

valuables and personal effects



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Product Disclosure Statement and Policy Wording

The insurer of this product is:

Wesfarmers General Insurance Limited, ABN 24 000 036 279,
trading as Lumley Insurance

AFS Licence No. 241461

Preparation Date: 01/07/09

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IMPORTANT CUSTOMER INFORMATION

About our Product Disclosure Statement and Policy Wording

This document (which is our Product Disclosure Statement and Policy Wording) contains important information to help you understand Lumley Insurance's Valuables and Personal Effects Insurance. Before you decide whether to purchase it, you need to read this document carefully to understand its features and benefits.

Other documents may form part of our PDS. If they do we will tell you in the relevant document.

What you need to read

To understand the features, benefits and risks of this insurance and to determine if it is appropriate for you, it is important that you read:

- this Important Customer Information Section - it contains information on important matters you need to be aware of before applying for this insurance;
- the Definitions Section – it sets out what we mean by certain defined terms in this insurance;
- Section 1 – Your Cover - it sets out the cover we provide under this insurance;
- Section 2 - the Exclusions Section - it sets out what we do not cover;
- Section 3 - the Conditions Section - it contains details of your and our rights and obligations under this insurance, including if you do not meet your obligations, we may be able to cancel the insurance or reduce our liability in respect of a claim to the extent permitted by law;
- Section 4 - if you need to claim and what Excesses may be payable; and
- any other documents we provide to you about the insurance which may change the standard cover.

Applying for cover

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

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

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

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

Services provided by Lumley Insurance and General Advice Warning

Lumley Insurance is an Australian Financial Services Licensee and is authorised under its licence to deal in and provide general advice on this insurance.

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

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

IMPORTANT CUSTOMER INFORMATION (continued)

Summary of cover and other significant matters

By way of summary, this insurance covers you against any loss or damage to the insured valuables and personal effects from any cause not otherwise excluded, which occurs during the Period of Insurance anywhere in Australia and/or New Zealand.

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

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

Refer to Section 1 - Cover for details of the basis on which we settle any claim.

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

The type and amount of Excess is shown in your Policy (usually in this document and the Schedule). The Excess can depend on a number of factors associated with the risk including the value of your Valuables and Personal effects, where you live and your insurance history.

If you do not adequately insure yourself, you may have to bear the uninsured proportion of any loss or liability yourself.

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

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

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

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

Cost of the insurance

The insurance provided is subject to your payment or agreement to pay the Premium we require by the agreed time. In order to calculate your Premium, we take various factors into consideration, including:

- the type of Valuables and Personal Effects;
- the value of your Valuables and Personal Effects; and
- your previous insurance and claims history.

Your Premium also includes amounts that take into account our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and any Fire Services Levy where applicable) in relation to your Policy. We will tell you when you apply what Premium is payable, when it needs to be paid and how it can be paid. The amount may vary according to where you live and your insurance history.

When you apply for this insurance, you will be advised of the total amount payable. If you choose to effect cover, the amounts due will be clearly set out in your Schedule.

Your Duty of Disclosure

Before you enter into a your Policy with us, you have a duty under the *Insurance Contracts Act 1984* (Cth) to disclose to us every matter that you know, or a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

The Act imposes a different duty the first time you enter into your Policy with us, to that which applies when you renew, vary, extend or replace it.

IMPORTANT CUSTOMER INFORMATION (continued)

Your Duty of Disclosure when you enter into your Policy with us for the first time

We will ask you various questions when you first apply for your Policy that are relevant to our decision whether to accept the risk of insurance and, if so, on what terms. When you answer those questions, you must:

- give us honest and complete answers;
- tell us everything you know; and
- tell us everything that a reasonable person in the circumstances could be expected to know.

Your Duty of Disclosure when you renew, vary, extend, reinstate or replace your Policy

When you renew, extend, vary or reinstate your Policy with us, your duty is to disclose to us before the renewal, extension, variation or reinstatement, every matter that you know, or a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

What you do not need to tell us

Your duty however does not require disclosure of a matter:

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

Who does the Duty of Disclosure apply to?

The duty of disclosure applies to you and everyone that is an insured under the contract of insurance.

What happens if you or they do not comply with the Duty of Disclosure?

If you, or they, fail to comply with the duty of disclosure, we may be entitled to reduce our liability under your Policy in respect of a claim or cancel it. If the non-disclosure is fraudulent, we may be able to treat your Policy as if it was never effected.

Cooling off rights

Even after you make a decision to purchase this insurance, you still have cooling off rights. You can return your insurance by notifying us in writing within 21 days of cover commencing and we will refund the Premium paid unless something has occurred for which a claim may be payable under the insurance. Even after this cooling off period ends you still have cancellation rights (see General Conditions).

Confirming Transactions

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

Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice, which is a self regulatory code for use by all insurers. We are a signatory to the Code of Practice. The Code aims to raise the standards of practice and service in the insurance industry.

If you require further details please contact your nearest Lumley Insurance office or visit our website at www.lumley.com.au.

IMPORTANT CUSTOMER INFORMATION (continued)

How to Make a Claim

Section 4 - Claims, tells you what you need to do.

Before we pay any claim, we require evidence as to the extent of loss or damage and ownership. Please ensure that, where possible, you keep any valuations, receipts and proof of ownership of all insured property and photographs or other documentation in respect of loss or damage to make the process as easy as possible.

Any claim settlements, up to the total of all amounts insured, will exclude GST. However, if there is a shortfall between the GST component of your claim and the amount of input tax credit you are entitled to, we will pay this shortfall in addition to the claim settlement.

Complaints - Internal and External Complaints Procedure

If you have a complaint, please write to us and explain what your complaint is and the reasons behind it.

We will then either resolve or attempt to resolve your complaint immediately or refer the matter to our Internal Dispute Resolution Committee (IDRC) if it is unresolved.

If you are not satisfied with the decision of the IDRC, you may be able to access the services of an independent external dispute resolution body called Financial Ombudsman Service (FOS).

If you require further information about our dispute resolution process, please contact us.

Privacy

We are bound by the National Privacy Principles of the *Privacy Act 1988* (Cth) when we collect and handle your personal information.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling. We also collect your personal information to conduct market or customer satisfaction research and to develop and identify products and services that may interest you. If necessary, we may collect your health and other sensitive information, but we will obtain your consent before doing so unless the collection is required or permitted by or under law.

We disclose personal information to reinsurers, insurance intermediaries, insurance reference bureaus, credit reference agencies, our and your advisers and those involved in the claims handling process, for the purposes of assisting us and them in providing relevant services and products, and for the purposes of litigation. We limit the use and disclosure of any personal information provided by us to them to the specific purpose for which we supplied it. By providing your personal information to us, you consent to us making these disclosures.

Without this information, we may not be able to provide you with the services you require.

When you give us personal information about other individuals, we rely on you to have made or make them aware that you will or may provide their information to us and the types of third parties we may provide it to, the relevant purposes we and the third parties will use it for, and how they can access it. If you have not done or will not do either of these things, you must tell us or our agent before you provide the relevant information.

If you would like a copy of our Privacy Policy, would like to seek access to or correct your personal information, or opt out of receiving materials we send, please contact us.

Updating our Product Disclosure Statement

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue with notice of this information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

IMPORTANT CUSTOMER INFORMATION (continued)**Compensation Arrangements**

The *Corporations Act 2001* (Cth) requires licensees to have arrangements for compensating retail clients for losses they suffer as a result of a breach by the licensee or its representatives of Chapter 7 of this Act, unless an exemption applies. We are exempt from this requirement because we are an insurer supervised by the Australian Prudential Regulation Authority and subject to the prudential requirements of the *Insurance Act 1973* (Cth).

Our contact details

If you or your adviser need to contact us, have any questions or would like any further information regarding this insurance, contact us using the contact details provided in this document or where relevant, our agent or local office.

COVER

DEFINITIONS

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

"We", "Us", "Our" and **"Lumley Insurance"** means Wesfarmers General Insurance Limited ABN 24 000 036 279, trading as Lumley Insurance.

"you" and **"your"** means the insured named in the Schedule.

To assist you the following words have been printed in Title case wherever they appear in your Policy.

"Excess" means the amount specified in the Schedule and elsewhere in your Policy, which you must contribute towards any claim payment under your Policy. It is payable for each occurrence covered by your Policy. An occurrence is one or a series of occurrences arising out of one cause.

"GST" means Goods and Services Tax.

"Period of Insurance" means the period of time shown in the Schedule.

"Personal Effects" means clothing, luggage, cameras, photographic equipment, sporting equipment and other personal articles which are worn or carried specified as covered on the Schedule. Personal Effects shall not mean micro corneal and contact lenses, pedal cycles, guns, equipment used on or underwater and articles of the nature of household effects furniture and furnishings.

"Policy" means this document, the Schedule and any other endorsement or notice we give you in writing. Together they form our Agreement with you.

"Premium" means the amount you have to pay us (inclusive of all Government charges) for your insurance cover under your Policy.

"Schedule" means the most recent policy Schedule we give you.

"Valuables" means Jewellery, gold and silver articles, watches and furs specified as covered in the Schedule.

THE AGREEMENT BETWEEN YOU AND US (YOUR POLICY)

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

SECTION 1 COVER

After you have paid the Premium or agreed to pay it by the time we tell you, we will, subject to the terms, conditions and exclusions of your Policy, indemnify you against loss or damage to your Valuables and Personal Effects from any cause occurring during the Period of Insurance whilst they are anywhere in Australia and/or New Zealand.

If you have a valid claim, we will at our option:

- replace any Valuables or Personal Effects lost (whether wholly or in part) or pay you the reasonable cost to replace them; or
- pay you the sum insured specified in the Schedule for the relevant Valuables or Personal Effects.

We will not replace or reinstate any property exactly or completely, but only as circumstances permit and in a reasonably sufficient manner.

Where any insured item consists of articles in a pair or set, we do not pay more than the value of any particular part or parts which may be lost or damaged, without reference to any special value which such article or articles may have as part of such pair or set, nor more than a proportionate part of the sum insured of the pair or set.

We will reduce the amount we pay by the amount of any Excess or we will ask you to pay it.

All amounts insured by your Policy exclude GST.

Any claim settlements, up to the total of all amounts insured, will exclude GST. However, if there is a shortfall between the GST component of your claim and the amount of input tax credit you are entitled to, we will pay this shortfall in addition to the claim settlement.

We will not be liable to pay any GST, or any fine, penalty or charge that you are liable for arising out of your misrepresentation of, or failure to disclose, your proper input tax credit entitlement in the settlement of any claim or premium relating to your Policy.

SECTION 2 EXCLUSIONS

We do **not** cover loss or damage:

- 2.1** arising from wear and tear, depreciation, gradual deterioration, moth, vermin, rust or mechanical or electrical breakdown;
- 2.2** caused by climatic and/or atmospheric conditions and/or extremes of temperature unless such claim would be recoverable under an ordinary policy of fire insurance;
- 2.3** arising in connection with any trade process, dyeing, cleaning, repairing, restoring or renovating;
- 2.4** arising as a result of burglary or theft from any premises occupied by you unless any alarm or other protective devices required or approved by us at such premises are:
 - (i) in the case of additional protection so required, installed in accordance with a specification agreed by us;
 - (ii) brought into full and effective operation whenever the premises are unoccupied and at such other times as agreed by us;
 - (iii) in the case of an alarm, regularly and efficiently maintained under a maintenance contract by the alarm company.

Provided that we shall not be liable for loss or damage sustained subsequent to you receiving written notification:

- (i) from the alarm company that the maintenance contract is suspended; or
 - (ii) from the relevant Police authority that the alarm signals from the premises will not or may not be answered.
- 2.5** caused by the bursting of a gun barrel;
 - 2.6** caused by the use of sporting equipment for the purpose for which it is designed or made;
 - 2.7** directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - 2.8** directly or indirectly occasioned by, happening through or in consequence of war invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection military or usurped power riots, civil commotions or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
 - 2.9** loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with:
 - (a) any act of Terrorism; or
 - (b) any action taken in controlling, preventing, suppressing, retaliating against or in any way responding to or relating to an act of Terrorism regardless of any other contributing cause or event.

"Terrorism" means an act, including but not limited to, the use of threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to coerce, influence or intimidate any government and/or the public or any section of the public.

SECTION 3 CONDITIONS

These conditions apply to the whole of your Policy.

3.1. General Duties

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

3.2. Cancellation

- (a) You may cancel your Policy at any time by telling us in writing you want to cancel it.

Where more than one person is insured under your Policy, we will only cancel your Policy when a written agreement to cancel it is received from all insured persons.

Cancellation by you will be effective when we receive your request.

We may cancel your Policy by giving you written notice and in accordance with the law, including where you have:

- (i) made a misrepresentation to us before the Policy was entered into;
 - (ii) failed to comply with your Duty of Disclosure;
 - (iii) failed to comply with a provision of your Policy including failure to pay the Premium;
 - (iv) made a fraudulent claim under your Policy or any other Policy during the time your Policy has been in effect;
 - (v) failed to notify us of a specific act or omission as required by your Policy; or
 - (vi) failed to tell us about any changes in the circumstances of the risk during the Period of Insurance.
- (b) If we cancel your Policy, we will advise you in writing and cancellation will take effect at whatever is the earlier of the following times:
 - (i) when another contract of insurance is taken out by you to replace your Policy; or
 - (ii) at 4.00p.m. Local Standard Time of the third business day after the day on which notice was given to you or such later time as we may specify in the notice.

After cancellation and subject to your cooling off period rights (see Important Customer Information section), we will keep the Premium for the period that your Policy was in force and we will return to you not less than 90% of the Premium for the period from the date your Policy was cancelled to the due date of the Policy.

There is no refund where the full Sum Insured has been claimed and paid by us for any item of insured property.

SECTION 3 CONDITIONS (continued)**3.3. Jurisdiction and service of suit**

This insurance is subject to the laws of the State or Territory in Australia where your Policy was issued.

3.4. Notices

We will give you any notice in writing. It will be effective from the earlier of the time of:

- (a) delivery to you personally; or
- (b) postage to your address last known to us.

It is important you tell us of any change of address as soon as possible.

3.5. Changing your Policy

If you want to make a change to your Policy, the change becomes effective when:

- (a) we tell you we have agreed to it; or
- (b) we give you a new Schedule or endorsement detailing the change.

4.1. What you must do when you make a claim:

- (a) you must advise your local Lumley Insurance state office in writing as soon as practicable after you suffer a loss or you become aware of an event or circumstance that will (or is likely to) lead to a claim. If you do not make a claim within a reasonable time of the loss, we may reduce what we pay to you to allow for any disadvantage we may have suffered because of the delay;
- (b) within 30 days of you first telling us about the event or circumstance, give us a written statement with as much detail as you can about the cause, description of the event and amount of loss suffered;
- (c) give us details of any insurance you have which covers the same loss or damage;
- (d) give us details of everyone else that might have any interest or right or title in any of the property lost or damaged (for example, a finance company or your unmarried children);
- (e) do everything you can to recover lost property;
- (f) you must take all reasonable steps to stop any further loss from occurring;
- (g) you must not repair or replace any damaged property without our consent;
- (h) you must advise the nearest police station if your property is lost, stolen or maliciously damaged;
- (i) you must not pay or promise to pay or offer payment or admit responsibility for a claim;
- (j) you must keep the property that has been damaged so we can inspect it;
- (k) you must provide us with all the information that we require including valuations, receipts, proof of ownership and statutory declarations if requested; and
- (l) you must give us all the information and cooperation that we require and promptly forward us all correspondence received by you concerning the event or claim or loss.

4.2. When we admit a claim under your Policy:

- (a) we will reduce the amount we pay you following a covered loss by the Excess.
- (b) we will not pay you more than the Sum Insured or relevant limit applicable to the item unless otherwise stated in your Policy.
- (c) we have the right to exercise your legal rights to conduct, defend or settle any legal or recovery action that we consider necessary and to do so in your name.
- (d) where we pay the full Sum Insured for any item of insured property, cover for that item ceases.

4.3. Other insurance

To the extent permitted by law, when other insurance applies to a covered loss, we will pay only in excess of the other insurance, limited to the indemnity being provided under your Policy, unless that other insurance was specifically written to be excess over the indemnity provided in your Policy.

Should you make a claim under your Policy you must advise us of any other insurance which may cover the loss or damage or Accident.