



Assisted Living Residence Insurance

Product Disclosure Statement

Rewarding experience



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Introduction

Welcome to Apia Assisted Living Residence Insurance

Thank you for choosing Apia. If you need anything in relation to your insurance, or if you need to make a claim, you can contact us 24 hours a day, 7 days a week on **13 50 50**.

Our goal

Our goal is to have you as a happy, long-term customer. We want you to be satisfied in all your dealings with us.

Apia is committed to dealing with our customers by:

- listening carefully to what you tell us;
- being accurate and honest in telling you about our products and services;
- communicating with you professionally and in plain language; **and**
- resolving any complaints or concerns you have with us.

Why is this document important?

This Product Disclosure Statement (PDS) is an important legal document that contains details of your Apia Assisted Living Residence Insurance if you purchase this product from us. It also explains in the 'Important information about us' statement (see page 5), certain information about the financial services we offer, how we are remunerated and what relationships we have with others, to help you decide if you would like to use the services we offer. This PDS also explains how we will deal with your complaint if you ever have a concern with your dealings with us.

Before you decide to buy this product from us, please read this PDS carefully. If you purchase this product, your policy comprises of this PDS and your certificate which shows the details particular to you.

The information in this PDS was current at the date of preparation. We may update some of the information in the PDS that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by contacting us on **13 50 50** or at apia.com.au. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a Supplementary Product Disclosure Statement (SPDS) or replacement PDS.

PED guide

Throughout this PDS you will be referred to a guide called: Premiums, Excesses, Discounts and Claim Payments Guide, indicated as 'Refer to the PED Guide for further information'. This guide will provide you with further information and is available at apia.com.au. You can also obtain a copy of this guide on request, at no charge, if you contact us on **13 50 50**.

Our agreement with you

Apia on behalf of AAI (see page 5) agrees in return for your premium to insure you in the circumstances and subject to the conditions, limits and exclusions set out in this PDS and your certificate.

Cooling off period

After this insurance begins or you renew your policy for another period of insurance, you have **21** days to consider the information in your PDS. This is called the 'cooling off period'. If you decide to cancel your policy during the cooling off period, or at any other time, we will refund the unexpired portion of the premium less any non refundable government charges.

Who is this product designed for?

This insurance product is specially designed for residents of nursing homes and other assisted living accommodation who want some limited cover for contents they own and use for domestic purposes.

We rely on the accuracy of your information

When we agree to insure you, to renew or vary your policy, or to pay your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we can reduce or deny any claim you make or cancel your policy. We never want to have to do that, so you must answer honestly, correctly and completely, the questions we ask about:

- you;
- your residence;
- your contents;
- any events that result in a claim on your policy.

When you receive your renewal, please carefully check the information it shows about you and your residence and contents. If any of that information is incorrect or incomplete, please call us on **13 50 50** and we will update our records.

Exclusion for new business policies

We do not insure you for bushfire, storm, flood or tsunami in the first **72** hours after the start of your policy.

Very limited exceptions apply. For full details see 'General exclusions' on page 20.

More than one named insured

If there is more than one named insured on your certificate, we will treat a statement, act, omission, claim, request or direction (including to alter or cancel your policy) made by one as a statement, act, omission, claim, request or direction by all those named as insured on your certificate.

Some words in your policy have special meanings

Some words when used in this PDS have special meanings. Most of the words with special meanings are defined in the 'Glossary of important words and phrases' section on pages 31 to 33.

Important information about us

This important information about us statement was completed on 19 October 2012.

Who are we?

Australian Pensioners Insurance Agency Pty Limited ABN 14 099 650 996 (Apia), authorised representative No. 239591. The contact details for Apia are on the back cover.

Who do we act for?

Apia is an agent (acting under a binder) and authorised representative of Australian Alliance Insurance Company Limited ABN 11 006 471 709 (AAI). AAI holds Australian Financial Services Licence No. 235011. The contact details for AAI are on the back cover. AAI has authorised this 'Important information about us' statement.

AAI has prepared this PDS and is the insurer of the policies referred to under 'What financial services do we offer' that are arranged by Apia. Apia is a wholly owned subsidiary of AAI and both are members of the Suncorp Group. As AAI is regulated by the Australian Prudential Regulation Authority (APRA) it is exempt from the requirement to hold professional indemnity insurance cover. AAI as the insurer will receive the premiums paid for the policy but does not otherwise receive any remuneration or commission for the services provided by Apia.

What financial services do we offer?

Apia is authorised by, and acts on behalf of AAI to issue insurance under binder, arrange, vary and cancel insurance, handle and settle claims and provide general and personal financial product advice in relation to Apia branded general insurance policies issued by AAI.

How are we paid for providing the financial services?

Apia does not receive any commissions or benefits from AAI for giving you advice or for the insurance policies it arranges. AAI and other Suncorp Group companies provide Apia with the resources it needs to provide the financial services. These services are provided on behalf of Apia by staff employed by the Suncorp Group of companies. In addition to their salary, staff may receive bonuses if they achieve their performance targets. You will not be charged an additional fee as a direct result of this.

How we will deal with a complaint

Apia provides a complaint resolution process. For full details see page 34.

Summary of insured incidents

Accidental loss or damage

Your contents are covered for accidental loss or damage in your residence at the insured address. Some examples of what accidental loss or damage includes are shown below with an example of what we do not cover.

For full details of what we cover and do not cover, read your certificate and the full PDS carefully, including page 13 and in 'General exclusions' on pages 19 to 23 of this PDS.

Lightning But we do not cover damage caused by lightning where the Australian Government Bureau of Meteorology has no record of lightning in your area at the time of the loss or damage.	Fire But we do not cover loss or damage to your contents from arcing or cigarette burns unless a fire spreads from the initial burn spot.
Flood But we do not cover damage caused by actions or movements of the sea.	Storm But we do not cover the cost of cleaning your contents.
Earthquake and Tsunami But we do not cover loss or damage that occurs more than 72 hours after the earthquake or tsunami.	Theft or Burglary But not by someone who entered the insured address with your consent.
Escaping liquid But we do not cover wear and tear, or loss or damage caused by the escaping liquid occurring as a result of a gradual process of bursting, leaking, splashing, dripping or overflowing over a period of time when you could reasonably be expected to be aware of this condition.	Impact But we do not cover the cost of removing or lopping fallen trees or branches that have not damaged your contents.
Damage by an animal But we do not cover damage caused by insects, vermin or rodents (some limited exceptions apply).	Explosion But we do not cover the cost of repairing or replacing the tank or container that exploded.
Riot, civil commotion or public disturbance But we do not cover loss or damage caused by you or someone who lives at the assisted living facility.	Malicious acts and vandalism But we do not cover loss or damage caused by you or someone who lives at the assisted living facility.

Summary of important claims information

This summary lists some of the important information to consider when making a claim. This is a summary only and there are other things you should be aware of when making a claim. For more details see pages 24 to 30.

Making a claim

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

More details page 24

Establishing your loss

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

More details page 25

Proof of ownership

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

More details page 26

Excess

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

More details page 26

How claims are settled

Depending on the circumstances we will decide to repair, replace or pay you what it would cost us to repair or replace, subject to the applicable limits of your policy.

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

More details page 27

About your sum insured

What is a sum insured?

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

NOTE: The most we will pay for an individual item, pair, set or collection in any one insured incident is **\$1,000**. See page 12.

Review your sum insured regularly

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

If you over-insure

We will not refund any premium paid for over-insuring.

Adjustments on renewal

Apia automatically adjusts your contents sum insured on your certificate at the end of each period of insurance to account for various factors including inflationary trends. You need to change the sums insured for any specified valuable items (shown on your certificate as 'Specified valuables') when required as we do not adjust these sums insured.

About your premium

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

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

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

Your premium includes any discounts we have given you.

Refer to the PED Guide for further information

Paying your premium

We will tell you how much you have to pay and how much time you have for payment on your certificate. You must pay the premium by the due date to get this insurance cover. You can pay in one annual payment or if we agree, by monthly, quarterly, half yearly or yearly instalments.

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

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

Late annual payments

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

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

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

Overdue instalments

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

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

Your responsibilities

You must:

- keep your contents well maintained and in good condition. For what we mean by 'good condition' see 'Glossary of important words and phrases' on page 32;
- take reasonable care to prevent theft, loss, damage or legal liability;
- follow all the terms and responsibilities set out in your policy;
- provide honest and complete information for any claim, statement or document supplied to us.

Not meeting your responsibilities

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

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

When you need to contact us

You must contact us when:

- any detail on your certificate is no longer accurate, such as your residence where you live;
- you move out of the assisted living facility;
- anything else happens that increases the chance that loss, damage or injury will occur in your residence or at the insured address.

What we will do when you contact us

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

About your cover

Who we cover - You/Your

You/Your means the person or persons named as the insured on your certificate and your spouse or partner who normally lives with you in your residence.

Where we cover - the insured address

We cover your contents inside your residence at the insured address shown on your certificate. The insured address does not include any area of the assisted living facility other than your residence.

We can provide cover for some contents away from the insured address, see page 14 'Specified valuables'.

What we cover - your contents

Contents are your items that you own and that are kept in your residence for domestic use including:

- domestic furniture and furnishings;
- household goods, medical equipment and aids, clothing and other personal effects owned by you;
- motorised wheelchairs and mobility scooters, which do not require registration, **unless** the relevant state or territory authority requires the wheelchair or mobility scooter to be registered and that are normally kept with you in your residence;
- belongings normally worn or carried by you;
- sporting, recreational and leisure goods and equipment;
- portable electronic and electrical items and their accessories;
- photographic and optical equipment.

What we do not cover as - your contents

- cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps;
- commercially produced audio and video media, music and video data files, records, computer discs, computer software and game cartridges;
- motor vehicles and motorcycles;
- watercraft, aircraft and aerial devices;
- tools of any description;
- any items owned by the assisted living facility in which you are a resident.

The most we will pay for contents claims

Different types of contents

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

- **Contents** – These items do not need to be listed. Subject to the conditions, limits and exclusions of the policy, these items are covered for loss or damage caused by an insured incident in your residence at the insured address.
- **Specified valuables** – See pages 14 and 15.

The most we will pay for all contents

If we accept your claim, the most we will pay for loss or damage to all contents arising from any one insured incident is the contents sum insured plus any specified valuables sums insured (shown on your certificate as 'Specified valuables'). The most we will pay for an individual item, pair, set or collection in any one insured incident is **\$1,000**.

The most we will pay for specified valuables

For details see 'Specified valuables' on pages 14 and 15.

GST

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

What you are covered for

Contents cover

Your contents are covered for accidental loss or damage inside your residence at the insured address in the period of insurance, subject to the terms, conditions and limits and exclusions in this policy.

Accidental loss or damage is loss or damage from incidents you did not intend to happen, e.g. a painting accidentally falling off the wall.

There are some things we do not cover and these are shown in the 'General exclusions' on pages 19 to 23.

Accidental loss or damage

Accidental loss or damage includes loss or damage from incidents such as:

- Lightning;
- Fire;
- Flood;
- Storm;
- Earthquake and Tsunami;
- Theft or Burglary;
- Escaping liquid;
- Impact;
- Damage by an animal;
- Explosion;
- Riot, civil commotion or public disturbance;
- Malicious acts and vandalism.

Refer to the PED Guide for further information

Optional cover

You can ask us to add the following optional cover to your policy for an extra premium. If you choose and pay for this optional cover, that option will be shown on your certificate and the cover provided is shown in the 'We cover' section of the following table on page 15. Optional covers have their own excess.

There are some things we do not cover and this is shown in the 'We do not cover' section of the following table on page 15 and in the 'General exclusions' on pages 19 to 23. All of the conditions of this policy apply to optional cover unless the cover says otherwise.

Specified valuables

For an additional premium, you can ask us to add 'Specified valuables' optional cover to your policy. If we agree, that optional cover will be shown on your certificate.

What we cover – specified valuables

Specified valuables are items that are normally carried with you away from the insured address, such as:

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

In addition to the above, we also cover wheelchairs or mobility scooters or similar medical aids, designed to assist with physical disabilities, which you normally take with you away from the insured address.

Where we cover – specified valuables

Anywhere in Australia or New Zealand. Jewellery and watches only are also covered anywhere in the world for up to **30** consecutive days, but only while they are being worn by you or while in a secure safe.

The most we will pay for specified valuables

The most we will pay for specified valuables is the sum insured shown on your certificate for each item listed.

Specified valuables cover	
We cover	We do not cover
<p>We cover accidental loss or damage to specified valuables up to the sum insured for each item shown on your certificate during the period of insurance in the locations shown and subject to the limits described in 'Where we cover – specified valuables' on page 14.</p> <p>Note: You must give us the full description and replacement value for each item you want us to insure. If you have this optional cover, the items covered are those individually listed on your certificate.</p>	<p>Loss or damage to:</p> <ul style="list-style-type: none"> ▪ cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection); ▪ sporting, recreational or leisure goods and equipment whilst in use, but we will cover bicycles whilst in use, but not whilst being used for racing or pace-making; ▪ items that are used for any business activity; ▪ restoration of your electronic records.

Refer to the PED Guide for further information

Legal liability

We cover your legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an incident which happens anywhere in Australia or New Zealand during the period of insurance.

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

The most we will pay for all claims from any one incident under contents legal liability cover is **\$10 million**, including all associated legal costs.

What we do not cover

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

Agreements you enter into

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

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

Aircraft

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

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

Animals

any animal other than your domestic dog, cat or horse.

Asbestos

exposure to or potential exposure to asbestos in any form.

Buildings, property or land not at the insured address

you owning, occupying or renting any building, property or land not at the insured address.

Building, altering or renovating

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

Business activity

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

Caravans and trailers

using or owning a caravan, mobile home or trailer.

Committee members or officials

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

Death or injury

death or injury of:

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

Fines, penalties and other damages

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

Illness or disease

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

Legal actions in other countries

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

Libel or slander

libel or slander.

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

Motor vehicles or motor cycles

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

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

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

damage to property which:

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

but we will cover your legal liability under a tenancy rental agreement when your contents in the assisted living facility are insured under your policy, for damage caused by:

- water leaking from pipes, washing machines, dishwashers or water overflowing from blocked baths or tubs;
- fire.

Watercraft

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

Your employees

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

Other employees

death or injury of any person or damage to their property, if those persons are covered or should have been covered by Workers' Compensation or similar legislation.

Refer to the PED Guide for further information

General exclusions

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

Actions of the sea

any actions or movements of the sea.

Animals biting, chewing, pecking or clawing

- any animal owned by you or that you are responsible for;
- any animal allowed into the assisted living facility by you, or anyone living at the assisted living facility;
- insects, vermin or rodents, **but we will cover:**
 - fire damage they cause;
 - water damage they cause.
- animal pecking, biting, clawing, scratching, tearing or chewing your contents. Or damage caused by their urine or excrement, **but we will cover** damage by an animal (**except** insects, vermin or rodents) which becomes accidentally trapped inside your residence.

Biological, chemical, other pollutant or contaminant

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

But we will cover:

- damage that is caused by insured incident 'fire';
- your legal liability under 'Legal liability' cover (see pages 16 to 18), to the extent your legal liability arises from your use of pesticides or herbicides in your residence;
- the cost to remove asbestos or its derivatives from the insured address during repairs or rebuilding if we have accepted a claim for loss or damage to your contents.

General exclusions (cont.)

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

Breaking the law

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

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

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

- you bought your residence; **or**
- the day you signed a lease contract for your residence; **or**
- that another policy covering your contents expired, but not when you cancelled the policy prior to its expiry date, and only up to the sums insured covered under the expired policy (any increase in sums insured will not be covered for these incidents for the first **72** hours specified).

Chemical damage when cleaning

by chemicals, such as detergents and solvents, when you or someone authorised by you is using them for cleaning.

Chips and scratches

a breakage that does not extend through the entire thickness of the damaged item (e.g. chips or scratches).

Computer virus or computer hacking

a computer virus or hacker.

Confiscation or damage by a legal authority

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

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

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

- loss of income or wages;
- medical expenses;
- costs to prove your loss or to help us with your claim (e.g. telephone calls, postage);
- the cost of your time (e.g. inconvenience);
- cost of hiring appliances after yours suffer loss or damage;
- professional, expert, legal, consulting or valuation costs **unless** you obtained our prior written authority to incur these costs;
- cost of replacing or reapplying pest control chemicals and baits in or around your residence;
- travel costs;
- cleaning costs;
- any costs related to stress or anxiety;
- any costs not covered by your policy.

Contents in the open air

loss or damage to your contents items in the open air **except** the contents items you have chosen to cover under optional cover 'Specified valuables'.

Defect, structural fault or design fault

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

Deliberate actions by you

an act or omission by you, your spouse or partner living in your residence or any owner or part owner of your contents, or anyone acting with your consent which:

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

Deliberate damage to a reservoir or dam

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

General exclusions (cont.)

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

Earthquake or tsunami

loss or damage that occurs **72** hours after an earthquake or tsunami.

Failing to take care of your residence or contents

your failure to:

- take reasonable care of your residence and contents;
- keep your residence and contents in good condition and well maintained. For the meaning of 'good condition' see the 'Glossary of important words and phrases' section on page 32;
- fix faults and defects as soon as you become aware of them.

Hazardous materials

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

Mechanical or electrical breakdown

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

- fire spreading from an electrical fault to other parts of your contents;
- lightning.

Medical equipment and aids

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

Photographs, electronic data and images

repairing, replacing or fixing:

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

Radioactivity

radioactivity or the use, existence or escape of:

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

Revolution, war

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

Riot, civil commotion or public disturbance

a riot, civil commotion or public disturbance caused by you.

Smoke, ash or soot when your contents have not caught on fire

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

Storm surge

loss or damage caused by storm surge **unless** the loss or damage occurs at the same time as the insured loss or damage to your contents caused by storm.

Theft or malicious damage by someone invited into your residence

theft or malicious damage by:

- you or someone who lives in your residence; **or**
- someone who entered your residence with:
 - your consent; **or**
 - consent of someone with authority to allow access to your residence.

Wear, tear and gradual deterioration

wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot, action of light, atmospheric or climatic conditions or gradual deterioration.

Claims

Making a claim

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

What you must do

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

Step 2 Try to prevent further loss or damage.

You must do everything you reasonably can to prevent further loss, damage or liability (e.g. if there has been forced entry to your room, arrange for it to be secured to prevent further loss or damage).

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

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

Step 4 Contact us as soon as possible on 13 50 50.

You can call us **24** hours a day. If you delay reporting your claim, we will not pay for any additional loss or damage caused by your delay.

Describe details of what has been affected by the incident (e.g. a broken window, storm damage or a list of stolen items).

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

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

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur. Our liability to you will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled had you made a relevant acquisition.

Legal liability claims

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

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

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

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

For more details on 'Legal liability' cover see pages 16 to 18.

To process the claim, you must

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

What you must not do

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

If you do not comply

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

If we decline a claim

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

How to establish your loss

Establish an incident took place

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

We may obtain the following from the police:

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

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

Describe your loss or damage

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

When your contents are damaged

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

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

How to prove ownership and value

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

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

Your excess

What is an excess?

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

The types of excess are:

Contents excess

This excess applies to all claims unless this policy states that no excess applies to your claim.

In most cases you can choose a higher excess to reduce your premium.

Specified valuables excess

Specified valuables insured under the optional cover has its own excess that applies.

When your claim is for contents and specified valuables

When your claim is under both contents and specified valuables cover, the higher of your contents or specified valuables excesses, will be payable.

When your claim is for specified valuables only

The specified valuables excess shown on your certificate (and not the contents excess) is payable when your claim proceeds solely against specified valuables.

When we may waive your excess

When you make a claim for damage to your contents and the incident covered by your policy was caused by another person (but not people who we cover as 'you') and we agree, we may waive the excess that would normally apply if you give us the name and address of the person responsible for the damage or if applicable their registration details.

How to pay your excess

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

Refer to the PED Guide for further information

How we settle your claim

We choose how we settle contents claims

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

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

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

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

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

We will not:

- pay more than the relevant sum insured or policy limit;
- pay extra to replace your contents to a better standard, specification or quality than it was before the loss or damage occurred **except** as stated in the meaning 'new for old';
- fix a fault that existed before the loss or damage occurred;
- pay any decrease in the value of a pair, set or collection when the damaged or lost item forms part of the pair, set or collection. We pay only for the repair or replacement of the item which was damaged or lost.

'New for old' means:

- we replace or repair with new items or new materials that are available at the time of replacement or repair from Australian suppliers;
- we replace or repair 'new for old' regardless of age, with no allowance for depreciation;
- we replace or repair to the same type, standard and specification (but not brand) as when new. If the same is not available, it means of a similar type, standard and specification (but not brand) when new. We can replace with a different brand.

'New for old' does not:

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

When items may be replaced to a better standard

Refrigerators, freezers, dishwashers, air conditioners, washing machines and dryers with less than a 3 star energy rating

For these items when being replaced, 'new for old' means replacing with a new item of equal specification (but not brand) and if you agree, it means replacing with a minimum **3** star energy rating if this is available. It can be a different brand.

Obsolete electrical appliances

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

When items cannot be replaced new for old

If an item cannot be replaced 'new for old', we will pay you what it would cost to buy the item immediately before the loss or damage occurred, up to the relevant sum insured.

When we repair or replace your contents

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

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

When we cannot match contents items

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



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



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



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

Items that form part of a set or collection

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

When we will repair or replace undamaged contents

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

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

- **internal blinds and curtains**

if we can't match the new material or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged blinds and curtains in the same room.

- **carpets or other floor coverings**

if we can't match the new material or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged floor carpets and other coverings in the same room.

If you want to change the contents

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

Other claims information

Potential impact on cover and premiums

After a contents claim

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

After claiming for a specified valuable

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

Salvaged contents items

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

Our right to recover claims we pay from those responsible

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

Refer to the PED Guide for further information

Other important information

What happens with cancellations?

Cancellation by you

You may cancel this policy at any time. If you cancel this policy, you will be refunded the unexpired portion of the premium, less any non-refundable government charges.

Cancellation by us

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

For more information about cancellation see 'Paying your premium' on page 9.

Glossary of important words and phrases

Accidental damage

see page 13.

Actions or movements of the sea

means:

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

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

Assisted living facility

means a facility that is fitted, furnished and staffed for the purpose of providing accommodation and nursing care to patients who have a continuing need for care.

Business activity

means:

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

Certificate

means the latest certificate we have given you. It is an important document as it shows the covers you have chosen and other policy details such as the premium that applies.

Collection, set and memorabilia

are defined as:

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

Contents

see page 11.

Flood

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

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

Good condition

means your contents do not have any faults or defects that might cause loss or damage to your contents, loss or damage to property of others or injury to people.

Incident

means a single incident, accident or occurrence which you did not intend or expected to happen.

Insured address

see page 11.

Insured incident

means an incident not excluded by this policy.

Loss or damage

means physical loss or physical damage.

Open air

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

PED guide

see page 3.

Period of insurance

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

Policy

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

Residence

means your room/s that you live in within an assisted living facility that is solely for your use.

Specified valuables

see page 14.

Storm

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

Storm surge

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

Sum insured

see page 8.

We, our and us and Apia

means Apia on behalf of Australian Alliance Insurance Company Limited (ABN 11 006 471 709).

You/Your

see page 11.

How we will deal with a complaint

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

You can contact us:

By phone 13 50 50

In writing Apia
GPO Box 756
Melbourne, VIC, 3001

By email customerservice@apia.com.au

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

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

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

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

The contact details for our IDR team are: By phone: 1300 240 531; In writing: Internal Dispute Resolution, Apia, PO Box 14180, Melbourne City Mail Centre, VIC, 8001; By email: idr@apia.com.au.

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

If we are unable to resolve your complaint within **45** days, you may take your complaint to the Financial Ombudsman Service (the FOS), even if we are still considering it. The contact details for the FOS are set out on page 35.

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

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

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

You can contact FOS:

By phone 1300 780 808

By Fax (03) 9613 6399

By email info@fos.org.au

In writing Financial Ombudsman Service
GPO Box 3
Melbourne, VIC, 3001

By visiting www.fos.org.au

Report insurance fraud

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

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

Help us fight insurance fraud by reporting:

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

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

General Insurance Code of Practice

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

Financial Claims Scheme

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

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

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

Information about the FCS can be obtained from APRA at apra.gov.au or by calling **1300 55 88 49**.

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PDS dated 19 October 2012

This insurance is issued by
Australian Alliance Insurance Company Limited
ABN 11 006 471 709. AFSL No. 235011

GPO Box 756, Melbourne, VIC, 3001

How to contact Apia:

By telephone: 13 50 50

Via email: customerservice@apia.com.au

On the web: apia.com.au

13 50 50
apia.com.au
