



Deluxe House Coverage

This part of Your Masterpiece Policy provides You with coverage against physical loss or damage to Your house subject to the terms, conditions and exclusions stated in the Policy.

*Exclusions to this coverage are described in **Exclusions**.*

Definitions

Covered loss	means the physical loss or damage to Your house or other property covered under this part of Your Policy subject to the terms, conditions and exclusions in this Policy.
House	means the main dwelling at each location named in the Coverage Summary.
Reconstruction cost	means the amount required at the time of loss to repair or rebuild the house, whichever is less, at the same location with the same quality of materials and workmanship which existed before the loss. Reconstruction cost does not include payment for the excavation, replacement or stabilisation of land under or around Your house.

How We Will Pay Your Claim

Sum Insured	The sum insured for each house for each occurrence is shown in the Coverage Summary. We may change this amount to the value of the property determined by valuation. The premium will be adjusted in accordance with Our standard rating. To help You and Us agree on the appropriate sum insured, We may, but are not obligated to, conduct appraisals of Your house and other permanent structures.
Inflation Protection	During the Policy period the sum insured will be increased daily to reflect the current effect of inflation. At the time of a covered loss, Your house sum insured will include any increase in the Consumer Price Index (all groups) from the beginning of the Policy period. When the Policy is renewed the sum insured and the premium will reflect the then current costs and values.
Deductible	A deductible listed in the Coverage Summary applies to each occurrence but it does not apply to a covered loss of more than \$50,000 unless the vacant house deductible of 5% as listed below applies.
Vacant house deductible	If the house has been empty of all unfixed furnishings and all contents for more than 60 consecutive days at the time of a covered loss, and You did not notify Us it would be vacant, the deductible will be increased to 5% of the sum insured (unless it is already 5% or greater). An additional premium will be charged on a vacant house, effective the date it becomes vacant.
Payment basis	Your Coverage Summary indicates the payment basis for each house.
Extended replacement cost	If the payment basis is extended replacement cost, We will pay the reconstruction cost even if this amount is greater than the sum insured for Your house shown in Your Coverage Summary.
Verified replacement cost	If the payment basis is verified replacement cost, We will pay the reconstruction cost up to the sum insured shown in the Coverage Summary whether or not You actually repair or rebuild Your house.
Conditional replacement cost	If the payment basis is conditional replacement cost, We will pay the lesser of: <ul style="list-style-type: none">• the reconstruction cost; or• the portion of the covered loss determined by dividing the sum insured shown in the Coverage Summary, by 100% of the actual amount required to rebuild the house; or• the sum insured shown on the Coverage Summary.



Your Duty

It is Your duty to maintain an appropriate sum insured and to advise Us of any additions, alterations or renovations to Your house or other permanent structures.

- Extended replacement cost and verified replacement cost are provided on the condition that You maintain at least the sum insured for Your house as previously agreed to, including any adjustments by Us based on appraisals, revaluations and annual adjustments for inflation.
- If You do not repair, replace or rebuild Your house or other permanent structure at the same location, the payment basis will be replacement cost.
- If at any time:
 - You are newly constructing Your house or an other permanent structure; or
 - You are constructing additions, alterations, or renovations to Your house or an other permanent structure that results in Your living out of the house during any part of the construction, or such that a house rented to others cannot reasonably be lived in during any part of the construction; or
 - the reconstruction cost of additions, alterations, or renovations to Your house is at least \$200,000 or more than 10% of the sum insured for the house, whichever is less; or
 - the reconstruction cost of additions, alterations, or renovations to Your other permanent structure is at least \$200,000 or more than 10% of the sum insured for the house, whichever is less,

Your payment basis for Your house or other permanent structures will be conditional replacement cost. Conditional replacement cost will remain Your payment basis until construction is completed.

- If You have a partial loss to Your house and do not begin to repair, replace or rebuild the lost or damaged property within 180 days from the date of loss, We will only pay the reconstruction cost less depreciation unless You are prevented from repairing or replacing the lost or damaged property due to inaction of the local council or such like authority which is beyond Your control.
- If You cannot repair, replace or rebuild Your home because Your primary mortgagee or its assignees has recalled Your mortgage, We will pay the reconstruction cost up to the sum insured shown in the Coverage Summary for Your house, minus what is due to the mortgagee. And We will pay the first legal mortgagee what is due to him.

Extra Coverages

These coverages are included in Your Deluxe House Coverage and are in addition to the sum insured for Your house unless stated otherwise or an exclusion applies. The deductible applies to Extra Coverages unless stated otherwise.

Other permanent structures

We cover other permanent structures on the grounds of Your house. For a covered loss to these structures, We will pay up to a total of 30% of the house sum insured for the location at which a covered loss to these structures occurs, plus any additional amount of coverage shown in the Coverage Summary for “other permanent structures” at this location. The same payment basis applies to other permanent structures as to the house itself.

Additional living expense

Under certain conditions (described below), when Your house or other permanent structure cannot be lived in because of a covered loss to Your house or other permanent structure, or if applicable, its contents, We cover the expenses detailed below. There is no deductible for this coverage.



Extra living expenses

If a covered loss makes Your house or other permanent structure uninhabitable, We cover the reasonable increase in Your normal living expenses that is necessary to maintain Your household's usual standard of living. We cover this increase for the reasonable amount of time it should take to restore Your house or other permanent structure to a habitable condition or if You or members of Your household permanently relocate, the shortest amount of time required to settle elsewhere. However, if You are newly constructing Your house or other permanent structure or constructing additions, alterations, or renovations to Your house or other permanent structure at the time of a covered loss, We only cover the increase in Your normal living expenses incurred by You for the reasonable amount of time required to restore the house or other permanent structure to the condition it was in prior to the covered loss. This period of time is not limited by the expiration of this Policy.

Extra boarding expenses for pets

If You are entitled to a benefit payable under the extra living expenses section and You have pets that are not permitted to stay with You under the terms and conditions of Your temporary accommodation, We will pay for the reasonable expenses incurred to board Your pets in alternative accommodation for the time You are receiving the extra living expenses up to a maximum of \$30,000.

Fair rental value

If a covered loss makes a part of Your house or other permanent structure which You usually rent to others uninhabitable, We cover its fair rental value during the period of time it is usually rented for the reasonable amount of time required to restore it to a habitable condition. This period of time is not limited by the expiration of this Policy.

Forced evacuation

If You are forced to evacuate Your house and other permanent structure as a direct result of a covered loss or a reasonable threat of a loss covered under this Policy, We cover the reasonable increase in Your normal living expenses incurred by You that is necessary to maintain Your household's usual standard of living. We also cover any loss in fair rental value if Your house or other permanent structure is usually held for rental, but We do not cover any loss due to cancellation of a lease or agreement. We cover these forced evacuation expenses for up to 90 days, even if the Policy period ends during that time.

Evacuation boarding expenses for pets

If You are entitled to a benefit payable under the forced evacuation expenses section and You have pets that are not permitted to stay with You under the terms and conditions of Your temporary accommodation, We will pay for the reasonable expenses incurred to board Your pets in alternative accommodation for a maximum period of 90 days up to a maximum of \$2,500.

Emergency clothing and essential purchases

If You or a family member are not able to access Your house, We will pay up to a maximum \$5,000 for essential replacement clothing and toiletry items You or a family member need to purchase as a result of a covered forced evacuation loss.

Land

If there is a covered loss to Your house or other permanent structure and the related repair or rebuilding requires excavation, replacement or stabilisation of land under or around Your house or other permanent structure, We will also pay up to 10% of the amount of the covered loss to Your house or other permanent structure for the excavation, replacement or stabilisation of the land.

Landscaping

We cover trees, shrubs, plants and lawns at Your house against the perils of fire, lightning, explosion, civil disturbance, vandalism, malicious mischief, theft and loss caused by a vehicle or aircraft.

We will pay up to a total of 5% of the sum insured shown in the Coverage Summary for the house at which the loss occurs, but not more than \$20,000 for any one tree, shrub or plant. If Your payment basis is extended replacement cost, the 5% is applied to the increased amount of coverage.

This extra coverage applies only if You begin to repair or replace the lost or damaged property within 180 days of the date of loss.

<p>Tree removal</p>	<p>Unless covered elsewhere under this Policy, We will pay the reasonable expenses You incur up to a total of \$5,000 for each occurrence to remove trees which have fallen, or trees threatening to fall and cause damage to Your house or neighbouring premises, due to wind, hail, sleet or the weight of ice or snow, fire, lightning, explosion, riot or civil commotion, earthquake or malicious mischief. These payments apply only to fallen trees, or trees threatening to fall and cause damage, at a location shown in the Coverage Summary.</p> <p>This extra coverage applies only if You begin to repair or replace the lost or damaged property within 180 days of the date of loss. There is no deductible for this coverage.</p>
<p>Fire department charges</p>	<p>If a fire department is called to protect Your house or its grounds against a covered loss or potential covered loss, We will pay up to \$5,000 for any charges imposed by law or assumed by written agreement. There is no deductible for this coverage.</p>
<p>Lock replacement</p>	<p>If the keys to Your house are lost or stolen, We will pay the cost of replacing the locks. In addition, if the keys which are lost or stolen contain an electronic unlocking device to Your car on the same key ring which is lost or stolen at the same time, We will pay the cost of replacing the electronic unlocking device up to a maximum of \$5,000.</p> <p>You must notify Us in writing within 72 hours of discovering this loss.</p> <p>There is no deductible for this coverage.</p>
<p>Debris removal</p>	<p>Unless covered elsewhere under this Policy, We cover the reasonable expenses You incur made necessary by a covered loss to demolish damaged covered property, if necessary, and to remove debris of the covered loss including the property that caused a covered loss up to 30% of the sum insured for Your house shown in the Coverage Summary.</p>
<p>Emergency repairs</p>	<p>After a covered loss, We cover the reasonable expenses You incur for necessary emergency repairs made solely to protect Your house or other permanent structure against further covered damage. These payments do not increase the sum insured for Your house or other permanent structures.</p>
<p>Modification costs</p>	<p>We cover You or a family member for the necessary expenses, up to a maximum of \$50,000, to make modifications to Your house, so that You may remain in Your house, if You or a family member is permanently disabled as the result of an accident during the Policy period.</p>
<p><i>Permanently disabled</i></p>	<p>means:</p> <ul style="list-style-type: none"> • permanent physical severance at or above both ankles or permanent total loss of use of both legs or feet; or • permanent physical severance at or above both wrists or permanent total loss of use of both arms or hands; or • total and irrevocable loss of sight in both eyes.
<p>Construction works and materials</p>	<p>We will cover the works, building materials and construction supplies owned by You at each location listed in the Coverage Summary for use in the construction, addition, alteration or renovation of Your house or other permanent structure up to 10% of the sum insured for the house or \$200,000, whichever is less. If the cost of the building work exceeds this amount You must notify Us before the building works begin and it is Our decision whether to accept the increased risk of the insurance and, if so, on what terms.</p> <p>These payments apply only to a covered loss, and they do not increase the sum insured for Your house or other permanent structures.</p>



<p>Rebuilding to code</p>	<p>After a covered loss, We cover the necessary cost of conforming to any law or to any ordinance that requires or regulates:</p> <ul style="list-style-type: none">• the repair, replacement, or rebuilding or demolition of the damaged portion of Your house or other permanent structures made necessary by the covered loss;• the demolition, replacement, or rebuilding of the undamaged portion of Your house or other permanent structure necessary to complete the repair, replacement or rebuilding of the damaged portion of Your house or other permanent structure; or• the demolition of the undamaged portion of Your house or other permanent structure when Your house or other permanent structure must be totally demolished. <p>If You do not repair Your house or other permanent structures or rebuild it at the same location, this coverage does not apply. However, We do provide coverage if it is determined that Your house or other permanent structure must be relocated due to zoning or land use regulations of the Commonwealth, State, Territory or Local Government.</p>
<p>Mortgage discharge</p>	<p>We will pay the reasonable legal costs to discharge Your mortgage if Your claim is for a total loss under this Policy up to a maximum of \$5,000.</p>
<p>Mould remediation expenses</p>	<p>We provide coverage for mould remediation expenses You incur, made necessary by a covered water damage loss to Your house, other permanent structure, or to contents if Deluxe Contents Coverage is provided under Your Policy. For each occurrence, We will pay up to a total of \$25,000, plus any additional amount of coverage shown in the Coverage Summary for mould remediation expenses at this location. This coverage applies only to the portion of the house, other permanent structure or contents, which directly sustained the covered water damage loss. These payments do not increase the sum insured for Your house, other permanent structure or contents.</p>
<p>Mould remediation</p>	<p>means the reasonable and necessary costs not otherwise covered for:</p> <ul style="list-style-type: none">• testing the indoor air quality for mould;• testing the surfaces and materials of Your house, other permanent structure or contents for mould;• developing a mould remediation plan; and• implementing a mould remediation plan including the clean up, removal, containment, treatment, or disposal of mould. <p>Mould remediation also means the reasonable and necessary costs, including the increased cost, not otherwise covered for:</p> <ul style="list-style-type: none">• removing debris solely due to mould; and• repairing or replacing covered property damaged or removed solely due to mould. <p>We also provide coverage for temporary relocation expenses You incur, made necessary by mould remediation. For each occurrence, We will pay up to 20% of the total amount of mould remediation expense coverage. There is no deductible for temporary relocation expenses.</p>
<p>Temporary relocation expenses</p>	<p>means:</p> <ul style="list-style-type: none">• the reasonable increase in Your normal living expenses that is necessary to maintain Your household's usual standard of living for the reasonable amount of time required to complete mould remediation; and• the fair rental value of that part of Your house rented or held for rental, for the reasonable amount of time required to complete mould remediation, during the period of time it is usually rented.
<p>Contents</p>	<p>means personal property You or a family member owns or possesses covered by Us.</p>
<p>Mould</p>	<p>means fungi, mould, mould spores, mycotoxins, and the scents and other by-products of any of these</p> <p>We will not make any additional payments for mould remediation expenses or temporary relocation expenses under any other Extra Coverage. The amount of coverage for mould remediation expenses and temporary relocation expenses is the most We will pay for the sum of all mould remediation expenses and temporary relocation expenses, regardless of the number of covered water damage losses that occur during the Policy period.</p>

Exclusions

These exclusions apply to Your Deluxe House Coverage, including the Extra Coverages, unless stated otherwise. The words “caused by” mean any loss that is contributed to, made worse by, or in any way results from that peril.

<p>Wear and tear</p>	<p>We do not cover any loss caused by wear and tear, gradual deterioration, fading, rust, corrosion, bacteria, dry or wet rot, warping, insects or vermin. We do insure subsequent covered loss unless another exclusion applies.</p>
<p>Fungi and mould</p>	<p>We do not provide coverage for the presence of mould, however caused, or any loss caused by mould, other than as provided under the Extra Coverage, “Mould remediation expenses”. But We do cover mould resulting from fire or lightning unless another exclusion applies. Mould means fungi, mould, mould spores, mycotoxins, and the scents and other by-products of any of these.</p>
<p>Inherent vice and breakdown</p>	<p>We do not cover any loss caused by inherent vice, latent defect or mechanical breakdown if:</p> <ul style="list-style-type: none"> i) You were aware of the inherent vice, latent defect or mechanical breakdown at the time this Policy was entered into; or ii) a reasonable person in the circumstances could be expected to have been aware of the inherent vice, latent defect or mechanical breakdown at the time this Policy was entered into. <p>We do cover any damage to household electrical motors provided there is actual burning out of the motor and provided the burning out is not caused by lack of proper maintenance. We do insure subsequent covered loss unless another exclusion applies.</p>
<p>Contamination</p>	<p>We do not cover any loss caused by the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do We cover the cost to extract pollutants from land or water, or the cost to remove, restore or replace polluted or contaminated land or water. A pollutant is any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. A contaminant is an impurity resulting from the mixture of a substance with a foreign substance. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.</p>
<p>Loss by animals</p>	<p>We do not cover any loss caused by vermin, insects, or rodents. We do insure subsequent covered loss unless another exclusion applies.</p>
<p>Structural movement</p>	<p>We do not cover any loss caused by settling, cracking, shrinking, bulging or expansion. But We do insure subsequent covered loss unless another exclusion applies.</p>
<p>Special rules for escaping water</p>	<p>If any of the causes of loss previously described in the exclusions for wear and tear, fungi and mould, inherent vice and breakdown, contamination, loss by animals or structural movement cause water to escape from within a household appliance, swimming pool or plumbing, heating or air conditioning system, We cover the loss caused by the water. We provide this coverage unless an exclusion applies other than the exclusions for wear and tear, fungi and mould, inherent vice and breakdown, contamination, loss by animals or structural movement. This coverage also includes the cost of tearing out and replacing any part of the house or other permanent structure necessary to repair the appliance, swimming pool, or system. But We do not cover loss to the appliance, swimming pool, or system itself.</p>
<p>Flood</p>	<p>We do not cover any loss caused by flood, waves or tidal water, overflow of a body of water or spray from any of these even if it is driven by wind. Flood means the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake or of any reservoir, canal or dam. But We do provide cover against tsunami and We do insure subsequent covered loss unless another exclusion applies. Tsunami means a sea wave caused by a disturbance of the ocean floor or by a seismic movement.</p>



Freezing damage to outside structures	We do not cover losses caused by freezing, thawing, ice or snow even if the ice or snow is driven by wind to any: fence, arbor, footpath, patio, landing or step, septic system, swimming pool or hot tub including their installed equipment, footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of Your house or an other permanent structure, retaining wall, bulkhead, pier, wharf, dock or bridge. But We do insure subsequent covered loss unless another exclusion applies.
Failure to protect	We do not cover any loss or damage caused by Your failure to use all reasonable means to protect property before, at, or after the time of a loss.
Intentional acts	<p>We do not cover any loss caused intentionally by a person named in the Coverage Summary, that person's spouse, a family member or a person who lives with You. We also do not cover any loss caused intentionally by a person acting under the direction or instruction of a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with You.</p> <p>But We do provide coverage for You or a family member who is not directly or indirectly responsible for causing the intentional loss. An intentional act is one which is done deliberately with conscious design. However, this exclusion shall not apply when the loss is caused by an intentional act committed for the purpose of preventing personal injury or property damage or eliminating danger to persons or property.</p>
Faulty planning, construction or maintenance	<p>We do not cover any loss caused by the faulty acts, errors or omissions of You or any other person in planning, construction or maintenance. It does not matter whether the faulty acts, errors or omissions take place on or off the insured property.</p> <p>But We do insure subsequent covered loss unless another exclusion applies. Planning includes zoning, placing, surveying, designing, compacting, setting specifications, developing property and establishing building codes or construction standards. Construction or maintenance includes grading, compacting, materials, workmanship, and parts or equipment used for construction, repair or maintenance.</p>
Earth movement	We do not cover any loss caused by earth movement from any cause including volcanic eruptions, landslides, mud flows and the sinking, rising or shifting of land unless caused directly by earthquake. We do insure subsequent covered loss due to fire, explosion, theft or glass breakage unless another exclusion applies.
Acts of war	We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by a military force or personnel, any action taken in hindering or defending against any of these, the destruction or seizure of property for a military purpose, or any consequences of any of these acts, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. If any act that is within this exclusion involves nuclear reaction, radiation, or radioactive contamination, this acts of war exclusion supersedes the nuclear, biological, chemical or radiation hazard exclusion.
Nuclear, biological, chemical or radiation hazard	We do not cover any loss caused by nuclear reaction, radiation, or biological, chemical, radioactive contamination, regardless of how it was caused. But We do insure subsequent covered loss due to fire resulting from a nuclear reaction unless another exclusion applies.
