We will pay the market value of the stolen or damaged property. At our option we may reinstate, replace or repair the property.

If only part of the property is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

- (b) Temporary protection  
Provided that the sum insured for this section is not exhausted, we will pay for the cost of temporary repairs to the farm buildings following loss or damage insured by this section for the purpose of securing the premises and safeguarding property from further loss.

### Additional benefits

#### Contents in auctioneers store

We will also pay for theft of farm contents from an auctioneer's store following actual violent and forcible entry into that store, if the farm contents:

- (a) are still owned by you, and
- (b) have not been sold by the auctioneer at the time of the theft.

#### Replacement of locks

In addition to the sum insured, we will pay up to \$1,000 for:

- (a) the cost of recoding or replacing locks which are damaged or when keys belonging to them are stolen in the course of a theft, or
- (b) the cost of replacing the keys which are stolen in the course of a theft.

We will only pay for:

- (a) locks which secure external doors, windows and other external openings of the farm buildings
- (b) the cost of locks of similar type and quality.

### The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum(s) insured set out in the Policy Schedule for each of the items of property which are insured by this section.

### Excess

For each claim you make under this section you must pay an excess. The amount of this excess is shown on your Policy Schedule.

### Exclusions which apply to this section

We will not pay for:

1. theft or attempted theft committed by:
  - (a) you or your family
  - (b) residents, paying guests, or visitors to the farm
  - (c) your employees, unless theft is a direct result of forcible and violent entry into a building or
  - (d) contractors, sub contractors or any other person while lawfully on the farm.
2. theft or attempted theft of:
  - (a) trees, shrubs, growing crops and other growing plants
  - (b) money, or loss resulting from the dishonouring of a cheque or negotiable instrument which was given to you in connection with the farm
  - (c) home contents
  - (d) motor vehicles, trailers, motor cycles, mobile farm machinery, aircraft, watercraft or any of their accessories unless specified in the Policy Schedule
  - (e) pets, animals, birds or fish, reptiles or insects.
3. loss due to unexplained shortages or resulting from clerical or accounting errors or shortages in the supply of materials
4. loss or damage resulting from or as a consequence of any fire
5. loss or damage arising during or as a result of earthquake, subterranean fire, riot or civil commotion.

## Section 14 – Business Interruption

This section covers you for some nominated financial losses which arise from your farm activities. You can choose one or more of the following optional types of cover:

- Cover 1.** is for loss of weekly income.  
**Cover 2.** is for the additional cost of working.  
**Cover 3.** is for agistment and fodder replacement following fire.  
**Cover 4.** is for tax audit costs.  
**Cover 5.** is for legal expenses  
**Cover 6.** is for wet sheep expenses

You can only choose either Cover 1 or Cover 2, but not both.

If you have chosen this cover, the types of cover(s) you have chosen will be shown in your Policy Schedule. We also provide some additional benefits. Depending on which Cover option you choose, you are automatically entitled to these benefits.

## What we insure

This section insures:

- (a) nominated financial losses arising from the farm business
- (b) which occur during the indemnity period, and
- (c) in the case of covers 1 and 2, which result directly from loss or damage to any property which is insured under this policy and for which you would have been entitled to indemnity (if no excess had applied) under the farm property section.

## Definitions which apply to this section

### Accountant

means an accountant appointed by agreement between you and us or, if we cannot agree, nominated by the President of the Institute of Chartered Accountants in Australia.

### Accountant

does not mean any accountant employed by you.

### Indemnity Period

The indemnity period begins when loss or damage occurs and ends on the earlier of the following:

- the expiry of the period listed in the Policy Schedule, or
- when the farm income ceases to be affected as a result of loss or damage.

### Standard Weekly Income

means the average weekly amount paid or payable to you for goods sold, services rendered or for rental received or payable in the operation of the farm (adjusted to reflect the trend in farm income and any other relevant circumstances) during the lesser of:

- the 52 weeks immediately before the loss or damage occurs, or
- the period the farm has been in operation.

## What we will pay

If you have chosen the relevant cover, we will pay the amounts set out below:

### Cover 1 - Weekly Income

If you have chosen to insure weekly income and the loss or damage affects the farm income for more than one week each week during the indemnity period we will pay you the standard weekly income, less the actual income you earn that week.

We will also pay the following:

- (a) claim preparation costs  
In addition to the sum insured for weekly income, we will pay the greater of \$5,000 or the amount shown in the Policy Schedule for the professional fees and other expenses that you reasonably and necessarily incur with our consent in the preparation of your claim under the business interruption section of this policy.  
We will not pay under this cover if those expenses are otherwise insured by this policy.
- (b) Electronic equipment

Provided that the sum insured for weekly income is not exhausted, we will pay up to 20% of that sum insured for loss of farm income during the indemnity period as a result of loss or damage to electronic equipment for which you are entitled to indemnity under cover 1 in the electronic equipment section.

For the purposes of this clause, the indemnity period will start on the date of loss of or damage to the electronic equipment.

### Cover 2 - Additional cost of working

If you have chosen to insure the additional cost of working, we will pay the additional expenditure you reasonably incur to minimise the effect of loss or damage for which you are entitled to indemnity under the farm property section or any other policy which provides similar cover on the farm income during the indemnity period.

We will not pay any more than the sum insured for additional cost of working, or additional expenditure which is insured under any other cover option in this section.

We will also pay the following:

- (a) claim preparation costs.  
In addition to the sum insured for additional cost of working, we will pay the greater of \$5,000 or the amount shown in the Policy Schedule for the professional fees and other expenses that you reasonably and necessarily incur with our consent in the preparation of your claim under the farm property and business interruption sections of this Policy.

We will not pay under this cover if those expenses are otherwise insured by this Policy.

### Cover 3 - Agistment and fodder replacement

If your pastures are destroyed by fire and you are not able to feed your livestock and you have chosen to insure agistment and fodder replacement, we will pay you the additional reasonable costs you incur to:

- graze your livestock insured under the livestock section within a 1,000 kilometre radius of your farm, or
- purchase additional fodder for the purpose of feeding your livestock.

We will not pay:

- for any costs incurred as a result of any fire which you, any member of your family, any of your employees or any person acting on your behalf deliberately start, or
- any more than the sum insured for agistment and fodder replacement which is shown in the Policy Schedule.

### Cover 4 - Tax audit expenses

If you have chosen to insure tax audit expenses, we will pay any professional fees which are reasonably and properly charged in connection with an audit of your farm affairs which is conducted on behalf of the Australian Tax Office (ATO) or by a Commonwealth, State or Territory department body or agency in relation to income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax.

We will not pay:

- (a) if the audit relates to a tax return for a financial year that ended more than three years before you received the notice that the audit was to take place
- (b) if you did not receive the first notification of a proposed audit from the ATO or other authorised department body or agency within the period of insurance
- (c) for fees in connection with any audit which you knew was to take place prior to the inception of this cover option
- (d) for fees incurred in connection with any prosecution which arises from the audit
- (e) for fees for any work performed in connection with preparation of tax returns not previously submitted to the ATO or other authorised department body or agency
- (f) any fines, penalties, interest or adjustments to tax payable as a result of the audit
- (g) any more than the sum insured for tax audit expenses which is shown in the Policy Schedule.

When you notify us of any such circumstances, we will insure you under this Policy for any subsequent audit that relates to the circumstances which have been notified to us, even if the audit occurs after the expiry of the period of insurance.

#### **Cover 5 - Legal expenses**

If you have chosen to insure legal expenses, we will pay the legal costs you incur in the defence of any civil action brought against you in a court of law in Australia.

We will not pay for any legal costs:

- (a) for any criminal prosecution against you
- (b) which you are entitled to recover from another source
- (c) incurred without our written consent
- (d) for any circumstances which occurred before the period of insurance
- (e) if you are found either wholly or partly liable
- (f) in respect of any appeal.

You must notify us in writing immediately you become aware of any circumstances which may give rise to a claim under this cover option.

When you notify us of any such circumstances, we will insure you under this Policy for any subsequent legal expenses that relate to the circumstances which have been notified to us, even if the legal expenses are incurred after the expiry of the period of insurance.

#### **Cover 6 – Wet Sheep Expenses**

If you have chosen Cover 6, we will pay the reasonable costs you incur in being unable to shear sheep or goats which:

- have been mustered or yarded for the purpose of being shorn, and
- have been exposed to weather conditions which have resulted in the moisture content of their fleeces prohibiting normal shearing operation in accordance with the appropriate shearing industry award.

We will pay all reasonable wage costs:

- payable to persons engaged in hand feeding, care and maintenance of the insured animals
- payable to shed and yard hands, classers, pressers, cooks and ancillary employees temporarily idle while shearing is delayed.

The amount we pay is calculated on the basis of the award rate for each classification of worker. We will pay 90% of the insured loss, but we will not pay more than the sum insured shown in the Policy Schedule.

We will not pay:

- for the first 24 hours during which shearing operations have been delayed
- for any piece work on a per capita basis
- where there is no written contract between you and the shearing contractor.

#### **The maximum amount we will pay**

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay more than the sum(s) insured shown in the Policy Schedule for each of the covers that you have chosen.

We will not pay more than \$5,000 in total for claim preparation costs under covers 1 or 2 unless a higher amount is shown in the Policy Schedule.

#### **Excess**

For each claim you make under each of the covers you have chosen to insure you will have to pay an excess. The amount of the excess will be shown on your Policy Schedule.

#### **Conditions which apply to this section**

##### **Assistance**

As soon as practicable after loss or damage occurs which results in a claim under this section you must:

- provide us with details of the amount of and method of calculation of your claim in writing and certified by an accountant, and
- make available to us all books and records (including computer records) that are reasonably necessary for us to verify your claim.

## When you are not covered/Special Clauses/ General Conditions

### All Policy Sections

#### What you must pay if you make a claim – Excess

Most sections require you to contribute an amount towards your loss or damage. This is known as an excess.

If an excess applies, it will be described in the section to which it applies and/or listed in the Policy Schedule.

For most sections if more than one excess applies to one claim, you need only pay one excess. It will be the higher of the applicable excesses. The Motor section includes two types of excess.

### When you are not covered

#### These exclusions apply to all sections of this Policy

##### General exclusions applying to this Policy

This Policy does not insure death, injury, illness, loss, damage, cost or expenses of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any other contributing cause or event:

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to any uprising, military or usurped power; or
2. any act of Terrorism.

For the purpose of this Exclusion, Terrorism means an act including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

This Policy also excludes death, injury, illness, loss, damage, cost or expenses of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, suppressing or in any way relating to, the above Exclusions.

3. Liability directly or indirectly caused by or contributed to by or arising from:
  - (a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission; or
  - (b) nuclear weapons material.

This policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling,

preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

### Additional exclusions applying to this Policy

This Policy does not insure loss or damage caused by:

1. Electronic Data
  - (a) the corruption or destruction of data, coding program or software, or
  - (b) the unavailability of data and/or malfunction of hardware, software and/or embedded chips, or
  - (c) any business interruption losses resulting therefrom.

Provided that this Exclusion shall not apply where such loss or damage occurs as a direct result of physical damage which is otherwise insured by this Policy.

2. Costs - any cost unless it is specifically listed in the Policy
3. Undamaged property replacement of undamaged property
4. Deliberate acts any claim which arises from any deliberate act committed by you or your family or by any person acting for you or with your express or implied consent
5. Communicable diseases claims which arise out of venereal disease, herpes, acquired immune deficiency syndrome (AIDS) or other communicable disease
6. Damages punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages
7. Fines/penalties fines, or penalties, or liquidated damages.

### Special Clauses

Only those clauses that are shown on the Policy Schedule will apply.

### General Conditions

These general conditions apply to all sections of this policy

#### Care, maintenance, compliance with laws

If you do not take reasonable care to:

- Protect and maintain the property insured
- Prevent damage or injury to others or their property
- Minimize the cost of any claim under this policy, or
- Comply with all statutory obligations and by-laws or regulations relating to the safety of person or property,

We will not pay for loss, damage, liability or injury to which this failure to take reasonable care contributes

#### Changing your Policy

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it, and
- we give you a new Policy Schedule detailing the change.

## Other Interests

You must not transfer any interests in this Policy without our written consent.

Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of the Policy.

## Cancelling your Policy

### How you may cancel this Policy

- You may cancel this Policy or any section of it at any time by telling us in writing that you want to cancel it.
- Where 'you' involves more than one person, we will only cancel the Policy or any section of it when a written agreement to cancel the Policy or any section of it is received from all persons named as the insured.

### How we may cancel this Policy

- We may cancel this Policy or any section of it in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

## The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

When the premium is subject to adjustment, even if the Policy is cancelled. You must still supply us with the information we need to calculate the premium adjustment, and pay the adjusted premium up to the date of cancellation.

## Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally, or
- if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

## Subrogation

Subject to the Insurance Contracts Act 1984 (the 'Act'), we will be subrogated to all of your rights of recovery against all persons and organisations. You must execute and deliver instruments and papers and do everything that is necessary to assist us in the exercise of those rights.

## Alteration of risk

You must tell us about any change in the nature of the risk which occurs during the period of insurance and which increases our risk.

If you fail to do so, we may cancel this Policy.

## You must tell us

You must tell us as soon as possible in writing of:

- every occurrence, claim, writ, summons, proceeding, impending prosecution, and inquest together with all relevant information which may result in a claim

under this Policy, whether or not you believe any claim amount might fall below the excess.

- every change that comes to your knowledge which materially varies any of the facts or circumstances existing at the commencement of this Policy.

## Mortgagee's rights

We may pay all or part of a claim for loss or damage to your Home or to any mortgagee or creditor who is noted in the Policy Schedule.

We will only do this if we agree to pay the claim on a cash basis (i.e. make a payment in lieu of paying for the cost of repairs).

We will not pay the mortgagee or creditor more than the amount outstanding under your mortgage or credit arrangement. If this is less than the amount we agreed to pay in settlement of the claim, we will pay you the balance.

Any amount that we pay to a mortgagee or creditor will satisfy our obligation to you for the amount paid.

## Claims

### Making a claim

You must follow these procedures if something happens which causes loss or damage or injury which may lead to a claim.

If you do not do so, we may refuse your claim or reduce the amount we pay you.

### When loss or damage occurs you must:

- (a) take all reasonable steps to reduce the loss or damage and to prevent further damage. If the claim involves your boat you must promptly take all reasonable and responsible precautions to prevent any further loss or damage to your boat including electrical equipment and components which have been submerged and in the case of a motor, the flushing out and oiling of the motor and the drying out of its and all other electrical equipment and components
- (b) immediately report to the Police:
  - if you know or suspect that property has been stolen
  - if someone has broken into your premises
  - if someone has caused malicious damage to your property
  - full details surrounding the circumstances of any motor vehicle accident
- (c) if the loss or damage involves another motor vehicle, obtain the name and address of the other driver and (if different) the name of its owner, and the make, type and registration number and details of the insurance on the other vehicle
- (d) not authorise the repair or replacement of anything without our agreement
- (e) not make any admission of liability, offer, promise or payment in connection with any event
- (f) promptly inform us by telephone or in person
- (g) preserve any damaged property and make it available for inspection by a representative or agent of ours (including a loss adjuster).

If you sustain an injury or illness, you must:

- (a) promptly inform us by telephone, in writing or in person
- (b) submit to examination by a medical practitioner nominated by us. In case of death, your legal representative must permit a post mortem examination of the body to be carried out.

**To make a claim you will need to:**

- fill in our claim form
- return it to us within 30 days of the event that gave rise to the claim
- give us all information and documentation which we request

If we ask for it, you must provide us with a statutory declaration of the truth of your claim and any matters connected with it, and

- immediately send us any court document or other communication you receive about the claim.  
Do not take any action yourself or ask anyone else to do so on your behalf.

**Proceedings and negotiations**

We control all claims that are made against you. You must give us all information and assistance we need:

- to settle or defend claims, or
- to recover from others any amount we have paid for a claim. You must allow us:
  - to make admissions, settle or defend claims on your behalf, and
  - to take legal action in your name against another person to recover any payment we may make in relation to a claim. We will do this at our own expense. You must do everything which we ask to assist us. We may take action before we pay your claim and whether or not you have been fully compensated for your actual loss.

**Discharge of our liabilities**

At any time we can pay to you or on your behalf, for all claims made against you for any one occurrence:

- the limit of liability under the section under which the claim is made, after deducting any amounts already paid, or
- any lower sum for which the claim may be settled. If we do so:
- the conduct of any outstanding claim(s) will become your responsibility, and
- we will not be liable to pay any further amounts under that other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

**Inspection and Salvage**

You must give us access to your property or make your property available to us for inspection if you make a claim.

You must allow us to take possession of any damaged property and deal with it in a reasonable manner. If we do not take possession of the damaged property, you can not abandon your responsibilities to us for the property.

**Excess**

You may be requested to pay your excess when you lodge your claim form or before your motor vehicle is released from a repairer. Alternatively we may deduct your excess from our payment to you.

If you suffer damage which leads to a claim under more than one section of this policy:

- the highest excess is payable, but
- only one excess is payable.

**Automatic reinstatement**

After we have admitted liability for loss or damage (other than for a total loss under the property section or claims in respect of products liability), we automatically reinstate the sum insured to the amount shown in the Policy Schedule at the time of loss.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

**Other insurances**

When you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim.

**Contribution**

When a loss paid under this Policy is also recoverable under another policy and we have paid more than our rateable share, we may seek reimbursement from the other insurer or insurers.

**What we do**

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

**What can affect a claim**

We will reduce the amount of a claim by the excess shown in the Policy Terms and Conditions or on the Policy Schedule.

We may refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Policy Schedule.

We pay only once for loss or damage from the same event covered by this Policy even if it is covered under more than one section of the Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent, or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.

**Millennium Underwriting Agencies Pty Ltd**  
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