



# Personal Liability Coverage

*This part of Your Masterpiece Policy provides You with personal liability coverage for which You or a family member may be legally responsible anywhere in the world subject to the terms, conditions and exclusions stated in the Policy.*

## Definitions

The following words used in this coverage part have the special meaning defined here.

<b>Bodily injury</b>	means physical bodily harm, (including sickness or disease or death that results from it), required care and loss of services.
<b>Covered person</b>	means: <ul style="list-style-type: none"><li>• You or a family member;</li><li>• any person or organisation with respect to their legal responsibility for covered acts or omissions of You or a family member; or</li><li>• any combination of the above.</li></ul>
<b>Damages</b>	means the sum that is paid or is payable to satisfy a claim settled by Us or resolved by judicial procedure or by a compromise We agree to in writing.
<b>Personal injury</b>	means the following injuries, and resulting death: <ul style="list-style-type: none"><li>• bodily injury;</li><li>• shock, mental anguish or mental injury;</li><li>• false arrest, false imprisonment or wrongful detention;</li><li>• wrongful entry or eviction;</li><li>• malicious prosecution or humiliation; and</li><li>• libel, slander, defamation of character or invasion of privacy.</li></ul>
<b>Property damage</b>	means physical injury to or destruction of tangible property, including the subsequent loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits, and similar instruments, but does not include the value represented by such instruments.
<b>Registered vehicle</b>	means any motorised land vehicle not described in unregistered vehicle.
<b>Unregistered vehicle</b>	means: <ul style="list-style-type: none"><li>• any motorised land vehicle not designed for or required to be registered for use on public roads;</li><li>• any motorised land vehicle which is decommissioned at Your residence;</li><li>• any motorised land vehicle used primarily on and to service a residence premises shown in the Coverage Summary;</li><li>• any motorised land vehicle used to assist the disabled that is not designed for or required to be registered for use on public roads; or</li><li>• golf carts not registered for use on public roads.</li></ul>

## How We Will Pay Your Claim

<b>Limit of Liability</b>	<p>The sum insured for liability is shown in the Coverage Summary. We will pay on Your behalf up to that amount for covered damages from any one occurrence, regardless of how many claims, homes, watercraft or people are involved in the occurrence.</p> <p>Any costs We pay for legal expenses (see defence coverages) are in addition to the sum insured for liability.</p>
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### Defence coverages

We will defend a covered person against any suit seeking covered damages for personal injury or property damage. We provide this defence at Our own expense, with counsel of Our choice, even if the suit is groundless, false or fraudulent. We may investigate, negotiate and settle any such claim or suit at Our discretion.

As part of Our investigation, defence, negotiation or settlement We will pay:

- all premiums on appeal bonds required in any suit We defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage (but We are not obligated to apply for or furnish any bond);
- all expenses incurred by Us;
- all costs taxed against a covered person;
- all interest accruing after a judgment is entered in a suit We defend on only that part of the judgment We are responsible for paying. We will not pay interest accruing after We have paid the judgment up to the sum insured;
- all prejudgment interest awarded against a covered person on that part of the judgment We pay or offer to pay. We will not pay any prejudgment interest based on the period of time after We make an offer to pay the sum insured;
- all earnings lost by each covered person at Our request, up to \$250 a day, to a total of \$10,000;
- other reasonable expenses incurred by a covered person at Our request; and
- the cost of bail bonds required of a covered person because of a covered loss.

In jurisdictions where We may be prevented by local law from carrying out these defence coverages, We will pay only those defence expenses that We agree in writing to pay and that are incurred by You.

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## Extra Coverages

These coverages are included in Your Personal Liability Coverage and are in addition to the sum insured for damages and defence costs unless stated otherwise.

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### Workers' Compensation

We cover damages or compensation a covered person is legally obligated to pay under Western Australia Workers' Compensation legislation, or under the common law (Common Law limit of liability \$50,000,000 applies and this coverage is underwritten by Allianz Australia Insurance Ltd ACN 000 122 850), in respect of any person employed for domestic work or similar work at Your Western Australian residence listed in Your Coverage Summary. However, We do not cover any person employed in connection with Your business, trade or occupation including your rental or investment properties. This coverage is provided under the wording of Allianz Australia Insurance Ltd's current Employers' Indemnity Policy Wording under the Western Australia Workers' Compensation and Rehabilitation Act 1981 as advised by Allianz Australia Insurance Ltd to Us from time to time.

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### Damage to the property of others

We cover the replacement cost of other people's property, up to \$15,000 for each occurrence, if the property is damaged or destroyed by a covered person, irrespective of legal liability.

Replacement cost is the amount required to repair or replace other people's property, whichever is less.

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### Credit cards, forgery and counterfeiting

We cover up to a total of \$30,000:

- a covered person's legal obligation resulting from loss or theft of a credit card, bank card, debit card or their account numbers issued to You or a family member, provided that all the terms for using the card are complied with;
- a covered person's legal obligation resulting from loss caused by theft or unauthorised use of a credit card, bank card, debit card or their account numbers issued to You or a family member when used electronically, including use on the internet, provided that all the terms for using the card are complied with;

- loss to a covered person caused by forgery or alteration of any cheque or negotiable instrument; or
- loss caused by a covered person’s acceptance in good faith of any counterfeit paper currency.

**Unauthorised use**

means use of a credit card, bank card, debit card or their account numbers without permission from You or a family member.

Unauthorised use does not mean use of a credit card, bank card, debit card or their account numbers:

- in excess of the amount authorised by You or a family member; or
- by a person or entity with unlimited use of a credit card, bank card, debit card or their account numbers issued to You or a family member.

We provide defence coverages for any claim or suit seeking covered damages against a covered person for loss, theft, or unauthorised use of a credit card, bank card, debit card or their account numbers. We have the option to defend a claim or suit against a covered person (or against a bank, with respect to this coverage) for forgery or counterfeiting. Our obligation to defend any suit seeking covered damages ends when Our payment under this coverage equals \$30,000.

If You have a loss under the credit cards, forgery and counterfeiting coverage of this Policy, You must:

- notify Us or Your broker of Your loss;
- in case of theft You must notify the police or similar competent authority;
- notify the credit card service company or the issuing bank;
- include evidence or an affidavit supporting Your claim, including the amount of and cause of the loss in any statement You prepare at Our request;
- submit to an examination under oath, as often as We may reasonably require You, family members and other members of Your household to do so;
- upon Our request submit a signed description of the circumstances surrounding a loss and Your interest in it; and
- produce all records and documents We request and permit Us to make copies.

**This coverage does not apply to losses covered under identity fraud.**

**Identity fraud**

We cover Your or a family member’s identity fraud expenses, up to a maximum of \$75,000 for each identity fraud occurrence. A \$500 deductible applies to each and every claim.

**Identity fraud**

means the act of knowingly transferring or using, without lawful authority, Your or a family member’s means of identity which constitutes a violation of law or a crime under any government’s law or local law.

**Identity fraud occurrence**

means any act or series of acts of identity fraud by a person or group commencing in the Policy period.

**Identity fraud expenses**

means:

- costs for notarising affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors and credit agencies;
- costs of sending certified mail to law enforcement agencies, financial institutions or similar credit grantors and credit agencies;
- loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- telephone expenses for calls for businesses, law enforcement agencies, financial institutions or similar credit grantors and credit agencies;
- earnings lost by You or a family member as a result of time off work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants or legal counsel, up to \$250 a day, to a total of \$10,000;
- reasonable attorney expenses incurred with prior notice to Us for:

- the defence of You or a family member against any suit(s) by businesses or their collection agencies;
- the removal of any criminal or civil judgements wrongly entered against You or a family member; and
- any challenge to the information in Your or a family member's consumer credit report.

However, identity fraud expenses does not include expenses incurred due to any fraudulent, dishonest or criminal act by You or a family member or any person acting with You or a family member, or by any authorised representative of You or a family member, whether acting alone or in collusion with others.

In addition to the duties described in Policy Terms You or a family member shall notify an applicable law enforcement agency.

**This cover does not apply to losses covered under credit cards, forgery, and counterfeiting.**

**Kidnap expenses**

We will pay up to a maximum of \$100,000 for kidnap expenses a covered person incurs solely and directly as a result of a kidnap and ransom occurrence. In addition, We will also pay up to \$25,000 to any person for information not otherwise available leading to the arrest and conviction of any person(s) who kidnaps You, a family member or a covered relative. You or a family member or a covered relative who witnesses the occurrence are not eligible to receive this reward payment.

*Kidnap and ransom occurrence*

means the actual or alleged wrongful taking of:

- You;
- one or more family members; or
- one or more covered relatives while visiting or legally travelling with You or a family member;

from anywhere in the world except those places listed as destinations to which you are advised not to travel or to which you should reconsider your need to travel by the Australian Government Department of Foreign Affairs and Trade. These destinations can be found online at

**[www.smarttraveller.gov.au](http://www.smarttraveller.gov.au)**

The occurrence must include a demand for ransom payment which would be paid by You or a family member in exchange for the release of the kidnapped person(s).

*Kidnap expenses*

means the reasonable costs for:

- a professional negotiator;
- a professional security consultant;
- a professional security guard service;
- a professional public relations consultant;
- travel, meals, lodging and phone expenses incurred by You or a family member;
- advertising, communications and recording equipment;
- related medical, cosmetic, psychiatric and dental expenses incurred outside Australia by the kidnapped person within 12 months from that person's release;
- attorney's expenses;
- a professional forensic analyst;
- earnings lost by You or a family member, up to \$250 a day, to a maximum of \$10,000.

However, kidnap expenses does not include expenses incurred due to any kidnap and ransom occurrence caused by:

- You or a family member;
- a covered relative;
- any guardian, or former guardian of You or a family member;
- any domestic partner, estranged domestic partner, or former domestic partner of You or a family member;



- any person unrelated to You or a family member who lives with You or has ever lived with You for 6 or more months, other than a domestic employee or a person employed by You for farm work; or
- a civil authority;

or any person acting on behalf of any of the above, whether acting alone or in collusion with others.

*Covered relative*

means the following relatives of the person named in Your Coverage Summary, or a spouse who lives with that person, or any family member:

- children, their children or other descendants of theirs;
- parents, grandparents or other ancestors of theirs (including adoptive parents, step-parents and step-grandparents); or
- siblings, their children or other descendants of theirs;

who do not live with You, including spouses or domestic partners of all the above.

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*Golfers' Cover*

We cover You or a family member for the following expenses whilst playing golf or participating in any activity at a golf club, anywhere in the world, unless stated otherwise or an exclusion applies:

*Third party damage*

We cover all property damage to another person's property caused by a covered person, irrespective of legal liability; and

*Personal accident*

In the event that You or a family member suffers bodily injury whilst playing golf which results in their:

- death;
- loss of limb(s); or
- loss of eye(s).

We will pay You or a family member, or in the event of death their estate, \$25,000 (or less for a minor if limited by law).

We will not pay more than \$25,000 for any one occurrence. Death, loss of limb(s), or loss of eye(s) must occur within 12 months of the date of the occurrence.

**Loss of limb(s)** means:

- in the case of a lower limb, permanent physical severance at or above the ankle or permanent total loss of use of an entire leg or foot; or
- in the case of an upper limb, permanent physical severance at or above the wrist or permanent total loss of use of an entire arm or hand.

**Loss of eye(s)** means total and irrevocable loss of sight in one or both eyes.

*Hole in one*

We cover up to \$1,000 in the event of a hole in one achieved by You or a family member during an official competition round. Your scorecard and certification from Your club or match secretary must be submitted. No deductible applies to this coverage.

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*Tax audit expenses*

We will pay for the reasonable cost of accountant fees which You incur as a result of your personal taxation affairs being audited by the Australian Taxation Office. Any such audit must be first notified to You during the period of insurance and You must advise us of any such audit. The maximum We will pay is \$10,000 in any one Policy period regardless of the number of claims. We will not pay for:

- any audit conducted in relation to criminal activity;
- any fines, penalties or shortfall in the amount of tax payable;
- fees where the final assessment of Your taxable income for the period being audited is 20% higher than Your original declaration;
- any fees incurred outside any statutory time limit;

- any fees incurred as a result of any fraudulent act or fraudulent admission or any statement made by You or on Your behalf to a taxation officer which is false or misleading or can be attributed to deliberate evasion or recklessness;
- any audit conducted in relation to any facts or circumstances of which You were aware or ought to have been aware prior to the commencement of this Policy which were likely to lead to Your making a claim under this Policy;
- any fees incurred in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit.

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<b>Fungi and mould</b>	We cover damages a covered person is legally obligated to pay, up to \$100,000 for each occurrence, for bodily injury or property damage arising out of mould.
<i>Mould</i>	means fungi, mould, mould spores, mycotoxins, and the scents and other by-products of any of these. These payments do not increase the amount of Personal Liability Coverage.

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## Exclusions

These exclusions apply to Your Personal Liability Coverage, including the Extra Coverages, unless stated otherwise.

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<b>Motorised land vehicles.</b>	We do not cover any damages arising out of the ownership, possession or use of any motorised land vehicle. This includes any trailers or watercraft being towed by or carried on any registered vehicle.  This exclusion does not apply to decommissioned motorised land vehicles in storage at Your residence, to unregistered motorised land vehicles used solely on and to service the residence, to unregistered motorised land vehicles used to assist the disabled, to unregistered golf carts or to quad bikes and motorcycles with an engine capacity of less than 51cc used within the grounds of a residence listed in the Coverage Summary and not registered for road use.
<b>Aircraft</b>	We do not cover any damages arising out of the ownership, possession or use of any aircraft. But We do cover damages arising out of the use of an aircraft charter by You with paid crew, not owned by You or any entity in which You have an ownership interest or leasehold interest. We do not cover any property damages to aircraft rented to, owned by, or in the care, custody or control of a covered person.
<b>Large watercraft</b>	We do not cover any damages arising out of the ownership, possession, use or towing of any watercraft 8 metres or longer or with more than 50 horsepower owned or controlled, directly or indirectly, by a covered person, or any watercraft furnished or rented to a covered person for longer than 30 days. But We do cover watercraft being stored, unless another exclusion applies.
<b>Racing</b>	We do not cover any damages arising out of the participation in or practice for competitive racing of any motorised land vehicle, watercraft or aircraft. This exclusion does not apply to sailboat racing even if the sailboat is equipped with an auxiliary motor.
<b>Non-permitted use</b>	We do not cover any person who uses a motorised land vehicle, watercraft or aircraft without permission from You or a family member.
<b>Permitted use</b>	We do not cover any damages arising from any covered person permitting the use of a motorised land vehicle, watercraft or aircraft by any person.
<b>Contamination</b>	We do not cover any damages arising out of 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 <b>pollutant</b> 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. <b>Waste</b> includes materials to be disposed of, recycled, reconditioned or reclaimed.

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Domestic employees	We do not cover any damages or compensation a covered person is legally obligated to pay for bodily injury to a domestic employee of a residence shown in the Coverage Summary under this section. Nor do we cover any damages or compensation a covered person is legally obligated to provide under any workers' compensation or other similar laws. This exclusion does not apply to covered losses under the Extra Coverage Workers' Compensation on page T2.
Director's liability	We do not cover any damages for any covered person's actions or failure to act as an officer or member of a board of directors of any corporation or organisation. However, We do cover such damages if You or a family member is: <ul style="list-style-type: none"><li>• an officer or member of a board of directors of a body corporate strata title association; or</li><li>• not compensated as an officer or member of a board of directors of a not-for-profit corporation or organisation;</li></ul> unless another exclusion applies.
Covered person's property	We do not cover any person for property damage to property owned by any covered person.
Property in Your care	We do not cover any person for property damage to property of others rented to, occupied by, used by or in the care of any covered person, to the extent that the covered person is required by contract to provide insurance. But We do cover such damages for loss caused by fire, smoke or explosion unless another exclusion applies.
Discrimination	We do not cover any damages arising out of discrimination due to age, race, colour, sex, creed, national origin or any other discrimination.
Molestation, misconduct or abuse	We do not cover any damages arising out of any actual, alleged or threatened sexual molestation; sexual misconduct or harassment or abuse.
Intentional acts	We do not cover any damages arising out of an act intended by any covered person to cause personal injury or property damage, even if the injury or damage is of a different degree or type than actually intended or expected. But We do cover such damages if the act was reasonably intended to protect people or property unless another exclusion applies. An intentional act is one which is done deliberately with conscious design.
Business pursuits	We do not cover any damages arising out of a covered person's business pursuits, investment or other profit seeking activities. But We do cover damages arising out of volunteer work for an organised and registered charitable, religious or community group, a residential investment property, an incidental business away from home, an incidental business at home, incidental farming, or home business premises liability, unless another exclusion applies.
Residential investment property	is limited to the rental or holding for rental to be used as a residence of a strata title unit or apartment owned by You, a strata title unit or apartment rented to You, a one or two family dwelling owned by You or a three or four family dwelling owned and occupied by You. We provide this coverage only for premises listed in the Coverage Summary unless the rental or holding for rental is for: <ul style="list-style-type: none"><li>• A residence of Yours that is occasionally rented and that is used exclusively as a residence; or</li><li>• part of a residence of Yours by one or two roomers or boarders; or</li><li>• part of a residence of Yours as an office, school, studio or private garage.</li></ul>
Incidental business away from home	is a self-employed sales activity, or a self-employed business activity normally undertaken by persons under the age of 18 such as newspaper delivery, babysitting, caddying and lawn care. Any of these activities must: <ul style="list-style-type: none"><li>• not yield gross revenues in excess of \$10,000 in any year;</li><li>• have no employees subject to workers' compensation or other similar disability laws; and</li><li>• conform to local, state and federal laws.</li></ul>

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*Incidental business at home*

is a business activity other than farming, conducted in whole or in part on the residence premises which must:

- not yield gross revenues in excess of \$25,000 in any year, except for the business activity of managing one's own personal investment, regardless of where the revenues are produced;
- have no employees subject to workers' compensation or other similar disability laws; and
- conform to local, state and federal laws.

*Incidental farming*

is a farming activity, which meets all of the following requirements:

- is incidental to Your use of the premises as Your residence;
- does not involve employment of others for more than 1,500 hours of farm work during the Policy period; and
- does not produce more than \$50,000 in gross annual revenue from agricultural operations;

and with respect to the raising or care of animals:

- does not produce more than \$50,000 in gross annual revenues;
- does not involve more than 50 sales transactions during the Policy period; and
- does not involve the sale of more than 50 animals during the Policy period.

*Contamination*

With respect to incidental farming described above We also do not cover any actual or alleged damages arising out of the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do We cover any cost or expense arising out of any request, demand or order to:

- extract pollutants from land or water;
- remove, restore or replace polluted or contaminated land or water; or
- test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, or in any way respond to or assess the effects of pollutants.

However, this exclusion does not apply if the discharge, dispersal, seepage, migration or release or escape is sudden and accidental. 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.

*Home business premises liability*

is limited to business or professional activities when legally conducted by You or a family member at Your residence shown in the Coverage Summary. We provide coverage only for personal injury or property damage arising out of the physical condition of that residence if:

- You do not have any employees involved in Your business or professional activities who are subject to workers' compensation or other similar disability laws; or, if You are a doctor or dentist, You do not have more than two employees subject to such laws;
- You are a home day care provider whose annual gross revenues from this activity do not exceed \$5,000; or
- there is no other valid and collectible insurance.

We do not cover damages or consequences resulting from business or professional care or service performed or not performed.

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*Public office*

We do not cover any damages arising out of a covered person's pursuit or holding of an elected public office period. But We do cover such damages for You or a family member if:

- the annual compensation of the office, whether accepted or not, does not exceed \$20,000; and
- the hours required to perform the duties of the office do not exceed an annual average of 20 hours work per week during the Policy period.

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*Financial guarantees*

We do not cover any damages for any covered person's financial guarantee of the financial performance of any covered person, other individual or organisation.

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Professional services	We do not cover any damages for any covered person's performing or failure to perform professional services or for professional services for which any covered person is legally responsible or licensed.
Contractual liability	We do not cover any damages arising from contracts or agreements unless liability for such damages would have existed without the agreement.
Personal injury to a covered person	We do not cover any damages for personal injury for any covered person or their dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for personal injury for which You or a family member can be held legally liable, in any way, to a spouse, a family member, a person who lives with You, or a person named in the Coverage Summary. We also do not cover any damages for personal injury for which a spouse, a family member, a person who lives with You, or a person named in the Coverage Summary can be held legally liable, in any way, to You or a family member.
Illness	We do not cover damages resulting from any illness, sickness or disease transmitted intentionally or unintentionally by a covered person to anyone, or any consequence resulting from that illness, sickness or disease. We also do not cover any damages for personal injury resulting from the fear of contracting any illness, sickness or disease, or any consequence resulting from the fear of contracting any illness, sickness or disease.
Fungi and mould	We do not cover any actual or alleged damages arising from mould, the fear of mould or any consequences resulting from mould or the fear of mould, other than as provided under the Extra Coverage, fungi and mould. <b>Mould</b> means fungi, mould, mould spores, mycotoxins and the scents and other by-products of any of these.
Failure to supervise	We do not cover any actual or alleged damages arising from: <ul style="list-style-type: none"><li>• any entrustment of property;</li><li>• the failure to supervise or the negligent supervision of any person; or</li><li>• any parental or ownership liability,</li></ul> which arises in or arises from a criminal act.
Liability for the acts of others	We do not cover any person for damages arising from: <ul style="list-style-type: none"><li>• any entrustment of property;</li><li>• the failure to supervise or the negligent supervision of any person; or</li><li>• any parental or ownership liability.</li></ul> This exclusion applies only to damages arising out of the ownership, maintenance or use of any motorised land vehicle, watercraft 8 metres or longer or with more than 50 engine rated horsepower or aircraft.
Acts of war	We do not cover any damages 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 damages arising from 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.

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