

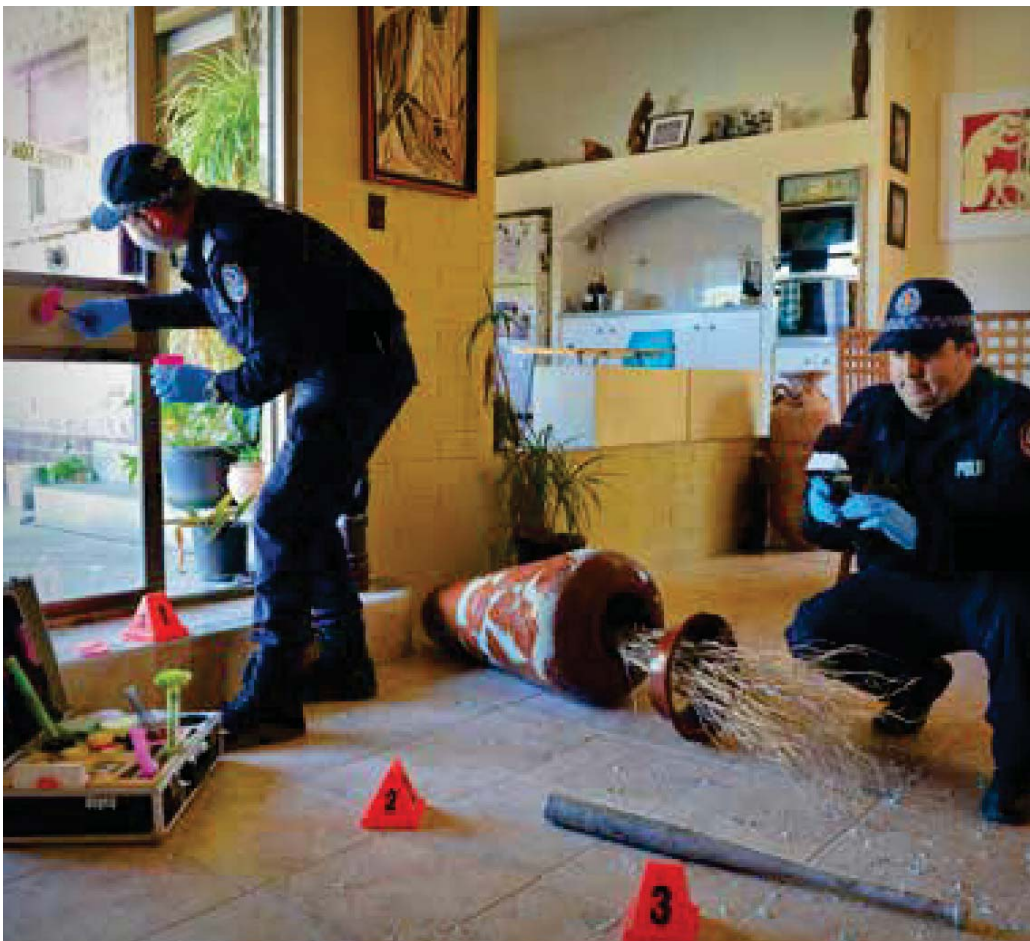
# Territory Home Insurance Premium Cover

## Building and Contents

Accidental Damage  
Information is current as at

1 January 2015





Our combined Product Disclosure Statement (PDS) and Policy has been designed to help you get the most out of your insurance cover and to help you compare and make an informed choice.

When you take out an insurance policy with us, the cover we have agreed to provide you is set out on your current Certificate of Insurance and described in this booklet. Together they make up the terms and conditions of your insurance contract with us.

To ensure you have all the protection you need, please read through this booklet carefully. We have written it in plain language to help you understand the insurance cover you have chosen.

Please read your documents carefully and store them together in a safe place for easy reference.

If you don't fully understand what your insurance contract covers, or your rights or obligations, please contact us. Our contact details are located on the back of this booklet.

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## About this Insurance

We have designed this product for Territorians to help build community resilience. Being resilient is being prepared and that starts with the right insurance cover to protect your assets.

### **Waiting Period for Cyclone Flood and Storm Surge**

TIO operates in an area of Australia that is subject to catastrophic natural events. It is necessary for us to apply a waiting period of 72 hours for loss or damage that occurs from cyclone, flood or storm surge.

### **What is Accidental Damage Insurance?**

Accidental Damage is our premium product which covers your buildings and/or contents for accidental loss or damage. This product gives you the flexibility to take out a buildings policy, a contents policy, or a combined buildings and contents policy. You can also add options to your policy for strata title mortgagee protection, disaster cover, or to extend your valuables cover.

Your buildings and/or contents will be covered up to the sum insured, as specified on your Certificate of Insurance, except if your Certificate of Insurance shows you have selected Disaster Cover. See page 28 of this booklet for more information.

### **Choosing the type of insurance**

You should carefully consider the type of insurance cover that suits your needs. You may choose all or some of the cover this product has to offer.

We recommend you read through the booklet carefully and use the table of contents and topic index to help you find what you are looking for.

Choosing the level of cover that is right for you is an important decision. If you are unsure, or need further information, or just need to ask a few questions please contact us. Our contact details are located on the back of this booklet.

## Significant Features and Benefits of this Product

The following table summarises the insured events, features and benefits, and optional covers available under this product.

This table is a guide only. We recommend you read all Sections of this booklet carefully for full details of cover, terms, conditions, exclusions and limits which apply to your policy.

| Summary of Features and Benefits  | Buildings | Contents | See Page |
|---|-----------|----------|----------|
| Accessories of a motor vehicle, motorcycle, caravan, trailer, watercraft and aircraft                           | X         | ✓        | 9, 13    |
| Accidental Damage cover   | ✓         | ✓        | 15       |
| Contents in temporary storage   | X         | ✓        | 18       |
| Contents in transit to a new site   | X         | ✓        | 19       |
| Credit and debit cards  | X         | ✓        | 18       |
| Cyclone   | ✓         | ✓        | 15       |
| Deterioration of refrigerated foods   | X         | ✓        | 19       |
| Domestic pets   | X         | ✓        | 19       |
| Earthquake  | ✓         | ✓        | 15       |
| Environmental upgrade   | ✓         | X        | 20       |
| Extra costs to comply with by-laws  | ✓         | X        | 20       |
| Fatal Injury  | ✓         | ✓        | 20       |
| Fire or explosion   | ✓         | ✓        | 15       |
| Flood   | ✓         | ✓        | 15       |
| Fusion of electric motors   | ✓         | ✓        | 16       |
| Impact  | ✓         | ✓        | 16       |
| Legal liability   | ✓         | ✓        | 24       |
| Lightning   | ✓         | ✓        | 15       |
| Liquid escaping from any fixed apparatus, tank or fixed pipe or any street gutter, storm channel or storm drain | ✓         | ✓        | 17       |
| Malicious damage  | ✓         | ✓        | 15       |
| Modifications to your buildings   | ✓         | X        | 20       |
| Money   | X         | ✓        | 9, 12    |

| Summary of Features and Benefits             | Buildings | Contents | See Page |
|--|-----------|----------|----------|
| Mortgage discharge costs                     | ✓         | ✗        | 21       |
| Theft, burglary and damage caused by thieves | ✓         | ✓        | 15       |
| Professional fees                            | ✓         | ✗        | 21       |
| Personal documents                           | ✗         | ✓        | 21       |
| New for old cover for contents               | ✗         | ✓        | 47       |
| Plants                                       | ✓         | ✓        | 21       |
| Property in a home office or home surgery    | ✗         | ✓        | 10, 13   |
| Removal of debris                            | ✓         | ✓        | 21       |
| Replacement cover for buildings              | ✓         | ✗        | 45       |
| Replacing keys and repairs to locks          | ✓         | ✗        | 22       |
| Riot or civil commotion                      | ✓         | ✓        | 15       |
| Sale of insured property                     | ✓         | ✗        | 22       |
| Security firm attendance                     | ✓         | ✗        | 22       |
| Storm surge                                  | ✓         | ✓        | 15       |
| Storm, cyclone, rainwater or hail            | ✓         | ✓        | 15       |
| Temporary accommodation                      | ✓         | ✓        | 23       |
| Tools of trade                               | ✗         | ✓        | 13       |
| Visitors contents                            | ✗         | ✓        | 23       |

## What this Policy Covers

This policy can provide cover for your:

- buildings only
- contents only
- both buildings and contents.

In conjunction this policy automatically provides cover for your legal liability for negligence that causes death or bodily injury, or loss or damage to other people's property. Please see Section 4 Legal Liability on page 24 for more information.

You can also add options to your policy for:

- Valuable Items see page 28
- Disaster Cover see page 28
- Strata Title Mortgagee Protection see page 29.

## Section 1 – Your Buildings

### What we cover

A building used primarily as a place of residence, outbuildings, fixtures and fittings and structural improvements including but not limited to:

| ✓ Buildings Includes  | ✗ Buildings does not include  |
|---|---|
| <ul style="list-style-type: none"> <li>• Services or utilities (whether above or below ground) which are either your property or for which you are liable to pay the cost of repair or replacement</li> <li>• Any water reticulation system, hose, pipes, sprinklers, fittings, valves and controllers whether above or below ground               <ul style="list-style-type: none"> <li>- cover is limited to \$5,000 in total</li> </ul> </li> </ul> |   |
| <ul style="list-style-type: none"> <li>• Retaining walls, fences and gates, paths, driveways, terraces, wells, bores and pergolas</li> </ul>  | <ul style="list-style-type: none"> <li>• unpaved paths or driveways constructed of earth, gravel or the like</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Permanently fixed spas, saunas, barbeques, clothes lines, exterior blinds and awnings, built-in furniture, room heaters, stoves, fans, light fittings, air-conditioners, hot water services, in-ground swimming pools or spas, water tanks and stands</li> </ul>   | <ul style="list-style-type: none"> <li>• water that is normally in a container such as a spa, swimming pool or any fixed apparatus, tank or fixed pipe</li> </ul> |



| ✓ Buildings Includes   | ✗ Buildings does not include  |
|--|---|
| <ul style="list-style-type: none"> <li>• fixed wall, ceiling and floor coverings</li> <li>• fixed satellite dishes, meter boxes, television and radio aerials, their masts and fittings</li> </ul> | <ul style="list-style-type: none"> <li>• carpets, whether fixed or not</li> </ul>   |
|  | <ul style="list-style-type: none"> <li>• any part of your building used for any business, trade or profession, other than where the use is a home office or home surgery</li> </ul> |
|  | <ul style="list-style-type: none"> <li>• domestic or commercial wharves, jetties and pontoons</li> </ul>  |

### What we will pay

The maximum amount we will pay is the sum insured specified on your Certificate of Insurance for your buildings, except if your Certificate of Insurance shows you have selected Disaster Cover. See page 28 of this booklet for more information.

## Section 2 – Your Contents

### What we cover

Items which are owned by you, or for which you are legally responsible, anywhere in Australia and elsewhere in the world.

Cover outside Australia is limited to 90 continuous days in any one period of insurance.

| ✓ Contents Includes   | ✗ Contents does not include  |
|---|--|
| <ul style="list-style-type: none"> <li>household goods, furniture, furnishings, carpets (fixed or unfixed), floor rugs, curtains and internal blinds</li> </ul>   | <ul style="list-style-type: none"> <li>items that are permanently attached or fixed to your buildings</li> </ul>   |
| <ul style="list-style-type: none"> <li>portable household electrical appliances</li> </ul>  |  |
| <ul style="list-style-type: none"> <li>clothing and personal effects</li> </ul>   |  |
| <ul style="list-style-type: none"> <li>unregistered mechanically propelled garden appliances, motorised golf buggies, ride-on lawn mowers and wheelchairs</li> </ul>  | <ul style="list-style-type: none"> <li>registered mechanically propelled garden appliances, motorised golf buggies, ride-on lawn mowers and wheelchairs</li> </ul>   |
| <ul style="list-style-type: none"> <li>motorcycles, scooters, quad bikes or mini bikes up to 125cc engine capacity that are not required to be registered by law               <ul style="list-style-type: none"> <li>refer to exclusion 1. e) page 26</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>registered motorcycles, scooters, quad bikes or mini bikes</li> <li>unregistered motorcycles, scooters, quad bikes or mini bikes over 125cc engine capacity</li> <li>motorised vehicles, trailers and caravans</li> </ul> |

| ✓ Contents Includes  | ✗ Contents does not include  |
|--|--|
| <ul style="list-style-type: none"> <li>• swimming pools, spas and saunas which are not permanently fixed</li> <li>• watercraft less than 4 metres in length that is not powered by a motor, or is powered by a motor less than 10hp</li> <li>• watercraft less than 4 metres in length propelled by a sail, or designed to be propelled by a sail               <ul style="list-style-type: none"> <li>- refer to exclusion 1. d) page 25</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• water (including chemicals) that is normally in a container such as a spa, swimming pool or any fixed apparatus, tank or fixed pipe</li> <li>• watercraft that is more than 4 metres in length</li> <li>• watercraft that are less than 4 metres in length that are powered by a motor of more than 10hp</li> <li>• jet skis</li> </ul> |
| <ul style="list-style-type: none"> <li>• accessories or spare parts of motorcycles, scooters, quad bikes, mini bikes, motor vehicles, trailers, caravans, watercraft and aircraft               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>• aircraft (other than model or toy aircraft), aerial devices and their equipment</li> </ul>  |
| <ul style="list-style-type: none"> <li>• money and negotiable instruments               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>   |  |

| ✓ Contents Includes  | ✗ Contents does not include  |
|--|--|
| <ul style="list-style-type: none"> <li>• fishing gear and accessories               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>• fishing gear and accessories whilst being used</li> </ul>   |
| <ul style="list-style-type: none"> <li>• mobile phones, satellite phones, blackberries, personal digital assistants, electronic tablets and other communication devices               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• mobile phones, satellite phones, blackberries, personal digital assistants and electronic tablets used for your business, trade or profession</li> </ul>  |
| <ul style="list-style-type: none"> <li>• pictures, paintings and works of art               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>   |  |
| <ul style="list-style-type: none"> <li>• equipment in a home office or home surgery that you use for earning your income               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>• property used for any business, trade or profession, other than for the limited cover provided for tools of trade and equipment in a home office or home surgery that you use for earning your income</li> <li>• drugs, stock or sample products</li> </ul> |
| <ul style="list-style-type: none"> <li>• potted plants</li> </ul>  | <ul style="list-style-type: none"> <li>• plants, shrubs or trees unless they are in a pot or basket</li> </ul>   |

| ✓ Contents Includes   | ✗ Contents does not include   |
|---|---|
| <ul style="list-style-type: none"> <li>• film, slides and prints               <ul style="list-style-type: none"> <li>- we will only pay the value of these items as unprocessed material and the cost of processing them</li> <li>- if you purchased them already processed we will only pay their replacement value</li> <li>- we will not pay for the costs of recreating any event</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• pirated film, slides and prints</li> </ul>   |
| <ul style="list-style-type: none"> <li>• tapes, cassettes, cartridges, records, videotapes, DVDs or any other analogue or digitally encoded media               <ul style="list-style-type: none"> <li>- we will only pay the value of these items when blank unless they were pre-recorded when you purchased them</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>• pirated tapes, cassettes, cartridges, records, video tapes or DVDs or any other analogue or digitally encoded media</li> </ul> |
| <ul style="list-style-type: none"> <li>• computer software including game cartridges and disks               <ul style="list-style-type: none"> <li>- we will only pay the value of these items when blank unless they were pre-recorded when you purchased them</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>• pirated computer software including game cartridges and disks</li> </ul>   |

| ✓ Contents Includes   | ✗ Contents does not include  |
|---|--|
| <ul style="list-style-type: none"> <li>- media purchased online for example; music, software and videos</li> <li>- we will only pay the value of the item if unable to recover from the supplier</li> </ul>                             | <ul style="list-style-type: none"> <li>• pirated or illegally obtained online media</li> </ul>   |
| <ul style="list-style-type: none"> <li>• push or pedal bicycles               <ul style="list-style-type: none"> <li>- refer to What we will pay, page 12</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>• push or pedal bicycles while they are used for racing, time trialling or any competitive purpose</li> </ul>   |
| <ul style="list-style-type: none"> <li>• landlord's fixtures and fittings that you are liable for under the terms of a rental agreement, unless the body corporate or similar body has them insured</li> </ul>                          | <ul style="list-style-type: none"> <li>• landlord's fixtures and fittings that you are not liable for under the terms of a rental agreement</li> </ul> |
| <ul style="list-style-type: none"> <li>• fixtures and fittings that you have installed for your own use if you are a tenant, or the owner of a strata title unit, unless the body corporate or similar body has them insured</li> </ul> | <ul style="list-style-type: none"> <li>• fixtures and fittings you have installed not for your own use</li> </ul>                                      |
|   | <ul style="list-style-type: none"> <li>• fish, birds or animals of any description</li> </ul>  |

### What we will pay

The maximum amount we will pay is the sum insured specified on your Certificate of Insurance for your contents.

However, the following items have a lower limit:

| Item                             | Maximum Limit                    |
|----------------------------------|----------------------------------|
| Money and negotiable instruments | Face value to a total of \$1,000 |

| Item   | Maximum Limit   |
|--|---|
| Fishing gear and accessories   | \$10,000 in total for all these items   |
| Push or pedal bicycles   | \$1,500 per bicycle   |
| Pictures, paintings and works of art   | \$20,000 for any one article up to a maximum of 20% of your nominated contents sum insured specified on your Certificate of Insurance   |
| Jewellery, watches, unset gem stones, gold or silver articles, curios, furs and musical instruments                            | \$2,500 for any one item up to a maximum of 20% of your nominated contents sum insured specified on your Certificate of Insurance       |
| Collections of any kind  | \$2,500 for any one set or collection up to a maximum of \$5,000 in total   |
| Mobile phones, satellite phones, blackberries, personal digital assistants, electronic tablets and other communication devices | \$1,000 per item  |
| Tools of trade   | \$3,000 in total whilst at the site, \$1,000 in total whilst away from the site   |
| Equipment used in a home office or home surgery that you use for earning your income   | \$10,000 in total   |
| Accessories or spare parts of motorcycles, motor vehicles, trailers, caravans, watercraft and aircraft                         | \$1,000 in total for all these items  |
| Unfixed floor rugs   | \$10,000 for any one floor rug up to a maximum of 20% of your nominated contents sum insured specified on your Certificate of Insurance |

## How to increase the amount we will pay

You can increase the maximum amount we will pay for your items of higher value, by selecting one of the following options:

### Specified Contents

Specified Contents are items which are individually listed on your Certificate of Insurance because their value is more than the limit this policy provides. Specified items are covered for the specified value only at the site.

If a specified item is taken away from the site, it will only be covered as contents with limited item cover.

*An example of specified contents is where you wish to cover jewellery at the site for more than the limit of \$2,500 per item or 20% of your total contents sum insured. To have more cover than these limits you must tell us and have us list the item(s) on your Certificate of Insurance as Specified Contents.*

### Valuable Items

You can further increase the amount we will pay by adding cover for Valuable Items. See page 28 of this booklet for more information.



## Section 3 – Accidental Damage Cover

We will cover your buildings, contents or both for accident or accidental loss or damage whilst at the site, anywhere in Australia and elsewhere in the world. Cover outside Australia is limited to 90 continuous days in any one period of insurance.

This cover includes loss or damage from incidents including, but not limited to:

- earthquake including tsunami caused by an earthquake
- fire and explosion
- flood
- fusion of electric motors
- impact
- lightning strike
- liquid
- malicious damage and vandalism
- riot and civil commotion
- storm surge
- storm, cyclone, rainwater and hail
- theft and damage caused by thieves
- glass breakage.

There are also a number of incidents we will cover under specific conditions. These are listed on the following pages.

If you make a claim, you will need to pay any excesses that apply. Refer to page 45 of this booklet for more information.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 30 of this booklet.

## Incidents Covered

### Fusion of Electric Motors

We will cover you for loss or damage to the windings of the motor of your household electrical appliances caused by the actual burning out of the motor by electric current.

We will only do this if your electric motor is less than 15 years old from the date of manufacture.

Depreciation applies to electric motors over 10 years old from the date of manufacture. See page 48 of this booklet for the depreciation scale.

If you have a surge protector installed and in use, and if no other loss or damage occurs other than loss or damage to the surge protector, we will pay the cost to replace and/or repair your surge protector.

You will not be required to pay an excess towards this claim. We have waived your excess because you have taken steps to protect your buildings and/or contents against fusion.

### We will not cover

- damage to household appliances where the electric motor has not fused or where the appliance does not have an electric motor
- hire costs of a replacement appliance or expenses incurred due to the loss
- resultant damage
- fusion of electric motors in any tools of trade.

### Impact

We will cover you for loss or damage that is caused by or results from impact by:

- a vehicle, aircraft or watercraft including articles dropped by or from them
- an animal (other than an animal at the site with your permission)
- space debris or debris from an aircraft, rocket or satellite
- a falling aerial or mast
- a falling tree or branch.

### We will not cover

- loss or damage caused by an animal at the site with your permission
- loss or damage to property due to tree felling or tree lopping (by you or with your consent) at the site
- the cost of removing the tree and/or its branches if no damage has occurred to your buildings or contents
- the cost of removing the tree stump, unless the tree stump is required to be removed to allow for repair or rebuilding.

### Liquid or Water Damage

We will cover you for loss or damage that is caused by or results from liquid or water escaping from any fixed apparatus, tanks, fixed pipes or any street gutter, storm channel or storm drain and includes the unusual accumulation of surface waters.

We will also pay the cost to find the defect in the fixed apparatus, tank or fixed pipe on your property (but not the cost of finding the defect in any street gutter, storm channel or storm drain) and we will pay reasonable costs to rectify any damage that is necessarily caused to your buildings in finding the defect.

If no loss or damage occurs we will pay up to a maximum of \$3,000 for any one event to find the defect in the apparatus and the costs to rectify the damage that is caused as a result of finding the defect.

### We will not cover loss or damage

- caused by water escaping from
  - shower recess, bath, sink or basin
  - waterbed, or
  - aquarium

that is intentionally caused or intentionally incurred by you or a person acting with your express or implied consent.

## Additional Cover

This policy includes a range of benefits that we refer to as Additional Cover. These benefits are listed on pages 18 to 23 of this booklet.

The amount we will pay is in addition to the sums insured specified on your Certificate of Insurance.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 30 of this booklet.

### Automatic Increase in Sum Insured

*COVER APPLIES TO BUILDINGS, CONTENTS OR COMBINED BUILDINGS AND CONTENTS*

In the event of a total destruction of your buildings or contents during the period of insurance the sum insured specified on your Certificate of Insurance will be increased by half of one per cent for each full month the insurance policy has been in force. No additional premium will be payable for this increase in cover.

### Credit and Debit Cards

*COVER APPLIES TO CONTENTS*

We will cover you for up to \$5,000 in total in any one period of insurance for monetary loss you suffer as a result of someone (other than a member of your family who is living with you) using your credit card and/or debit card without your permission.

**We will not pay if you have not complied with the terms of use of your card.**

### Contents in Temporary Storage

*COVER APPLIES TO CONTENTS*

We will cover you if your contents in temporary storage suffer damage because of an incident covered by this policy, provided that:

- you tell us beforehand that your contents has gone into temporary storage, the location and we agree to cover you
- you nominate a sum insured, and
- you pay any additional premium we may require.

If we agree to provide cover this will be specified on your Certificate of Insurance.

The cover provided by this benefit applies for a maximum period of 3 continuous months and is limited to the sum insured specified on your Certificate of Insurance.

**We will not cover any accident or accidental loss or damage to money, negotiable instruments or jewellery.**

### Contents in Transit to a New Site

#### *COVER APPLIES TO CONTENTS*

We will cover your contents in transit for fire, flood, collision and/or overturning of the conveying vehicle during permanent removal from your site during the period of insurance, but only when being moved by road from the insured site to another site within the geographical limitations of the Northern Territory.

The maximum amount we will pay is limited to \$10,000 for any one loss.

**We will not pay this benefit if your contents are being moved by a professional removalist.**

### Deterioration of Refrigerated Foods

#### *COVER APPLIES TO CONTENTS*

We will cover you for up to \$1,000 if any refrigerated foods become inedible or your prescription medication that is required to be refrigerated is no longer safe for consumption or use due to breakdown, failure of electricity supply or accidental damage to a refrigerator or freezer unit at the site.

**We will not cover if the damage is caused by**

- accidental or deliberate switching off of the power supply
- the deliberate act of any power supply authority, or
- strikes.

### Domestic Pets

#### *COVER APPLIES TO CONTENTS*

If your pet is injured at the site as a result of an incident covered by this policy, we will pay up to \$500 for veterinary expenses incurred.

## Environmental Upgrade

### *COVER APPLIES TO BUILDINGS*

We will pay up to a maximum of \$5,000 if at least 80% of your residential buildings are damaged as a result of an incident covered by this policy and we authorise repairs or rebuilding, for the supply and professional installation of a rainwater tank or solar hot water system.

**We will not pay this benefit if the items were already attached or part of the buildings prior to, or at the time of, the loss or damage.**

### Extra Costs

#### *COVER APPLIES TO BUILDINGS*

We will pay up to 10% of your buildings sum insured for the additional costs necessary to comply with local government by-laws where such compliance becomes necessary due to the destruction of or damage to your buildings for an incident covered by this policy.

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

### Fatal Injury

#### *COVER APPLIES TO CONTENTS*

We will pay \$10,000 in the event of your death occasioned by outward and visible violence caused by burglars, housebreakers, crocodile attack or fire provided that such death:

- is caused or arises at the site (except for crocodile attack which can be anywhere in the Northern Territory), and
- follows within 90 days of the event.

### Modifications to your Buildings

#### *COVER APPLIES TO BUILDINGS*

We will pay up to a maximum of \$10,000 for the cost incurred by you to modify your buildings as necessary if you are injured as a direct result of damage to your buildings caused by an incident covered under this policy, provided:

- such injury is caused or arises at the site, and
- the injury results in paraplegia or quadriplegia which after a period of 12 months is then diagnosed as permanent.

We will only provide this additional cover where the building is your primary place of residence.

## Mortgagee Discharge Costs

*COVER APPLIES TO BUILDINGS*

In the event of total destruction of your buildings during the period of insurance as a result of an incident covered by this policy, we will pay up to a maximum of \$2,000 to cover any administration costs associated with the discharge of any mortgage over the buildings.

## Plants

*COVER APPLIES TO BUILDINGS*

We will pay up to \$1,500 for loss or damage to plants growing in your garden at the site caused by fire or malicious acts.

**We will not pay this benefit if the fire was lit by you.**

We will pay up to \$500 for loss or damage to plants growing in your garden at the site caused by storm or cyclone.

## Personal Documents

*COVER APPLIES TO CONTENTS*

We will pay up to \$1,000 to reinstate, reproduce or restore your personal documents following loss or damage whilst the personal documents are stored at the site, or in storage in a bank vault or contained in a safe deposit box.

**We will not cover**

- personal data stored in a computer

## Professional Fees

*COVER APPLIES TO BUILDINGS*

We will pay up to 10% of your buildings sum insured as a result of an incident covered by this policy for the cost of professional fees such as; architects and surveyors fees, and for the costs of the temporary protection or security of your buildings necessarily incurred in connection with repairing, rebuilding or replacing your building.

## Removal of Debris

*COVER APPLIES TO BUILDINGS, CONTENTS OR COMBINED BUILDINGS AND CONTENTS*

We will pay up to a combined total of 10% of your buildings and/or contents sum insured as a result of an incident covered by this policy for the cost of removing debris that is necessary for repairing or replacing your buildings or contents.

## Replacing Keys and Repairs to and Re-coding of Locks and Barrels

*COVER APPLIES TO BUILDINGS*

If the key or electronic locking device to any external door lock of your building is stolen, we will pay up to a maximum of \$2,500 for all locking devices in any one period of insurance for the repair, replacement or re-coding of the lock(s) operated by that key or electronic locking device.

## Sale of Insured Property

*COVER APPLIES TO BUILDINGS*

If you have entered into a contract to sell your buildings we will extend cover to the purchaser until:

- the sale or assignment is completed, or
- the purchaser enters into possession of the building , or
- the purchaser insures the buildings or becomes liable for damage to the buildings

whichever occurs first.

This cover will stop immediately if:

- the sale or assignment is terminated, or
- your buildings insurance expires.

## Security Firm Attendance

*COVER APPLIES TO BUILDINGS*

We will pay up to a maximum of \$1,000 for a security firm to attend your site in response to your monitored alarm system being activated if:

- your contents have been burgled, and/or
- there is evidence of an attempted burglary.



## Storage Costs

### *COVER APPLIES TO CONTENTS*

If your buildings you live in suffer loss or damage as a result of an incident covered by this policy and you are unable to live in them as result, we will cover the reasonable costs to remove and store your contents for up to 12 months.

The loss or damage must occur as a result of an incident covered by this policy.

We will at our option determine the appropriate method of storage. This includes cover for your contents whilst we agree for your contents to remain in storage.

## Temporary Accommodation

### *COVER APPLIES TO BUILDINGS, CONTENTS OR COMBINED BUILDINGS AND CONTENTS*

If your buildings at the site become unfit to live in as a result of an incident covered by this policy, we will cover you for up to 12 months temporary accommodation if you are:

- the owner and living in your buildings, or
- the tenant,

including any additional rental costs you may incur as a result of residing in your temporary accommodation.

The amount we will pay is the amount of your actual loss and is limited to 10% of your buildings or contents sum insured specified on your Certificate of Insurance.

## Visitors Contents

### *COVER APPLIES TO CONTENTS*

We will cover contents belonging to your visitors or guests for up to \$2,000 in total.

We will not cover

- cash and negotiable instruments
- when your visitor or guest is covered under another insurance contract, or
- where you visitor or guest's contents are outside the boundaries of the site.

## Section 4 - Legal Liability

### What is covered

This policy automatically provides cover for your legal liability for negligence that causes death or bodily injury, illness or loss or damage to other people's property.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 30 of this booklet.

### Buildings Cover

If your buildings are covered by this policy, we will cover you as the owner or occupier of the buildings against legal liability to pay compensation or damages in respect of:

- bodily injury, death or illness, and
- loss of or damage to property.

If your buildings are a total loss, we will continue liability cover for any amount you have to pay as owner or occupier of the buildings for up to 6 months from the date your buildings were destroyed.

This cover will stop immediately if:

- construction commences at the home
- you sell the land, or
- you take out a new buildings insurance policy for your home.

### Contents Cover

If your contents are covered by this policy, we will cover you against legal liability to pay compensation or damages in respect of:

- bodily injury, death or illness, and
- loss of or damage to property.

occurring during the period of insurance as a result of an accident or series of accidents anywhere in the world, subject to exclusion 2. g) on page 27.

If you are a committee member of a sporting or social club in Australia and receive no more than \$1,000 per year for holding this position, we will pay your legal liability in connection with your position as a committee member. The most we will pay including legal costs is \$10,000 (inclusive of GST) per claim against you and per period of insurance.

However, if you are a committee member of a sporting or social club in Australia, cover does not apply to liability claims for loss or damage to someone else's property, or death or bodily injury to other people. We will only pay for claims against you arising out of an alleged or actual act or omission during any one period of insurance.

### Amount we will pay

Our limit of indemnity for all claims made against you as a result of any accident or number of accidents arising directly or indirectly from one source or original cause is \$20,000,000.

This amount includes all legal costs and expenses incurred with our consent for which you are legally liable.

When your buildings and contents are insured our maximum liability is still \$20,000,000 altogether irrespective of whether your buildings and contents are covered under one or more insurance policies.

### What is not covered

These exclusions specifically apply to Section 4 Legal Liability. In addition to the following exclusions please read the exclusions listed under Section 7 Exclusions, What is Not Covered starting on page 30 of this policy.

1. We will not pay for claims arising out of or in connection with:
  - a) your ownership of any land or buildings other than at the site
  - b) committing or attempting to commit any unlawful or criminal offence
  - c) the use, removal of, or exposure to any asbestos products or products containing asbestos
  - d) the use of lifts, watercraft, hovercraft, aircraft or landing areas used for watercraft, hovercraft or aircraft, **unless** the watercraft is up to 4 metres in length and is not powered by a motor, or is powered by a motor up to 10hp

- e) the ownership, possession or use of a mechanically propelled vehicle of any description including motorcycles, scooters, quad bikes or mini bikes (other than a mechanically propelled garden appliance, ride-on lawn mower or wheelchair which is not required to be registered by law)
- f) vibration or interference with the support of land, buildings or other property
- g) your liability imposed solely by contract

However if you are a tenant we will indemnify you for your legal liability for fire damage to a building if you are renting it and if your contents are covered by this policy

- h) any business, profession, trade or occupation carried out by you, **other than** you acting as a committee member of a sporting or social club and you receive no more than \$1,000 per year for holding this position, or your role as a part-time temporary carer of children in the capacity of a baby-sitter
- i) any disease that is transmitted by you, or any member of your family who normally lives with you, or anyone else who normally lives with you
- j) a conflict of duty or interest.

2. We will not pay for claims in respect of:

- a) loss or damage to property that belongs to you, or is in your custody or control, or belongs to any member of your family who normally lives with you, or anyone else that normally lives with you

However, if you are a tenant we will indemnify you for your legal liability for fire damage to a building if you are renting it and if your contents are covered by this policy

- b) bodily injury, death or illness to you, or any member of your family who normally lives with you, or anyone else who normally lives with you
- c) bodily injury, death or illness to any person that you employ arising out of or in the course of their employment, other than a person employed by you to babysit your children for less than 10 hours per week

- d) bodily injury, property damage or any other loss arising directly or indirectly out of, or in any way involving, your:
- use of electronic mail systems
  - access through any computer to the world wide web
  - operation and maintenance of your own web site
- However we will indemnify you for your legal liability up to an amount of \$50,000 (including all costs and legal expenses) for these activities. This limited cover is subject to all other conditions and exclusions in this policy and your Certificate of Insurance
- e) penalties, fines or awards of aggravated, exemplary or punitive, or liquidated damages made against you or payable by you
- f) loss that can be reimbursed by your sporting or social club
- g) claims brought against you outside the Commonwealth of Australia.

## Section 5 - Optional Cover

You can increase your cover under this policy by adding any of the following options. You will need to apply for these covers and pay an additional premium. Any options that we agree to add to your policy will be specified on your Certificate of Insurance.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 30 of this booklet.

### Valuable Items

At your request we will cover your valuable items and individually list them on your Certificate of Insurance. You may wish to request valuable items cover if an item's value is more than the limit provided by this policy.

### What is Covered

We will cover you for loss or damage to your valuable items as a result of an accident occurring anywhere in Australia and elsewhere in the world. Cover outside Australia is limited to 90 continuous days in any one period of insurance.

### Amount we will Pay

The maximum amount payable under this section for any one loss is limited to the sum insured specified on your Certificate of Insurance for valuable item(s).

### Disaster Cover

We will increase the sum insured on your buildings by 30% if:

- your buildings suffers an insured loss or damage which is covered by Section 1 Buildings, and
- the loss or damage was caused by a named cyclone (including storm surge), flood or earthquake (including tsunami).

## Section 6 – Strata Title Mortgage Protection

### What is Covered

At your request we will cover you for your liability under the terms of your mortgage if your buildings are owned under a strata title or similar plan.

Any cover we provide may be subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 30 of this booklet.

### Amount we will Pay

The cover is subject to the relevant sections of the *Unit Titles Act (NT)*.

Where your buildings are damaged as a result of an incident under Section 3 Accidental Damage, we will pay:

- the sum insured, or
- the amount of loss, or
- the amount sufficient at the date of loss or damage to discharge the mortgage on your buildings

whichever is the lesser amount.

The cover does not discharge your obligation to pay your mortgage, for example if the amount we will pay is less than the outstanding balance on your mortgage.

We will only pay this when the body corporate:

- has not insured the buildings, or
- has not insured the buildings for loss or damage you can claim for under this policy.

## Section 7 – Exclusions, What is not Covered

Any cover we provide is subject to the following exclusions. Please read this information carefully as it details incidents and circumstances not covered under this policy.

For what is covered, what is not covered and the amount we will pay, see:

- Section 1 – Your Buildings see page 6
- Section 2 – Your Contents see page 8
- Section 3 – Accidental Damage see page 15
- Section 4 – Legal Liability see page 24
- Section 5 – Optional Cover see page 28
- Section 6 – Strata Title Mortgage Protection see page 29

### The following exclusions apply to all sections of cover provided by this policy

1. We will not cover any loss, damage or legal liability as a result of, caused by or arising from:
  - a) any incident that happens outside your period of insurance
  - b) any alleged or actual act or omission committed or alleged to have been committed, outside your period of insurance
  - c) any criminal or unlawful act by you, or any member of your family who normally lives with you, or anyone else who normally lives with you, or anyone acting for you, with your express or implied consent
  - d) any alterations, additions, repairs or renovations to your building that cost more than \$50,000 (inc. GST)
  - e) deliberate or intentional acts by you, or anyone acting for you with your express or implied consent
  - f) any act or omission that is dishonest, fraudulent, criminal, wilful or malicious
  - g) anything nuclear or radioactive
  - h) contamination of air, liquid or soil unless the loss, damage or legal liability is due to a sudden unexpected or unintended accident
  - i) pollution of air, liquid or soil unless the loss, damage or legal liability is due to a sudden unexpected or unintended accident



- j) the lawful seizure, confiscation, nationalisation, requisition or destruction of your buildings or contents or any other item covered by this insurance
- k) the use, installation, removal of, or exposure to any asbestos products or products containing asbestos
- l) associated with the installation or recreation of software, rewriting records, working files or any other information for use on a computer, or any other digital or analogue device
- m) an act of terrorism
- n) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
- o) subsidence or landslide unless it arises immediately from an earthquake or explosion.

**The following exclusions apply to all sections of cover provided by this policy except Section 4 Legal Liability**

2. We will not cover any loss or damage as a result of, caused by or arising from:
  - a) depreciation, rust, corrosion, deterioration or erosion
  - b) the sea, tidal wave, tsunami (other than tsunami resulting from an earthquake) or high water (other than storm surge)
  - c) wear and tear which is caused by, but not limited to: marring, denting, chipping or scratching
  - d) moths, vermin, possums, termites, ants or insects, reptiles, amphibians, birds or bats
  - e) faulty materials or defect in an item, design or workmanship in your buildings or your contents
  - f) error or omission in design, plan or specification or failure of design
  - g) settling seepage, shrinkage or expansion in buildings, walls, roofs, floors, ceilings, foundations, pavements, roads and the like
  - h) the undergoing of a process necessarily involving the application of heat
  - i) theft from any part of your buildings which you share with another person who is not insured under this policy
  - j) mildew or atmospheric or climatic conditions
  - k) any process of cleaning using chemicals, other than household chemicals

- l) roots from trees, plants, shrubs or grass
- m) an animal at the site with your permission
- n) a computer virus, worm or Trojan resulting in loss, corruption, destruction or unavailability of electronic data or software or malfunction of hardware or embedded chips. This exclusion applies whether or not the virus worm or Trojan is genuine or a hoax.

Exclusions 2.a), c), d), e), f) g), h), j) and k) will apply to the item or structure immediately affected and not to any resultant damage to other property covered by this insurance.

3. We will not cover for loss of or damage to:
  - a) any mechanical, electric or electronic device caused by its own internal failure, breakdown or derangement
  - b) any photographic apparatus whilst used under water
  - c) any musical instruments, motorcycles, motorised golf buggies, sporting or fishing equipment whilst in play or being used
  - d) any glassware, crystal, crockery or china whilst being carried by hand or during use
  - e) property due to tree felling or tree lopping (by you or with your consent) at the site.
4. We will not cover for loss or damage caused by or arising out of:
  - a) cyclone, flood or storm surge if such loss or damage occurs within 72 hours from cover commencing under this insurance contract. In the case of a mid term alteration – no increased limit, cover or sum insured will apply until 72 hours have passed from when the alteration was requested
  - b) fire or explosion, actual or attempted theft, burglary or housebreaking, a person acting maliciously or any accidental damage where your building is unoccupied for a continuous period of more than 60 days unless you advise us beforehand in writing, we agree to cover you and you pay any additional premium we require. If we agree to provide cover we will advise you in writing.

## Section 8 - Important Information

Resilience is being prepared for what the Territory can throw at you by protecting your home with the right insurance cover. To obtain the most out of your insurance cover, you must be open and honest with us and adhere to your responsibilities and obligations under this cover.

### Your Duty of Disclosure

Before you enter into this insurance with us, you have a duty of disclosure under the *Insurance Contracts Act 1984*.

The Act imposes a different duty the first time you enter into a contract of insurance with us to that which applies when you vary, extend, reinstate or replace the contract.

This duty of disclosure applies until the contract is entered into (or varied, extended or reinstated as applicable).

### Your Duty of Disclosure when you enter into the contract with us for the first time

When answering our specific questions that are relevant to our decision whether to accept the risk of the insurance and, if so, on what terms, you must be honest and disclose to us anything that you know and that a reasonable person in the circumstances would include in answer to the questions.

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 by the contract.

### Your Duty of Disclosure when you vary, extend, reinstate or replace the contract

When you vary, extend, reinstate or replace the contract with us, your duty is to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

### What you do not need to tell us

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us; or
- that is of common knowledge; or
- that we know or, in the ordinary course of our business as an insurer, ought to know; or
- as to which compliance with your duty is waived by us.

## Non-disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim, cancel the contract or both.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

## Your Obligations under this Policy

In addition to your duty of disclosure, there are other obligations that you must meet when you are insured with us.

### Changes

You must tell us as soon as possible of any circumstances that occur, or changes that are intended or made which increase the risk of loss, damage or liability.

Unless we have agreed in writing to cover any changes to the risk and you pay any additional premium required, we will not pay any loss, damage or liability caused by, arising from or relating to the changes.

### **You must tell us if:**

- your building is unoccupied for a continuous period of more than 60 days

Note: if you do not tell us that your building is unoccupied for a continuous period of more than 60 days, your cover will be limited to the following:

- earthquake including tsunami caused by earthquake
- flood
- impact
- lightning strike
- riot or civil commotion
- storm, cyclone, rainwater and hail
- storm surge

**or**

- any changes have been made to:
    - the address or location where your buildings or contents are located
    - the use of your building
- For example if:
- you commence running a business from your home. Your policy was issued on the basis that your home is used primarily as a place of residence and it is not used for any income generating activity other than a home office or home surgery
  - you no longer occupy the home and you are renting/leasing the home or using the home as a holiday home.
  - your building due to renovations, extensions or demolition to the value of \$50,000 (inc. GST) or more
  - the people who are insured under this policy
  - the value of your building or contents.

If you tell us about any of these things, we may charge additional premium, change the cover of your policy, impose special conditions, or cancel your policy.

### **Your obligations when you make a claim**

To help us settle any claim you make, we may ask you to provide us with evidence of ownership and proof of value.

You also have an obligation to pay an excess for each and every claim. The excess is specified on your Certificate of Insurance and is the amount you may have to contribute towards each claim made under your policy. See page 45 for more information.

You will not have to pay the excess for claims under Section 4 Legal Liability.

### What you MUST do

At your own expense you must:

- take all reasonable steps to minimise further loss, damage or liability
- record the date and time the incident took place and a description of the incident
- immediately inform the Police and other appropriate bodies of any malicious damage, burglary, theft or any attempted burglary or theft, or accidental loss
- if applicable, record the Police report number. The Police will provide you with this number when you report the incident to them. The Police in the Northern Territory often refer to it as a 'Promise Number'
- immediately inform us of the full details of any loss, damage, injury or illness
- list the items that have been damaged/lost or destroyed
- provide all receipts, invoices, quotes, evidence of ownership and/or information we may require to process your claim
- retain damaged property at our request and provide us with the opportunity of inspection if required, and
- comply with all reasonable requests for co-operation by us or our solicitors, assessors and/or investigators.

### What you MUST NOT do

- pay or promise to pay for a claim, or admit responsibility for a claim
- repair or replace any damaged buildings or contents without our consent, and
- make a claim knowing or suspecting it to be false or fraudulent. This applies to anyone acting on your behalf or with your implied permission.

### If you make a claim, you also give us your rights to claim from anyone else.

- If you have the right to claim from anyone else for an incident covered by us, you give us the rights to make that claim and to conduct or settle any legal action and to act in your name – you must not do anything which prevents us from doing this and you must give us all of the information and cooperation that we require.

Additionally, if you make a claim, you also give us your rights to defend or settle any legal action brought against you.

### **If you do not meet your obligations**

We may refuse or reduce a claim, cancel your policy, or do both. If we cancel your policy we will advise you in writing.

### **If you need to make emergency repairs**

You must take all steps to minimise further loss, damage or liability, which may include emergency repairs. If you need to make essential emergency repairs we will cover up to \$1,000 worth of repairs to your building and/or cover up to \$500 worth of repairs/replacement to your contents.

### **Financial Claims Scheme**

In the unlikely event Allianz Australia Insurance Limited were to become insolvent and could not meet its obligations under this policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria and for more information see APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 558 849.

### **Confirming transactions**

If you have any queries, want further information about the policy or want to confirm a transaction, please use the contact details on the back cover.

### **Updating the Product Disclosure Statement**

Certain information in our Product Disclosure Statement may need to be updated at various times. You can obtain a paper copy of any updated information without charge by contacting your adviser or by calling us.

If the update is to correct a misleading or deceptive statement or an omission (that is materially adverse from the point of view of a reasonable person deciding whether to acquire this policy), we will provide you with a new Product Disclosure Statement or a supplementary Product Disclosure Statement and identify the update and why it was required.

## Section 9 - Our Commitment to You

We are committed to help build resilience in the community by raising awareness through community education programs that help people to be more informed and more prepared, providing information and promoting the need for adequate and appropriate insurance protection.

In addition, to protect the interests of our customers we have chosen to comply with the following obligations:

### The General Insurance Code of Practice

The purpose of the Code is to raise service standards, improve the way claims and complaints are handled and to help people to better understand how general insurance works.

The objectives of the Code are:

- to promote better, more informed relations between insurers and their customers
- to improve consumer confidence in the general insurance industry
- to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers, and
- to commit insurers and professionals they rely upon to higher standards of customer service.

We have voluntarily adopted the Code developed by the Insurance Council of Australia and are committed to complying with it.

Please contact us if you would like more information about the General Insurance Code of Practice. Our contact details are located on the back of this booklet.



## Applicable Law

Your insurance contract is governed by the law of the Northern Territory and you submit to the non-exclusive jurisdiction of the Northern Territory courts.

## Our Commitment

### Claims commitment

We will be there when you need us the most. Our Business Continuity plan ensures we have well rehearsed cyclone and flood plans. We will meet any claims covered by your policy fairly and promptly.

### Customer service commitment

We are committed to customer service excellence and we will provide you with the highest standard of service.

### 21 day cooling-off period

If you change your mind, we provide a cooling-off period which lets you cancel your policy within 21 days with a full refund of your premium. However, your cooling-off period no longer applies if you make a claim within this time.

## Privacy of Your Information

TIO is committed to protecting the privacy and confidentiality of your personal information.

Generally we collect personal information directly from you however there may be times when we collect personal information from other sources. We collect your personal information for the primary purpose of evaluating and administering the proposed insurance policy or any claim, and for the secondary purpose of marketing our products and services to you. If you choose not to provide us with the information we have requested, we may not be able to provide you with our services or products or properly manage and administer services and products provided to you or others.

You may cancel its use for marketing purposes at any time by contacting us.

We treat your personal information with care. The information may be disclosed to others such as, reinsurers, professional advisers and loss adjusters or as permitted or required by law.

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

If you believe your personal information is inaccurate or incomplete, you may request us to make any necessary corrections, additions or deletions. Our Privacy Policy contains details about how you may access your personal information and seek the correction. It also contains details about how you may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how we deal with complaints. Our Privacy Policy is available at [www.tiofi.com.au](http://www.tiofi.com.au), in branches or contact us on 1300 301 833 to request a copy.

## Section 10 - Our Agreement with You

Your insurance contract is made up of the following documents:

- your proposal, which may have been verbal
- the PDS
- the Policy terms and conditions
- your current Certificate of Insurance, and
- any endorsements or supplementary PDS sent by us to you.

For your insurance cover to apply you must pay us the premium. The dates that cover commences and expires are shown on your Certificate of Insurance we issue to you.

Provided you have paid us the premium on or before the due date we will give you the cover described in the Policy terms and conditions and on your Certificate of Insurance.

### How to Apply for Insurance

If you are taking out a policy with us it's as easy as:

1. contacting us by phone or email or visiting our website [tiofi.com.au](http://tiofi.com.au) or alternatively contacting your insurance advisor, and
2. paying your premium.

### How to Renew your Insurance

1. We will send you an offer to renew your insurance policy before your current policy expires. The offer will include an updated Certificate of Insurance with automatically increased buildings and contents sums insured, by a percentage that will reflect inflation and the increased cost of labour and materials in the Northern Territory.
2. Review your renewal invitation carefully and check that the details it contains are correct, such as:
  - the names of the people who are insured
  - the address of the property insured
  - specified contents, valuable items and the amount each item is insured for
  - the sums insured, and
  - any excess which you must pay towards the cost of a claim.

3. Pay your premium. If you paid last year's premium by instalments, we will continue to deduct payments from your nominated bank account, or credit card. If you paid last year's premium in one lump sum, we must receive your payment on, or prior to, the due date, otherwise your buildings or contents will not be insured.

### **How to Change your Insurance**

1. Contact us or your insurance advisor to change or vary your policy. You will be sent an updated Certificate of Insurance reflecting the changes to your policy we have agreed to and any special terms or conditions we have applied to your policy.
2. Check your updated Certificate of Insurance to make sure the changes are correct.
3. Pay your premium if it has increased. We will tell you if your premium has increased. If you pay by instalments, we will adjust your instalments and continue to deduct the new amount from your nominated bank account. If you pay your premium in one lump sum, we must receive your additional payment to effect the cover.
4. In some cases you will be entitled to a refund. If your premium has decreased we will tell you. If you pay by instalments, we will adjust your instalments and continue to deduct the new amount from your nominated bank account. If you pay your premium in one lump sum, we will refund your premium to your nominated bank account or via a bank cheque.

Refunds of premium do not apply to Section 6 Strata Title Mortgage Protection or any other policy which has been the subject of a total loss claim.

### **How to Cancel your Insurance**

1. If you want to cancel your insurance policy with us, simply contact us or your insurance advisor.
2. If you pay your premium by instalments we will remove the remaining instalments. If you pay your premium in a lump sum and you cancel your policy before it ends, we will refund you any unused premium.

Refunds of premium do not apply to Section 6 Strata Title Mortgage Protection or any other policy which has been the subject of a total loss claim.

## How to Calculate your Sum Insured

You are responsible for calculating your sum insured for the cost of replacing your buildings, contents and valuable items, as new. If you do not insure for the correct amount, you may be out-of-pocket if you suffer loss or damage to your buildings or contents.

We recommend you review your sums insured on an annual basis to ensure you are adequately insured.

Located on our website ([tiofi.com.au](http://tiofi.com.au)) is a useful tool to help you calculate your buildings and contents sum insured.

## How we Calculate your Premium

The cost of your insurance is called the premium. We will tell you the premium amount you are required to pay and specify it on your Certificate of Insurance.

The premium may include compulsory government charges, such as GST and stamp duty. Where government charges apply, we will specify these amounts on your Certificate of Insurance. The amount you are required to pay will vary based on the type of cover you have chosen.

When we calculate your premium, we take into consideration a number of rating factors. These include factors relating to the sum insured, your claims history, construction of your buildings, location of your buildings and level of security.

Minimum premiums apply. The minimum premium is the smallest amount of premium we will charge you before compulsory government charges are applied.

## Changes in Premium

Premiums are affected by many factors including:

- the cost of claims we have paid to other customers
- the cost of claims we expect to pay in the future
- any changes in government taxes, levies and charges
- the administration costs of the policies
- the cost of claims you have made on your policy.

## How to Pay your Premium

We will tell you when your premium is due. You must pay your premium on or before the due date to activate your insurance policy. If we accept a late payment of premium, your policy may be subject to a reduced period of liability.

You can pay your premium in one lump sum, or by instalments.

If you pay your premium in one lump sum, you can pay by cash, B-Pay, cheque or credit card.

If you pay your premium by instalments, you can pay from your nominated bank account or by a nominated credit card.

We may cancel your policy if:

- you do not pay your premium
- your cheque or credit card is dishonoured , or
- you pay your premium by instalments and you are more than one month behind.

If you pay your premium by instalments we may refuse to pay a claim if your payment is outstanding for 14 days or more.

## Your Excess

The excess is specified on your Certificate of Insurance and is the amount you may have to contribute towards each claim made under your policy.

**At our option**, we will choose whether the excess is:

- paid by you, to us when we request it
- deducted from the amount we pay you
- paid by you, to a supplier or repairer on our request.

We will only provide cover if the amount of the claim is more than the excess payable. Where a loss or damage caused by a single incident gives rise to a claim under more than one part of your policy we will only ask you to pay the one excess. Where the excesses are different, you will be asked to pay the highest excess.

| Type                     | Definition  |
|--------------------------|---|
| <b>Excess</b>            | Payable for each claim you make   |
| <b>Flexible Excess</b>   | You may choose to increase your excess by selecting a lower premium or decrease your excess by selecting a higher premium. If you select flexible excess this will be specified on your Certificate of Insurance as your excess, payable for each and every claim you make. |
| <b>Imposed Excess</b>    | We may require you to pay additional excess; for example depending on your claims history, occupancy and storage of contents. The amount, if applicable, and terms and conditions of the imposed excess will be specified on your Certificate of Insurance.                 |
| <b>Earthquake Excess</b> | In addition to your excess, if you are claiming loss or damage caused in any 48 hour period due to an earthquake or tsunami caused by an earthquake an additional excess of \$200 applies. <b>This excess is not specified on your Certificate of Insurance.</b>            |
| <b>Legal Liability</b>   | If you make a claim under Section 4 Legal Liability you will not have to pay an excess.   |

## How We Pay Claims

### How we will settle your buildings claim

If your building is insured and if it is damaged or destroyed as a result of an incident or accident covered by your policy, we will decide at our option whether to:

- pay to repair, rebuild or replace the damaged part of your building to a condition equal to but not better than the condition when new, or
- pay you the cost of repairing or rebuilding.

If we choose to pay you the cost of repairing or rebuilding, we will:

- pay you up to the buildings sum insured, as specified on your Certificate of Insurance
- only repair, rebuild or pay you for the part or parts of the building that actually sustained loss or damage, including damaged portions of fixed coverings to walls, floors, ceilings (room, rooms or hallway) or roof tiles only in the physical area where the damage or destruction occurs

- try to match any materials used with the original materials used. If we are unable to do this, we will use the nearest equivalent available
- not pay any costs for replacing undamaged property so as to create a uniform appearance.

For example, we will not pay any additional amount for replacing undamaged floor tiles so as to create a uniform appearance.

### **After we agree to settle your claim**

If the repair, rebuilding or replacing is not commenced within 6 months after the damage occurs and the delay is caused by you, your claim settlement will be reduced by an amount equal to any increased costs associated with the delay.

If the work is not commenced in this period, we may do one of the following:

- repair your buildings to the condition they were in just before the loss or damage occurred
- pay you the cost of repairing your buildings to the condition they were in just before the loss or damage occurred
- pay you what the value of the land and your buildings was just before the loss or damage occurred, after deducting the amount we estimate as the value of your land and buildings after the loss or damage occurred.

### **If your building is a total loss**

We will at our option pay you the replacement value of your buildings or the sum insured specified on your current Certificate of Insurance, whichever is the lesser, or provide a total replacement of your buildings. In each case we will deduct:

- any excess
- any policy limitations
- any unpaid premium, and
- any input tax credit you would have been entitled to under a *New Tax System (Goods and Services Tax) Act 1999* if you had paid to repair or rebuild your buildings.

We will cancel the policy on your buildings and no refund of premium will apply.



## How we will settle your contents and valuable items claim

If your contents and valuable items are insured and if they are damaged or destroyed as a result of an incident or accident covered by your policy, we will decide at our option whether to:

- repair an item using new parts or materials
- replace an item to a condition equal to but not better than the condition when new, or
- pay you the cost it would cost us to repair or replace the item.

If we choose to pay you the cost it would cost us to repair or replace the item, we will pay up to:

- the contents or valuables items sum insured in total, as specified on your Certificate of Insurance, or
- the maximum amount per item, set, pair or collection as per page 12.

## If your contents and valuable items are a total loss

We will at our option pay you the replacement value of your contents and/or valuable items or the sum insured specified on your current Certificate of Insurance whichever is the lesser, or provide a total replacement of your contents and/or valuable items. In each case we will deduct:

- excess
- depreciation
- policy limitations
- unpaid premium, and
- input tax credit you would have been entitled to under a *New Tax System (Goods and Services Tax) Act 1999* if you had paid to repair or replace your contents.

We will cancel the policy on your contents and/or valuable items and no refund of premium will apply.

## Cash Settlement

When you ask for a cash payment as an alternative to us exercising our option to repair, rebuild or replace and we agree to a cash payment, we may at our option:

- deduct an amount for wear and tear and depreciation, or
- deduct an amount equal to the discount we would normally receive if purchasing the item from a supplier.

## Depreciation

A deduction will be made for depreciation if your claim is for:

- electric motors
- linen
- pool liners
- shade cloth or fabric shade sails, and
- carpets over 10 years of age.

Depreciation of electric motors is applied in accordance with the following scale:

|  |     |
|--|-----|
| up to and including 10 years old<br>from manufacture | Nil |
| over 10 years old from manufacture                   | 20% |
| for each additional years                            | 20% |

For all other items depreciation will take into account the expected useful life of the item.

## Pairs, Sets and Collections

Where any item lost or damaged is part of a pair, set or collection, we will not pay more than the actual value of the item. We will not give any allowance for any special value it may have as forming part of the pair, set or collection, or any reduction in value of the remaining part or parts.

## Claim Settlement Examples

The following are claim settlement examples only to show you how a claim settlement may be calculated based on practical scenarios. Any actual claim settlement will depend on the facts, circumstances of the claim and if we decide to settle your claim.

These examples do not waive your obligations or responsibilities when making a claim as set out on page 36.

### Claim Example 1

|                          |  |
|--------------------------|--|
| Cover                    | Contents insurance   |
| Contents sum insured     | \$73,000   |
| Optional cover           | None   |
| Excess                   | \$250  |
| Loss or damage           | Power surge to your Television   |
| Repair/Replacement cost  | \$2,000  |
| How we settle your claim | <ul style="list-style-type: none"> <li>• You pay us your \$250 excess</li> <li>• We pay our supplier \$2,000</li> <li>• Total settlement value \$1,750.</li> </ul> |

### Claim Example 2

|                          |  |
|--------------------------|--|
| Cover                    | Buildings insurance  |
| Buildings sum insured    | \$445,000  |
| Optional cover           | None   |
| Excess                   | \$250  |
| Loss or damage           | During a storm a tree falls onto your roof causing damage  |
| Repair/Replacement cost  | \$10,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• You pay us your \$250 excess</li> <li>• We arrange for a builder to repair your roof</li> <li>• We pay the builder \$10,000</li> <li>• Total settlement value \$9,750.</li> </ul> |

### Claim Example 3

|                       |                                  |
|-----------------------|----------------------------------|
| Cover                 | Buildings and contents insurance |
| Buildings sum insured | \$445,000                        |
| Contents sum insured  | \$75,000                         |
| Optional cover        | None                             |
| Excess                | Building \$1,000                 |

Contents \$250

|                |  |
|----------------|--|
| Loss or damage | Your buildings and contents have been damaged as a result of a flood. We agree you are unable to occupy your home due to the damage and you require temporary accommodation. |
|----------------|--|

|                         |           |
|-------------------------|-----------|
| Repair/Replacement cost | \$210,500 |
|-------------------------|-----------|

|                          |   |
|--------------------------|---|
| How we settle your claim | <ul style="list-style-type: none"> <li>• You pay the higher of your two excesses, \$1,000 (refer to page 45 for more information about your excess)</li> <li>• We pay the builder \$150,000 to repair your home</li> <li>• We pay you \$50,000 to replace your damaged contents items</li> <li>• We pay for the cost for temporary accommodation \$10,500</li> <li>• Total settlement value \$209,500.</li> </ul> |
|--------------------------|---|

### Claim Example 4

|                          |  |
|--------------------------|--|
| Cover                    | Contents insurance   |
| Contents sum insured     | \$75,000   |
| Optional cover           | None   |
| Excess                   | \$250  |
| Loss or damage           | <p>You went swimming at your local pool and you lost your 18ct yellow gold engagement ring valued at \$10,000.</p> <p>You have specified this ring on your policy for the value of \$10,000.</p>   |
| Repair/Replacement Cost  | \$10,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$2,500 as follows:</li> <li>• cost to replace ring \$10,000 less \$250 excess = \$9,750</li> <li>• policy limitation for jewellery \$2,500 refer to page 13, or specified contents refer to page 14</li> <li>• Total settlement value \$2,500.</li> </ul> |

### Claim Example 5

|                          |   |
|--------------------------|---|
| Cover                    | Contents insurance  |
| Contents sum insured     | \$75,000  |
| Optional cover           | Valuable Items, refer to page 28  |
| Excess                   | \$250   |
| Loss or damage           | <p>You went swimming at your local pool and you lost your 18ct yellow gold engagement ring valued at \$10,000.</p>  |
| Repair/Replacement cost  | \$10,000  |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$9,750 as follows:</li> <li>• cost to replace ring \$10,000</li> <li>• less \$250 excess</li> <li>• Total settlement value \$9,750.</li> </ul> |

## What to do if you have a complaint or a dispute

### 1. Talk with us or your insurance advisor first

If you find a reason to be dissatisfied with any of our products or services we need to know so we can work together to resolve the issue.

If you have a complaint, ask to speak with a TIO staff member in the area concerned as they may be able to resolve the issue on the spot. If it's unable to be resolved, you or your insurance advisor may ask to speak to the manager of the area.

If you are still not satisfied with the decision you can seek a review.

### 2. Seek a review

If you are not satisfied with our initial response to your complaint, you may request that the matter be dealt with by TIO's Complaints Officer through our internal Complaints and Dispute Resolution Process. Our Complaints Officer will conduct an internal review of your dispute.

If the internal review does not resolve the matter to your satisfaction you can seek an external review.

### 3. Seek an external review

If we have been unable to resolve the matter to your satisfaction, you or your insurance advisor will be advised of further options for an external review, which may include referral to the Financial Ombudsman Service (FOS).

This is an independent scheme which provides adjudication of a dispute free of charge for you.

The Financial Ombudsman Service may be contacted by:

- calling 1300 78 08 08
- emailing [info@fos.org.au](mailto:info@fos.org.au), or
- visiting their website [fos.org.au](http://fos.org.au)

If you would like more information or wish to receive a copy of TIO's Complaints and Dispute Resolution booklet, please contact us. Our contact details are located on the back of this booklet.

## Words with Special Meaning – applying to this Policy

In this policy unless the contrary intention appears the following expressions shall have the following meaning:

**accident, accidental loss, accidental damage** an event which was not expected or intended by you and includes a series of accidents arising out of any one event.

**act of terrorism** an act, including but not limited to the use of force or violence and/or the threat thereof, of any persons 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 done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

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

**Australia** the Commonwealth of Australia, its dependencies and Territories.

**buildings** as described under Section 1 Your Buildings at the site specified on your Certificate of Insurance, unless otherwise specified on your Certificate of Insurance.

**Certificate of Insurance** the current schedule or renewal schedule issued by us which forms part of this insurance contract. It will show details of your insurance cover and premium.



|                              |   |
|------------------------------|---|
| <b>collection(s)</b>         | a group of individual items, which are of a similar type and which when grouped together, may take on a value greater than the sum of the individual items' values. Examples may be stamp, medal and coin collections.                    |
| <b>contents</b>              | as described under Section 2 Contents.  |
| <b>debris</b>                | the residue of the insured damaged buildings and/or contents excluding any material which is itself a pollutant or contaminant and which is deposited beyond the boundaries of the site.  |
| <b>depreciation</b>          | the reduction in value of the property due to wear and tear, age, ordinary use or lack of maintenance.  |
| <b>endorsement</b>           | any written alteration or addition to the terms, conditions and exclusions of your insurance policy.  |
| <b>excess</b>                | the amount you may have to contribute towards each claim made under this insurance policy.  |
| <b>fixtures and fittings</b> | any household item(s) or household equipment that are permanently attached to your buildings.   |
| <b>flood</b>                 | the covering of normally dry land by water that has escaped or been released from the normal confines of: any lake, or any river, creek or other natural watercourse, whether or not altered or modified, or any reservoir, canal or dam. |

|                            |   |
|----------------------------|---|
| <b>fusion</b>              | 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.   |
| <b>glass</b>               | <p>if your buildings are insured glass means: glass, ceramic cook tops on stoves, ceramic sinks, wash basins, baths, lavatory pans and cisterns which are fixed and form part of the building.</p> <p>if your contents are insured glass means: glass which forms part of an item of furniture (including fixed or unfixed glass table tops) while at the site and shall include any telephone handset (other than a mobile phone).</p> |
| <b>impact</b>              | collision or striking.  |
| <b>money</b>               | cash, notes, coin, negotiable instruments, negotiable securities and/or stamps.   |
| <b>PDS</b>                 | Product Disclosure Statement.   |
| <b>period of insurance</b> | the duration of this policy for the period specified on the Certificate of Insurance, or any subsequent renewal period for which the appropriate premiums are paid.   |
| <b>site</b>                | the site specified on the Certificate of Insurance at which the buildings or contents are located.  |
| <b>sporting equipment</b>  | equipment designed to be used in a leisure activity that involves some element of physical activity or competition, excluding push or pedal bicycles.   |

|                           |   |
|---------------------------|---|
| <b>storm surge</b>        | an increase in sea level associated with a tropical cyclone or other intense storm.   |
| <b>supplementary PDS</b>  | a document that updates or adds to the information in this PDS and policy.  |
| <b>tools of trade</b>     | tools and equipment used entirely or partially for an occupation or income earning pursuit.   |
| <b>valuable item(s)</b>   | the item or items specifically nominated by you and listed on the Certificate of Insurance for Valuable Items.  |
| <b>we, us, our or TIO</b> | Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 trading as Territory Insurance Office (TIO) of 24 Mitchell Street, Darwin NT 0800.  |
| <b>you, your</b>          | the person(s), company or companies named on the Certificate of Insurance as the insured. It also includes your spouse (legal or de facto) and any member of your family or any other person(s) who permanently resides with you at the site. |

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For enquiries  
call 1300 301 833  
visit [tiofi.com.au](http://tiofi.com.au)  
or a TIO branch

