

Summary of Masterpiece Policy Changes

1st December 2008

A summary of the changes is listed inside, however for full details of revised coverage, exclusions, terms and conditions it is important that you carefully read the Product Disclosure Statement and Policy Wording (version 1st December 2008).



Masterpiece[®]



General

- Each coverage section has been standardised to consist of 4 major subsections:
 - Definitions
 - How We will Pay Your Claim
 - Extra Coverages
 - Exclusions

As a result, some definitions and wordings have been moved within the policy document. Also some repetitions have been removed and some grammatical changes made. This is for consistency and ease of locating coverage information only and does not change the intent of the policy wording.

- Some terminology has been updated to reflect current Australian terminology. For example “amount of coverage” has been replaced by “sum insured” and “aggravated burglary” by “home invasion”. Such changes are to maintain the use of plain English in the policy and do not change the intent of the policy wording.
 - The PDS has been updated to make it easier to read and locate information.
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Deluxe House Coverage

- The time limit for the payment of Extra Living Expenses has been removed. Previously covered for 48 months, Chubb will now pay the reasonable increase in normal living expenses for the reasonable amount of time it should take to restore the home to a habitable condition. If the insured decides to relocate permanently, Chubb will pay additional living expenses for the shortest amount of time required to settle elsewhere. This time limit has also been removed for Extra Boarding Expenses for Pets and Fair Rental Value cover.
 - The wording of the Forced Evacuation cover no longer requires a prohibition by a government authority to trigger the cover.
 - Tsunami is defined in the wording and expressly covered.
 - The Dampness and temperature exclusion has been deleted.
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Deluxe Contents Coverage

- The previous sections entitled Deluxe Contents Coverage, Deluxe Unit Owners Coverage and Deluxe Tenants Coverage have been combined into one new section now entitled Deluxe Contents Coverage. Now whether a client’s contents are located in a house, an owner occupied unit or a rental property, those contents will be covered under the section Deluxe Contents Coverage.
 - The definition of contents has been amended so that it no longer excludes those items listed under the Valuable Articles Coverage. The effect of this change is that at the time of a claim the client may choose to claim under the section of the policy which provides the better cover at that time.
 - References to and definition of Actual Cash Value have been removed as this is not a payment basis, Chubb typically uses.
 - The policy now covers the contents of relatives who live at a residential care facility up to \$10,000, with sub-limits of \$500 for legal tender and \$1500 for jewellery.
 - For those residences where the insured is a unit owner or a tenant, the same changes to Extra Living Expenses, Extra Boarding Expenses for Pets, Fair Rental Value and Forced Evacuation are made as outlined under Deluxe House Coverage above.
 - The off-premises limit for electronic data processing property has been removed from the Extra Coverage for Business Property. Electronic data processing property is now covered up to the full limit applicable for business property.
 - Cover is provided for Newly Acquired Items as an Extra Coverage up to 20% of the contents sum insured.
 - The definition of legal tender is extended to include traveller’s cheques.
 - The exclusion for loss to animals has been clarified and extended to exclude any loss, damage or injury of or to animals, birds or fish.
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Valuable Articles Coverage

- The wording for market appreciation coverage has been clarified. The client must have a valuation at the time a loss occurs which is dated no more than 12 months prior to the beginning of the policy period for the market appreciation cover to be triggered.
- Some definitions are now included in the policy wording which were previously added by endorsement including definitions of in-safe jewellery, in-vault jewellery, wine and the special exclusion for wine.
- The limit for wine spoilt due to changes in temperature following the breakdown of or power interruption to a fridge or freezer has been removed.
- A new cover for Fine Art Expenses has been added to the Extra Coverages. This includes cover for Defective title and Works in Progress.
- The limits per item for some categories of blanket cover have been increased as follows:
 - Jewellery \$25,000 per item
 - Fine Art \$25,000 per item
 - Wine \$ 2,000 per item

In no instance will Chubb pay more than the sum insured for that category for any one item.

Family Protection Coverage

- The coverage summary now clearly reflects that all clients receive the Family Protection Coverage.
 - The accidental death and dismemberment benefit has been extended to air rage and road rage victims.
 - Hijacking has been added to the list of covered traumatic events. Cover is provided for counselling services, rest and recuperation expenses, salary lost and non refundable travel expenses.
 - A new cover has been added to the Extra Coverages for Home and vehicle modification expenses. Chubb will pay up to \$25,000 for necessary modifications required after a car-jacking, hijacking, child abduction, home invasion, air rage or road rage occurrence.
 - The coverage for air rage and road rage have been combined and extended to include lost salary, the deductible on comprehensive car insurance and non refundable accommodation expenses. The previous maximum payout per air rage or road rage occurrence has been removed.
 - The cover for lost salary has been standardised across all traumatic events where this cover is offered and increased to \$50,000 per person and \$75,000 per occurrence.
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Personal Liability Coverage

- Personal liability limit has been increased to \$30 million.
 - Cover is now provided for small unregistered motorcycles and quad bikes up to 51cc at the residence premises.
 - NSW workers compensation cover has been removed in accordance with changes required by the NSW legislation.
 - The Extra Coverage for damage to the property of others has been increased to \$15,000.
 - The exclusion for business pursuits has been clarified by amending the wording in line with current Australian terminology. For example the term “incidental business property” has been amended to “residential investment property” and “residence premises conditional business liability” has become “home business premises liability.” The intent of this section has not changed.
 - Tax audit expenses is now offered as an Extra Coverage up to \$10,000
 - The payment for a hole in one under the Extra Coverage Golfers’ Cover has been increased to \$1,000.
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