



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## Appendix 3.3.1

# Insurance Certificates of Currency



NARARA ECOVILLAGE CO-OPERATIVE  
2/83 RAMSGATE AVENUE  
BONDI  
NSW 2026

This is not a request for  
payment.

Page 1

3

## CERTIFICATE OF CURRENCY AS AT 28/07/2015

This is to certify that the policy detailed below is in force until the expiry date shown, subject to the payment of the premium.

All Enquiries: STEPHEN BLACK

Policy Number: GS00308716

SUITE 11 FOUNTAIN PLAZA BUSINESS CENTRE ERINA Date Issued: 28/07/2015

Phone: 02 4367 6492

APPROVER ID: 1875 /351

---

### BUSINESS INSURANCE - POLICY SUMMARY

If the Policy covers more than one Situation, the Policy Sections shown below as INSURED may not apply to every Situation.

#### SECTIONS INSURED

- \* FIRE AND OTHER DAMAGE
- \* PUBLIC & PRODUCTS LIABILITY

#### SECTIONS NOT INSURED

- \* BUSINESS INTERRUPTION
- \* BURGLARY
- \* MONEY
- \* GLASS
- \* GOODS IN TRANSIT
- \* FRAUD & DISHONESTY
- \* EQUIPMENT BREAKDOWN
- \* GENERAL PROPERTY
- \* PERSONAL ACCIDENT AND ILLNESS
- \* TAX AUDIT

Please refer to the following page(s) for details of your insurance.



# Business Insurance

BUSINESS INSURANCE - POLICY DETAILS

Policy Number GS00308716

Page 2  
Date Issued 28/07/2015  
3

Policy:

Insured(s):

NARARA ECOVILLAGE CO -OPERATIVE  
ABN : 86789868574

Trading Name(s):

NARARA ECOVILLAGE CO OPERATIVE

Period of Insurance:

03/06/2015 to 4PM 03/06/2016

BUSINESS:

Administration Building and Visitor centre for Development Company & two by Residential houses used by Staff members living on site

Situation:

NARARA  
NSW 2250

---



BUSINESS INSURANCE - POLICY DETAILS

Policy Number GS00308716

Page 3  
Date Issued 28/07/2015  
3

## FIRE AND OTHER DAMAGE POLICY SECTION

- \* Indemnity Conditions applies to those items where "Indemnity " is shown.
- \* The special excess that applies to claims for Earthquake is in the policy wording.

Description of Property Insured	Sum(s) Insured:
Building(s) at: 25 RESEARCH RD NARARA	

Description of Business Activity:  
Business: BUILDING CONSULTANTS OFFICE

Building(s)	Sum Insured Indexed	\$2,142,450
Stock		NOT INSURED
Business Contents		NOT INSURED

Other Property:	NOT INSURED
-----------------	-------------

Total Declared Value for the situation	\$2,142,450
--	-------------

Optional Insurance DAMAGE TO CUSTOMERS GOODS	NOT INSURED
---	-------------

Excess(es) : \$2,500

.....





# Business Insurance

## BUSINESS INSURANCE - POLICY DETAILS

Policy Number GS00308716

Page 4  
Date Issued 28/07/2015  
3

Description of Property Insured  
Building(s) at: DWELLING 1  
25 RESEARCH RD  
NARARA

Sum(s) Insured:

Description of Business Activity:  
Business: ACCOMMODATION - STUDENT RESIDENTIAL

Building(s)	Sum Insured Indexed	\$272,205
Stock		NOT INSURED
Business Contents		NOT INSURED
Other Property:		NOT INSURED
Total Declared Value for the situation		\$272,205

Optional Insurance  
Accidental Damage for Total declared value  
DAMAGE TO CUSTOMERS GOODS NOT INSURED

Excess(es) : \$200  
.....

Description of Property Insured	Sum(s) Insured:
Building(s) at: DWELLING 2	
25 RESEARCH RD	
NARARA	

Description of Business Activity:  
Business: ACCOMMODATION - STUDENT RESIDENTIAL

Building(s)	Sum Insured Indexed	\$456,435
Stock		NOT INSURED
Business Contents		NOT INSURED
Other Property:		NOT INSURED
Total Declared Value for the situation		\$456,435

Optional Insurance  
DAMAGE TO CUSTOMERS GOODS NOT INSURED

Excess(es) : \$200  
.....



## BUSINESS INSURANCE - POLICY DETAILS

Policy Number GS00308716

Page 5 Final Page  
Date Issued 28/07/2015  
3

## PUBLIC & PRODUCTS LIABILITY POLICY SECTION

Limit(s) of Liability:

(A) Public Liability	\$20,000,000
(B) Products Liability	\$20,000,000

Domestic Turnover : Between \$1,000,001 and \$2,000,000

Overseas Turnover : NIL

Excess(es) : \$200 FOR EACH PERSONAL INJURY CLAIM  
\$200 FOR EACH PROPERTY DAMAGE CLAIM

It has been declared to GIO that the applicant either:

a. does not engage or expect to engage hired labourers or contractors to perform work on their behalf or for their benefit on any project, which has a value exceeding \$20,000. OR

b. does engage or expects to engage hired labourers or contractors to perform work on their behalf or for their benefit on any project, which has a value exceeding \$20,000. However the Insured has elected not to insure this exposure

Geographic coverage: This policy section covers claims for compensation made against you anywhere in Australia or New Zealand for personal injury or property damage occurring within Australia or New Zealand and as otherwise noted in your policy wording or by endorsement shown in your schedule.

---

## Your duty of disclosure

Before you enter into this policy with us, you have a duty, under the Insurance Contracts Act, to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate this policy. Your duty however does not require disclosure of a matter;

- a) That diminishes the risk undertaken by us;
- b) That is of common knowledge;
- c) That we know or, in the ordinary course of our business, ought to know; and
- d) As to which compliance with your duty is waived by us.

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under your policy in respect of a claim or we may cancel the policy or do both. If your non-disclosure is fraudulent, we may also have the option of avoiding the policy from the beginning.

## The amount of cover

For some parts of your policy, you have given us details about the cost of replacing buildings, business contents, your home, contents, farm buildings, farm contents, and other items, and the cost of doing certain things in connection with your business. This is to assist you to work out how much insurance cover you need.

When you do your calculations you should note that if you are not entitled to an input tax credit on the policy premium, all sums insured and limits of liability stated in the policy are GST inclusive (unless your policy states otherwise). If you are entitled to an input tax credit on any part of the policy premium, the sums insured and limits of liability stated in the policy are exclusive of any input tax credit which you are or would be entitled to claim. You should reconsider these details at each renewal or if you have a significant change and advise us of the changed details.

If you need advice about these things you should contact your accountant or financial adviser.

## Input tax credit entitlement

If you are entitled to an input tax credit for any portion of the premium for this policy or if your entitlement to an input tax credit as disclosed to us is incorrect or changes, then you must immediately let us know in writing.

## Under-insurance

You should note that some policy sections have under-insurance provisions which apply. This means that if you under-insure, you will have to bear part of any loss yourself.

## Payment and instalments

If you are paying the premium for this policy by instalments then, if an instalment of the premium remains unpaid for a period of at least:

- 1) 14 days, we may refuse to pay a claim; or
- 2) one month, we may cancel this policy.

We reserve the right to cancel any direct debit arrangement between us if one or more debits are returned unpaid by your financial institution.

## Renewal conditions

All renewals are effected on the basis that they are subject to the same terms and conditions which are set out in the policy wording or product disclosure statement which you already hold. If you require another copy please advise us. If your existing policy has a special endorsement or exclusion, this will continue during any renewal period unless your renewal notice shows otherwise.

In the event that we do not accept any renewal condition, we will inform you as soon as practicable.

## Workers compensation

Workers compensation insurance is compulsory for all employers. This insurance does not include workers compensation insurance.

## Fire service levy

In some States Fire and Emergency Authorities receive funding via a levy imposed on insurance companies. This levy is commonly known as Fire Services Levy (FSL). If the levy applies to your policy then the amount shown as FSL is our estimate of the amount which we must contribute towards FSL in respect of your policy.

## Privacy

We appreciate privacy is important to you. We are committed to protecting your personal information. For further information, please refer to our Privacy Statement and Suncorp Group Privacy Policy by visiting [www.gio.com.au/privacy](http://www.gio.com.au/privacy) or call us on 13 10 10.

Issued by: AAI Limited ABN 48 005 297 807 trading as GIO

04644 01/03/14 A

## PAYMENT OPTIONS

**By instalment.** Ask your representative about payment by instalments. A monthly administration fee applies.

**By BPAY.** Telephone and Internet Banking – BPAY. Contact your bank, credit union or building society to make this payment from your cheque, savings or credit card account. More info: [www.bpay.com.au](http://www.bpay.com.au)



**Biller Code:** 8250

**Ref:** Please use the Payment Reference number at the bottom of page 1. Please enter all digits with no spaces.

**Online.** Pay online at [www.gio.com.au](http://www.gio.com.au)  
Pay with the click of a mouse.

**By phone.** Have your credit card details handy.  
Call GIO toll free on 1800 800 669.

**By mail.** Send your cheque or money order made payable to GIO with this payment slip to address;  
GIO Payments, Reply Paid 1453, Brisbane. QLD 4001.  
No postage is required if posted within Australia.

**Over the counter.** Take this whole page to any Australia Post or GIO branch.



**AIG Australia Limited**

GPO Box 9933

IN YOUR CAPITAL CITY

1300 242 784

[www.aig.com.au](http://www.aig.com.au)

7 October 2015

Narara Eco Village Co-Operative Ltd  
Level 12, 9 Castlereagh Street  
Sydney  
NSW 2000

<b>Policyholder Name:</b>	<b>Narara Eco Village Co-Operative Ltd</b>
<b>Trading Name:</b>	
<b>Product:</b>	<b>AssociationEdge - Management Liability</b>
<b>Policy Number:</b>	<b>9607815PVE</b>
<b>Policy Period:</b>	<b>15/07/2015 to 4PM 15/07/2016</b>
<b>Print Date:</b>	<b>07/10/2015</b>

Please find confirmation of insurance cover for your AssociationEdge - Management Liability Insurance policy.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Michael A Pryce", followed by a period.

Mike Pryce  
Regional Manager, Financial Lines



## AssociationEdge Certificate of Insurance

Please find confirmation of insurance cover for your AssociationEdge - Management Liability Insurance policy.

Your Intermediary	Coverforce Insurance Broking Pty Ltd
Product	AssociationEdge - Management Liability
Policy Wording Reference	PrivateEdge 08/12
Policy Number	9607815PVE
Policy Period	15/07/2015 to 4PM 15/07/2016
Continuity Date	15/07/2013
Policyholder Name	Narara Eco Village Co-Operative Ltd
Trading Name	

---



## **POLICY COVERS**

Aggregate Limit of Liability	\$10,000,000
------------------------------	--------------

### **SECTION 1: Management Liability**

Retention	\$2,500
-----------	---------

### **SECTION 2: Corporate Liability**

Retention	\$2,500
-----------	---------

### **SECTION 3: Employment Practices Liability**

Retention	\$2,500
-----------	---------

### **SECTION 4: Crime Protection**

Sub-Limit	\$250,000
-----------	-----------

Retention	\$2,500
-----------	---------

### **SECTION 6: Statutory Liability**

Sub-Limit	\$250,000
-----------	-----------

Retention	\$2,500
-----------	---------

## **Endorsements:**

### **Insolvency Exclusion**

The **Insurer** shall not be liable under any Policy Section for **Loss** arising out of, based upon or attributable to the actual or alleged insolvency of the **Company** or any actual or alleged inability of the **Company** to pay any or all of its debts as and when they fall due.

### **Discovery Extension Deleted**

General Terms and Conditions Extension 3 'Discovery Period' is deleted from the policy.

### **Tax Audit Extension - 1k excess**

In consideration of the payment of the premium, the policy is amended as follows:

1. Extensions: The following Extension is added to the policy:

#### **10. Tax Audit**

The **Insurer** shall pay, up to an aggregate amount of \$100,000 **Tax Audit Costs** incurred by the **Company** in response to a **Tax Audit Notice** received by the **Company** and notified to the **Insurer** during the **Policy Period**. **Tax Audit Costs** shall be subject to a \$1000 **Retention**.

2. Definitions: The following Definitions are added to the policy:

#### **5. Tax Audit Costs**

Means reasonable, costs and expenses of a qualified accountant or registered tax agent incurred by or on behalf of the **Company** with the **Insurer's** prior written consent arising from an Australian Taxation Office audit of the **Company**.

#### **6. Tax Audit Notice**

means a written notification from the Australian Tax Office of their intent to review the tax liabilities of the **Company**.

3. Exclusions: With respect to Extension 10, 'Tax Audit'. the **Insurer** shall not be liable for **Tax Audit Costs** in connection with:

- (i) customs legislation;
- (ii) the committing of any deliberately dishonest or deliberately fraudulent act, error, misrepresentation or omission;
- (iii) **Tax Audit Costs** incurred after the completion of the tax audit or investigation;
- (iv) any refusal or failure to comply with any request made by or on behalf of the Australian Taxation Office for the provision of documents or information from the **Company**;
- (v) any tax audit conducted or related to income derived outside of Australia and New Zealand.

All other terms, conditions and exclusions remain unchanged.

Subject to all of the terms, conditions and exclusions of this policy. This policy is underwritten by AIG Australia Limited (AIG), ABN 93 004 727 753, AFSL 381686.

<b>Policy Type:</b>	<input type="checkbox"/> General <input type="checkbox"/> Marine <input type="checkbox"/> Aviation <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Fire <input type="checkbox"/> Theft <input type="checkbox"/> Flood <input type="checkbox"/> Earthquake <input type="checkbox"/> Windstorm <input type="checkbox"/> Hail <input type="checkbox"/> Lightning <input type="checkbox"/> Explosion <input type="checkbox"/> Riot <input type="checkbox"/> Civil Unrest <input type="checkbox"/> Terrorism <input type="checkbox"/> Nuclear <input type="checkbox"/> War <input type="checkbox"/> Other
<b>Policy Number:</b>	<input type="text"/>
<b>Insured:</b>	<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust <input type="checkbox"/> Other
<b>Insured Persons:</b>	<input type="checkbox"/> All persons named in the policy <input type="checkbox"/> Only persons named in the policy <input type="checkbox"/> Only persons named in the policy who are residents of the United States <input type="checkbox"/> Only persons named in the policy who are residents of the United States and are citizens of the United States
<b>Period of Insurance:</b>	<input type="checkbox"/> From <input type="text"/> to <input type="text"/> <input type="checkbox"/> From <input type="text"/> to <input type="text"/>
<b>Broker:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Insured Events:</b>	<input type="checkbox"/> Fire <input type="checkbox"/> Theft <input type="checkbox"/> Flood <input type="checkbox"/> Earthquake <input type="checkbox"/> Windstorm <input type="checkbox"/> Hail <input type="checkbox"/> Lightning <input type="checkbox"/> Explosion <input type="checkbox"/> Riot <input type="checkbox"/> Civil Unrest <input type="checkbox"/> Terrorism <input type="checkbox"/> Nuclear <input type="checkbox"/> War <input type="checkbox"/> Other
<b>Each Insured Person</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Scope of Cover:</b>	<input type="checkbox"/> All risks <input type="checkbox"/> Fire and theft <input type="checkbox"/> Fire and theft and flood <input type="checkbox"/> Fire and theft and flood and earthquake <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot and civil unrest <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot and civil unrest and terrorism <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot and civil unrest and terrorism and nuclear <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot and civil unrest and terrorism and nuclear and war <input type="checkbox"/> Fire and theft and flood and earthquake and windstorm and hail and lightning and explosion and riot and civil unrest and terrorism and nuclear and war and other
<b>Pre-existing Condition:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Territorial Limits:</b>	<input type="checkbox"/> Worldwide <input type="checkbox"/> United States <input type="checkbox"/> Other
<b>Aggregate Limit of Liability</b>	<input type="checkbox"/> \$1,000,000 <input type="checkbox"/> \$2,000,000 <input type="checkbox"/> \$3,000,000 <input type="checkbox"/> \$4,000,000 <input type="checkbox"/> \$5,000,000 <input type="checkbox"/> \$6,000,000 <input type="checkbox"/> \$7,000,000 <input type="checkbox"/> \$8,000,000 <input type="checkbox"/> \$9,000,000 <input type="checkbox"/> \$10,000,000 <input type="checkbox"/> Other

In witness whereof, this policy has been countersigned by an authorised officer of Accident and Health International on behalf of the Company at Sydney on this 28th day of July 2015.

*Danny*

ARN 26 053 335 952  
 AFS Licence No:238261  
 Email: [enquiries@acchealth.com.au](mailto:enquiries@acchealth.com.au)  
 Website: [www.acchealth.com.au](http://www.acchealth.com.au)  
 Freecall 1800 618 700  
 Freefax 1800 618 755





NARARA ECOVILLAGE CO-OPERATIVE  
25 RESEARCH ROAD  
NARARA  
NSW 2250

This is not a request for  
payment.

Page 1

3

## CERTIFICATE OF CURRENCY AS AT 25/11/2015

This is to certify that the policy detailed below is in force until the expiry date shown, subject to the payment of the premium.

All Enquiries: STEPHEN BLACK

Policy Number: GS00386296

SUITE 11 FOUNTAIN PLAZA BUSINESS CENTRE ERINA Date Issued: 25/11/2015

Phone: 02 4367 6492

APPROVER ID: 1953 /351

---

Policy: COMMERCIAL MOTOR VEHICLE INSURANCE

Insured(s):

NARARA ECOVILLAGE CO-OPERATIVE LTD

ABN : 86789868574

Trading Name(s):

NARARA ECOVILLAGE CO-OPERATIVE LTD

Period of Insurance:

25/09/2015 to 4PM 25/09/2016

BUSINESS:

BUILDER RESIDENTIAL - CONTRACT WORKS ONLY

Situation:

NARARA

NSW 2250

---



COMMERCIAL MOTOR VEHICLE INSURANCE - POLICY DETAILS

Policy Number GS00386296

Page 2 Final Page  
Date Issued 25/11/2015  
3

## MOTOR VEHICLE POLICY SECTION

Insured Vehicle: 2010 KUBOTA M8970DT Rego No.: UNREG  
Vehicle Type: MOBILE MACHINERY (EARTHMOVING)  
TRACTORS (USED FOR EARTHMOVING)

Sum Insured:  
Part A (Loss or Damage) \$35,000 or Market Value whichever is less  
Part B (Legal Liability) \$30,000,000  
\$1,000,000 (Dangerous Goods)

No claim discount/rating: 50%

Refer to your PDS for the definition of Modifications and Accessories

Youngest Driver Age: 26 years old

Primary Use: Landscaping  
Type of Goods Carried: Unknown  
Maximum Radius of Operation: UNRESTRICTED  
Garaged Postcode: 2250

Insured Vehicle Excess: \$500  
Age/Inexperienced Driver Excess: Refer to your PDS for details

Refer to the excess section in your PDS for any additional excess that may apply. In particular, please note that a radius excess will apply when the insured vehicle is on a journey which exceeds the maximum radius of operation from the garaged postcode.

GST Registered: Yes ITC Eligibility: 100.00%

---

## Your duty of disclosure

Before you enter into this policy with us, you have a duty, under the Insurance Contracts Act, to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate this policy. Your duty however does not require disclosure of a matter;

- a) That diminishes the risk undertaken by us;
- b) That is of common knowledge;
- c) That we know or, in the ordinary course of our business, ought to know; and
- d) As to which compliance with your duty is waived by us.

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under your policy in respect of a claim or we may cancel the policy or do both. If your non-disclosure is fraudulent, we may also have the option of avoiding the policy from the beginning.

## The amount of cover

For some parts of your policy, you have given us details about the cost of replacing buildings, business contents, your home, contents, farm buildings, farm contents, and other items, and the cost of doing certain things in connection with your business. This is to assist you to work out how much insurance cover you need.

When you do your calculations you should note that if you are not entitled to an input tax credit on the policy premium, all sums insured and limits of liability stated in the policy are GST inclusive (unless your policy states otherwise). If you are entitled to an input tax credit on any part of the policy premium, the sums insured and limits of liability stated in the policy are exclusive of any input tax credit which you are or would be entitled to claim. You should reconsider these details at each renewal or if you have a significant change and advise us of the changed details.

If you need advice about these things you should contact your accountant or financial adviser.

## Input tax credit entitlement

If you are entitled to an input tax credit for any portion of the premium for this policy or if your entitlement to an input tax credit as disclosed to us is incorrect or changes, then you must immediately let us know in writing.

## Under-insurance

You should note that some policy sections have under-insurance provisions which apply. This means that if you under-insure, you will have to bear part of any loss yourself.

## Payment and instalments

If you are paying the premium for this policy by instalments then, if an instalment of the premium remains unpaid for a period of at least:

- 1) 14 days, we may refuse to pay a claim; or
- 2) one month, we may cancel this policy.

We reserve the right to cancel any direct debit arrangement between us if one or more debits are returned unpaid by your financial institution.

## Renewal conditions

All renewals are effected on the basis that they are subject to the same terms and conditions which are set out in the policy wording or product disclosure statement which you already hold. If you require another copy please advise us. If your existing policy has a special endorsement or exclusion, this will continue during any renewal period unless your renewal notice shows otherwise.

In the event that we do not accept any renewal condition, we will inform you as soon as practicable.

## Workers compensation

Workers compensation insurance is compulsory for all employers. This insurance does not include workers compensation insurance.

## Fire service levy

In some States Fire and Emergency Authorities receive funding via a levy imposed on insurance companies. This levy is commonly known as Fire Services Levy (FSL). If the levy applies to your policy then the amount shown as FSL is our estimate of the amount which we must contribute towards FSL in respect of your policy.

## Privacy

We appreciate privacy is important to you. We are committed to protecting your personal information. For further information, please refer to our Privacy Statement and Suncorp Group Privacy Policy by visiting [www.gio.com.au/privacy](http://www.gio.com.au/privacy) or call us on 13 10 10.

Issued by: AAI Limited ABN 48 005 297 807 trading as GIO

04644 01/03/14 A

## PAYMENT OPTIONS

**By instalment.** Ask your representative about payment by instalments. A monthly administration fee applies.

**By BPAY.** Telephone and Internet Banking – BPAY. Contact your bank, credit union or building society to make this payment from your cheque, savings or credit card account. More info: [www.bpay.com.au](http://www.bpay.com.au)



**Biller Code:** 8250

**Ref:** Please use the Payment Reference number at the bottom of page 1. Please enter all digits with no spaces.

**Online.** Pay online at [www.gio.com.au](http://www.gio.com.au)  
Pay with the click of a mouse.

**By phone.** Have your credit card details handy.  
Call GIO toll free on 1800 800 669.

**By mail.** Send your cheque or money order made payable to GIO with this payment slip to address;  
GIO Payments, Reply Paid 1453, Brisbane. QLD 4001.  
No postage is required if posted within Australia.

**Over the counter.** Take this whole page to any Australia Post or GIO branch.



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## **Appendix - 3.3.1.5**

### **Insurance PDS x 4**

---



# PrivateEdge for Associations

Policy Wording



## Contents

About AIG	P 3
Section 1 - Management Liability	P 6
Section 2 - Corporate Liability	P 10
Section 3 - Employment Practices Liability	P 16
Section 4 - Crime Protection	P 18
Section 5 - Superannuation Trustees Liability	Not Insured
Section 6 - Statutory Liability	P 24
General Terms and Conditions	P 25
Appendix I - BusinessGuard Advisory Panel Contacts	P 40





## About AIG

This insurance is issued by  
AIG Australia Limited  
ABN 93 004 727 753 AFSL 381686

## About the policy

Your policy is made up of this document, the Schedule and any Endorsements and they should all be read as one document. Your policy is a legal contract between you and us.

If you think that any details contained in these documents are not correct or if you need to change anything, you should ask your insurance intermediary to tell us.

You are only insured for those policy Sections that are shown as 'Yes' under 'Section Insured' in the Schedule.

There are specific conditions, specific exclusions and specific definitions that only apply to a specific policy Section. In addition, there are general conditions, general exclusions, general claims conditions and general definitions that are part of this policy and apply to each policy Section.

## Copyright

The content of this policy, including but not limited to the text and images herein, and their arrangement, is the copyright property of AIG. All rights reserved. AIG hereby authorises you to copy and display the content herein, but only in connection with AIG business. Any copy you make must include this copyright notice. Limited quotations from the content are permitted if properly attributed to AIG; however, except as set forth above, you may not copy or display for redistribution to third parties any portion of the content of this policy without the prior written permission of AIG. No modifications of the content may be made. Nothing contained herein shall be construed as conferring by implication or otherwise any license or right under any patent, trademark, copyright (except as expressly provided above), or other proprietary rights of AIG or of any third party.

## Important Notice

### Claims-made and Notified Insurance

This policy contains coverage on a *claims-made and notified* basis. This means that this policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. This policy does not provide cover for any

Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

Section 40(3) of the *Insurance Contracts Act 1984* provides that where you gave notice in writing to the insurer of facts that might give rise to a Claim against you as soon as was reasonably practicable after you became aware of those facts but during the Policy Period, the insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it was made after the Policy Period had expired.

This policy does not cover Claims arising out of, based upon or attributable to any:

- (a) facts alleged or the same or related acts, errors or omissions alleged or contained in any Claim which has or should have been notified or in any circumstances of which notice has or should have been given under any policy of which this policy is a renewal or replacement or which it may succeed in time; or
- (b) any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication as of the Continuity Date (as defined), or alleging or deriving from the same or essentially the same facts as alleged in such actions.

### Your Duty of Disclosure

Before you enter into a contract of insurance with the insurer, you have a duty, under the *Insurance Contracts Act 1984*, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require you to disclose a matter:

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

### Non-disclosure

If you fail to comply with your duty of disclosure the insurer may be entitled to reduce its liability



under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning

## Privacy Notice

**This notice sets out how AIG Australia Limited (AIG) collects, uses and discloses personal information about:**

- **you, if an individual; and**
- **other individuals you provide information about.**

**Further information about our Privacy Policy is available at [www.aig.com.au](http://www.aig.com.au) or by contacting us at [australia.privacy.manager@aig.com](mailto:australia.privacy.manager@aig.com) or on 1300 030 886.**

## How we collect your personal information

AIG usually collects personal information from you or your agents.

AIG may also collect personal information from:

- Our agents and service providers;
- other insurers;
- people who are involved in a claim or assist us in investigating or processing claims, including third parties claiming under your policy, witnesses and medical practitioners;
- third parties who may be arranging insurance cover for a group that you are a part of;
- providers of marketing lists and industry databases; and
- publically available sources.

## Why we collect your personal information

AIG collects information necessary to:

- underwrite and administer your insurance cover;
- maintain and improve customer service; and
- advise you of our and other products and services that may interest you.

You have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG declining cover, cancelling your insurance

cover or reducing the level of cover, or declining claims.

## To whom we disclose your personal information

In the course of underwriting and administering your policy we may disclose your information to:

- entities to which AIG is related, reinsurers, contractors or third party providers providing services related to the administration of your policy;
- banks and financial institutions for policy payments;
- assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- other entities to enable them to offer their products or services to you; and
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

AIG is likely to disclose information to some of these entities located overseas, including in the following countries: United States of America, United Kingdom, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which you have a claim and such other countries as may be notified in our Privacy Policy from time to time.

You may request not to receive direct marketing communications from AIG.

## Access to your personal information

Our Privacy Policy contains information about how you may access and seek correction of personal information we hold about you. In summary, you may gain access to your personal information by submitting a written request to AIG.

In some circumstances permitted under the Privacy Act 1988, AIG may not permit access to your personal information. Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.





## Complaints

Our Privacy Policy also contains information about how you may complain about a breach of the applicable privacy principles and how we will deal with such a complaint.

## Consent

If applicable, your application includes a consent that you and any other individuals you provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

## Dispute Resolution Process

We are committed to handling any complaints about our products or services efficiently and fairly.

If you have a complaint:

- contact your insurance intermediary and they may raise it with us;
- if your complaint is not satisfactorily resolved you may request that your matter be reviewed by management by writing to:  
The Compliance Manager  
AIG  
Level 12, 717 Bourke Street  
Docklands Vic 3008
- if you are still unhappy, you may request that the matter be reviewed by our internal Dispute Resolution Committee. We will respond to you with the Committee's findings within 15 business days.
- If you are not satisfied with the finding of the Committee, you may be able to take your matter to the insurance industry's independent dispute resolution body. This external dispute resolution body can make decisions with which we are obliged to comply.

## General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. This aims to raise the standards of practice and service in the insurance industry, improve the way that claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are available upon request.



## Policy Section 1 - Management Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

### COVERS

---

1. **Individuals**

The **Insurer** shall pay the **Loss** of each **Office Bearer** arising from **Management Liability**, except to the extent that the **Office Bearer** has been indemnified by the **Association** for such **Loss**.

2. **Outside Entity Directors**

The **Insurer** shall pay the **Loss** of each **Outside Entity Director** arising from **Management Liability**, except to the extent that the **Outside Entity Director** has been indemnified for such **Loss**.

3. **Association Reimbursement**

The **Insurer** shall reimburse or pay on behalf of an **Association** any **Loss** for which it has indemnified an **Office Bearer** arising from **Management Liability**.

4. **Reinstatement Limit**

If the Schedule specifies an 'Aggregate Limit of Liability' for all policy Sections, the **Insurer** shall pay a separate **Reinstatement Limit** on behalf of each of the **Policyholder's Board Directors** for any **Loss** that is not indemnified by the **Association** when the original **Limit of Liability** has been exhausted. Cover shall only apply to **Loss** that is not a related **Claim** or circumstance as specified in General Terms and Conditions Claims Condition 3 'Related Claims and Circumstances'.

### EXTENSIONS

---

1. **Assets and Liberty Costs**

The **Insurer** shall pay:

- (i) any **Bail Bond and Civil Bond Premium**;
- (ii) **Prosecution Costs**; and
- (iii) the reasonable fees, costs and expenses incurred by any **Insured Person** arising from any **Asset and Liberty Proceeding**.

2. **Insured Person Statutory Liability**

The **Insurer** shall pay up, to an aggregate amount of \$250,000, the **Statutory Liability** of any **Insured Person**. This Extension shall not apply if Policy Section 6 - Statutory Liability is shown as 'Yes' under 'Section Insured' in the Schedule.

3. **Investigations**

The **Insurer** shall pay the **Investigation Costs** of each **Insured Person** arising from an **Investigation**.

4. **Occupational Health & Safety**

The **Insurer** shall pay the **Defence Costs** and **Investigation Costs** of any **Insured Person** arising from an **Occupational Health and Safety Incident**.

5. **Public Relations Expenses**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, for reasonable fees, costs and expenses of **Public Relations Consultants** to provide **Public Relations Services** in connection with a covered **Claim**, **Critical Regulatory Event** or **Investigation**, where such **Public Relations Expenses** are not otherwise specifically covered elsewhere in this policy.



## Extensions (continued)

---

### 6. **Extradition Proceedings**

The **Insurer** shall pay:

- (i) the reasonable fees, costs and expenses incurred by any **Insured Person** arising from any extradition proceeding; and
- (ii) up to an aggregate amount of \$100,000, for the reasonable fees, costs and expenses incurred by any **Insured Person** for each of (a) and (b) below:
  - (a) an accredited counsellor or tax advisor retained by an **Insured Person** approved by the **Insurer**, in extradition proceedings brought against such **Insured Person**; or
  - (b) **Public Relations Consultants** to provide **Public Relations Services** in extradition proceedings.

### 7. **Run-off for Retired Insured Persons**

The **Insurer** will provide:

- (i) an unlimited **Discovery Period** for any **Office Bearer**; or
- (ii) a **Discovery Period** of twelve years for any **Superannuation Trustee**;

who retires or resigns prior to or during the **Policy Period**, other than by reason of a **Transaction**, and provided that:

- (a) the cover purchased under this policy is not renewed or replaced; or
- (b) where the cover purchased under this policy is renewed or replaced, such renewal or replacement policy does not provide an extended discovery provision of at least six (6) years for such person.

### 8. **Superannuation Schemes**

With respect to Policy Section 1 - Management Liability only, Definition 23 'Office Bearer' is extended to include any fiduciary capacity held by an **Office Bearer** acting for or on behalf of the **Association** in the operation, administration or sponsorship of any superannuation, profit sharing or **Employee** benefits programme whose activities are not controlled by **Superannuation Trustees**. No cover shall apply for any **Superannuation Trustee Liability**.

### 9. **Access to Complimentary Legal Advice**

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts, to any **Insured Person** during the **Policy Period** with respect to:

- (i) employment law;
- (ii) occupational health and safety law; and
- (iii) general commercial law;

concerning the duties and obligations of a director or officer under the relevant laws of the Australian state or Territory in which the **BusinessGuard Advisory Panel** contact is located.

The above Extensions shall only apply to a **Superannuation Trustee** where Policy Section 5 - Superannuation Liability is shown as 'Yes' under 'Section Insured' in the Schedule.



## EXCLUSIONS

---

The **Insurer** shall not be liable for **Loss** under Policy Section 1 - Management Liability:

**1. Bodily Injury and Property Damage**

for **Bodily Injury and/or Property Damage**. This exclusion shall not apply to:

- (i) any **Claim** for emotional distress with respect to **Employment Practices Liability, Third Party Liability** or defamation; or
- (ii) Policy Section 1 – Management Liability Extension 2 ‘Insured Person Statutory Liability’.
- (iii) Policy Section 1 - Management Liability Extension 4 ‘Occupational Health & Safety’ and General Terms & Conditions Extension 2 ‘Regulatory Crisis Response’.

**2. Conduct**

arising out of, based upon or attributable to:

- (i) any conduct or contravention in respect of which a liability is the subject of a prohibition in section 199B(1) of the *Corporations Act 2001* (Commonwealth); or
- (ii) the committing of any deliberately dishonest or deliberately fraudulent act,

in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Insured Person**.

For the purposes of determining the applicability of this Exclusion, the conduct of any **Insured** shall not be imputed to any other **Insured Person**.

With respect to Policy Section 1 – Management Liability Extension 2 ‘Insured Person Statutory Liability’ only, the **Insurer** shall not be liable for any **Statutory Liability**:

**3. Deliberate or Intentional Conduct**

for a deliberate, intentional or reckless act or omission.



## DEFINITIONS

---

In Policy Section 1 - Management Liability the following words in **bold** shall have the definitions that follow:

**1. Asset and Liberty Proceeding**

any proceeding brought against any **Insured Person** by any **Official Body** seeking:

- (i) confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of an **Insured Person**;
- (ii) a charge over real property or personal assets of such **Insured Person**;
- (iii) a temporary or permanent prohibition on such **Insured Person** from holding the office of or performing the function of a director or officer;
- (iv) a restriction of such **Insured Person's** liberty to a specified domestic residence or an official detention;
- (v) deportation of an **Insured Person** following revocation of otherwise proper, current and valid immigration status for any reason other than such **Insured Person's** conviction of a crime.

**2. Bail Bond and Civil Bond Premium**

the reasonable premium (but not collateral) for any bond or other financial instrument to guarantee an **Office Bearer's** contingent obligation for a specified amount required by a court hearing a **Claim**.

**3. Board Director**

a director of the board of the **Policyholder**.

**4. Management Liability**

- (i) any liability arising from any actual or alleged act, error or omission of any **Office Bearer** or arising solely because of any person's status as a **Office Bearer**;
- (ii) **Employment Practices Liability** or **Third Party Liability** of any **Office Bearer**; or
- (iii) with respect to Policy Section 1 – Management Liability Cover 3 'Company Reimbursement' any liability arising from any **Investigation, Occupational Health and Safety Incident** or extradition proceedings.

**Management Liability** also means with respect to shareholder derivative actions only, any **liability** arising from any proposed act, error or omission.

**5. Prosecution Costs**

reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by an **Insured Person**, to bring legal proceedings for a declaration and/or an injunction in connection with any **Asset and Liberty Proceedings**.

**6. Reinstatement Limit**

\$1,000,000 per **Policyholder Board Director**. The total aggregate amount payable for **Reinstatement Limits** for all **Policyholder Board Directors** shall be equivalent to the **Limit of Liability** specified in the Schedule for Policy Section 1 – Management Liability or \$5,000,000, whichever is the lesser.



## Policy Section 2 - Corporate Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

### COVER

---

1. **Corporate Liability**

The **Insurer** shall pay the **Loss** of any **Association** arising from **Corporate Liability**.

2. **Membership Liability**

The **Insurer** shall pay the **Loss** of any **Insured** arising from **Membership Liability**.

3. **Professional Liability**

The **Insurer** shall pay any **Damages** and **Defence Costs** arising from **Professional Liability**.

4. **Accidental Death**

The **Insurer** will pay up to an aggregate amount of \$100,000 for each **Insured Executive** and \$500,000 in the aggregate to the **Policyholder** in the event of the **Accidental Death** of an **Insured Executive** during the **Policy Period**.

### EXTENSIONS

---

1. **Pollution Condition Defence Costs**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Association** arising from a **Pollution Condition**.

2. **Occupational Health & Safety**

The **Insurer** shall pay, up to an aggregate amount of \$500,000 for both (i) and (ii) below:

- (i) **Defence Costs** of any **Association**; and
- (ii) the reasonable fees, costs and expenses incurred by or on behalf of any **Association** with the **Insurer's** prior written consent for the principal purpose of preparing for, responding to, or attending an **Investigation**;

arising from an **Occupational Health & Safety Incident**.

3. **Breach of Contract**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Company** arising from any **Claim** regarding an alleged breach by any **Association** of any express (written or oral) contract or agreement.

4. **Liability to Third Party Entities due to Employee Dishonesty or Fraud**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Association** arising from any **Claim** made against such **Association** by a third party entity, where:

- (i) such **Claim** is in connection with any direct financial loss sustained by such third party; and
- (ii) such direct financial loss directly arises in connection with any dishonest or fraudulent act committed by any **Employee** of such **Association** acting in collusion with any director, officer, governor, trustee or **Employee** of such third party, with the intent to obtain improper personal financial gain for such **Employee** or other person, to the deprivation of the third party entity.



## Extensions (continued)

---

### 5. *Identity Fraud*

If any party other than an **Insured Person** enters into any agreement with any third party entity fraudulently representing themselves as any **Association**, then the **Insurer** shall pay, up to an aggregate amount of \$100,000, any reasonable fees, costs and expenses incurred by such **Association** in establishing that such fraudulent misrepresentation has occurred, should the third party entity seek to enforce such agreement against such **Association**.

### 6. *Crisis Event*

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable fees, costs and expenses of **Public Relations Consultants** to mitigate the adverse effect or potential adverse effect on an **Insured Entity's** reputation with respect to a **Crisis Event**.

### 7. *Disappearance of Insured Executive*

If an **Insured Executive** disappears during the **Policy Period** and after 12 months it is reasonable for the **Insurer** to believe that the **Insured Executive** has suffered an **Accidental Death**, the **Insurer** will pay to the **Policyholder** the benefit specified under Policy Section 2 – Corporate Liability Cover 2 'Accidental Death', subject to receiving a signed undertaking from the **Policyholder** that any such benefit shall be refunded if it is later demonstrated that the **Insured Executive** did not in fact suffer **Accidental Death**.

### 8. *Superannuation Schemes*

The **Insurer** shall pay, up to an aggregate amount of \$250,000, the **Loss** of any **Association** resulting from any **Claim** in connection with any act, error or omission in connection with the operation, administration or sponsorship of any superannuation, profit sharing or **Employee** benefits programme whose activities are not controlled by **Superannuation Trustees**. No cover under this Extension shall apply to any **Superannuation Trustee Liability**.

### 9. *Taxation Audit and Tax Status Costs*

The **Insurer** shall pay as **Defence Costs**, up to an aggregate amount of \$50,000, any **Tax Audit Costs** and **Tax Status Costs**, if the **Policyholder** retains a qualified accountant or registered tax agent to manage its tax affairs. **Tax Audit Costs** shall not be subject to a **Retention**.

### 10. *Access to Complimentary Legal Advice*

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts to any **Association** during the **Policy Period** with respect to:

- (i) employment law;
- (ii) occupational health and safety law; and
- (iii) general commercial law;

concerning corporate liability under the relevant laws of the Australian State or Territory in which the **BusinessGuard Advisory Panel** contact is located.

## EXCLUSIONS

---

The **Insurer** shall not be liable for **Loss** under Policy Section 2 - Corporate Liability:

### 1. *Anti-competitive Practices*

in connection with any **Claim** made for any actual or alleged violation of any law, whether statutory, regulatory or common law, with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships.





## Exclusions (continued)

---

### 2. **Benefits**

arising out of, based upon or attributable to any law or obligation pursuant to any workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, superannuation benefits or any similar law or obligation whatsoever. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 8 'Superannuation Schemes'.

### 3. **Bodily Injury and Property Damage**

- (i) for **Bodily Injury and/or Property Damage**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 2 'Occupational Health & Safety', General Terms & Conditions Extension 2 'Regulatory Crisis Response' or defamation; or
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to **Bodily Injury and/or Property Damage**, unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing **Professional Services**.

### 4. **Conduct**

- (i) arising out of, based upon or attributable to:
  - (a) the gaining of profit or advantage to which the **Association** was not legally entitled; or
  - (b) the committing of any deliberately dishonest or deliberately fraudulent act,in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Association**.
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to any:
  - (a) intentional act by an **Insured**; or
  - (b) act which a court, official tribunal or arbitrator finds, or which an **Insured** admits, to be a criminal, dishonest or fraudulent act; provided, however, that this exclusion shall not apply to liability for fraudulent or dishonest conduct of any **Office Bearer** within the meaning of **Professional Liability**.

### 5. **Contract**

- (i) arising out of, based upon or attributable to any liability of any **Association** under any contract or agreement. This exclusion shall not apply to:
  - (a) any **Association** liability that would have attached in the absence of such contract; and
  - (b) Policy Section 2 – Corporate Liability Extension 3 'Breach of Contract'; or
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to any:
  - (a) liability assumed or accepted by an **Insured** under any contract or agreement, except to the extent such liability would have attached to the **Insured** in the absence of such contract or agreement; or
  - (b) guarantee or warranty.

### 6. **Employment Practices Liability**

any **Claim** arising out of, based upon or attributable to **Employment Practices Liability** or **Third Party Liability**.

### 7. **Intellectual Property Rights**

- (i) in connection with any **Claim** made for any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights; or





## Exclusions (continued)

---

- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability only, arising out of, based upon or attributable to the breach of licences concerning, infringement or misappropriation of patents or **Trade Secrets**.

### 8. **Pollution**

arising out of, based upon or attributable to a **Pollution Condition**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 1 ‘Pollution Condition Defence Costs’.

### 9. **Professional Services**

in connection with any **Claim** made for rendering or failure to render any service or advice to a customer or client of the **Insured**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability’.

### 10. **Specified Accidental Death**

the **Insurer** shall not be liable for the **Accidental Death** of an **Insured Executive** which arises out of the **Insured Executive**:

- (i) engaging in any aerial activity, except as a passenger (and not as a pilot or crewmember) in any aircraft licensed to carry passengers;
- (ii) committing suicide, or a criminal or illegal act;
- (iii) being pregnant, or giving birth or having a miscarriage;
- (iv) having Acquired Immune Deficiency Syndrome (A.I.D.S.) disease or Human Immunodeficiency Virus (H.I.V.) infection;
- (v) training for or participating as a professional in any sport;
- (vi) racing in or on any motor powered device;
- (vii) being in control of any motor powered device whilst having a blood alcohol level over the prescribed legal limit or being under the influence of any other drug, unless it was prescribed by a legally qualified medical practitioner;
- (viii) being exposed to radioactive materials in any form whatsoever whether occurring naturally or otherwise; or
- (ix) being in any way involved, directly or indirectly, in war or any consequence of war (whether declared or not), invasion, civil war or act of terrorism.

## DEFINITIONS

---

In Policy Section 2 - Corporate Liability the following words in **bold** shall have the definitions that follow:

### 1. **Accidental Death**

death resulting from:

- (i) an accident caused by sudden, violent, external and visible means and occurring solely and directly and independently of any other cause including any pre-existing physical or congenital condition; or
- (ii) exposure to the elements.

**Accidental Death** does not include death as a result of a sickness or disease.

### 2. **Breach of Duty**

any actual or alleged breach of duty, negligent act, error, misstatement, breach of confidentiality or omission in the performance or failure to perform **Professional Services**.

### 3. **Corporate Liability**

any liability arising from any actual or alleged act, error or omission of an **Association**, except with respect to any **Employment Practices Liability** or **Third Party Liability** or **Membership Liability**.



## Definitions (continued)

---

### 4. Crisis Event

any of the following unforeseen events occurring during the **Policy Period** where, in the reasonable opinion of the chief executive officer of the **Policyholder**, the event has the potential to make a material impact on the consolidated annual revenues or the reputation of the **Association** if left unmanaged:

- (i) the sudden, unexpected death or disability of any director or officer;
- (ii) the criminal conviction of any director or officer;
- (iii) loss of a major customer, contract or credit facility;
- (iv) **Employee** workplace violence;
- (v) the first apparent unauthorised intrusion into any **Association's** computer facilities;
- (vi) a recall or boycott of any product;
- (vii) a man-made disaster; or
- (viii) any criminal or fraud investigation.

**Crisis Event** does not include an event that affects the **Association's** industry in general; rather than the **Association**, specifically.

### 5. Damages

any amount which the **Insured** is legally liability to pay to a **Third Party** resulting from a **Claim** made against an **Insured** in respect of awards or damages or for settlements, subject to the limitations of **Loss**.

### 6. Infringement

An infringement of any intellectual property right of any **Third Party**, other than patents and **Trade Secrets**.

### 7. Insured Executive

any natural person who is, at the time of his or her **Accidental Death**:

- (i) aged between 18 years and 70 years; and
- (ii) a validly appointed member of the board, or director, of the **Policyholder**.

**Insured Executive** does not include a natural person who during the **Policy Period**:

- (a) resigns or is dismissed from the board of the **Policyholder**; or
- (b) attains the age of 70 years.

### 8. Member

a member as defined in the **Policyholder's** governing articles or rules and includes any past, present or prospective members of the **Policyholder**.

### 9. Membership Liability

any liability arising from a **Claim** made against any **Association** or **Office Bearer** by a **Member** of the **Association** based upon any actual or alleged act, error or omission of an **Association** in connection with membership promotion, membership rights or the termination or suspension of membership, including, but not limited to, any harassment or discrimination.

### 10. Misleading or Deceptive Conduct

any actual or alleged misleading or deceptive conduct at law or under the *Corporations Act 2001* (Cth), *Australian Securities and Investments Commission Act 2001* (Cth), *Trade Practices Act 1974* (Cth) or any similar provisions in the States' Fair Trading Acts.



## Definitions (continued)

---

### 11. Professional Liability

liability for **Damages** arising from:

- (i) any **Breach of Duty** or **Misleading or Deceptive Conduct** of the **Insured**;
- (ii) any **Infringement**;
- (iii) defamation committed by an **Insured**; or
- (iv) any fraudulent or dishonest conduct of any **Office Bearer**;
  - (a) not condoned, expressly or implicitly, by the **Association**; and
  - (b) that results in a liability to the **Association**;

provided, however, that no cover is provided to the person committing the fraudulent or dishonest conduct;

provided also that (i), (ii), (iii) or (iv) first takes place on or after the **Retroactive Date** and is solely in the performance of or failure to perform **Professional Services**.

### 12. Professional Services

the following professional services provided by the **Organisation**:

- (i) advocacy and promotion of the **Organisation's** objectives and area of focus or interest, including publication or information in any media type;
- (ii) registration, training and accreditation of members;
- (iii) publication or professional or technical standards;
- (iv) acting as an insurance intermediary for the purpose of distributing personal lines, general and life insurance products to **Members**;
- (v) events for **Members** and others that promote the **Organisation's** area of focus or interest; or
- (vi) fundraising activities.

**Professional Services** does not mean:

- (a) the provision of a disciplinary function for members;
- (b) the provision of financial or investment advice;
- (c) medical treatment, care or advice, counselling or healthcare; or
- (d) professional consultancy services for a fee, commission or other remuneration.

### 13. Tax Audit Costs

reasonable and necessary fees, costs and expenses of a qualified accountant or registered tax agent incurred by or on behalf of the **Insured** with the **Insurer's** prior written consent arising from an Australian Taxation Office audit of the **Policyholder**.

### 14. Tax Status Costs

reasonable and necessary fees, costs and expenses incurred by or on behalf of the **Insured** with the **Insurer's** prior written consent to exercise any right of review or available remedy in connection with an Australian Taxation Office audit concerning the **Policyholder's** concessional tax status.

### 15. Trade Secret

information that derives independent economic value, actual or potential, from not being generally known and not being readily ascertainable through proper means by other persons who can obtain economic advantage from its disclosure or use.



## Policy Section 3 - Employment Practices Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

### COVERS

---

1. **Employment Practices Liability**

The **Insurer** shall pay the **Loss** of each **Association** arising from **Employment Practices Liability**.

2. **Third Party Liability**

The **Insurer** shall pay, the **Loss** of each **Association** arising from any harassment of or discrimination against any natural person third party who is not an **Employee**.

### EXTENSIONS

---

1. **Access to Complimentary Legal Advice**

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts to any **Association** during the **Policy Period** with respect to employment law under the relevant laws of the Australian State or Territory in which the **BusinessGuard Advisory Panel** contact is located.

2. **Insured Person Employment Practices Liability**

The **Insurer** shall pay the **Loss** of each **Insured Person** arising from **Employment Practices Liability**. This Extension shall not apply if Policy Section 1 – Management Liability is shown as ‘Yes’ under ‘Section Insured’ in the Schedule.

### EXCLUSIONS

---

The **Insurer** shall not be liable for **Loss** under Policy Section 3 – Employment Practices Liability:

1. **Anti-competitive Practices**

in connection with any **Claim** made for any actual or alleged violation of any law, whether statutory, regulatory or common law, with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another’s business or contractual relationships.

2. **Benefits**

arising out of, based upon or attributable to any law or obligation pursuant to any workers’ compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, superannuation benefits or any similar law or obligation whatsoever.

3. **Bodily Injury and Property Damage**

for **Bodily Injury and/or Property Damage**. This exclusion shall not apply to any **Claim** for emotional distress with respect to **Employment Practices Liability, Third Party Liability** or defamation.

4. **Conduct**

arising out of, based upon or attributable to:

- (i) the gaining of profit or advantage to which the **Association** was not legally entitled; or
- (ii) the committing of any deliberately dishonest or deliberately fraudulent act, in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Association**.



#### Exclusions (continued)

---

**5. Intellectual Property Rights**

in connection with any **Claim** made for any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights.

**6. Pollution**

arising out of, based upon or attributable to a **Pollution Condition**.

**7. Professional Services**

in connection with any **Claim** made for rendering or failure to render any service or advice to a customer or client of the **Insured**.



## Policy Section 4 - Crime Protection

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

### COVER

---

1. ***Employee Fraud or Dishonesty***

The **Insurer** shall pay the **Insured Entity** for **Direct Financial Loss** resulting from any acts of fraud or dishonesty committed by any **Employee** (acting alone or in collusion with others) with the principal intent to cause the **Insured Entity** to sustain such **Direct Financial Loss** or to obtain a personal financial gain.

2. ***Third Party Crime***

The **Insurer** shall pay the **Insured Entity** for **Direct Financial Loss** resulting from any **Theft** or **Fraudulent Act** committed by any **Third Party**.

3. ***Electronic and Computer Crime***

The **Insurer** shall pay the **Insured** for **Loss** resulting from any **Electronic and Computer Crime** committed by a **Third Party**.

4. ***Destruction and Damage of Money or Negotiable Instruments***

The **Insurer** shall pay the **Direct Financial Loss** of any **Insured Entity** directly resulting from the physical loss of or damage to or actual destruction or disappearance of any **Insured Entity's Money** or **Negotiable Instruments** including damage to or actual destruction of safes or vaults. If such loss or damage is caused by fire, storm or natural disaster, then maximum amount payable for such loss is \$100,000 in the aggregate payable as part of the **Limit of Liability**.

5. ***Care, Custody and Control***

The **Insurer** shall pay the direct financial loss of any **Third Party** or other organisation, provided the **Insured Entity**:

- (i) has in its care, custody or control the **Money, Negotiable Instruments** or other property belonging to that **Third Party** or other organisation; and
- (ii) is liable to that **Third Party** or other organisation for such direct financial loss.

6. ***Shareholders***

The **Insurer** shall pay the **Direct Financial Loss** of any **Insured Entity** resulting from **Theft** or **Fraudulent Acts** of any person who owns or controls any of the **Insured Entity's** issued share capital. If such person owns or controls more than 5% of the **Insured Entity's** issued share capital, then the **Insurer's** liability for **Direct Financial Loss** shall be reduced by:

- (i) any amount owed to such person by the **Insured Entity**; and
- (ii) the financial value of such person's share in the **Insured Entity** as determined by an independent valuation of such share as at the date such **Theft** or **Fraudulent Act** is first **Discovered**.

### EXTENSIONS

---

1. ***Legal Fees***

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable legal fees costs and expenses incurred in the defence of any written demand, claim, suit or legal proceeding, which the **Insured Entity** subsequently establishes results directly from a covered or potentially covered **Direct Financial Loss**.



## Extensions (continued)

---

### 2. **Reconstitution Costs**

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable fees, costs and expenses incurred in rewriting or amending the **Insured Entity's** software programs or systems where such rewriting or amending is necessary to correct the programs or systems following a covered **Direct Financial Loss**.

### 3. **Investigative Specialist Fees**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Insured Entity's** reasonable fees, costs and expenses incurred in retaining a fraud investigator, pre-approved by the **Insurer** in writing, to investigate, prove and report a covered or potentially covered **Direct Financial Loss**. The investigative specialist must not have a conflict of interest concerning such retainer.

No **Retention** shall apply to Extensions 1, 2 and 3 above and amounts are payable in addition to the **Limit of Liability**.

## EXCLUSIONS

---

The **Insurer** shall not be liable under Policy Section 4 – Crime Protection for:

### 1. **Agent Acts**

any act, error or omission of any independent contractor (other than an **Employee**), broker, merchant, external solicitor or external accountant, or other similar agent or representative. This exclusion shall not apply to any organisation to which the **Insured Entity** has outsourced any normal administrative function under a written contract of engagement with such organisation.

### 2. **Benefits**

salaries, commissions, fees and bonuses, promotions, awards, profit sharing, superannuation or other employee benefits paid by the **Insured Entity** where earned in the normal course of employment.

### 3. **Confidential Information**

loss of or damage to proprietary information, intellectual property, trade secrets, confidential processing methods, or other confidential information of any kind.

### 4. **Direct Financial Loss Sustained After Knowledge**

**Direct Financial Loss** sustained after any **Responsible Person** of an **Insured Entity** first becomes aware that:

- (i) any **Theft** or **Fraudulent Act** has been committed by a **Third Party** or any person who owns or controls more than 5% of the **Insured Entity's** issued share capital;
- (ii) an **Employee** has committed a dishonest or fraudulent act during the term of his or her employment with any **Insured Entity**; or
- (iii) an **Employee** has previously committed a dishonest or fraudulent act prior to employment with any **Insured Entity**, provided the act or acts involved **Money, Negotiable Instruments** or other property valued at \$10,000 or more.

### 5. **Fire**

**Direct Financial Loss** or damage caused by fire, other than loss of or damage to **Money, Negotiable Instruments**, safes or vaults covered under Policy Section 4 – Crime Protection Cover 3 'Destruction and Damage of Money or Negotiable Instruments'.





## Exclusions (continued)

---

### 6. **Forcible and Violent Theft**

**Direct Financial Loss** occurring following forcible or violent entry to any premises occupied by an **Insured Entity** by any **Third Party**, where such **Third Party** is acting alone and not in collusion with any **Employee**; other than where covered under Policy Section 4 – Crime Protection Cover 3 ‘Destruction and Damage of Money or Negotiable Instruments’.

### 7. **Premises Damage**

damage or destruction to any premises or building.

### 8. **Profit, Loss or Inventory Computation**

**Direct Financial Loss** which can only be proved solely by:

- (i) a profit and loss computation or comparison; or
- (ii) a comparison of inventory records with an actual physical count.

### 9. **Voluntary Exchange or Purchase**

**Direct Financial Loss** arising out of the voluntary giving or surrendering (whether or not such giving and surrendering is induced by deception) of **Money**, **Negotiable Instruments** or other property in any exchange or purchase, unless the **Insured Entity** has taken reasonable steps to prevent such **Direct Financial Loss**.

## DEFINITIONS

---

In Policy Section 4 - Crime Protection the following words in **bold** shall have the definitions that follow:

### 1. **Cheque Forgery**

- (i) the **Forgery** or **Fraudulent Alteration** of any cheque or similar written promise by the **Insured** to pay a veritable sum representing money drawn upon the **Insured's** account at any bank at which the **Insured** maintains a current or savings account;
- (ii) the **Fraudulent Alteration** of, on or in any cheque or draft:
  - (a) drawn upon by any bank; or
  - (b) drawn upon by any corporation upon itself;
- (iii) the **Fraudulent Alteration** of, on or in any cheque or written order or direction to pay a veritable sum representing money drawn by any public body upon itself, or any warrant drawn by any public body which the **Insured** shall receive at any of its premises in payment or purported payment for:
  - (a) tangible property sold and delivered; or
  - (b) services rendered.

### 2. **Computer**

means any computer, data processing equipment, media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or storage device, microchip, integrated circuit, real-time clock system, or similar device or any computer software, firmware or microcode. **Computer** shall also include its components available to its users, including but not limited to memory, bandwidth, processor time, use of communication facilities and any other computer-connected equipment.

### 3. **Computer Fraud**

means the theft of the **Insured's** assets under the direct or indirect control of a **Computer** by manipulation of computer hardware or software programmes or systems by any **Third Party** who is not authorised by the **Insured** to access that **Computer**.





## Definitions (continued)

---

4. **Corporate Card Fraud**

the fraudulent use of any corporate credit, debit or charge card issued to the **Insured** or any **Employee** for business purposes where such card is **Forged** or is the subject of **Fraudulent Alteration** provided that the **Insured** or **Employee** has complied fully with the provisions, conditions and other terms under which the card was issued and provided the **Insured** is legally liable for such **Direct Financial Loss**.

5. **Counterfeit or Counterfeiting**

the imitation of an authentic negotiable instrument such that the **Insured** is deceived on the basis of the quality of the imitation to believe that the said item is the authentic original negotiable instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not **Counterfeit**.

6. **Direct Financial Loss**

direct financial loss sustained by any **Insured Entity**.

7. **Discovered**

knowledge of any act, omission or event which could reasonably be seen to give rise to a **Direct Financial Loss** by any of the **Insured Entity's Responsible Persons**.

8. **Electronic and Computer Crime**

means any one of the following:

- (i) **Computer Fraud**; or
- (ii) **Funds Transfer Fraud**.

9. **Fraudulent Act**

- (i) **Cheque Forgery**;
- (ii) **Corporate Card Fraud**; or
- (iii) **Imitation Fraud**.

10. **Fraudulent Alteration**

a material alteration to an instrument for a fraudulent purpose, unless altered by the person who was authorised to prepare or sign the instrument.

11. **Forgery or Forged**

the signing or endorsing of the name of a genuine person or a copy of the said person's signature without authority and with intent to deceive. A signature may be hand-written or mechanically or electronically produced or reproduced. It does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose.

12. **Funds Transfer Fraud**

means the theft of the **Insured's** funds from an account maintained by the **Insured** at a financial institution (from which the **Insured** or a person or organisation authorised by the **Insured** may request the transfer, payment or delivery of funds), following fraudulent electronic, telegraphic, tested facsimile, tested telex, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from the **Insured** or a person or organisation authorised by the **Insured** to issue such instructions, but which are fraudulently transmitted, issued, or are **Forged** or have been the subject of **Fraudulent Alteration** by any **Third Party**.



## Definitions (continued)

---

**13. Imitation Fraud**

- (i) the **Forgery** or **Fraudulent Alteration** of any **Money** or **Negotiable Instruments** or instruction; or
- (ii) the **Counterfeiting** of any **Money** or **Negotiable Instruments**, upon which the **Insured** has acted or relied.

**14. Money**

currency, coins, bank notes and bullion, cheques, travellers' cheques, registered cheques, postal orders and money orders.

**15. Negotiable Instruments**

all securities, instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include **Money**.

**16. Property**

physical property, excluding the building and its fixtures and fittings, **Money** and **Negotiable Instruments**.

**17. Responsible Person**

any **Employee** acting in a directorial, managerial or supervisory capacity other than any person who has committed any acts of fraud or dishonesty.

**18. Theft**

the unlawful taking of the **Insured's Money**, **Negotiable Instruments** or **Property** occurring:

- (i) within the premises; or
- (ii) within the interior of any banking premises or similar recognised place of safe deposit; or
- (iii) while in transit and in the care, custody and control of an **Employee** or director, supervisor of the board or partner of the **Insured** following the actual or threatened use of force or violence; or
- (iv) while in the care, custody and control of any security company or armoured motor vehicle company, duly authorised by the **Insured** to retain such care, custody and control and provided that the **Insurer** shall only be liable for the amount that is in excess of the amount of any other valid and collectible insurance or indemnity, contractual or otherwise, available to the security company or armoured motor vehicle company.



## GENERAL PROVISIONS

---

### 1. *Use of Investigative Specialist*

In reporting and investigating **Direct Financial Loss** in accordance with Policy Section 4 – Crime Protection Extension 3, the investigative specialist shall also advise as to when and how the **Insured Entity's** controls were or may have been breached and summarise recommendations which may prevent future similar **Direct Financial Loss**. The **Insurer** has the right to attend the initial meeting between the **Insured Entity** and the investigative specialist. There shall be no cover for the costs and expenses of an investigative specialist unless the investigative specialist is pre-approved by the **Insurer** in writing.

### 2. *Basis of Valuation*

In no event shall the **Insurer** be liable for more than:

- (i) the actual market value of **Negotiable Instruments, Money** or precious metals at the close of business on the day the **Direct Financial Loss** was first **Discovered** (determined by the value published in the Australian Financial Review in Australia or equivalent local daily financial newspaper), or the actual cost of replacing the **Negotiable Instruments, Money** or precious metals, whichever is less;
- (ii) the actual cash value of other property (not referred to in (i) above) at the close of business on the day the **Direct Financial Loss** was first **Discovered**, or the actual cost of replacing the property with property of like quality or value, whichever is less;
- (iii) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the **Insured Entities** in order to reproduce books of account or other records; or
- (iv) the cost of labour for the actual transcription or copying of electronic data furnished by the **Insured Entities** in order to reproduce such electronic data.



## Policy Section 6 - Statutory Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

### COVER

---

**1. Insured Person Statutory Liability**

The **Insurer** shall pay the **Statutory Liability** of any **Insured Person** arising from:

- (i) **Management Liability**, where Policy Section 1 - Management Liability is positively marked 'Yes' under 'Section Insured' in the Schedule; and
- (ii) **Superannuation Trustees Liability**, where Policy Section 5 - Superannuation Trustees Liability is positively marked 'Yes' under 'Section Insured' in the Schedule.

**2. Insured Entity Statutory Liability**

The **Insurer** shall pay the **Statutory Liability** of any **Insured Entity** arising from:

- (i) **Corporate Liability**, where Policy Section 2 - Corporate Liability is positively marked 'Yes' under 'Section Insured' in the Schedule;
- (ii) **Employment Practices Liability**, where Policy Section 3 - Employment Practices Liability is positively marked 'Yes' under 'Section Insured' in the Schedule; and
- (iii) **Superannuation Trustees Liability**, where Policy Section 5 - Superannuation Trustees Liability is positively marked 'Yes' under 'Section Insured' in the Schedule.

### EXCLUSIONS

---

The **Insurer** shall not be liable for any **Statutory Liability** under Policy Section 6 – Statutory Liability:

**1. Deliberate or Intentional Conduct**

for a deliberate, intentional or reckless act or omission.

With respect to Policy Section 6 – Statutory Liability Cover 2 'Insured Entity Statutory Liability' only, the **Insurer** shall not be liable for any **Statutory Liability**:

**2. Anti-Competitive Practices**

for any violation of any law or regulation with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships.

**3. Corporations Act**

for any violation of Sections 182, 183, 601FD, 601FE or 601JD of the *Corporations Act 2001* (Cth).

**4. ERISA**

with respect to any **Plan**, fund or programme subject to regulation under Title 1 of the *Employee Retirement Income Security Act of 1974* (USA), as amended, or any part thereof, or meets the requirements for qualification under Section 401 of the *Internal Revenue Code of 1986* (USA), as amended.

**5. Professional Services**

in connection with any **Claim** made for rendering or failure to render any professional service or advice to a customer or client of the **Insured**.

**6. Tax**

for any violation of any law or regulation with respect to tax, rate, duty, levy, charge, fee or any other revenue charge or impost.

**7. Traffic**

for any violation of any law or regulation with respect to vehicular, air or marine traffic.



## General Terms and Conditions

In consideration of the payment of the premium the **Insurer** and the **Policyholder** agree as follows.

### EXTENSIONS

---

#### 1. **Court Attendance**

The **Insurer** shall pay the following rates per day for each day on which attendance in a court by an **Insured Person** is required in connection with any covered **Claim**, up to an aggregate amount of \$100,000:

- (i) for any director or officer; **Outside Entity Director**; or any **Employee**; of an **Insured Entity** acting in a managerial or supervisory capacity: \$300
- (ii) any other **Insured Person** not referred to in (i) above: \$150

#### 2. **Regulatory Crisis Response**

In addition to **Defence Costs** and **Investigation Costs**, the **Insurer** will pay, up to an aggregate amount of \$100,000, for the reasonable fees, costs and expenses incurred by or on behalf of any **Insured** in retaining legal advisers for the principal purpose of responding to a **Critical Regulatory Event**.

#### 3. **Discovery Period**

The **Policyholder** shall be entitled to a **Discovery Period** either:

- (i) automatically of 60 days if this policy is not renewed or replaced with a similar policy; or
- (ii) (a) 12 months at 100% of the full annual premium in effect at the expiry of the **Policy Period**; or  
(b) 24 months at 150% of the full annual premium in effect at the expiry of the **Policy Period**

subject to the **Policyholder** making a request for such **Discovery Period** in writing prior to the expiry of the **Policy Period** and paying the additional premium required, no later than 30 days after the expiry of the **Discovery Period**. If a 12 or 24 month **Discovery Period** is purchased under paragraphs (a) or (b) above, the **Discovery Period** in respect of Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability’ shall remain 60 days.

A **Discovery Period** is non-cancellable and shall not apply if a **Transaction** occurs. However, upon written request of the **Policyholder**, the **Insurer** may quote a run-off **Discovery Period**. In considering such request, the **Insurer** shall be entitled to fully underwrite the exposure and to extend such offer on whatever terms, conditions and limitations that the **Insurer** reasonably deems appropriate.

#### 4. **Emergency Costs**

If the **Insurer’s** written consent cannot be obtained within a reasonable time before **Defence Costs** are incurred with respect to any **Claim**, or costs are incurred with respect to a **Crisis Loss**, then the **Insurer** shall allow retrospective approval for such costs up to, in the aggregate, ten percent (10%) of the **Limit of Liability** of the applicable coverage Section.

#### 5. **Legal Expenses Policy**

Where any **Insured** holds a **Legal Expenses Policy** at the same time as this policy, which provides cover which is the same as any cover provided under this policy, such that the **Insured** is covered for legal expenses under both this policy and the **Legal Expenses Policy**, then the **Insurer** shall pay such legal expenses on a primary basis on the condition that prior to such payment, the **Insured** has notified its **Legal Expenses Policy** insurer in writing of its request for cover with respect to such legal expenses, and provides written evidence to the **Insurer** of such notification.



## Extensions (continued)

---

### 6. **New Subsidiary**

If the **Policyholder** during the **Policy Period** creates any entity or obtains **Control** of any entity either directly or indirectly through one or more other entities then the term **Subsidiary** shall be extended to include that entity automatically, unless at the time of the **Policyholder** obtaining such **Control**, such entity:

- (i) is incorporated or domiciled in the United States of America;
- (ii) has and continues to have any of its **Securities** listed on any securities exchange or market; or
- (iii) is situated in a country in which an **Association** does not already hold a **Subsidiary**.

## EXCLUSIONS

---

The **Insurer** shall not be liable under any Policy Section for:

### 1. **Prior Claims and Circumstances, Notifications**

- (i) **Loss** arising out of, based upon or attributable to:
  - (a) facts alleged or the same or related acts, errors or omissions alleged or contained in any **Claim** which has or should have been notified or in any circumstances of which notice has or should have been given under any policy of which this policy is a renewal or replacement or which it may succeed in time; or
  - (b) any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication as of the **Continuity Date**, or alleging or deriving from the same or essentially the same facts as alleged in such actions.
- (ii) **Direct Financial Loss**:
  - (a) arising out of, based upon or attributable to any fact, matter, circumstance or occurrence which has been notified to any insurer under any other policy of insurance effected prior to the inception date of this policy; or
  - (b) of which the **Insured Entity** or its **Responsible Persons** were aware prior to the inception date of this policy; or
  - (c) occurring prior to the date upon which a **Subsidiary** became a covered **Subsidiary**.

## DEFINITIONS

---

In this policy the following words in **bold** shall under all Policy Sections have the definitions that follow:

### 1. **Association**

the **Policyholder** or any **Subsidiary**.

### 2. **Bodily Injury and/or Property Damage**

bodily injury, sickness, disease, death or emotional distress of any natural person; or damage to, destruction, impairment or loss of use of any property.

### 3. **BusinessGuard Advisory Panel**

the solicitors appointed from time to time by the **Insurer**, as currently listed in Appendix I.

### 4. **Claim**

- (i)
  - (a) a written demand;
  - (b) a civil, regulatory, mediation, administrative or arbitration proceeding, including a counter-claim, seeking compensation or other legal remedy;
  - (c) a criminal proceeding;for a specified act, error or omission;
- (ii) an **Investigation** or **Critical Regulatory Event**;



## Definitions (continued)

---

- (iii) an extradition proceeding; or
- (iv) an **Asset and Liberty Proceeding**; or
- (v) in respect of Policy Section 2 – Corporate Liability Extension 9 ‘Taxation Disputes’ only, written notification of an Australian Taxation Office audit of the **Policyholder**.

### 5. **Continuity date**

the applicable date specified as such in the Schedule.

### 6. **Control**

the securing of the affairs of an entity by means of:

- (i) controlling the composition of the board of directors of such entity;
- (ii) controlling more than half of the shareholder or equity voting power of such entity; or
- (iii) holding more than half of the issued share or equity capital of such entity.

### 7. **Critical Regulatory Event**

- (i) a raid on, or on-site visit to, any **Association** which first takes place during the **Policy Period** by any regulator that involves the production, review, copying or confiscation of files or interviews of any **Insured Person**;
- (ii) a public announcement relating to the foregoing.

### 8. **Defence Costs**

- (i) reasonable fees, costs and expenses incurred by or on behalf of an **Insured** either as emergency costs under General Terms & Conditions Extension 4 ‘Emergency Costs’, or with the **Insurer’s** prior written consent, after a **Claim** is made in the investigation, defence, settlement or appeal of such **Claim**; or
- (ii) reasonable fees, costs and expenses of accredited experts retained through defence counsel to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in respect of a **Claim** specified in (i) above.

### 9. **Discovery Period**

a period immediately following expiry of the **Policy Period** during which written notice may be given to the **Insurer** of:

- (i) any **Direct Financial Loss Discovered** during such period of time in connection with any act committed prior to the end of the **Policy Period**, provided any applicable additional premium required by the **Insurer** is paid within 30 days of expiry of the **Policy Period**;
- (ii) a **Claim** first made during such period or the **Policy Period**;
  - (a) with respect to an act, error or omission occurring prior to the expiry of the **Policy Period**; or
  - (b) in the case of an **Investigation**, extradition proceedings or **Asset & Liberty Proceedings**, matters which occurred prior to the expiry of the **Policy Period**.

### 10. **Employee**

- (i) any natural person full-time, part-time, seasonal or temporary worker of any **Association** who works under a contract of service with the **Association**, or who is undertaking work experience, whom such **Association** has the right to govern and direct in the performance of such services, and whom the **Association** compensates by way of salary, wages and/or commissions;
- (ii) any natural person independent contractor or any natural person seconded to the **Association**, if such individual is under the direction and supervision of the **Association** and the **Association** provides indemnification to such individual in the same manner as is provided to the **Employees** referred to in (i) above;
- (iii) any volunteer under the direction and supervision of the **Association**; or





## Definitions (continued)

---

- (iv) with respect to Policy Section 4 - Crime Protection only:
  - (a) any natural person employed by an organisation to which the **Association** outsources any normal administrative function under a written contract of engagement with such organisation; or
  - (b) any **Superannuation Trustee**.

### 11. Employment Practices Liability

any liability arising from any actual or alleged act, error or omission with respect to:

- (i) any employment of any past, present or future **Employee** or **Insured Person** of any **Association**; or
- (ii) any prospective employment of any person.

### 12. Employment-Related Benefits

- (i) perquisites and fringe benefits;
- (ii) payments due under any employee benefit plan or superannuation scheme;
- (iii) stock or share options or any other right to purchase, acquire or sell stock or shares of any **Association**; or
- (iv) incentive or deferred compensation.

### 13. Insured

any **Insured Entity** and/or **Insured Person**.

### 14. Insured Entity

any **Association** or **Plan**.

### 15. Insured Person

**Office Bearer** or natural person **Superannuation Trustee**.

### 16. Insurer

AIG Australia Limited ABN 93 004 727 753 AFSL 381686.

### 17. Investigation

any hearing, examination, investigation or inquiry by an **Official Body** into the affairs of an **Insured Entity** or **Outside Entity**, or an **Insured Person** of such entity, once an **Insured Person** receives written documentation during the **Policy Period**:

- (i) requiring them to attend before or produce documents to, or answer questions by or attend interviews with, the **Official Body**; or
- (ii) identifying them as a target in writing by an investigating **Official Body** as a target of the hearing, examination, investigation or inquiry.

An **Investigation** shall be deemed to be first made when the **Insured Person** is first so required or so identified.

### 18. Investigation Costs

the reasonable fees, costs and expenses incurred by or on behalf of an **Insured Person** with the **Insurer's** prior written consent for the principal purpose of preparing for, responding to, or attending an **Investigation**. However, **Investigation Costs** shall not include the remuneration of any **Insured Person**, cost of their time or costs or overheads of any **Association**.

### 19. Legal Expenses Policy

any policy solely or primarily providing cover for legal expenses.

### 20. Limit of Liability

the sums specified in the Policy Schedule.





## Definitions (continued)

---

### 21. Loss

- (i) any amount which the **Insured** is legally liable to pay resulting from a **Claim** made against an **Insured**, including **Defence Costs**, **Investigation Costs** and all other costs and expenses payable under this policy, awards of damages (including punitive and exemplary damages), awards of costs or settlements (including claimant's legal costs and expenses), pre- and post-judgment interest on a covered judgment or award, and the multiplied portion of multiple damages. **Loss** includes any amount covered under any Extension applicable to the Insurance Cover purchased; or
- (ii) in respect of **Professional Liability** only, **Damages** and **Defence Costs**.

**Loss** shall not include:

- (a) any fines and penalties except to the extent covered under Policy Section 1 Extension 2 'Insured Person Statutory Liability' or Policy Section 6 – Statutory Liability;
- (b) taxes;
- (c) remuneration, cost of the time of any **Insured Person**, or costs or overheads of any **Insured Entity**, except with respect to General Terms & Conditions Extension 1 'Court Attendance'; or
- (d) amounts which are uninsurable under the applicable law of the **Claim**.

Additionally, with respect to any **Claim** in connection with **Employment Practices Liability** or **Third Party Liability** only, **Loss** shall not include:

- (a) compensation payable in respect of contractual or statutory notice periods;
- (b) amounts payable in respect of a specified contractual obligation, except to the extent such obligation would have attached in the absence of such contract;
- (c) **Employment-Related Benefits**;
- (d) any liability or costs incurred by any **Insured** to modify any building or property in order to make the building or property more accessible or accommodating to a disabled person;
- (e) any liability or costs incurred in connection with any educational, sensitivity or other corporate programme, policy or seminar relating to an **Employment Practice Liability** or **Third Party Liability Claim** or the costs of reinstatement of any **Employee**.

Further, with respect to **Professional Liability** only, **Loss** shall not include:

- (a) non-compensatory damages, including punitive, multiple, exemplary or liquidated damages;
- (b) restitutionary relief; or
- (c) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief.

### 22. Occupational Health & Safety Incident

any actual or alleged breach of an occupational health and safety law or regulation, including a law or regulation dealing with industrial or workplace deaths.

### 23. Office Bearer

any natural person who was, is or during the **Policy Period** becomes:

- (i) a director, officer or committee member of any **Association**, but not an external auditor or insolvency office-holder of any **Association**;
- (ii) an **Employee** of any **Association**;
- (iii) a shadow director or de facto director; or
- (iv) an **Outside Entity Director**;

but only when and to the extent that such **Office Bearer** is acting for and on behalf of the **Association** in any of the capacities referred to in (i) to (iv) above.



## Definitions (continued)

---

**Office Bearer** is extended to include:

- (a) the spouse or domestic partner (including same sex relationship civil partnerships, if applicable); and
- (b) the administrator, heirs, legal representatives, or executor of a deceased, incompetent insolvent or bankrupt estate;

of the **Office Bearer** referred to in (i) to (iv) above with respect to the acts, errors or omissions of such **Office Bearer**.

### 24. **Official Body**

any regulator, disciplinary body, criminal authority, government body, government agency, official trade body, or any other person or body having legal authority to conduct an **Investigation**.

### 25. **Outside Entity**

any entity, including any not for profit entity, but other than an entity that:

- (i) is a **Subsidiary**;
  - (ii) is incorporated or domiciled in the United States of America;
  - (iii) is a bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity; or
  - (iv) has its **Securities** listed on any **Securities** exchange;
- unless listed by endorsement to this policy as an **Outside Entity**.

### 26. **Outside Entity Director**

a natural person who did or does, or during the **Policy Period** begins to serve, at the specific request of any **Association** as a director, officer, trustee (other than as a **Superannuation Trustee**), governor or equivalent of an **Outside Entity**.

### 27. **Plan**

- (i) any past, present or future employee benefit or welfare benefit plan; or
  - (ii) any past or present superannuation plan;
- established, administered or sponsored by the **Association** for the sole benefit of its **Employees**;

**Plan** also includes:

- (a) any superannuation, employee benefit or welfare benefit plan merged, transferred or terminated prior to or during the **Policy Period**; or
- (b) any superannuation, employee benefit or welfare benefit plan created or acquired by the **Policyholder** during the **Policy Period**.

### 28. **Policyholder**

the association specified in the Schedule.

### 29. **Policy Period**

the period from the inception date to the expiry date specified in the Schedule.

### 30. **Pollutant**

any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant, including, but not limited to, asbestos, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste.

### 31. **Pollution Condition**

any actual, alleged or threatened discharge, dispersal, release or escape of a **Pollutant**; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, nuclear material or nuclear waste.



## Definitions (continued)

---

**32. Public Relations Consultants**

public relations consultants retained by the **Insured** with the **Insurer's** prior written consent.

**33. Public Relations Expenses**

the fees charged by **Public Relations Consultants** for **Public Relations Services**.

**34. Public Relations Services**

services provided by the **Public Relations Consultants** to an **Insured Person** directly to mitigate the adverse effect or potential adverse effect on an **Insured Person's** reputation.

**35. Retention**

the sum specified in the Schedule.

**36. Security**

any security representing debt of or equity interests in any **Association**.

**37. Senior Counsel**

a senior lawyer to be mutually agreed upon by the parties, or in the absence of agreement, to be appointed by the head of the bar association/law society (or equivalent organisation) in the jurisdiction in which the **Loss** was incurred.

**38. Statute**

any Act, regulation or other legislative instrument enacted under the laws of the Commonwealth of Australia, any Australian State or Australian Territory or New Zealand.

**39. Statutory Liability**

any fine or pecuniary penalty pursuant to any **Statute** which an **Insured** is legally liable to pay resulting from a **Claim** made against the **Insured**.

**Statutory Liability** shall not include:

- (i) any amounts representing damages or compensation;
- (ii) any compliance, remedial, reparation or restitution costs;
- (iii) any amount which the **Insurer** is prohibited from paying by law.

**40. Subsidiary**

any entity which the **Policyholder Controls** either directly or indirectly through one or more other entities on or before the inception date of this policy.

Cover for any **Subsidiary** or any **Insured Persons** of such **Subsidiary** shall only apply for **Fraudulent Acts**, or acts, errors or omissions committed or occurring whilst such entity is or was a **Subsidiary**.

**41. Superannuation Trustee**

- (i) any natural person who was, now is or shall be:
  - (a) a superannuation trustee, committee member or administrator of the **Plan** or constructive trustee of the **Plan**;
  - (b) a director or officer or **Employee** of an **Association, Plan** or corporate superannuation trustee company established to act as a superannuation trustee of the **Plan**, but not an external auditor or insolvency office-holder; or
- (ii) any corporate superannuation trustee company established to act as a superannuation trustee or administrator of the **Plan**;

but solely while acting in the capacity as a superannuation trustee or administrator of any **Plan**.

**Superannuation Trustee** also includes any natural person who was, is or during the **Policy Period** becomes responsible for internal dispute resolution procedures of a **Plan**.



## Definitions (continued)

---

### 42. Superannuation Trustee Liability

any liability arising from any actual or alleged act, error or omission with respect to any **Plan**; or arising solely because of any person's status as a **Superannuation Trustee**.

### 43. Third Party

any natural person other than:

- (i) an **Office Bearer**;
- (ii) any person who owns or controls any of the **Insured's Entity's** issued share capital;
- (iii) someone who is acting in collusion with any **Employee**; or
- (iv) any natural person providing services under any contract for services, written or implied, with any **Insured**.

### 44. Third Party Liability

any liability arising from any actual or alleged act, error or omission with respect to any harassment of or discrimination against any natural person third party who is not and has not been an **Employee**.

### 45. Transaction

any one of the following events:

- (i) the **Policyholder** consolidates with or merges into or sells all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert; or
- (ii) any person or entity, or persons or entities acting in concert (other than a **Subsidiary** or **Subsidiaries**) acquires **Control** of the **Policyholder**; or
- (iii) any **Association** lists its **Securities** on any exchange or market.

## CLAIMS

---

The following Provisions apply to all policy Sections:

### 1. Notification of Claims and Circumstances, and Direct Financial Loss

The Covers provided under this policy are granted solely with respect to any **Claim, Direct Financial Loss**, or other event covered in the Extensions that is notified to the **Insurer** as soon as practicable after the **Policyholder's** Finance Director, Risk Manager or General Counsel (or equivalent position) first becomes aware of such **Claim, Direct Financial Loss** or other event covered in the Extensions, but in all situations no later than:

- (i) during the Policy Period or Discovery Period; or
- (ii) within 60 days after the end of the Policy Period or Discovery Period as long as notice is given to the Insurer within 60 days after such Claim was first made against the Insured or such Direct Financial Loss is first Discovered by the Insured Entity.

Any **Insured** may, during the **Policy Period** or **Discovery Period**, notify the **Insurer** of any circumstance reasonably expected to give rise to a **Claim**. The notice must include the reasons for anticipating that **Claim** and full relevant particulars as to dates, acts and the potential **Insured** and claimant concerned.

If the **Insured Entity** notifies a **Direct Financial Loss** to the **Insurer** the **Insured Entity** must provide to the **Insurer** as soon as practicable but no later than 6 months after such loss is first **Discovered**:

- (a) affirmative proof of **Direct Financial Loss**; and
- (b) all requested information and documents and co-operation in all matters pertaining to **Direct Financial Loss**.

**Direct Financial Loss Discovered** by an **Insured Entity** or any **Responsible Person** of such **Insured Entity** shall constitute knowledge possessed and **Direct Financial Loss Discovered** by all **Insured Entities**.



## Claims (continued)

---

All notifications relating to **Claims** or circumstances, or **Direct Financial Loss** must be in writing, referencing the Policy Number and addressed to:

Financial Lines Claims Manager

AIG

Level 19, Citigroup Centre, 2 Park Street, Sydney NSW 2000 Australia

or by facsimile to +612 9240 1722

or by email to [finclaims@aig.com](mailto:finclaims@aig.com)

### 2. **Notice of Accidental Death**

The **Policyholder** must give written notice of an **Accidental Death** under Policy Section 2 – Corporate Liability, including proof of identity and supporting medical evidence in the form required by the **Insurer**, within 30 days of the **Accidental Death** of an **Insured Executive** or as soon thereafter as is reasonably possible.

### 3. **Related Claims and Circumstances**

If a **Claim** or circumstance is notified under this policy, then any subsequent **Claim**, alleging, arising out of, based upon or attributable to the facts or acts, errors or omissions alleged in that **Claim** or described in that circumstance, shall be deemed to have first been made at the same time as that **Claim** was first made or circumstance notified, and notified to the **Insurer** on the date the notices were first provided.

Any **Claim** arising out of, based upon or attributable to any **Claim** or series of **Claims** arising out of, based upon or attributable to continuous, repeated or related acts, errors or omissions, whether or not committed by more than one **Insured** and whether directed to or affecting one or more person or entity, shall be considered a single **Claim** for the purposes of this policy.

### 4. **Related Direct Financial Loss**

For the purpose of the **Limit of Liability** and applying the **Retention**, any **Direct Financial Loss** resulting from any single act, single omission, or single event, or series of related or continuous acts, omissions or events shall be considered a single **Direct Financial Loss**.

### 5. **Defence and Settlement**

The **Insured** shall have the obligation to defend and contest any **Claim** made against them. The **Insurer** shall be entitled to participate fully in the defence and in the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**. In the event of any **Claim**, each **Insured** shall take reasonable steps to reduce or diminish any **Loss**.

Notwithstanding the foregoing, the **Insured** shall have the right to tender the defence of the **Claim** to the **Insurer**, which right shall be exercised in writing solely by the **Policyholder** on behalf of all **Insureds**. This right shall terminate if not exercised within 30 days of the date the **Claim** is first made against an **Insured**. The **Insurer** shall confirm the assumption of the defence of such **Claim** to the **Policyholder** in writing. Pending such acceptance by the **Insurer**, the **Insureds** shall take no action, or fail to take any required action, that prejudices the rights of any **Insured** or **Insurer** with respect to such **Claim**. The **Insurer** shall be obligated to assume the defence of such **Claim** provided the **Insureds** have complied with the foregoing. The **Insurer** shall have no obligation to continue to defend such **Claim** once the **Limit of Liability** has been exhausted.

In respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, the **Insurer** does not assume any duty to defend, and the **Insured** shall defend and contest any **Claim** made against them unless the **Insurer**, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any **Claim**. If the **Insurer** does not so elect, it shall be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**. The **Insurer** has the right at any time after notification of a **Claim** to make a payment to the **Insured** of the unpaid balance of the **Limit of Liability**, and upon making such payment, all obligations of the **Insurer** to the **Insured** under this policy, including, if any, those relating to defence, shall cease.



## Claims (continued)

---

The **Insurer** consents to the appointment of any **BusinessGuard Advisory Panel** member firm to act on behalf of the **Insured** in respect of any **Claim** defended in accordance with this policy.

All **Insureds** shall at their own cost, render all reasonable assistance to and cooperate with the **Insurer** in the investigation, defence, settlement or appeal of a **Claim** or circumstance, and provide the **Insurer** with all relevant information pertaining to any **Claim** or circumstance, as the **Insurer** may reasonably require. The **Insurer** will accept as necessary the retention of separate legal representation to the extent required by a material conflict of interest between any **Insureds**.

If a **Claim** is made against an **Insured Person** by the **Association** or **Outside Entity**, the **Insurer** shall have no duty or obligation to communicate with any other **Insured Person** or the **Association** in relation to that **Claim**.

The applicable **Insured** or **Policyholder** shall reimburse the **Insurer** for any payments which are ultimately determined not to be covered by this policy.

### 6. **Consent**

Only those settlements, judgments, and costs and expenses which have been consented to by the **Insurer** (which shall not be unreasonably delayed or withheld) shall be payable as **Loss** under this policy.

Where there is a dispute between the **Insured** and the **Insurer** as to whether a **Claim** should be settled or should continue to be defended, within 30 days after notice of such dispute, the **Insurer**, at its expense, shall refer the matter to a **Senior Counsel** who shall determine whether, on the balance of probabilities, the **Insured** is likely to succeed in defending the **Claim** to final resolution or whether the **Claim** should be settled.

If the **Senior Counsel** determines that the **Claim** should be settled, the **Insured** may elect to continue the defence of that **Claim** without the **Insurer's** prior written consent provided that the **Insurer's** liability for all **Loss** arising from that **Claim** shall not exceed the amount for which that **Claim** could have been settled plus the **Defence Costs** incurred to the date such determination was provided in writing to the **Insured**.

The **Senior Counsel** shall determine the amount for which that **Claim** could have been settled at the **Insurer's** expense, taking into account the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely costs of defence and the prospects of the **Insured** successfully defending the action.

### 7. **Allocation**

The **Insurer** will be liable only for **Loss** to the extent it arises from a covered **Claim**. If a **Claim** involves both covered and uncovered matters or persons under this policy, then the **Insured Entity** or **Insured Person**, and the **Insurer** shall use commercially reasonable efforts to determine a fair and equitable allocation of **Loss** covered under this policy, on the basis of established judicial allocation principles which take into account the legal and financial exposures, and the relative benefits obtained by the relevant parties.

If the **Insurer** and the **Insured Entity** or **Insured Person** cannot agree on allocation in accordance with this clause within 14 days of any allocation issue first notified in writing to the **Insured** by the **Insurer**, then they agree to refer the determination to a **Senior Counsel**, whose decision shall be final and binding on all parties. The **Senior Counsel** is to determine the fair and equitable allocation as an expert, not as an arbitrator. The relevant **Insured** and the **Insurer** shall be entitled to make written submissions to **Senior Counsel**. The **Senior Counsel** is to take account of the parties' submissions, but the **Senior Counsel** is not to be fettered by such submissions and is to determine the fair and equitable allocation in accordance with his or her own judgment and opinion. The **Senior Counsel's** expenses in providing such determination will be paid by the **Insurer** and any such payments will not erode the **Limit of Liability**.





## Claims (continued)

---

### 8. **Advance Payment of Costs**

Where the **Insurer** has not assumed the defence of a **Claim** in accordance with General Terms & Conditions Claims Condition 5 'Defence and Settlement' and with the exception of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability', the **Insurer** shall advance all **Defence Costs** and all other costs and expenses payable under this policy, within 21 days after sufficiently detailed invoices for those costs are received and accepted for payment by the **Insurer**.

The **Insurer** may not refuse to advance **Defence Costs** or other costs and expenses payable under this policy by reason only that the **Insurer** considers that conduct specified in the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6 has occurred, until such time as the condition to that Exclusion is satisfied.

### 9. **Subrogation**

In the event of any payment under this policy, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery, contribution and indemnity and the **Insured** will provide all reasonable assistance and will do nothing to prejudice such rights. The **Insurer** will not exercise its rights of subrogation against an **Insured Person** in connection with a **Claim**, unless it can establish that the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6, applies to that **Claim** and that **Insured Person**. With respect to General Terms & Conditions Extension 5 'Legal Expenses Policy', the **Insurer** shall be entitled to the relevant **Insured's** rights of recovery under the **Legal Expenses Policy** against the **Legal Expenses Policy** insurer immediately upon any payment under this policy, and such **Insureds** shall provide and execute all documentation requested by the **Insurer**.

### 10. **Continuity**

Notwithstanding the "*Prior Claims and Circumstances, Notifications*" Exclusion, cover is provided under this policy for any **Claim**, or circumstance, which could or should have been notified under any earlier policy, provided always:

- (i) the **Claim**, or circumstance, could and should have been notified after the **Continuity Date**; and
- (ii) the **Claim** shall be dealt with in accordance with all terms, conditions, exclusions and limitations of the policy under which the **Claim**, or circumstance, could and should have been notified but only where such earlier policy affords no broader cover in respect of the **Claim** than the provisions of the policy; and
- (iii) if the **Insurer** is the insurer on risk for the policy in (ii) above, the **Insured** agrees to claim on this policy only and to make no claim on such earlier policy.

### 11. **Taxation Costs**

In respect of Policy Section 2 – Corporate Liability Extension 9 'Taxation Disputes', the **Policyholder** must provide, or instruct its qualified or registered tax agent to provide the **Insurer** with all documentation requested by the **Insurer** in connection with an Australia Taxation Office audit of the **Policyholder**.



## LIMIT & RETENTION

---

### 1. *Limit of Liability*

If the Schedule specifies an 'Aggregate Limit of Liability', the total amount payable by the **Insurer** under all policy Sections shall not exceed this amount, other than with respect to Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit'.

If the Schedule specifies a 'Limit of Liability' or 'Sub-Limit' for each policy Section shown as 'Yes' under 'Section Insured' in the Schedule, a separate aggregate **Limit of Liability** shall apply to each policy Section. Each such **Limit of Liability** is the aggregate limit of the **Insurer's** liability with respect to all **Loss** arising under such policy Section, other than with respect to Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit'.

Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit' applies excess of the **Limit of Liability** for Policy Section 1 – Management Liability for any **Claim** that is not a related **Claim** or circumstance as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances'.

The **Insurer** shall have no further liability in excess of all such limits, irrespective of the number of **Insureds** or amount of any **Loss** or **Direct Financial Loss**, including with respect to any **Claim** as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances' or General Terms & Conditions Claims Condition 4 'Related Direct Financial Loss'.

Policy Extensions only apply to **Loss** or **Direct Financial Loss** under each policy Section shown as 'Yes' under 'Section Insured' in the Schedule. Any amount specified in the policy or the Schedule for any Insurance Cover or Extension is the most the **Insurer** will pay in the aggregate under this policy:

- (i) as **Loss** under such Insurance Cover or Extension; or
- (ii) regarding any single **Direct Financial Loss** under such Insurance Cover or Extension.

### 2. *Retention*

No **Retention** shall be borne by an **Insured Person**. To the extent that an **Insured Person** has been indemnified by the **Association**, the **Insurer** shall only reimburse or pay on behalf of the **Association** the amount which is in excess of any applicable **Retention** shown on the Schedule. In respect of Policy Section 4 – Crime Protection, the **Insurer** shall only pay the amount of **Direct Financial Loss** which is in excess of any applicable **Retention** shown on the Schedule.

A single **Retention** shall apply to all:

- (i) **Loss** arising from any **Claim** as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances'; or
- (ii) **Direct Financial Loss** as specified in General Terms & Conditions Claims Condition 4 'Related Direct Financial Loss'.

Where a **Retention** applies, if any **Insured Entity** is legally permitted or required to indemnify an **Insured Person** but fails to do so within 30 days, then the **Insurer** shall advance to such **Insured Person** all **Loss** within the **Retention** which will be repaid by the **Association** to the **Insurer** as soon as reasonably practicable.

**Retention waiver:** Where a **Retention** is payable with respect to any **Claim** under any Insurance Cover purchased under this policy, the **Insurer** shall waive payment of such **Retention**, or shall refund any **Retention** monies paid, where, with respect to such **Claim**, there is:

- (i) final adjudication by a judicial or arbitral tribunal of no liability in favour of all **Insureds** against whom such **Claim** is made; or
- (ii) a complete and final settlement exonerating all **Insureds** from liability;

and which does not impose the payment of any monies or any other obligations on any such **Insured**.





## GENERAL PROVISIONS

---

### 1. **Terms and Conditions of Each Section**

Unless otherwise stated:

- (i) the definitions, terms, conditions and exclusions set out in the General Terms and Conditions apply to all Sections; and
- (ii) the definitions, terms, conditions and exclusions of Policy Section 1 - Management Liability, Policy Section 2 - Corporate Liability, Policy Section 3 - Employment Practices Liability, Policy Section 4 - Crime Protection, Policy Section 5 - Superannuation Trustees Liability and Policy Section 6 – Statutory Liability apply only to each respective Section.

In the case of inconsistency or conflict, Policy Section 1 - Management Liability, Policy Section 2 - Corporate Liability, Policy Section 3 - Employment Practices Liability, Policy Section 4 - Crime Protection, Policy Section 5 - Superannuation Trustees Liability and Policy Section 6 – Statutory Liability override the General Terms and Conditions.

Coverage is only available for any Section shown as 'Yes' under 'Section Insured' in the Schedule.

### 2. **Non-Avoidance**

Except in respect of Policy Section 4 - Crime Protection:

- (i) this policy is not avoidable or rescindable in whole or in part with respect to any **Insured Person**, and the **Insurer** shall have no other remedy, with respect to any pre-inception misrepresentation or pre-inception non-disclosure by any **Insured Person** in connection with this policy; and
- (ii) if the **Insurer** has a right to reduce its liability under Section 28(3) of the *Insurance Contracts Act 1984* (Commonwealth) for any fraudulent misrepresentation or fraudulent non-disclosure of a matter or fact established by final adjudication of a judicial or arbitral tribunal, or any formal written admission by or on behalf of any **Insured Person**, the **Insurer** will only exercise such right against that **Insured Person**.

### 3. **Cancellation**

The **Policyholder** may cancel this policy by providing written notice to the **Insurer** in which case the **Insurer** shall retain the pro-rata proportion of the premium plus 20% of that pro-rata proportion. The **Insurer** may cancel this policy as and in the manner permitted by law and shall be entitled to retain the pro-rata proportion of the premium. Cancellation of this policy does not extinguish any cover available under Policy Section 1 – Management Liability Extension 7 'Run-off for Retired Insured Persons'.

### 4. **Severable Nature of the Policy**

Except in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' and Policy Section 4 - Crime Protection, this policy is a severable policy covering each **Insured** for their own individual interest.

With respect to the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6, and the contents of any proposal form or declaration submitted, or statements, warranties and representations made to the **Insurer** in connection with this policy, or any policy of which this policy is a renewal or replacement:

- (i) with respect to any **Insured Person**: no statements made by or on behalf of an **Insured Person**, or information or knowledge possessed by an **Insured Person**; nor any act, error or omission of an **Insured Person**, shall be imputed to any other **Insured Person**, for the purpose of determining whether any **Insured Person** is covered under this policy;
- (ii) with respect to any **Insured Entity**: only the statements and knowledge of any Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Chief Legal Officer/General Counsel of the **Policyholder**, or any person who signed the declaration or proposal form in connection with this policy or any policy of which this policy is a renewal or replacement; will be imputed to all **Insured Entities**.



## General Provisions (continued)

---

### 5. **Other Insurance and Indemnification**

This policy shall always apply excess over any other valid and collectible insurance available to the **Insured** (including without limitation any policy specified in an endorsement to this policy), except with respect General Terms & Conditions Extension 5 'Legal Expenses Policy'.

With respect to **Outside Entities**, insurance provided by this policy applies excess over (i) any indemnification provided by an **Outside Entity**, and (ii) any other collectible insurance issued to an **Outside Entity** for the benefit of its directors, officers, or employees (including without limitation any **Outside Entity** insurance policy specified to the **Insurer**).

### 6. **Changes in Risk**

The **Insurer** shall not be liable for **Loss** or **Direct Financial Loss** arising out of, based upon or attributable to any:

- (i) act, error or omission committed or allegedly committed; or
- (ii) a matter which is the subject of an **Investigation**, extradition proceeding or **Asset and Liberty Proceeding**, occurring or arising;

after the effective date of a **Transaction**.

Cover shall only apply to an **Insured** for any covered acts, errors or omissions occurring after that date on which such **Insured** became a covered **Insured**. Cover for any **Plan** that was transferred, spun-off or terminated prior to or during the **Policy Period** shall only apply to covered acts, errors or omissions occurring prior to the date such **Plan** was transferred, spun-off or terminated.

### 7. **Individual Terminations**

Cover under Policy Section 2 - Corporate Liability Cover 2 'Accidental Death' and Extension 7 'Disappearance of Insured Executive' will immediately terminate during the **Policy Period** in the event that the **Insured Executive**:

- (i) resigns or is dismissed from the board of the **Policyholder**; or
- (ii) attains the age of 70 years.

### 8. **Notice and Authority**

The **Policyholder** shall act on behalf of its **Subsidiaries** and each and every **Insured** with respect to the giving of notice of any **Claim** or **Direct Financial Loss**, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy and the exercising or declining of any right to a **Discovery Period**.

### 9. **Assignment**

This policy nor any right hereunder may be assigned without the prior written consent of the **Insurer**.

### 10. **Governing Law**

Any interpretation of this policy or issue relating to its construction, validity or operation shall be determined by the laws of the Commonwealth of Australia and the Australian State or Territory in which the policy is issued. Except as otherwise provided herein, the parties will submit to the exclusive jurisdiction of the Australian courts.



## General Provisions (continued)

---

### 11. **Headings and Titles and Other References**

The descriptions in the headings and titles of this policy are solely for reference and convenience and do not lend any meaning to this policy. Words and expressions in the singular shall include the plural and vice versa. In this policy, words in **bold** typeface shall have special meaning and are defined. Words that are not specifically defined in this policy have the meaning normally attributed to them. References to legislation shall include any subsequent amendments or re-enactments thereof and the equivalent legislation in other jurisdictions. All references to titles and positions shall mean the equivalent in other jurisdictions. A reference herein to “this policy” shall mean a reference only to those Insurance Covers stated herein which are shown on the schedule as purchased.

### 12. **Confidentiality**

The **Insureds** shall make all reasonable efforts not to disclose the existence of this policy to any person except to professional advisers or as required by law or court order and shall only state within the **Association’s** annual report that the **Association** has agreed, or otherwise, to pay a premium for this policy but shall not publish the nature of the liability covered by this policy, the name of the **Insurer**, the **Limit of Liability** or the premium paid for this policy.

- end -



## Appendix I – BusinessGuard Advisory Panel Contacts

### NSW

#### **Gilchrist Connell**

<http://www.gclegal.com.au>

Stephen Connell (02) 8240 8001

#### **HWL Ebsworth**

<http://hwlebsworth.com.au>

Jonathan Tapp (02) 9334 8850

#### **Lander & Rogers**

<http://www.landars.com.au>

Mark Williams (02) 9233 5092

#### **Lee & Lyons**

<http://www.leeandlyons.com.au>

David Lee (02) 8273 8000

#### **Sparke Helmore**

<http://www.sparke.com.au>

John Coorey (02) 9260 2461

#### **Wotton & Kearney**

<http://www.wottonkearney.com.au>

Phillip Wotton (02) 9236 9511

### QLD

#### **Carter Newell**

<http://www.carternewell.com>

Mark Brookes (07) 3000 8301

#### **Minter Ellison**

<http://www.minterellison.com>

Ken Horsley (07) 3119 6481

#### **Sparke Helmore (via NSW)**

<http://www.sparke.com.au>

John Coorey (02) 9260 2461

### SA

#### **Gilchrist Connell**

<http://www.gclegal.com.au>

Kevin Gilchrist (08) 8215 7000

### VIC/TAS

#### **HWL Ebsworth**

<http://hwlebsworth.com.au>

Rick Horsley (03) 8633 7593

#### **Lander & Rogers**

<http://www.landars.com.au>

Michael Landvogt (03) 9672 9111

### WA

#### **Clyde & Co**

<http://www.clydeco.com>

Jenny Thornton (08) 6145 1701

#### **HWL Ebsworth**

<http://hwlebsworth.com.au>

Andrew Davidson (08) 9420 1523

Head Office

**Sydney**

Level 19, 2 Park Street Sydney NSW 2000  
GPO Box 9933 Sydney NSW 2001

**Melbourne**

GPO Box 9933 Melbourne VIC 3001

**Brisbane**

GPO Box 9933 Brisbane QLD 4001

**Perth**

GPO Box 9933 Perth WA 6848

**Australia wide**

T 1300 030 886  
F 1300 634 940

**International**

T +61 3 9522 4000  
F +61 3 9522 4645

[www.aig.com.au](http://www.aig.com.au)



**Bring on tomorrow**

# Business Insurance

Product Disclosure Statement and policy wording





# Contents

**About this Product Disclosure Statement and Policy Wording..... 1**  
Who is the insurer ..... 1

**Part A: Your rights and responsibilities ..... 2**  
Your duty of disclosure ..... 2  
Not meeting your responsibilities ..... 2  
Cooling off period ..... 2  
The amount of your premium ..... 3  
Paying your premiums ..... 3  
Paying by monthly instalments ..... 3  
Cancellations ..... 3  
Excess ..... 4  
Fraudulent claims ..... 4  
Other information ..... 4  
Privacy statement ..... 4  
Complaints resolution ..... 7  
Financial Claims Scheme ..... 8  
General Insurance Code of Practice ..... 8  
Terrorism Insurance Act 2003 ..... 8

**Part B: Information for some policyholders only..... 9**  
Section 1: Information for when you are insuring a home building ..... 9  
Section 2: Information for when insuring against an accident or illness ..... 13  
Section 3: Other information about the cost of insurance ..... 15  
Why the cost of insurance can change ..... 16  
Premium discounts ..... 16  
Other costs fees and charges ..... 16

**Part C: Your business insurance policy ..... 17**  
General policy conditions ..... 17  
General claims conditions ..... 20  
General exclusions ..... 22  
General definitions ..... 24

**Policy Section 1: Fire and other damage ..... 30**  
**Policy Section 2: Business interruption ..... 56**  
**Policy Section 3: Burglary ..... 68**  
**Policy Section 4: Money ..... 77**  
**Policy Section 5: Glass ..... 85**  
**Policy Section 6: Public and products liability ..... 89**  
**Policy Section 7: Goods in transit ..... 104**  
**Policy Section 8: Fraud and dishonesty ..... 110**  
**Policy Section 9: Equipment breakdown ..... 114**  
**Policy Section 10: General property ..... 122**  
**Policy Section 11: Tax audit ..... 129**  
**Policy section 12: Personal accident and illness ..... 135**





# About this Product Disclosure Statement and Policy Wording

We are required to give you a Product Disclosure Statement (PDS) if you are insuring:

- a home building under policy sections:
  - a. 1. Fire and other damage
  - b. 3. Burglary; or
  - c. 5. Glass
- against personal accident or illness under policy section 12. Personal accident and illness.

This PDS and policy wording has 3 parts:

- Part A contains information about your rights and responsibilities, including how to contact us if you have a complaint. Part A applies to all policy sections and should be read by all persons who take out this policy.
- Part B contains information that only applies to some policyholders. Section 1 contains information for persons insuring a home building and Section 2 contains information for persons insuring against a personal accident or illness. Section 3 provides additional information for these policyholders.
- Part C contains your Business Insurance policy wording. It applies to all persons who take out this policy.

To understand the full terms and conditions of your policy you must read Part A and Part C.

If you are insuring a home building or insuring against a personal accident or illness, you should also read the relevant sections of Part B.

## Who is the insurer

This insurance is issued by GIO General Limited ABN 22 002 861 583 AFSL 229873.

# Part A: Your rights and responsibilities

This part of your PDS applies to all policy sections described in Part C of your PDS. All policyholders need to read this Part A.

## Your duty of disclosure

You must comply with your Duty of Disclosure when you apply for insurance with us and each time you renew or alter your cover.

You have a Duty of Disclosure to tell us everything you know or should know, that is relevant to our decision to insure anyone under the policy, including you, and on what terms. It includes matters we specifically ask about when you apply for a policy, or renew or alter your policy, and any other matters which might affect whether we insure you and on what terms.

The information you tell us can affect:

- a. the amount of your premium and your excess;
- b. if we will insure you; or
- c. if special conditions will apply to your policy.

You do not need to tell us of anything which:

- a. reduces the chances of you making a claim;
- b. we should know about because of the business we are in; or
- c. we tell you we do not want to know.

If you are unsure it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce a claim, refuse to pay a claim, cancel your policy or, if fraud is involved, we can treat the policy as if it had never existed.

## Not meeting your responsibilities

If you do not meet with your responsibilities outlined in your Business Insurance Policy, or if you do not tell us everything relevant to our decision whether or not to insure you, or if you mislead us, we can refuse to pay a claim or reduce the amount we pay or cancel your policy.

If fraud is involved, we can treat your policy as if it never existed.

## Cooling off period

You have the right to cancel and return the insurance policy or a section of the policy by notifying us in writing within 30 days of the date it was issued to you ("cooling off period"), unless you have a claim under the policy within the cooling off period.

If you cancel it in this time, we will return the amount you have paid.

In addition, if you vary your policy and add a section, you have the right to cancel that section within 30 days of the date it was added by notifying us in writing ("additional cooling off period") unless you make a claim under that section within the additional cooling off period. If it is cancelled in this time, we will return the amount you have paid for that section.

To cancel at other times, please see "Cancellations" on page 3.

## The amount of your premium

The premium is the amount you pay us for this insurance. It includes stamp duty, GST, other government charges and fire services levy (FSL) that applies. Your premium is shown on your certificate of insurance.

The premium does not include any service or administration fee charged to you by your insurance intermediary.

In addition to the factors we use to calculate your premium, the discounts you qualify for also affect your premium. Your premium includes any discounts you qualify for and these are applied before adding applicable government charges.

We might advertise special offers and benefits from time to time. If we have a special offer available that is not in this PDS, we can give you a separate terms and conditions brochure about the offer if you ask us. These offers might be short-term and we can withdraw them at anytime.

## Paying your premiums

We will tell you how much you have to pay and how much time you have for payment. You must pay your premium by the due date. For the first period of insurance, if you do not pay the premium owing by the due date, we can cancel your policy as set out in 'Cancellations' below. For renewal policies, if you do not pay your premium by the due date, then the renewal policy will not commence and your cover will end at the expiry of the previous period of insurance.

## Paying by monthly instalments

If you pay your premium by monthly instalments and your payment is overdue we can:

- a. refuse to pay a claim if payment is **14 days** (or more) late; and
- b. cancel your policy if payment is a **month** (or more) late.

## Cancellations

You can cancel your policy at any time. The cancellation takes effect on the date we receive your request.

We can cancel your policy at any time according to law. If you pay by monthly instalments and an instalment is unpaid for more than 1 month, we can cancel your cover.

If your policy is cancelled we will refund the proportion of your premium for the unused period of insurance less any non-refundable government charges.

If we pay out a claim for the full **sum insured** on your building, that cover ends. Any policy section, Extra cover, Additional benefit or Optional cover for that cover also ends. If your policy ends for this reason, we do not refund any premium for an unexpired period of insurance. If you have been paying premiums by monthly direct debit instalments, we will deduct the remaining instalment premiums due for the unexpired period of insurance from the amount we pay for the claim.

## Excess

This is the amount you have to pay if you suffer loss, damage or liability which leads to a claim under your policy.

The amount and type of excess that applies to your policy is shown either in Part C of this booklet or on your schedule.

If you claim under more than one policy section for one incident or event, then you only pay the largest excess that applies.

## Fraudulent claims

If you or anyone acting on your behalf or with your knowledge, makes a claim that is false or causes loss or damage deliberately, we may do one or more of the following:

- a. refuse to pay a claim
- b. cancel your policy
- c. take legal action against you.

## Other information

### **GST and your sum insured**

You must inform us of the extent to which you are entitled to an input tax credit for that GST amount each time that you make a claim under this policy. No payment will be made to you for any GST liability that you may have on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit. If you are not entitled to an input tax credit on your policy premium, all sums insured and limits of liability stated in your policy are GST inclusive (unless your policy states otherwise).

If you are entitled to an input tax credit on any part of the policy premium you paid, the sums insured and limits of liability stated in your policy are exclusive of GST to the extent of your input tax credit entitlement.

The amount we pay you for any claim will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or which you would have been entitled were you to have made a relevant acquisition.

This outline of the effect of the GST on your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to your particular circumstances.

## Privacy statement

GIO General Limited is a member of the Suncorp Group (the 'Group').

The Privacy Act 1988 (Cth) requires us to inform you that:

### **Purpose of collection**

Personal information is information about an identifiable individual and includes facts or an opinion about you which identifies you or by which your identity can be reasonably determined. The collection of your personal information is essential to enable us to conduct our business of offering and providing you with our range of financial products and services.

We collect personal information for the purposes of:

- identifying you when you do business with us;
- establishing your requirements and providing the appropriate product or service;
- setting up, administering and managing our products and services;
- assessing and investigating, and if accepted managing a claim made by you under one or more of our products; and
- improving our financial products and services, including training and developing our staff and representatives.

We may be required by Anti-Money Laundering/Counter Terrorism Financing legislation to collect your personal information.

### **Consequences if personal information is not provided**

If we request personal information about you and you do not provide it, we may not be able to provide you with the financial product or service that you request, provide insurance cover, manage or pay any claim under an insurance policy, manage your product or provide any benefits, or provide you with the full range of services we offer.

### **Disclosure**

We use and disclose your personal information for the purposes we collected it.

We may also use and disclose your personal information for a secondary purpose related to the purpose for which we collected it, where you would reasonably expect us to use or disclose your personal information for that secondary purpose. In the case of sensitive information, any secondary purpose, use or disclosure will be directly related to the purpose of collection.

When necessary and in connection with purposes listed above, we may disclose your personal information to and/or collect your personal information from:

- other companies within the Group;
- where required or authorised under our relationship with our joint venture companies;
- information technology providers, including hardware and software vendors and consultants such as programmers;
- customer research organisations;
- intermediaries including a broker or a representative acting on your behalf, other Australian Financial Services Licensee or our authorised representatives and our agents;
- where you are an insured person and not the policy holder, we will disclose to the policy holder;
- accounting or finance specialists;
- government, law enforcement or statutory bodies;
- the Financial Ombudsman Service or the appropriate workers compensation regulatory body;
- other insurers, financial institutions, insurance and claims reference agencies, credit agencies, loss assessors, financial or investigative service providers;
- legal and other professional advisers;
- hospitals, medical and health professionals;

- research and development service providers;
- printers and mail service and delivery providers for the mailing of statements, insurance policy documents and marketing material;
- imaging and document management services; and
- other service providers.

## **Disclosure overseas**

There are also instances where we may have to send your personal information overseas or collect personal information from overseas. These instances include:

- sending to other companies in the Group;
- when you have asked us to do so;
- when we are authorised or required by law to do so;
- when we have outsourced a business activity or function to an overseas service provider with whom we have a contractual arrangement;
- certain electronic transactions; or
- when it is necessary in order to facilitate a transaction on your behalf.

We will only send your personal information overseas or collect personal information about you from overseas for the purposes in this statement and in compliance with the privacy regime.

## **Access**

You can request access to the personal information we hold about you by contacting us.

In some circumstances, we are able to deny your request for access to personal information. If we deny your request for access, we will tell you why.

If accessing your personal information will take an extended period of time, we will inform you of the likely delay. For more detailed requests for access to personal information, for example, access to information held in archives, a fee may be charged to cover the associated cost of retrieval and supplying this information.

## **Marketing**

We would like to use and disclose your personal information to keep you up to date with the range of products and services available from us and other companies within the Group. Generally the Group will use and disclose your personal information for the Group's marketing purposes.

If you do not want us to use and disclose your personal information for the purpose of marketing products and services to you, you should contact us and tell us.

## **Contact**

Please contact us to:

- change your mind at any time about receiving marketing material;
- request access to the personal information we hold about you; or
- obtain more information about our privacy practices by asking for a copy of our Privacy Policy.

You can contact us by sending a letter to

The Privacy Officer  
GPO Box 3999  
Sydney NSW 2001

Our Privacy Policy can also be found on our website at  
<http://www.gio.com.au/sites/default/files/fm/pdf/Suncorp-Group-Privacy-Policy.pdf>

## Complaints resolution

We are committed to:

- Listening to what you tell us;
- Being accurate and honest in telling you about our products and services;
- Communicating with you clearly; and
- Resolving any complaints or concerns you have in a fair, transparent and timely manner.

If you have a complaint concerning this product or our services, please tell the people who provided your initial service or you can:

- Phone us on      1800 689 762
- Write to us at    Reply Paid 1453 Customer Relations Unit RE058  
                             GPO Box 1453 BRISBANE QLD 4001 or
- Email us on      [customer.relations@suncorp.com.au](mailto:customer.relations@suncorp.com.au)

### What we will do to resolve your complaint

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint by the end of the next working day.

If we cannot resolve your complaint to your satisfaction within 5 working days we will contact you to agree reasonable alternative timeframes. We will endeavour to send you our final decision within 15 working days from the date you first made your complaint, provided we have all necessary information and have completed any investigations required. If you are still unsatisfied with the final outcome at your request we can refer your complaint to our Internal Dispute Resolution (IDR) team. Our IDR team will review your dispute, and respond to the dispute within 15 working days of your complaint being referred to them provided they receive all necessary information and have completed any investigation required.

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

We expect our procedures will deal fairly and promptly with your complaint. If however you are not satisfied with our final decision or if we have not been able to resolve the complaint to your satisfaction within 45 days you may be able to take the complaint to the Financial Ombudsman Service ("the FOS").



The FOS is an independent external dispute resolution scheme and its service is free to our customers.

You can contact the FOS by:

- Telephone 1300 780 808
- Address Financial Ombudsman Service  
GPO Box 3  
Melbourne Victoria 3001.
- Email [info@fos.org.au](mailto:info@fos.org.au) or
- Website [www.fos.org.au](http://www.fos.org.au)

The FOS will tell you if they can help you, as their services are not available to all customers.

We agree to accept a FOS decision however you have the right to take legal action if you do not accept their decision.

If you want more information on the FOS, please ask us for a brochure.

## Financial Claims Scheme

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

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

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

Information about the FCS can be obtained from APRA by:

- Telephone 1300 55 88 49 or
- Website [www.apra.gov.au](http://www.apra.gov.au)

## General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- Telephone (02) 9253 5100 or
- Website [www.ica.com.au](http://www.ica.com.au)

## Terrorism Insurance Act 2003

Some sections of this policy exclude cover for losses as a result of terrorism.

In the event that damage to property occurs and the cause of the damage is declared a terrorist incident by the responsible Minister, then you may be afforded protection within the limits of indemnity of this policy by virtue of the Terrorism Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of your loss to a percentage of the otherwise recoverable loss. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 can be obtained at [www.arpc.gov.au](http://www.arpc.gov.au).

## Updating information

The information in this PDS and policy wording was current at the date of preparation. GIO may update some of the information in the PDS and policy wording that is not materially adverse from time to time without needing to notify you. You can obtain a copy of updated information by contacting us on 13 14 36. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a supplementary or replacement PDS.

## Part B: Information for some policyholders only

This Part of your PDS only applies to those policyholders who are insuring a home building or if you are taking out Personal Accident and Illness cover and only those policyholders need to read it. Section 1 of this Part applies when you are insuring a home building. Section 2 of this Part applies when you are insuring against personal accident or illness under policy section 12. If either sections 1 or 2 of this Part applies to you, then you should also read Section 3 of Part B.

### Section 1: Information for when you are insuring a home building

This section applies when you have insured a home building under one (or some) of the following policy sections described in Part C of your PDS:

- Fire and other damage (Policy Section 1)
- Burglary (Policy Section 3)
- Glass (Policy Section 5)

Home building means a building which is used or intended to be used principally and primarily as a place of residence.

An example of what is considered a home building is where the building is a commercial premise, but you may also live in the building, or you rent part of the building for residential use.

If the building is only used by you for residential purposes, it cannot be insured under our Business Insurance policy.

#### **The types of cover you can choose to insure your home building**

The tables below summarise the cover available under Policy Sections 1, 3 and 5 when you are insuring a home building.

For full details of the covers, options, conditions, limitations and exclusions and the amounts we will pay for any claim for loss or damage to your home building, please read the relevant policy sections in Part C of this PDS. The relevant policy sections also include examples designed to assist you in understanding the significant benefits of the section and how claims are calculated.

## Policy Section 1: Fire and other damage

You may insure a **home building** under this policy section for **loss** or **damage** arising from an insured event during your **period of insurance**. If you lease out your **building** then your landlord's fixtures and fittings, including floor coverings, are insured as part of your **building**. You cannot insure a **home building** under this policy section unless you own the **building**.

Summary of insured events	Page
Fire	31
Escape of molten material from its intended confines or the situation	31
Lightning or thunderbolt	31
Explosion or implosion	31
Storm, wind or rain (including snow, sleet or hail)	32
Water damage	33
Impact	33
Riots or civil commotion	34
Malicious acts (including by vandals and thieves)	34
Earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these	35
Accidental damage	35
Summary of extra covers and additional benefits for buildings	Page
Reinstatement of sum insured	37
Removal of debris and temporary repairs	37
Professional fees	38
Seasonal increase period/s	38
Floating stock	38
Catastrophe inflation protection	39
Rewriting of records	39
Directors and employees tools of trade and personal effects	39
Capital additions	40
Loss of land value	41
Undamaged foundations	41

Summary of extra covers and additional benefits for buildings	Page
Additional costs of repairing electronic equipment	41
Prevention of loss or damage (up to \$5,000)	42
Temporary removal of stock and business contents	42
Damage to business records away from the situation	43
Landscaping up to \$10,000	43
Damage to Glass in vacant buildings	44
Theft of external property	45
Limited transit cover	45
Temporary cover for new situations	46

### Policy section 3: Burglary

If you insure **stock** or **contents** (including **electronic equipment**) against burglary under this policy section we will also cover you for some **damage** that occurs to the **home building** as a result of the burglary. We will also cover you for **damage** to the **building** you rent, if the **building** is **damaged** as a result of a burglary during your **period of insurance**.

Summary of insured events	Page
Not Applicable	

Summary of extra covers and additional benefits for home buildings	Page
Reinstatement of sum insured	69
Damage to rented premises	70
Temporary protection costs (up to \$5,000)	70
Replacement of locks and keys (up to \$5,000)	70
Directors and employees tools of trade and personal effects	70
Seasonal increase on stock	71
Rewriting of documents	71
Theft without forced entry	71
Theft of external property	71
Employee dishonesty	72
Developing security images	72
Funeral expenses	73

Policy section 5: Glass

Under this policy section you may insure against the breakage of **glass** which forms part of your **home building** during your **period of insurance**.

Please refer to page 26 for an explanation of what **glass** means.

Summary of insured events	Page
Breakage of <b>glass</b> that is fixed and forming part of or fixed to the exterior of the <b>building</b> including <b>glass</b> in fixed signs	85
Breakage of fixed internal <b>glass</b> including glass in furniture, counters, shelving, washbasins, sinks, toilet pans and cisterns in the <b>building</b>	85
Summary of additional features	Page
Costs related to the breakage of <b>glass</b> including temporary shuttering, <b>stock</b> spoilage and replacing sign writing	86
Broken signs costs	86

## Section 2: Information for when insuring against an accident or illness

This section sets out information we are required to provide if you are insuring against an accident or illness to you or another person (such as an employee). It only applies when you have applied for and obtained insurance under the Personal Accident and Illness policy section (policy section 13).

### The types of cover you can choose to insure against an accident or illness

The table below summarises the cover available under policy section 13. For full details of the cover, conditions, limitations and exclusions and the amounts we will pay for any claim please read policy section 13.

Your cover	Details	Page
Lump sum benefit for <b>accident</b>	<p>Payment of up to 100% of the <b>sum insured</b> for loss suffered by the <b>named person</b>, caused by an <b>accident</b>, as shown in Table A1.</p> <p>The <b>loss</b> must:</p> <ul style="list-style-type: none"><li>➤ be the result of <b>accident</b> which occurs during the <b>period of insurance</b> and</li><li>➤ occur within 12 months of the <b>accident</b>.</li></ul> <p>Compensation paid as a weekly benefit will be deducted from any lump sum we pay for the same <b>loss</b>.</p>	138
Lump sum benefit for illness	<p>Payment of up to 100% of the <b>sum insured</b> for <b>loss</b> suffered by the <b>named person</b> caused by illness, as shown in Table A2.</p> <p>The <b>loss</b> must:</p> <ul style="list-style-type: none"><li>➤ be the result of an illness which occurs or first appears during the <b>period of insurance</b> and</li><li>➤ occur within 12 months of the <b>named person</b> first receiving medical treatment for the illness.</li></ul> <p>Compensation paid as a weekly benefit will be deducted from any lump sum we pay for the same <b>loss</b>.</p>	140

Your cover	Details	Page
Weekly benefit for an <b>accident</b>	<p>Payments of up to 100% of the <b>sum insured</b> for partial or total disablement of the <b>named person</b> caused by an <b>accident</b>, as shown in Table B.</p> <p>The total or partial disablement must:</p> <ul style="list-style-type: none"> <li>➤ be the result of an <b>accident</b> which occurs during the <b>period of insurance</b> and</li> <li>➤ begin within 12 months of the <b>accident</b>.</li> </ul>	141
Weekly benefit for an illness	<p>Payments of up to 100% of the <b>sum insured</b> for partial or total disablement of the <b>named person</b> caused by an illness, as shown in Table C.</p> <p>The total or partial disablement must:</p> <ul style="list-style-type: none"> <li>➤ be the result of an <b>illness</b> which first appears during the <b>period of insurance</b>; and</li> <li>➤ begin within 12 months of the <b>named person</b> first receiving medical treatment.</li> </ul>	142

Additional features	Lump sum benefit – Accident and Lump sum benefit Illness	Weekly benefit – Accident	Weekly benefit – Illness	Page
Funeral expenses	✓	✓	✓	142

## Section 3: Other information about the cost of insurance

If you are insuring a **home building** or insuring against personal accident or illness under policy section 12 we are required to provide you with information about the costs, fees and charges that you might have to pay for this insurance.

### How we calculate premiums

We calculate the total premium to be collected from policyholders by considering:

- the total cost of current and future claims; and
- our business expenses, including administration costs, profit margins and payments we make to intermediaries

The premium paid by you for policy sections 1, 3 and 5 is calculated using a wider range of factors called rating factors. These are outlined below.

#### a. Information about the cost of the insurance for your home building

Rating factor	Lower premium	Higher premium
The amount of your sum insured	Lower insured amount	Higher insured amount
Post code	Low risk post code	High risk post code
Optional insurance	None taken	All taken
Voluntary excess	Voluntary excess	Low or no excess
Occupation/use	Low risk occupation/use	High risk occupation/use
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Number of policy sections insured*/years insured	More sections, renewed a number of years	Less sections, new business
Building materials	More fire resistant materials (for example concrete)	Less fire resistant materials (for example wood)
Fire protection (Policy Section 1 Fire only)	More or better fire protection (for example sprinkler systems)	Less protection
The building location	Low risk location	High risk location
Number of situations	Fewer situation	More situation
Security measures	More effective security systems (for example alarms)	Less effective security systems
Our expenses of doing business with you including payments to intermediaries	Low expenses	High expenses



**b. Information about the cost of accident or illness insurance**

Rating factor	Lower premium	Higher premium
The type of benefit you choose	Less comprehensive cover	More comprehensive cover
The type of work the named person performs	Lower risk of injury	Higher risk of injury
The sum insured of each Person	Lower insured amount	Higher insured amount
The number of people Covered	Fewer people covered	More people covered

**Why the cost of insurance can change**

Your insurance premium can change during your policy period if the circumstances or risks covered by your policy change. For example, your premium will change if you change the use of your **situation** or add new covers to your policy. Also, each time you renew your insurance your premium is likely to change, even if your circumstances or the risks covered by your policy have not changed. This is because premiums are affected by:

- The total cost of current and future claims
- The cost of claims we expect to pay in the future
- Any changes in government taxes or charges
- Our expenses of doing business
- Whether indexation is shown on your schedule.

We may “cap” the amount of any increase on renewal, meaning we may pass only part of the increase on to you.

**Premium discounts**

At times, we may offer premium discounts to particular customers – for example, those who take out insurance within a specified period, or people who have multiple policies with us.

The amount and type of discounts can change over time. We can vary or withdraw a discount at any time. Changes will not affect the premium for an existing policy during its current **period of insurance**.

For details of any discounts that may be available and the dollar difference these would make to your premium, please ask us when you obtain a quote or before renewing your policy.

**Other costs fees and charges**

The costs, fees and charges that you might have to pay in connection with this insurance are listed in the table below.

Type of cost, fee or charge	Details
Pay by the month fees	The fee for paying by the month is \$2.75 per month, including GST and is included in your monthly payment.
<b>Excess</b>	The amount which is payable by you if you make a claim. The amount of <b>excess</b> for each policy section is shown on your <b>schedule</b> or within this <b>PDS</b> .
Non-refundable premium	If you cancel your policy we will refund the proportion of your premium for the unused <b>period of insurance</b> less any non-refundable government charges.

# Part C: Your business insurance policy

## Important information

### 1. Your policy

Based upon the information provided by you and subject to the premium being paid, we agree to insure you during the **period of insurance**. Your **period of insurance** starts on the date shown on your **schedule** and finishes at 4:00pm on the expiry date shown on your **schedule**.

Your policy is made up of this **PDS**, any applicable **SPDS**, the **schedule** and any **endorsements**. These should be read and kept together.

Your policy only includes cover under those policy sections that are shown as insured on the **schedule** and for those optional insurances that are shown on your **schedule**.

### 2. Who is insured?

You/your means the insureds named on the **schedule**. The policy provides insurance only for the parties shown on the **schedule** unless otherwise stated in individual policy sections.

### 3. Policy limits

We will not pay any more than the **sum insured** or **limit of liability** for each policy section, part of a policy section or individual item or cover that is shown on your **schedule**, unless we specifically state otherwise in your policy.

### 4. General provisions

The general conditions, general definitions, general claims conditions, and general exclusions form part of this policy. Unless otherwise expressly stated these apply to each of the policy sections, including any extra covers, additional benefits or optional insurances in those policy sections.

Specific conditions, definitions and exclusions also apply to individual policy sections and any extra covers, additional benefits or optional insurances in those policy sections.

Some words used in this policy have special meanings. These words are in **bold**. The words we have defined are listed in either the General Definitions section on pages 24 to 29 or the Definitions section in the applicable policy section.

## General policy conditions

These conditions apply to all policy sections.

### 1. Change to risk

Our decision to insure you, and the premium that we charge you, is based on information provided by you about your **business** and **property insured**. Your insurance, including the amount of premium, may be affected if any of the facts or circumstances that existed at the start of the policy change during the **period of insurance**, including, for example:

- a. the nature of or type of **business** carried on by you or your tenants. For tenanted **buildings** the occupation and activities carried on by the tenants is material to the premium that we charge you and our decision to insure you;
- b. other circumstances that affect the **situation** or the **property insured** in such a way as to increase the risk of **damage** or **losses**;

- c. your interest in the policy ceases, including by operation of law; and
- d. the **business** is wound up or carried on by an insolvency practitioner or permanently discontinued.

You must immediately notify us of any changes to a., b., c. or d. or any other changes that may increase the risk insured under your policy.

If you are a property owner insuring **buildings** that you lease, our decision to insure you and the premium we charge you will take into account information about your tenants and how the **building** is used that you tell us when you apply for a policy with us, during the **period of insurance** and at each renewal. For this reason it is important that you tell us as soon as these things change.

For example, if your **building** has three tenants (an accountant's office, a jeans retailer and a sandwich bar), we will calculate your fire premium on the sandwich bar, as it is more hazardous than either of the other two occupations. If during the **period of insurance** the sandwich bar closes down and a menswear shop opens, then you must notify us of the change and we will calculate your fire premium either using the jeans retailer or menswear occupation.

If we agree to continue to insure you after you have told us of the changes, we will confirm this in writing. In some cases, we may only agree to continue to insure you under this policy if you agree to pay us additional premium.

## 2. The amount of cover

If you are not entitled to an **input tax credit** on your policy premium, all **sums insured** and **limits of liability** stated in your policy are GST inclusive (unless your policy states otherwise).

If you are entitled to an **input tax credit** on any part of the policy premium, the **sums insured** and **limits of liability** stated in your policy and on your **schedule** are exclusive of any **input tax credit** which you are or would be entitled to claim.

## 3. Reasonable care and reducing risk

You must take all reasonable steps to ensure that you and your tenants:

- a. maintain **buildings**, structures, fixtures, fittings, furnishings, appliances, **machinery**, implements and plant in sound condition to minimise or avoid theft, **loss** or **damage**;
- b. ensure that only competent employees are employed;
- c. avoid or minimise **loss** of or **damage** to property or injury to other people;
- d. comply with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements;
- e. obtain certificates of inspection for all equipment required by any statute or regulations to be certified; and
- f. comply, at your expense, with all our recommendations to prevent or minimise theft, **loss** or **damage**.

## 4. Hazardous or dangerous goods

When hazardous or dangerous goods are used by the **business** or stored at any **situation** shown on the **schedule**, then such goods must be stored and used strictly in accordance with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements.

## 5. Other interests

You must tell us in writing of the interest of all third parties (for example, banks or lessors) when you want their interest in any item insured under any policy section in this policy covered. If a person is not named or noted on the policy, they are not insured and cannot make a claim.

This means we will need to record the interest of the third party for those interests to be covered.

The third parties must comply with all the terms and conditions of your policy, including without limitation, the obligation to notify us and give us details of any other insurance that insures any risk insured by this policy.

## 6. Transfer of interest

No interest in this policy can be transferred without our written consent.

## 7. Unoccupancy

You must ensure that any **building** at the **situation** does not stay unoccupied or, if you are the building owner, untenanted, for a continuous period of 60 days or more. To have been occupied, the **business situation** must have been used for **business** purposes for at least two consecutive days. You are not insured while the **building** is unoccupied for a period of 60 days or more, unless we agree to insure you. If any **building** will or is likely to be unoccupied or untenanted for such a period, you must notify us immediately. If you notify us that the **situation** will be unoccupied or untenanted for a continuous period of 60 days or more and we agree to continue to insure you under this policy during the period where the **building** is unoccupied or untenanted, we will tell you in writing. You may be required to pay an additional premium and we may apply different conditions and impose a higher **excess** if we agree to this.

## 8. Notification of other insurance

If there is any other insurance that insures any risk insured by this policy, you are required to notify us and give us details of the other insurance.

## 9. Changes in or waivers of the policy

No changes in the policy will be valid unless agreed in writing by us.

No waiver of any requirements of any policy section shall be valid unless it is given to you in writing.

## 10. Multiple insured parties

Except as otherwise expressly provided in Policy section 6 – Public and products liability, where there is more than one person or organisation insured under this policy:

- a. any notice given by us under this policy to any one of you shown on the **schedule** will be deemed to be notice given to all of you;
- b. any misrepresentation or fraudulent actions or statements made by any person or organisation will deemed to be made by all of you; and
- c. any claim made by any person or organisation will be deemed to be a claim made by all of you.

# General claims conditions

These conditions apply to all policy sections.

## 1. Claim notification

If any **event** occurs which gives rise or may give rise to a claim you are required to:

- a. take all reasonable precautions to minimise or prevent further **loss, damage**, injury or illness;
- b. notify us as soon as possible and give us all the known details of the **event**;
- c. immediately send us any legal document or other communication you receive about the claim, including any legal proceedings brought against you;
- d. take all reasonable steps to recover **lost** or stolen **property insured**;
- e. notify the police immediately following a theft or burglary or if any **property insured** is misappropriated, lost or maliciously damaged;
- f. supply us with all the information and documentation that we request. If we ask you for a statutory declaration verifying the details of your claim and any other matters connected with it, you must provide it;
- g. if you make a claim for property that is lost, stolen or damaged, you must supply proof of your ownership or legal responsibility for such **property insured** and evidence of its value, if we ask for it. We will decide what is acceptable proof of ownership and value for any **property insured** based on what **property insured** you are claiming for, how old the item is and its residual value. We understand you may not keep such information for every business item you own, especially if items are recorded in your books of account. You or your accountant may have records for tax purposes and these may be sufficient to prove ownership;
- h. supply us with details of any other insurance that insures or may insure the **event**;
- i. not authorise the repair or replacement of anything without our agreement;
- j. retain and preserve all damaged property for our inspection prior to authorisation of repairs unless alterations and repairs are immediately necessary, for safety reasons or to minimise or prevent further **loss, damage** or injury. If repairs are necessarily carried out without our prior approval, you are still required where reasonably practical, to retain and preserve all damaged property for our inspection;
- k. you are to use your best endeavours to preserve all property, products, plant and all other things that may assist us in investigating or defending a claim against you, including assisting in determining if there are rights of recovery against another entity or person; and
- l. co-operate with us fully in any investigation, negotiation, defence or settlement of any claim. This may include attending court to give evidence.

## 2. Admitting liability

You must not admit liability for any **loss, damage** or injury, or settle or attempt to settle or defend any claim without our written consent.

## 3. Conduct of claims

- a. We may appoint legal or other representatives to assist in the conduct of a claim.
- b. We shall have the right and full discretion to conduct claims.
- c. We reserve the right to negotiate and settle any claim on terms we consider appropriate.

#### 4. Paying your excess

You must pay the **excess** that applies to claims under this policy. We have no liability to you under this policy until you have paid the **excess**. The **excess** that applies will depend on the circumstances of the claim. The amount of the **excesses** and the circumstances that each **excess** applies to are shown on the **schedule** or set out in the applicable policy section. We will tell you how to pay your **excess** and who to pay it to. In some cases, we will direct you to pay the **excess** directly to a supplier or repairer. Some Additional benefits or Optional insurances have their own **excesses** which are in addition to any other **excess** that may apply to a claim. Except as otherwise expressly provided, if more than one **excess** can be applied to one **event**, then you will only need to pay the highest **excess**.

#### 5. ITC entitlement

If any event occurs which gives or may give rise to a claim you must tell us your entitlement to **input tax credits (ITC)** for your insurance premium if you are registered, or are required to be registered for GST purposes. If you do not inform us of your entitlement, or the information you give us is incorrect, we will not cover you for any resulting fines, penalties or tax liability you incur. When we calculate a payment to you for your claim, we can reduce it by any ITCs you are, or would be, entitled to receive.

#### 6. Cash payments

Any cash payments made to you under this policy will be based on costs including GST. However, if you are, or would be, entitled to claim any **input tax credits** for the repair or replacement of the **property insured** or for other things insured by the policy we will reduce our payment to you by the amount of your **input tax credit** entitlement.

#### 7. Rights of recovery

We have the right to take action or institute legal proceedings, in your name, for the recovery of payments made and expenses incurred in relation to any claim insured by this policy, against any person, company or entity legally liable to you in respect of that claim. You must provide us with full information and all reasonable assistance in the recovery of those payments or expenses.

You must not enter into any agreement or make any admissions that have the effect of limiting or excluding your rights and our rights to recover payments and expenses without first obtaining our approval in writing to do so.

#### 8. Discharge of our liabilities

If, at any time, we pay you the **sum insured** or **limit of liability** for any claim under this policy, the future conduct of the claim then becomes your responsibility. We may also pay any extra covers, additional benefits or optional insurance that is in addition to the **sum insured** or **limit of liability**.

#### 9. Our rights of possession

We, our employees or our agents have the right to enter any **building** or area where **loss** or **damage** has occurred and take possession of **property insured** or require the **property insured** to be delivered to us. We will deal with this property in a reasonable manner.

#### 10. Salvage

After we have settled a claim by replacing a **damaged** item, if we so elect, the **damaged** or **lost property insured** (other than a **building**) becomes ours.

#### 11. Claims preparation expenses

We will pay for accountant, claims consultants, surveyors, architects, engineers and other professional fees necessarily and reasonably incurred for the preparation of a valid claim made under this policy other than under policy section 2, policy section 8 or policy section 11.

The most we will pay is \$20,000 or 25% whichever is the lesser, of the total amount payable under the applicable section other than 2, 8 and 11 as a result of one **event**.

## General exclusions

These exclusions apply to all policy sections unless specifically stated otherwise.

### 1. Conflict

This policy does not insure claims directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

- a. war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- b. expropriation including lawful seizure, resumption, confiscation, nationalisation, destruction or damage to property by or under the order of any government or public or local authority; or
- c. looting, sacking or pillaging following any of the events stated in (a) or (b) above.

This exclusion does not apply to policy section 7 to the extent of any inconsistency.

### 2. Nuclear

This policy does not insure claims directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission and/or fusion; or
- b. nuclear weapons material.

### 3. Non-compliance

This policy does not insure **loss** or **damage** or liability caused by or as a result of your failure to comply with any relevant statutory obligations, by-laws, regulations, public authority requirements or safety requirements.

### 4. GST, fines or penalties

This policy does not insure any GST, fine, penalty or charge that you are liable for because you did not tell us your entitlement to **input tax credits** on the premium for this policy, or the entitlement you told us was incorrect.

### 5. Intentional acts

This policy does not insure:

- a. any intentional or willful act or omission by you, your **family** members or your employees with your connivance; or
- b. fraudulent or dishonest acts committed by you, your **family** members or your employees acting alone or in collusion with others.

### 6. Terrorism

This policy does not insure:

- a. personal injury, **damage** to property, legal liability, **loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the personal injury, **damage** to property, legal liability, **loss, damage**, cost or expense; or

- b. personal injury, **damage** to property, legal liability, **loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

However, this exclusion does not apply to policy sections:

- a. 3. Burglary;
- b. 4. Money;
- c. 5. Glass;
- d. 10. General Property.

## 7. Electronic data exclusion

- a. This policy does not cover:
  - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
  - ii. error in creating, amending, entering, deleting or using **data**; or
  - iii. total or partial inability or failure to receive, send, access or use **data** for any time or at all from any cause whatsoever, regardless of any other contributing cause or **event** whenever it may occur.
- b. We will not cover legal liability for communication, display, distribution or publication of **data**. However, this exclusion (b) does not apply to bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or loss of consortium resulting from any of them.
- c. Where an **event** listed below (being an **event** covered in Policy Section 1. Fire and other damage, or Policy Section 10. General Property of this policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this policy, subject to all its provisions, will insure:
  - i. **loss** of or **damage** to **property insured** directly caused by the **event**, or
  - ii. consequential loss insured by this policy.

This exclusion does not apply where an **event** listed below (being an **event** covered under Policy Section 1 Fire and other damage or Policy Section 10. General Property of this policy but for this exclusion) caused any of the matters described in paragraph (a) above.

- i. Fire;
- ii. Lightning or thunderbolt;
- iii. Explosion or implosion;
- iv. Storm and wind;
- v. Water damage;
- vi. Impact;
- vii. Earthquake, tsunami, subterranean fire, or volcanic eruption, or fire resulting from any of these; and
- viii. Theft of **data** solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such **data**.



- d. For the purposes of the “We cover” provision in this policy, computer systems records includes electronic **data**.
- e. Where damage to property or **property insured** are used in this policy, they do not include **data**.

## General definitions

Unless defined differently in individual policy sections, these definitions apply to all policy sections.

---

### Accidental

Unexpected and unintended from your standpoint.

---

### Aircraft

Anything made or intended to fly or move in or through the air or space other than model aircraft. Aircraft includes **hovercraft**.

---

### Animal(s)

Any living creature including but not limited to livestock, birds, fish, vermin, insects.

---

### Building(s)

The **building(s)** at the **situation**.

**Building(s)** includes:

- a. sheds with a concrete floor and fixed to foundations at the **situation**;
- b. customised and modified shipping containers or transportable buildings permanently located at the **situation** used as workshops, lunchrooms or storage which are permanently fixed to the ground with electrical or plumbing services as necessary at the **situation**;
- c. shipping containers in which the **stock** your **business** distributes is delivered to your **situation** and from which merchandise is either being loaded into, unloaded from or stored in before dispatch, provided the container doors are secured when unattended with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above and the padlocked container is fully enclosed by a cyclone fence with locked gates at the **situation** after hours;
- d. walls, foundations, storage tanks, awnings, exterior lights, masts, antennae and aerials, fixed external signs, walls, gates, fencing, pavements, roads and other structural improvements pertaining to the building(s); or
- e. property owner’s fixtures and fittings, floor coverings, plant, plumbing or wiring services that are within the **building**.

**Building(s)** do not include land, including topsoil and fill and dams, landscaping, reservoirs or canals.

---

### Business

The business(es) shown and described on the **schedule**.

---

---

## Computer virus

A corrupting, harmful, or otherwise unauthorised piece of code that infiltrates your computer equipment, including a set of unauthorised instructions, programmatic or otherwise, that propagates itself through your computer equipment. Computer virus includes “trojan horses”, “worms” and “time or logic bombs”.

---

## Customers' goods

Goods that do not belong to you, but:

- a. belong to your customers and are in your physical or legal control because the **business** repairs, services, maintains, or stores those goods before or after it repairs, services or maintains the goods;
  - b. have been purchased by your customers and are in your physical or legal control awaiting delivery; or
  - c. items at the **situation** that you have accepted responsibility to insure under a formal consignment agreement.
- 

## Damage or Damaged

Sudden and unforeseen physical damage or destruction.

---

## Data

Facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

---

## Electronic equipment

Any electronic equipment including, but not limited to mobile phones, laptops, palm pilots, computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines, electronic cash registers, electronic scales and electronic testing or analysing equipment used by you in the **business**.

Electronic equipment does not include electronic equipment that is **stock**.

---

## Endorsement

Documentary evidence of an alteration to the policy which forms part of the policy.

---

## Event or events

One incident or all incidents of a series consequent on, or attributable to, one source or original cause.

---

## Excess

The amount which is payable by you for each claim made under this policy.

---

---

## Family

- your spouse, your partner or your de facto who lives with you,
- your parents and parents-in-law,
- your children and children of your spouse, partner or defacto (not being your children) who live with you,
- your brothers and sisters.

For the purposes of this definition “you” and “your” refers to the directors, owners and officers of the **insured**.

---

## Flood

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

- a. lake river, creek or other natural watercourse (whether or not any of them are altered or modified); or
  - b. reservoir, canal or dam.
- 

## Fungus/Fungi

Fungi are a group of simple plants that have no chlorophyll. They include but are not limited to mould, mildew, and yeast. Fungi also include spores.

---

## Glass

- a. fixed glass forming part of or fixed to the exterior of the **building** including glass in fixed signs; or
  - b. fixed internal glass including fixed glass in furniture, counters, shelving and showcases, fixed and hanging mirrors, fixed washbasins, sinks, toilet pans and cisterns, contained within the **building**.
- 

## Home building

A **building** which is used or intended to be used, principally and primarily as a place of residence.

---

## Hovercraft

Any vessel craft or thing made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

---

## Input tax credit

The amount you are entitled to claim as a credit against GST that you have paid.

---

## Insured/you/your

Any person, company or legal entity shown on the **schedule** as the insured.

---

## Loss/losses/lost

Sudden or unforeseen physical loss.

---

---

## Machinery

Any mechanical or **electrical equipment**, that generates, transmits or utilises mechanical or electrical power, any electronic machine, device or instrument, but not including;

- a. any vehicle or mobile equipment;
- b. any **watercraft** or **aircraft**;
- c. any elevator or escalator but not excluding any electrical or **electronic equipment** used with such apparatus; or,
- d. any buried piping, any drainage piping, any sprinkler piping and its accessory equipment

---

## Media

Material on which **data** is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CD's, DVD's, USB's, flash drives, memory cards or floppy disks.

---

## Money

Cash, bank notes, currency notes, negotiable cheques, negotiable securities, traveler's cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of securities) and the contents of franking machines.

Money does not include collectable items (for example coin or stamp collections) or anticipated revenue.

---

## Obsolete stock

**Stock** (as defined in the applicable section of the policy) which can no longer be sold for its full value, for example **stock** which is out-of-season fashion, superseded computers or perishable goods beyond their used by date.

---

## Period of insurance

The period of time shown on the **schedule** during which insurance is provided under this policy.

---

## Pollutants

Any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials. Waste includes material to be recycled, reconditioned or reclaimed.

---

## Product Disclosure Statement (PDS)

PDS is the name of this document and it contains the terms of your insurance cover. It tells you what cover we provide, details of costs and **excesses** and other important information. It should be read together with your **schedule**, any **endorsements** and any **SPDS** that we may give you.

---

## Property insured

The property as described on the **schedule** in respect of each policy section.

---

---

## Road

Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

---

## Safe or strong room

A container or structure which has been specifically designed for the safe storage of **money** or valuables and is designed to resist unauthorised opening by hand-held or power operated tools.

A safe is not:

- a. an ATM;
  - b. a cash tin;
  - c. a locked drawer in a filing cabinet or desk; or
  - d. a burglary resistant container weighing less than 20 kilograms that is not fixed by dynabolts to the wall or floor of the situation.
- 

## Schedule

The record of the particulars of your insurance which forms part of this policy. The schedule is issued when we have accepted your insurance.

At each renewal of your policy, the renewal schedule becomes your current schedule. Updated schedules or **endorsements** may also be sent to you showing alterations to your policy.

---

## Situation

The places listed in the **schedule** at which and from which you operate your **business**. The situation includes **buildings** and land within the legal boundaries.

---

## Stock in trade

Merchandise and **customers' goods** for which you are legally responsible including the value of the work done and containers or packaging materials used in connection with the **business**.

---

## Supplementary Product Disclosure Statement (SPDS)

An SPDS updates or adds to the information in the PDS.

---

## Sum insured or limit of liability

The amount shown as the sum insured or limit of liability on the **schedule** for a policy section, part of a policy section or individual item or cover. The sum insured and limit of liability include GST.

---

## Terrorism

An act, including but not limited to the use of force or violence (or threat of force or violence) by any person or group of people acting alone, or on behalf of or in connection with any organisation or government, that from its nature or context are done for, or in connection with, political, religious, ideological ethnic or similar reasons with the intention to influence any government or put the public or any section of the public in fear.

---

---

## Vehicle

Any type of machine on wheels or on caterpillar tracks (including any trailer, caravan or other apparatus attached to the machine) made or intended to be propelled other than by manual or **animal** power.

---

## Watercraft

Anything made or intended to float or travel on or through water other than model boats.

---

## We/us/our

GIO General Limited ABN 22 002 861 583 AFSL 229873.

---

# Policy Section 1: Fire and other damage

Please note that if you are insuring a **home building** under this policy section you should also read Part B of this PDS.

## About this policy section

This section of the policy covers physical **loss** of or **damage** to your **property** from insured events listed in this section, including but not limited to **events** such as fire, lightning and explosion. We do not cover the theft or breakdown of your **property** under this section.

## Your insurance under this policy section

We cover	Provided 'Fire and other damage' is shown under 'Sections Insured' in the <b>schedule</b> , we will insure you for <b>loss</b> of or <b>damage</b> occurring during the <b>period of insurance</b> to <b>buildings, business contents, stock</b> or <b>specified items</b> , arising from an insured event specified below occurring at the <b>situation</b> .
We do not cover	<p>This policy section (including the extra covers and additional benefits) does not insure:</p> <p><b>1. Power Surge</b> <b>Loss</b> or <b>damage</b> to any electrical appliance or device (including wiring) caused by power surge, failure or fluctuation unless caused by lightning. If fire occurs as a result of this destruction or <b>damage</b>, this exclusion will not apply to that portion of the <b>damage</b> directly caused by the ensuing fire.</p> <p><b>2. Maintenance or defects</b> <b>Loss</b> or <b>damage</b> caused by or arising out of:</p> <ul style="list-style-type: none"><li>a. rust or corrosion;</li><li>b. inherent or structural defects;</li><li>c. faulty design, materials or workmanship; or</li><li>d. developing flaws, gradual deterioration, normal upkeep of <b>property</b>, or existing defects or lack of maintenance to <b>property</b>, unless you can show you did not know about the deterioration, defect or lack of maintenance. You cannot claim for repairing the deterioration or defect or the maintenance.</li></ul> <p><b>3. Consequential loss</b> loss of use, loss of earning capacity or any other consequential loss.</p>

# Insured events

## 1. a. Fire

We do not cover	We will not cover <b>loss</b> or <b>damage</b> : a. to any <b>stock</b> or <b>business contents</b> caused by: i. spontaneous combustion or fermentation of that <b>stock</b> or <b>business contents</b> ; ii. the direct application of heat to that <b>stock</b> or <b>business contents</b> ; or iii. any <b>business</b> process involving the direct application of heat to that <b>stock</b> or <b>business contents</b> . b. occurring within 72 hours from the commencement or modifications to (including increasing <b>sums insured</b> ) of this policy caused by a bushfire; or c. caused by smog, soot, ash or heat damage where there has been no flame at the <b>situation</b> or at adjacent properties.
-----------------	---

## 1. b. Escape of molten material from its intended confines at the situation

We cover	This is limited to <b>loss</b> or <b>damage</b> caused by the escape of molten material from its intended confines on, or at, the <b>situation</b> .
We do not cover	We will not cover: a. the cost of repairing any fault which permitted the escape of molten material; b. the cost of retrieving or removing escaped material from any escape channel or catchment; c. any <b>loss</b> of or <b>damage</b> to the material that has escaped; or d. any <b>loss</b> of or <b>damage</b> to furnace linings, crucibles, moulds, other containers or ladles from which molten material escaped.

## 2. Lightning or thunderbolt

We do not cover	We will not cover <b>loss</b> or <b>damage</b> where you are unable to provide: a. evidence that lightning caused the <b>loss</b> or <b>damage</b> ; or b. meteorological evidence that lightning struck in your area at the time the <b>loss</b> or <b>damage</b> occurred.  We will not cover <b>loss</b> or <b>damage</b> to any electrical appliance or device (including wiring) caused by power surge, failure or fluctuation unless caused by lightning.
-----------------	---

## 3. Explosion or implosion

We do not cover	We will not cover <b>loss</b> or <b>damage</b> to pressure vessels or their contents which require certification under any statutory obligations, by-laws and regulations.
-----------------	--



#### 4. Storm, wind and rain (including snow, sleet or hail)

We cover	<p>This is limited to:</p> <ul style="list-style-type: none"><li>a. storm;</li><li>b. wind;</li><li>c. rainwater;</li><li>d. cyclones or tornadoes;</li><li>e. snow or sleet;</li><li>f. hail; and</li><li>g. run-off of rainwater that accumulates directly on and flows across normally dry ground or that overflows from public roadside gutters, channels and drains that are normally dry or swimming pools, spas or saunas.</li></ul>
We do not cover	<p>We will not cover you for more than \$20,000 in respect of any one insured event for <b>loss</b> or <b>damage</b> to gates, fences, retaining walls, shade-cloth, hail nets, exterior textile awnings or blinds, shade houses, fibreglass houses or glass houses.</p> <p>We will not cover <b>loss</b> or <b>damage</b> caused by:</p> <ul style="list-style-type: none"><li>a. <b>flood</b>;</li><li>b. the sea, including tidal wave, tsunami, storm surge or high-water;</li><li>c. erosion, landslide, mud slide, subsidence or any earth movement;</li><li>d. steam or condensation;</li><li>e. water seeping or percolating the <b>building</b> from outside;</li><li>f. a named cyclone named by the Bureau of Meteorology where the damage occurs within 72 hours from the commencement of this policy; or</li><li>g. water entering a <b>building</b> or structure as a result of structural defects, faulty design, faulty workmanship or lack of maintenance.</li></ul> <p>We will not cover <b>loss</b> or <b>damage</b> to:</p> <ul style="list-style-type: none"><li>a. <b>property</b> in the open air, unless the <b>property</b> comprises or forms part of a permanent structure designed to function without the protection of walls or roof;</li><li>b. any building (or its contents) in the course of construction or reconstruction, unless the building is enclosed and under roof with all outside doors and windows permanently in place; or</li><li>c. loose or compacted soil, earth, gravel, pebbles, rocks or granular rubber, gravel or pebble driveway, but we will pay the cost to restore soil or earth to the extent that it is necessary to repair insured damage to your <b>building</b>.</li></ul>

## 5. Water damage

We cover	<p>This is limited to <b>loss</b> or <b>damage</b> caused directly or indirectly by:</p> <ul style="list-style-type: none"><li>a. the discharge or leaking of water from any damaged pipe, water system (including a fire protection system such as a sprinkler system), tanks or drains installed in and servicing the <b>building</b>; or</li><li>b. water from a damaged water main in the immediate vicinity of the <b>building</b>.</li></ul> <p>But we will also pay:</p> <ul style="list-style-type: none"><li>a. the reasonable exploratory costs incurred in locating the source of the destruction or damage, provided it is your responsibility to pay for these costs. We will pay no more than \$25,000 for all exploratory costs incurred during any one <b>period of insurance</b>;</li><li>b. the reasonable costs of removing water and any incidental cleaning operations; and</li><li>c. if water is discharged from a fire protection system, any expenses incurred by you for the attendance of the fire brigade for the purpose of shutting off the water supply following an <b>accidental</b> discharge of water from a fire protection system.</li></ul>
We do not cover	<p>We will not cover the cost of repair, replacement or re-routing of the defective part or parts of the pipe or water system that caused the damage.</p>

## 6. Impact

We cover	<p>We cover <b>loss</b> or <b>damage</b> caused by impact from:</p> <ul style="list-style-type: none"><li>a. <b>vehicles</b> designed primarily for use on land or their load;</li><li>b. <b>watercraft</b> or <b>hovercraft</b>;</li><li>c. <b>animals</b>;</li><li>d. a falling building or part of a building other than due to intentional demolition of <b>buildings</b> that are at the <b>situation</b> or belong to you;</li><li>e. <b>aircraft</b> or other aerial devices or articles dropped from them and satellites, space debris or meteorites; or</li><li>f. falling trees or branches, masts, satellite dishes, antennae and aerials; but, excluding the <b>loss or damage</b> to those objects unless caused by another insured event.</li></ul>
We do not cover	<p>We will not cover <b>loss</b> or <b>damage</b> caused by:</p> <ul style="list-style-type: none"><li>a. any tree lopping or removal or demolition activity arranged or agreed to by you at the <b>situation</b>;</li><li>b. eating, chewing, clawing or pecking by <b>animals</b>;</li><li>c. any <b>animals</b> kept at the <b>situation</b>; or</li><li>d. any impact resulting from the action of water.</li></ul>

## 7. Riot or civil commotion

We cover	<p>This is limited to acts of:</p> <ul style="list-style-type: none"><li>a. strikers, locked-out workers, persons taking part in labour disturbances and persons of malicious intent acting on behalf of or in connection with any political organisation; or</li><li>b. any lawful authority in connection with the strike, lockout, labour disturbance or political violence.</li></ul>
We do not cover	<p>We will not cover <b>loss</b> or <b>damage</b> caused by total or partial cessation of work or the retarding or interruption or cessation of any process or operation.</p>

## 8. Malicious acts (including by vandals and thieves)

We do not cover	<p>Under this insured event we will not cover any:</p> <ul style="list-style-type: none"><li>a. <b>loss</b> or <b>damage</b> caused by your <b>family</b>;</li><li>b. <b>loss</b> or <b>damage</b> caused by persons rioting or participating in civil commotion;</li><li>c. <b>property</b> that is stolen from the <b>situation</b>. However we will cover resultant physical <b>damage</b> to <b>buildings, business contents, stock</b> or <b>specified items</b> at the <b>situation</b> as a result of theft or attempted theft;</li><li>d. <b>loss</b> or <b>damage</b> to any gaming, amusement or vending machines or any <b>business contents</b> or <b>stock</b> contained within such machines where they are not located within a <b>building</b>;</li><li>e. breakage of <b>glass</b>, washbasins, sinks, toilet pans or cisterns or for the cost of replacing signwriting, ornamentation, reflective materials and burglar alarm tapes attached to broken <b>glass</b>; or</li><li>f. the costs of cleaning, repairing or restoring the <b>situation</b> due to the neglect, or untidy, unclean or unhygienic habits of tenants or their guests.</li></ul> <p>We will not cover more than \$10,000 during any one <b>period of insurance</b> for malicious acts committed by your tenants.</p>
-----------------	---

**9. Earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these, during any period of 72 consecutive hours following the insured event**

We do not cover	<p>a. We will not cover the first \$20,000 or 1% of the <b>total declared value</b> specified in the <b>schedule</b> that relate to the <b>damaged property</b> at the <b>situation</b> whichever is the lower for each claim under the event.</p> <p>For example, if the <b>sum insured</b> in the <b>schedule</b> for ‘Building(s)’ is \$1,000,000 and for ‘Business Contents’ is \$500,000 and the earthquake causes <b>damage</b> to the <b>buildings</b> and <b>business contents</b>, you will be required to contribute the first \$15,000 (1% of \$1,500,000) of a claim as this amount is less than \$20,000.</p> <p>b. You will only be required to pay one <b>excess</b> for <b>damage</b> that results from an <b>event</b> during any period of 72 consecutive hours.</p> <p>c. <b>Damage</b> arising from an insured event that occurs more than 72 hours after the <b>event</b> will be considered to be a separate <b>event</b> in which case an additional <b>excess</b> will be required.</p>
-----------------	---

**10. Accidental damage**

We cover	We will pay up to \$250,000 or the total of the <b>sums insured</b> for <b>buildings, business contents, stock</b> and <b>specified items</b> whichever is the lesser, unless your <b>schedule</b> shows that you have chosen accidental damage for total declared value, in which case the maximum we will pay for any one claim is the <b>total declared value</b> .
We do not cover	<p>We will not cover you for <b>loss</b> or <b>damage</b> caused by:</p> <p>a. any of the insured events 1 to 9 of this policy section. To avoid doubt, this includes any of the insured events’ related exclusions;</p> <p>b. mechanical, hydraulic, electrical breakdown or electronic failure, or malfunction;</p> <p>c. wear and tear, gradual deterioration, scratching, marring, developing flaws, normal upkeep or any gradual cause;</p> <p>d. <b>animals</b>;</p> <p>e. corrosion, rust, oxidation, any form of <b>fungus</b>, wet or dry rot, contamination or pollution, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;</p> <p>f. change in colour, flavour, texture or finish;</p> <p>g. inherent vice or latent defect;</p> <p>h. loss of weight or exposure to light;</p> <p>i. creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, <b>roads</b>, car parks and the like;</p> <p>j. error or omission in design, plan, or specification, or failure of design, or failure during testing;</p>

## We do not cover

- k. faulty materials or workmanship;
- l. any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;
- m. **data** processing or **media** failure or breakdown or malfunction of a processing system including operator error or omission;
- n. loading or unloading;
- o. failure of the supply of water, gas, electricity or fuel;
- p. infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by you or any **employee**;
- q. erosion, subsidence, landslip or mudslide or any other earth movement;
- r. improper packing or storage;
- s. incorrect siting of buildings;
- t. demolitions ordered by government or public or local authorities;
- u. any person deliberately switching off, disconnecting or load shedding the power supply;
- v. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
- w. total or partial inability or failure to receive, send, access or use **data** for any time or at all; or
- x. smoke or soot.

We will not cover **loss** or **damage** to:

- a. **animals**, plants, landscaping or growing crops;
- b. any electrical device (including wiring) caused by a surge in electrical current;
- c. **glass** or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken **glass**;
- d. any **property** where the **loss** or **damage** was caused during the course of its processing or manufacture; or
- e. **property** that is or could have been insured under any other policy section, even if you have not selected the other policy section or have had cover under the other policy section excluded or otherwise denied by us.

We do not cover	<p>We will not cover loss or <b>damage</b> to <b>property</b></p> <ol style="list-style-type: none"> <li>caused by or arising out of its undergoing any process involving the application of heat;</li> <li>undergoing construction, erection, alteration, addition, demolition, repair or maintenance; or</li> <li>whilst in transit other than during the incidental movement of that <b>property</b> within the boundaries of the <b>situation(s)</b>.</li> </ol>
-----------------	--

## Extra covers

If we agree to pay a claim under this section for **loss** or **damage** arising from any insured event we will also provide the following extra covers. Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **sum insured**.

### 1. Reinstatement of sum insured

We cover	<p>If we pay an amount for a claim under this policy section we will automatically reinstate the <b>sum insured</b> to the amount shown on the <b>schedule</b>. You will not have to pay any additional premium.</p> <p>This Extra Cover does not apply if we pay the <b>total declared value</b> or full 'Building' <b>sum insured</b> in respect of a single claim under this policy section. If we pay the <b>total declared value</b> or full 'Building' <b>sum insured</b> in respect of a single claim, then cover under this policy section ends.</p>
----------	--

### 2. Removal of debris and temporary repairs

We cover	<p>We will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs incurred by you.</p>
We do not cover	<p>We will not pay more than \$25,000 for any one insured event. Additionally if the total <b>sums insured</b> for <b>buildings</b>, <b>business contents</b>, <b>stock</b> and <b>specified items</b> has not been otherwise exhausted, we will pay up to the remainder of the unexhausted amount, subject to the condition 1 Under-insurance provision in this section.</p> <p>We will not pay for the costs of removing debris if:</p> <ol style="list-style-type: none"> <li>the liability to remove, store or dispose of debris has arisen as a result of any agreement made by you, unless liability would have attached in the absence of such agreement; or</li> <li>the debris is itself a contaminant or pollutant that does not form part of the construction material of the <b>building</b>.</li> </ol>

### 3. Professional fees

We cover	We will pay the reasonable cost of surveyors', architects' and other professional fees for estimates, plans, specifications, quantities, tenders and supervision, incurred in the repair or replacement of <b>lost</b> or <b>damaged buildings</b> .
We do not cover	<p>We will not pay more than \$5,000 or the unexhausted portion of the <b>sum insured</b> relating to the <b>damaged buildings</b> whichever is higher, for any one insured event, subject to condition 1 - Under-insurance.</p> <p>We will not pay any claim under this extra cover if your <b>schedule</b> shows the <b>building</b> as being insured for 'Indemnity'.</p>

### 4. Seasonal increase period/s

We cover	<p>We will automatically increase the <b>sum insured</b> in respect of <b>stock</b> by 35% or such other amount as is specified in the <b>schedule</b> during the <b>seasonal increase period</b>.</p> <p>You can nominate different <b>stock increase period(s)</b> or higher percentage increases of <b>stock</b>. If you do they will be shown on your <b>schedule</b> and you must pay any additional premium that applies.</p>
----------	---

### 5. Floating stock

We cover	<p>Where we pay a claim for <b>loss</b> or <b>damage</b> of <b>stock</b> at a <b>situation</b> we will pay more than the 'Stock' <b>sum insured</b> at that <b>situation</b> to account for the temporary transfer of <b>stock</b> between <b>situations</b> provided that:</p> <ol style="list-style-type: none"><li>there are at least two <b>situations</b> on the <b>schedule</b> and a <b>sum insured</b> has been separately specified on the <b>schedule</b> for <b>stock</b> at each <b>situation</b> insured under this section, including the affected <b>situation</b>; and</li><li>you transfer the <b>stock</b> between <b>situations</b> as a usual <b>business</b> practice.</li></ol>
We do not cover	<p>We will not pay a claim under this extra cover where <b>stock</b> levels in excess of the <b>sum insured</b> at a <b>situation</b> have been temporarily located at that <b>situation</b> for a period exceeding 90 days and where we have not agreed in writing to an extended period.</p> <p>We will not pay more than the total of the 'Stock' <b>sum insured</b> for all <b>situations</b>.</p>

## 6. Catastrophe inflation protection

We cover	<p>If we agree to pay a claim for <b>damage</b> to your <b>building</b> that is a direct result of a <b>catastrophe</b> we will pay up to an additional 20% of the <b>sum insured</b> for <b>buildings</b> for any additional costs incurred in rebuilding that can be directly attributed to increases in the price of services and materials as a direct result of the <b>catastrophe</b>.</p> <p>For example, if your <b>sum insured</b> for <b>buildings</b> was \$1,000,000 we would pay up to an extra \$200,000 (20% of \$1,000,000).</p> <p>However, this extra cover does not operate to increase the <b>total declared value</b> for the purposes of calculating the application of any extra cover or additional benefits or Condition 1 –Underinsurance.</p>
We do not cover	<p>We will not pay more than the increased building costs which are actually incurred by you as a direct result of the <b>catastrophe</b>.</p> <p>We will not pay any claim under this extra cover if you choose not to rebuild the <b>buildings</b> (or any part of them) at the <b>situation</b> shown on your <b>schedule</b>.</p> <p>We will not increase the <b>sum insured</b> to pay for <b>damage</b> to any <b>property</b> other than <b>buildings</b>.</p> <p>We will not pay any claim under this extra cover if your <b>schedule</b> shows the <b>building</b> as being insured for 'Indemnity'.</p>

## 7. Rewriting of records

We cover	<p>We will pay the reasonable costs of restoring the <b>data</b> stored on <b>media</b> or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the <b>business's</b> records.</p> <p>We will pay</p> <ul style="list-style-type: none"><li>a. up to the maximum of \$50,000; or</li><li>b. the unexhausted portion of your 'Business contents' <b>sum insured</b>, which ever is the greater.</li></ul>
----------	---

## 8. Directors and employees tools of trade and personal effects

We cover	<p>We will pay for <b>loss</b> of or <b>damage</b> to directors' and <b>employees'</b> tools of trade and personal effects caused by an insured event as if they were <b>business contents</b>.</p>
----------	---



We do not cover	<p>If such tools of trade or personal effects are covered under another insurance policy, we will only pay for <b>loss</b> or <b>damage</b> not otherwise covered by that other policy.</p> <p>We will not pay more than \$5,000 for any one person for any one insured event. Any amount we pay for this extra cover will not be in addition to the 'Business contents' <b>sum insured</b>.</p> <p>We will not pay for <b>loss</b> or <b>damage</b> to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instruments, curios, works of art, <b>money</b>, credit cards or medical devices.</p>
-----------------	--

## 9. Capital additions

We cover	<p>If <b>buildings</b> or <b>business contents</b> are insured and:</p> <ol style="list-style-type: none"> <li><b>buildings</b>, or part of them, are in the process of being constructed, erected, altered or added to; or</li> <li><b>business contents</b> are in the process of being installed or modified;</li> </ol> <p>we will pay up to an additional 20% of the <b>sum insured</b> for <b>buildings</b> and <b>business contents</b> for <b>loss</b> or <b>damage</b> to the new additions or installations.</p>
We do not cover	<p>We will not cover you for any <b>loss</b> or <b>damage</b> caused by or arising out of the following insured event – 4. Storm, wind and rain (including snow, sleet and hail) in Section 1 – Fire and other damage.</p> <p>For a <b>building</b>, we will pay no more than:</p> <ol style="list-style-type: none"> <li>\$500,000; or</li> <li>20% of the 'Building' <b>sum insured</b>;</li> </ol> <p>whichever is the lesser amount.</p> <p>For <b>business contents</b>, we will pay no more than:</p> <ol style="list-style-type: none"> <li>\$100,000; or</li> <li>20% of 'Business contents' <b>sum insured</b>. whichever is the lesser amount.</li> </ol> <p>For example, in the case of <b>buildings</b> at the <b>situation</b> that are insured for \$1,100,000 and the <b>building</b> is being altered, we will not pay more than \$220,000 (20% of \$1,100,000) as this amount is less than \$500,000.</p> <p>If your <b>business</b> is retailing, and the <b>business contents</b> of your rented shop are insured for \$150,000 and you are refitting the shop shelving and service counters, we will not pay more than \$30,000 (20% of \$150,000), as this amount is less than \$100,000.</p>

10. Loss of land value

We cover	If we pay for a claim for <b>loss</b> or <b>damage</b> to a <b>building</b> at a <b>situation</b> , we will pay for any reduction in land value that results from the decision by any legal authority not to allow rebuilding or only to allow partial rebuilding of a <b>building</b> at the <b>situation</b> .
We do not cover	<p>We will not pay more than:</p> <p>a. 10% of the 'Building' <b>sum insured</b> shown on the <b>schedule</b>; or</p> <p>b. \$100,000;</p> <p>whichever is the lesser.</p> <p>For example, if the <b>sum insured</b> for the <b>building</b> is \$900,000, we will not pay more than \$90,000 (10% of \$900,000), as this amount is less than \$100,000.</p>

11. Undamaged foundations

We cover	If the <b>building</b> foundations at the <b>situation</b> are not <b>damaged</b> by an insured event that causes other damage to the <b>building</b> but a government or statutory authority requires reinstatement of the <b>building</b> to be carried out on another site, the foundations will be considered as destroyed.
----------	---

12. Additional costs of repairing electronic equipment

We cover	<p>When we have agreed to pay any amount for <b>damage</b> to <b>electronic equipment</b>, we will also pay the following reasonable costs incurred by you and directly arising from the <b>damage</b>:</p> <p>a. the cost of locating the <b>damage</b>;</p> <p>b. freight charges up to 5% of the value of the <b>damaged</b> item of <b>property</b>; and</p> <p>c. charges for overtime and work on public holidays needed to return the <b>property</b> to normal working condition.</p>
----------	---

# Additional benefits

We will also provide the following additional benefits in this section subject to both the General and Policy Section Exclusions.

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the **sum insured**.

## 1. Prevention of loss or damage

We cover	<p>We will cover you for the necessary costs that you incur:</p> <ul style="list-style-type: none"><li>a. to extinguish a fire occurring during the <b>period of insurance</b> on or in the vicinity of the <b>situation</b> which causes or threatens <b>loss</b> or <b>damage</b> to your <b>property</b>;</li><li>b. to prevent or diminish imminent damage to your <b>property</b> by any other insured event occurring during the <b>period of insurance</b>; or</li><li>c. for the temporary protection and safety of your <b>property</b> at the <b>situation</b> necessitated by <b>damage</b> from an insured event occurring during the <b>period of insurance</b>, including the employment of security services.</li></ul>
We do not cover	<p>We will not pay more than \$25,000 for all claims under this additional benefit during any one <b>period of insurance</b>.</p> <p>If you are insured under Section 3 – Burglary or Section 4 – Money, the benefits payable under this additional benefit shall not be cumulative with the temporary protection cover contained in those sections and shall be \$25,000 for all claims under this additional benefit during any one <b>period of insurance</b>.</p> <p>We will not pay for:</p> <ul style="list-style-type: none"><li>a. any fines penalties, or liability incurred by you; or</li><li>b. for any <b>loss</b> or <b>damage</b> to your <b>property</b></li></ul> <p>under this Additional Benefit.</p>

## 2. Temporary removal of stock and business contents

We cover	<p>We will pay up to 20% of the <b>sum insured</b> for <b>loss</b> or <b>damage</b> to <b>stock</b> or <b>business contents</b> during the <b>period of insurance</b> caused by an insured event if the <b>stock</b> or <b>business contents</b> have been temporarily removed from the <b>situation</b> and in a temporary storage facility, self storage unit or bulk storage facility as if it were at the <b>situation</b> but still within the Commonwealth of Australia.</p>
----------	--

We do not cover	<p>We will not pay more than 20% of the <b>sum insured</b> of the applicable <b>stock</b> or <b>business contents</b> for any insured event.</p> <p>For example, if the <b>sum insured</b> for <b>stock</b> or <b>business contents</b> is \$100,000 and there is <b>loss</b> or <b>damage</b> to <b>stock</b> that has been temporarily removed from the <b>situation</b> as a result of an insured event, we will pay up to \$20,000 (20% of \$100,000).</p> <p>We will not pay for <b>loss</b> of or <b>damage</b> to:</p> <ul style="list-style-type: none"> <li>a. directors' and <b>employees'</b> tools of trade and personal effects;</li> <li>b. motor <b>vehicles</b>, except for fork lift trucks and similar appliances that are used for hauling or conveying goods at the <b>situation</b>;</li> <li>c. <b>stock</b> that you have consigned to another person for sale;</li> <li>d. <b>stock</b> or <b>business contents</b> whilst in transit or in the open air; or</li> <li>e. <b>stock</b> or <b>business contents</b> that have been removed from the <b>situation</b> in excess of 90 days at the time of the <b>loss</b> or <b>damage</b>.</li> </ul>
-----------------	---

### 3. Damage to business records away from the situation

We cover	<p>We will cover you for <b>loss</b> or <b>damage</b> to computer system records, documents, manuscripts, plans, drawings, designs and business books of every description used for the purposes of your <b>business</b> if they are <b>lost</b> or <b>damaged</b> in a motor <b>vehicle</b> accident or stolen from a locked <b>vehicle</b> in the <b>period of insurance</b>.</p>
----------	---

### 4. Landscaping

We cover	<p>We will pay for <b>loss</b> of or <b>damage</b> to landscaping at the <b>situation</b>, during the <b>period of insurance</b> arising from an insured event.</p> <p>Landscaping includes trees, shrubs, plants and lawns</p>
We do not cover	<p>We will not pay more than \$10,000 for any one insured event.</p> <p>We will not pay for any <b>loss</b> of or <b>damage</b> to landscaping which occurs as a result of insured events:</p> <ul style="list-style-type: none"> <li>a. 4. Storm and wind (including snow, sleet or hail); or</li> <li>b. 8. Malicious Acts.(including by vandals and thieves).</li> </ul>

## 5. Damage to glass in vacant buildings

We cover	<p>If you own but do not occupy any <b>buildings</b> shown as insured under this policy section at a <b>situation</b> we will cover you for the following costs directly related to the breakage of <b>glass</b> in the <b>period of insurance</b> in a rentable area of the <b>building</b> that is vacant at the time of the breakage:</p> <ul style="list-style-type: none"><li>a. the cost of temporary shuttering necessary pending replacement of the broken <b>glass</b>;</li><li>b. the costs incurred in replacing reflective materials and burglar alarm tapes and connections attached to the <b>glass</b>;</li><li>c. the cost incurred in repairing or replacing <b>damage</b> to window, door or showcase frames and their fittings, but not to bars, grilles or shutters; or</li><li>d. the cost incurred in repairing or replacing tiles on shop and office fronts and around the <b>glass</b>.</li></ul>
We do not cover	<p>We will not pay more than \$5,000 during any one <b>period of insurance</b> for all claims under this additional benefit.</p> <p>We will not cover you for any breakage:</p> <ul style="list-style-type: none"><li>a. of <b>glass</b> caused by or arising out of fire or the application of heat;</li><li>b. of <b>glass</b>:<ul style="list-style-type: none"><li>i. when in transit or whilst being fitted into position or removed from its fitting;</li><li>ii. in light fittings;</li><li>iii. that is cracked or imperfect prior to breakage;</li><li>iv. that is not fit for the purpose intended; or</li><li>v. that is in a glasshouse.</li></ul></li></ul> <p>We will not pay for the breakage of:</p> <ul style="list-style-type: none"><li>a. tiles on shopfronts and office fronts, other than around the broken <b>glass</b>; or</li><li>b. plastic or perspex signs.</li></ul> <p>We will not cover any claims under this additional benefit if:</p> <ul style="list-style-type: none"><li>a. you have selected policy Section 5 - Glass;</li><li>b. your insured <b>building</b> is leased to a tenant; or</li><li>c. the <b>situation</b> has remained unoccupied or untenanted for a continuous period longer than 60 days and we have not agreed to an extended period in writing.</li></ul> <p>The <b>excess</b> that applies to this additional benefit is:</p> <ul style="list-style-type: none"><li>a. the <b>excess</b> shown on the <b>schedule</b>; or,</li><li>b. \$500</li></ul> <p>whichever is the higher.</p>

## 6. Theft of external property

We cover	If you own but do not occupy a <b>building</b> shown as insured under this section at a <b>situation</b> we will cover you for the theft in the <b>period of insurance</b> of plant, plumbing or wiring services that are not part of that <b>building</b> but which are securely attached (by means other than the connection to a power point) to the <b>building</b> structure.
We do not cover	<p>We will not cover you for more than \$5,000 in the aggregate during the <b>period of insurance</b> for all claims under this additional benefit.</p> <p>We will not pay for any <b>loss</b> or <b>damage</b> caused by your <b>family</b> or your tenants.</p> <p>We will not pay any claims under this additional benefit if you have selected policy section 3 – Burglary.</p>

## 7. Limited transit cover

We cover	<p>We will cover you for <b>loss</b> of or <b>damage</b> to <b>stock</b> or <b>business contents</b> during the <b>period of insurance</b> which are in transit in any <b>vehicle</b> anywhere in The Commonwealth of Australia and away from the <b>situation</b>, caused by a collision or overturning of the <b>vehicle</b> or an incident covered under the following:</p> <ul style="list-style-type: none"><li>a. Insured Event 1 (a &amp; b);</li><li>b. Insured Event 2;</li><li>c. Insured Event 3;</li><li>d. Insured Event 7;</li><li>e. Insured Event 8; or</li><li>f. Insured Event 9.</li></ul>
We do not cover	<p>We will not cover you for more than:</p> <ul style="list-style-type: none"><li>a. \$25,000; or</li><li>b. 10% of the highest <b>sum insured</b> for <b>business contents</b> or <b>stock</b> at any one <b>situation</b>;</li></ul> <p>for each incident, whichever is the lesser.</p> <p>We will not cover you for any claims under this additional benefit if you have selected policy section 7 – Goods in Transit.</p>

## 8. Temporary cover for new situations

We cover	<p>We will cover you for <b>loss</b> or <b>damage</b> occurring during the <b>period of insurance</b> to <b>property</b> at any new <b>situation</b> arising from any of insured events 1 – 10 inclusive that are not at a <b>situation</b> provided that:</p> <ul style="list-style-type: none"><li>a. you first occupy the new situation during the <b>period of insurance</b>;</li><li>b. the <b>business</b> carried on at or from the new <b>situation</b> is the same as shown on the <b>schedule</b>;</li><li>c. the <b>property</b> at the new situation is of the same nature as the <b>buildings, business contents</b> and <b>stock</b> located at a <b>situation</b> and would have been covered if they were located at a <b>situation</b>; and</li><li>d. the <b>buildings</b> at the new situation are constructed of the same materials as the <b>buildings</b> at any <b>situation</b>, and has the same or superior protection systems as those at that <b>situation</b>.</li></ul>
We do not cover	<p>We will not cover you for more than 20% of the highest <b>total declared value</b> for any <b>situation</b> shown on the <b>schedule</b>.</p> <p>For example, if you insure two existing <b>situations</b>, one which has a <b>total declared value</b> for all <b>property</b> totalling \$1,000,000 and the other which has a <b>total declared value</b> for all <b>property</b> totalling \$2,000,000, then any new situation will be covered for up to \$400,000 (20% of \$2,000,000, being the higher of the two <b>total declared values</b> for all <b>property</b> at a <b>situation</b>).</p> <p>We will not cover you under this additional benefit for any <b>loss</b> or <b>damage</b> at the new situation that occurs more than 30 days after you first occupy the new situation.</p>

# What we pay

The maximum we will pay for any one claim, other than a claim for a **specified item**, under this policy section is the **total declared value** as shown on the **schedule** or adjusted in accordance with this policy section, whichever is the higher.

The maximum amount we will pay in respect of a **specified item** is the **sum insured** noted for that item under the heading 'Other Property' on the **schedule**.

For **business contents** that are works of art, antiques or curios we will only pay the value of the item up to a maximum of \$10,000 for each item.

For any item of **business contents** or for any **specified item** that is part of a pair or set we will pay the relevant limit that applies to the pair or set.

## 1. Building(s), specified items or business contents

### Reinstatement or replacement

Unless the **schedule** shows you are insured for 'Indemnity' then, when **buildings, specified items** or **business contents** are lost or destroyed we will, at our option:

- a. rebuild the **buildings** at the **situation** shown on your **schedule** or at another site;
- b. replace **business contents** or **specified items** with similar **property**;
- c. pay you the amount shown on the proof of purchase for **specified items**;
- d. pay you the amount of a valuation by the Auctioneers and Valuers Association of Australia for **specified items** of works of art, antiques and curios; or
- e. pay the cost of rebuilding or replacing the **buildings, specified items** or **business contents**.

If the **buildings, specified items** or **business contents** are **damaged**, then we will, at our option:

- a. repair or replace the **buildings, specified items** or **business contents**; or
- b. pay the cost of repairing or replacing the **buildings, specified items** or **business contents**.

Reinstatement or replacement is subject to the following conditions:

- a. the work of rebuilding, replacing or repairing must be commenced and completed by you within a reasonable time otherwise the amount we pay will be the indemnity value of the **property**. This means we will reduce the amount we pay you to take into account age, wear, tear and depreciation.
- b. when rebuilding at another site, we will not pay more than we would pay to rebuild at the **situation**.
- c. when any **property** is **damaged**, but not destroyed, we will not pay more than the amount that we could have been called upon to pay for if that **property** had been destroyed.
- d. we will only pay to return the **property** to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in The Commonwealth of Australia.



## Indemnity

If your **schedule** shows you are insured for 'Indemnity' then, for any **loss** or **damage** to **building** or **business contents** we will, at our option:

- a. repair, reinstate or replace the **building** or **business contents**;
- b. pay you the market value of the **building** or **business contents** at the time of its **loss** or **damage**; or
- c. pay the cost of repair or replacement.

In all cases, where appropriate, we will reduce the amount we pay you to take into account age, wear, tear and depreciation.

### Extra costs of reinstatement: Building is not a heritage building

If you are insured under this policy section on a reinstatement or replacement basis, we will also pay the extra cost of reinstatement or replacement of **buildings** which are necessarily incurred to comply with the requirements of any Act of Parliament or any by-law or regulation of any Municipal or other statutory authority, other than those relating to heritage status of the **building**.

The following conditions apply:

- a. the work of reinstatement must be commenced and completed within a reasonable time; and
- b. the amount payable will not include any additional costs in complying with any requirement that you had been required to comply with before the **loss** or **damage** occurred.

If the cost of reinstatement of the **building** is less than 50% of what would have been the cost of reinstatement if that **building** had been totally destroyed, then the amount we will pay will

- a. be limited to the extra cost necessarily incurred in reinstating the **damaged** portion of the **building** only;
- b. not include any extra cost in relation to any portion of the **building** which is not **damaged**; and
- c. will not exceed, in any event, the amount that we would have paid if that **building** had been totally destroyed.

### Extra costs of reinstatement: Heritage building

If you are insured under this policy section on a reinstatement or replacement basis for **loss** or **damage** to any **building** that is subject to any heritage listing or protection and you choose to rebuild, replace or repair the **building** at the same location, we will pay the extra cost of repairing, replacing, or reinstating the **building**, that are related to obtaining special materials or employing specialized labour to match up or reproduce unique or distinctive ornamental or architectural features of the **building** to comply with standards imposed by lawful heritage protection authority.

We will not pay more than the cost necessary to rebuild, replace or repair any such heritage listed **building** to a reasonably equivalent appearance and capacity using original design and suitable modern equivalent materials, if the original materials are not available.

The following conditions apply:

- a. the work of reinstatement must be commenced and completed within a reasonable time; and
- b. the amount payable will not include any additional costs in complying with any requirement that you had been required to comply with before the **loss** or **damage** occurred.

## 2. Loss of floor space

If a **building** insured under this policy section on a reinstatement or replacement basis can only be rebuilt with a reduced floor space as a result of:

- a. an Act of Parliament or regulations; or
- b. a by-law or regulation of any Municipal or other statutory authority;

we will, in addition to reinstating or replacing the **building** on the basis set out above for the **building** with a reduced floor space, pay you the difference between:

- a. the actual cost of rebuilding the **building** with the reduced floor space; and
- b. the estimated cost of rebuilding the **building** with the floor space it had at the time of its destruction.

## 3. Stock and customers' goods

If **stock** or **customers' goods** are **lost** or **damaged**, we will, at our option:

- a. pay the market value of the **stock** or **customers' goods** at the time of the **loss** or **damage** up to but not exceeding the **sum insured** for **stock** under the Fire and other damage section in the **schedule**;
- b. pay you the market value of **obsolete stock** or its purchase price (net of GST), whichever is the lesser, but no more than the original cost to you;
- c. replace or repair the **stock** or **customers' goods** with property or materials equal to or of a similar standard and specification as the **stock** or **customers' goods** at the time it was **lost** or **damaged**; or
- d. pay the cost of repair or replacement of the **lost** or **damaged stock** or **customers' goods**.

## Branded stock

We will not sell branded **stock** as salvage without your consent.

If you do not agree to us selling the branded **stock** as salvage, we will pay the market value of the **stock** after brands, labels or names have been removed.

## 4. Electronic equipment

For valves, tubes and light sources in **electronic equipment** we will, at our option:

- a. replace or repair the valves, tubes or light sources as far as possible to the condition they were at the time of **loss** or **damage**; or
- b. pay the cost of repair or replacement.

In either case, for valves, tubes and light sources we will reduce what we pay you to take into account wear and tear, depreciation and betterment.

## Excess

You must pay the **excess** shown on the **schedule** that applies to a claim under this section.

If you are making a claim for **loss** or **damage**:

- i. covered under insured event 8 – Malicious Acts where such **damage** is caused by an act committed by your tenants, the **excess** for each claim is \$500 or the **excess** shown on the **schedule** (whichever is higher);
- ii. covered under insured event 9- Earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 consecutive hours, the **excess** for each claim is 1% of the total **sums insured** specified in the **schedule** that relate to the **damaged property** at the **situation** or \$20,000 whichever is the lesser, for each claim;
- iii. covered under additional benefit 5 – Damage to glass in vacant buildings, the **excess** for each claim is \$500 or the **excess** shown on the **schedule** (whichever is higher).

## Policy section conditions

These conditions apply to all covers and claims under section 1- Fire and other damage.

### 1. Under-insurance

In the event of **loss** or **damage** covered under this section:

- a. for claims settled on a reinstatement or replacement basis, we will be liable for no greater proportion of the **loss** or **damage** than the **total declared value** specified in the **schedule** for all **property** at the **situation** where the **loss** or **damage** occurs, bears to 80% of the cost (net of any **input tax credit** that you could claim) which would have been incurred in reinstatement at the time when the policy was entered into, if the whole of the **property** had been destroyed at that time; or
- b. for claims settled on an indemnity basis, we will be liable for no greater proportion of the **loss** or **damage** than the **total declared value** specified on the **schedule** for all **property** at the **situation** where the **loss** or **damage** occurs, bears to 80% of the indemnity value (less any Goods and Services Tax component of that value) of the **property** at the time when the policy was entered into.

This condition does not apply if the amount of any **loss** or **damage** (net of any **input tax credit** that you could claim) is less than 5% of the **total declared value** specified on the **schedule** for all **property** at the **situation** where the **loss** or **damage** occurs.

### 2. Sprinklers and fire alarm systems

All fire protection systems (either manual or automatic sprinkler or alarm systems) in the **building(s)** and which you own or have responsibility for maintaining must be maintained in accordance with the Australian Standards Maintenance Series (A.S. 1851 or any subsequent amendments).

### 3. Indexation

If shown on the **schedule** or Business Insurance Application that indexation applies, we will automatically adjust the **total declared value**, shown on the **schedule**, each year according to the most appropriate price index (as determined by us) and any other relevant indices published by the Australian Bureau of Statistics.

The premium you pay will be based on the adjusted **total declared value** shown on the **schedule**.

# Worked dollar examples

The following worked dollar examples are designed to assist you in the understanding some of the important benefits in this policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following examples should be used for general guidance only.

You have cover for a building that is used as both a hairdressing salon and your residence. For this reason it is a **home building**. Indemnity is not shown on your **schedule**, so you have cover on a replacement value basis. The **total declared value** on the **schedule** is shown as \$400,000 (the total of the **sum insured** shown on your **schedule** for the **building** of \$380,000, **business contents** of \$10,000 and **stock** of \$10,000) and the **excess** shown on the **schedule** is \$250. When setting the 'Building' **sum insured**, you must consider the costs to remove debris and payment of any architect fees. The **building** is **damaged** in a storm and we assess the cost of repairs to be \$50,000.

How much we pay		Further information
Cost of repairing the storm <b>damage</b> to your <b>building</b>	\$50,000	We normally decide the <b>building</b> is repairable if the cost of repairing the <b>building</b> is less than the <b>sum insured</b> (in this example the <b>sum insured</b> is \$380,000).
Removal of debris	+\$30,000	In addition to the <b>damage</b> to the <b>building</b> , the storm has created building debris that requires cleaning up and removal. The most we will pay under the removal of debris benefit is \$25,000 in addition to the <b>total declared value</b> . However, as the <b>total declared value</b> has not been exhausted, we will pay up to any unexhausted amount remaining from the <b>total declared value</b> , which in this case is \$30,000.
Less <b>excess</b>	-\$250	We deduct this from the amount we pay. We may require you to pay this amount directly to the repairer.
Total claim	<b>\$79,750</b>	We normally pay this amount directly to the repairer.

## Underinsurance on a partial **loss**

In the above example, if the actual replacement value of the **building** at the time the policy was entered into was \$580,000 but you had only insured the **building**, **business contents** and **stock** for \$400,000 the amount we pay will be reduced in accordance with the underinsurance condition in this policy section.

The amount we would pay before we deduct the **excess** will be calculated as follows:

Total claim of \$80,000 x

\$400,000

(80% x \$580,000)

= \$68,966

You have cover for a **building** that is used as both a cafe and your residence. For this reason it is a **home building**. Indemnity is not shown on your **schedule** so you have cover on a replacement value basis. The **sum insured** on the **schedule** is shown as \$2,500,000 and the **excess** shown on your **schedule** is \$250. The **building** is **damaged** in an earthquake and we assess the cost of repairs to be \$1,000,000.

How much we pay		Further information
Cost of repairing the <b>damage</b> to your <b>building</b> that arose from the earthquake	\$1,000,000	We normally decide the <b>building</b> is repairable if the cost of repairing the <b>building</b> is less than the <b>sum insured</b> (in this example the <b>sum insured</b> is \$2,500,000).
Removal of debris	\$40,000	In addition to the <b>damage</b> to the <b>building</b> , the storm has created building debris that requires cleaning up and removal. The most we will pay under the removal of debris benefit is \$25,000 in addition to the <b>total declared value</b> . However, as the <b>total declared value</b> has not been exhausted, we will pay up to any unexhausted amount remaining from the <b>total declared value</b> .
Less <b>excess</b>	-\$20,000	Because the <b>damage</b> is caused by an earthquake an <b>excess</b> of 1% of the <b>sum insured</b> (up to a maximum of \$20,000) applies. In this example 1% of the <b>sum insured</b> is \$25,000 so the maximum \$20,000 excess applies.
Total claim	<b>\$1,020,000</b>	We normally pay this amount directly to the repairers.

# Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

## Business contents

Business and office furniture, tools of trade and equipment used by you in the **business**.

**Business contents** includes:

- a. unused stationery and printed books;
- b. where you are a tenant of a leased or rented **situation**:
  - i. property owner's fixtures and fittings, window blinds and floor coverings for which you are liable under the terms of a lease or similar agreement;
  - ii. fixtures and fittings installed by you for your use in the **business**; and
  - iii. installed fixtures and fittings, window blinds, cool rooms, awnings, CCTV and other security systems, exterior lights, masts, antennae and aerials, fixed external signs and air conditioning units including external compressors and pipes at your **situation**;
- c. **money** up to \$500;
- d. plant and **machinery**, unregistered forklifts and hoists, communications systems, fixtures and fittings, signs and awnings;
- e. computers, word processors, printers, scanners and other peripheral equipment and other **electronic equipment** or electronic data processing systems;
- f. digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines;
- g. **data, media**, records, documents, manuscripts, plans, drawings, designs and business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery;
- h. current patterns, models, moulds, dies and lasts used in the **business** but limited, unless repaired or replaced, to the value stated in your financial records at the time of **damage**; or
- i. works of art, antiques or curios.

**Business Contents** does not include:

- a. **stock**;
  - b. **specified items**;
  - c. directors' and **employees'** tools of trade and personal effects;
  - d. jewellery, precious metals or stones, bullion or furs;
  - e. **vehicles** registered for **road** use, caravans, trailers, **watercraft, aircraft, hovercraft**, rolling stock and locomotives or their accessories;
  - f. live **animals**;
  - g. plants, shrubs, lawns, growing crops, pastures and standing timber; or
  - h. **customers' goods** other than customer's records and documents held or created by you as part of your **business**.
-

---

## Catastrophe

A large scale destructive **event**, in the area where the **situation** is located, which either:

- a. the Insurance Council of Australia has declared to be an 'insurance catastrophe event'; or
- b. as a consequence of the **event**, the relevant government authority has declared a state of emergency.

---

## Cigarettes, cigars and tobacco

Cigarettes, cigars and tobacco for sale by you in the **business**.

---

## Employee

Any person while employed by you in the **business** who you compensate by salary, wages or commission and have the right at all times to govern, control and direct in the performance of their work.

Employee does not include:

- a. Any broker, factor, consignee or contractor;
- b. Any member of your **family**; or
- c. Any partner, director or trustee unless that person is also your employee.

---

## Property

The property means **Buildings**, **Business Contents**, **Stock** and **Specified Items** at the **situation**.

---

## Seasonal increase period

Any period of time during the **period of insurance** that has **stock** levels at least 35% higher than **stock** levels at other times during the **period of insurance**.

The total number of days we will allow as seasonal increase periods is 120 days during any one **period of insurance** unless a different period is shown in the **schedule**. You do not have to tell us what the dates of the periods are, but ,if you make a claim under this section then your financial records over at least the previous 2 years must substantiate the period as a seasonal increase period. If the **business** is less than 2 years old, you can use the financial records of your **business** from the date of commencement until the date of the **loss** or damage to substantiate your claim.

---

## Specified items

Each item of property that is specifically described under 'Other Property' on the **schedule**.

---

---

## Stock

Merchandise, **stock in trade**, raw materials or work in progress and packing materials used by you in the **business**.

Stock also includes **customers' goods**.

Stock includes items of **property** at your **situation** under a 'sales or return' consignment agreement.

Stock does not include consigned items of property under an 'agency' arrangement where you make a commission on a sale.

---

## Stock in trade

Merchandise and **customers' goods** for which you are legally responsible including the value of the work done and any containers or packaging materials used in connection with the **business**, but excluding **cigarettes, cigars and tobacco**, and bullion.

---

## Total declared value

The total declared value shown on your **schedule**, or adjusted in accordance with this policy section, whichever is the higher. The total declared value does not include any amount for **specified items**.

---



# Policy Section 2: Business interruption

## About this policy section

This section of the policy covers a reduction in your **business** income as a result of **damage** referred to in this policy section.

## Your insurance under this policy section

We cover	<p>Provided 'Business Interruption' is shown under 'Sections Insured' in the <b>schedule</b>, we will insure you for:</p> <ul style="list-style-type: none"><li>➤ a reduction in your:<ul style="list-style-type: none"><li>➤ <b>gross profit</b>, if 'Gross Profit' is shown in the <b>schedule</b>; or</li><li>➤ <b>gross rentals</b>, if 'Gross Rentals' is shown in the <b>schedule</b>; or</li></ul></li><li>➤ your increased costs of working only if 'Increased Costs of Working Only' is shown in the <b>schedule</b>,</li></ul> <p>arising from the <b>business</b> being interrupted directly by sudden and unforeseen physical <b>loss</b> or <b>damage</b> for which you are covered by us (or would have been but for the application of the <b>excess</b>, but not where you are only covered by an Additional Benefit under those sections) under:</p> <ul style="list-style-type: none"><li>a. Policy Section 1: Fire and other damage;</li><li>b. Policy Section 3 Burglary;</li><li>c. Policy Section 4: Money;</li><li>d. Policy Section 5: Glass;</li><li>e. Policy Section 7: Goods in Transit;</li><li>f. Policy Section 10: General Property; or</li><li>g. any other policy insuring the <b>events</b> in (a) to (g) and for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an <b>excess</b>,</li></ul> <p>which occurs during the <b>period of insurance</b>.</p> <p>For any optional insurance, you can only claim for <b>loss</b>, <b>damage</b> or expense covered by the benefit or option. However, the general exclusions shown on pages 22 to 24 also apply.</p>
We do not cover	<p><b>Change in or sale of business</b></p> <p>This policy section does not insure you if, during the <b>period of insurance</b>, any of the following happen:</p> <ul style="list-style-type: none"><li>a. you form the intention of ceasing to carry on the <b>business</b> or a part of it;</li><li>b. the proprietary interest in the business or a part of it changes;</li><li>c. you dispose of or permanently discontinue the <b>business</b> or a part of it;</li><li>d. you become a bankrupt, or enter into a scheme of arrangement or compromise or composition with creditors;</li></ul>

We do not cover	<p>e. you are placed in liquidation or provisional liquidation, or under official management or administration, or enter into a scheme of arrangement; or</p> <p>f. a receiver, or a receiver and manager, is appointed to any of your assets.</p>
-----------------	--

## Extra covers

If we agree to pay a claim under this policy section arising from any business interruption, we will also pay or provide the extra covers set out below.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **sum insured**.

### 1. Claims preparation costs

We cover	<p>We will pay the reasonable professional accountants', auditors' and claim consultants' fees and other reasonable expenses incurred by you for the preparation of claims under this policy section.</p> <p>The maximum we will pay for any one claim under this extra cover is \$10,000.</p> <p>If you want to increase the amount of cover for claims preparation costs, you must have selected Optional insurance 1 – Claims preparation costs. See page 62.</p>
----------	--

### 2. Additional increased cost of working

We cover	<p>We will pay the additional expenditure reasonably incurred by you during the <b>indemnity period</b> for all costs not otherwise recoverable that are necessarily incurred for the resumption or maintenance of normal <b>business</b> operations or services following <b>loss</b> or <b>damage</b> covered by this policy section.</p> <p>The maximum we will pay for any one claim under this extra cover is \$10,000.</p> <p>If you want to increase the amount of cover for increased cost of working, you must have selected Optional insurance 2 – Additional increased cost of working. See page 62.</p>
----------	---

### 3. Reinstatement of sum insured

We cover	<p>If we pay an amount for a claim under this policy section we will automatically reinstate the <b>sum insured</b> to the amount shown on the <b>schedule</b>. You will not have to pay any additional premium.</p> <p>This Extra Cover does not apply if we pay the full <b>sum insured</b> for <b>property insured</b> in respect of a single claim under this policy section. If we pay the full <b>sum insured</b> for <b>property insured</b> in respect of a single claim, then cover under this policy section ends.</p>
----------	--

# Additional benefits

We will also provide the following additional benefits in this policy section.

These additional benefits do not apply in addition to the **sum insured**. All **damage** that is covered by these Additional Benefits must occur during the **period of insurance**.

## 1. Premises in the immediate vicinity (prevention of access) extension

We cover	<p>We will treat <b>damage</b> to property in the immediate vicinity of the <b>situation</b> as being <b>damage</b> for the purposes of this policy section if the following apply:</p> <ul style="list-style-type: none"><li>a. the <b>damage</b> would have been covered under policy section 1 if such <b>damage</b> had been to <b>property insured</b> under that policy section;</li><li>b. the <b>damage</b> prevents or hinders the use of or access to the <b>situation</b>; and</li><li>c. the <b>damage</b> results in interruption of, or interference with, your <b>business</b>.</li></ul>
----------	--

## 2. Business that attracts customers

We cover	<p>If your <b>business</b> is located within a retail shopping mall or complex, we will treat <b>damage</b> to property of a major tenant as being <b>damage</b> for the purposes of this policy section, if the following apply:</p> <ul style="list-style-type: none"><li>a. the <b>damage</b> would have been covered under policy section 1 if such <b>damage</b> had been to property insured under that policy section;</li><li>b. the <b>damage</b> results in customers not coming to the shopping complex; and</li><li>c. the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li></ul>
----------	---

## 3. Utilities extension

We cover	<p>We will treat <b>damage</b> to the following public utilities:</p> <ul style="list-style-type: none"><li>a. an electricity power station or substation;</li><li>b. a gas works;</li><li>c. a water or sewage works; or</li><li>d. a telecommunications installation that is land-based within Australia and supplies your <b>business</b>;</li></ul> <p>as <b>damage</b> for the purposes of this policy section, if the following apply:</p> <ul style="list-style-type: none"><li>a. the <b>damage</b> would have been covered under policy section 1 if such <b>damage</b> had been to <b>property insured</b> under that policy section;</li><li>b. the <b>damage</b> results in hindering or stopping the supply of electricity, gas, water or sewage or telecommunications to the <b>situation</b>; and</li><li>c. the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li></ul>
----------	--

We do not cover	<p>We will not pay for any <b>loss</b> occurring in the first forty-eight (48) hours after the <b>damage</b> to the public utility.</p> <p>We will not pay more than 20% of the <b>sum insured</b> shown against Gross Profits or Increased Cost of Working Only in the <b>schedule</b>.</p>
-----------------	--

#### 4. Suppliers' or customers' premises extension

We cover	<p>We will treat <b>damage</b> to property at the Australian premises of:</p> <ol style="list-style-type: none"> <li>any suppliers, manufacturers or processors of component goods, materials or services which supplies the <b>business</b> directly; or</li> <li>any customer to whom you supply component goods, materials or services directly;</li> </ol> <p>as being <b>damage</b> for the purposes of this policy section if the following apply:</p> <ol style="list-style-type: none"> <li>the <b>damage</b> would have been covered under Policy Section 1 – Fire and other damage if such <b>damage</b> had been to <b>property insured</b> under that policy section; and</li> <li>the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li> </ol>
We do not cover	<p>We will not pay more than 20% of the 'Gross Profits', 'Gross Rentals' or 'Increased Cost of Working Only' <b>sum insured</b> during any one <b>period of insurance</b>.</p>

#### 5. Infectious diseases, murder, suicide extension

We cover	<p>We will cover you for loss of <b>gross profits</b> or loss of <b>gross rentals</b> resulting from an interruption or interference with your <b>business</b> due to the closure or evacuation of the whole or part of the <b>situation</b> by order of a competent government, public or statutory authority as a result of:</p> <ol style="list-style-type: none"> <li>infectious or contagious human disease occurring at the <b>situation</b>;</li> <li>vermin or pests or defects in the drains or other sanitary arrangements at the <b>situation</b>;</li> <li>the outbreak of a notifiable human infectious or contagious disease occurring within twenty (20) kilometres radius of the <b>situation</b>;</li> <li>murder or suicide occurring at the <b>situation</b>; or</li> <li>shark or crocodile attack occurring within a 20 kilometre radius of the <b>situation</b>;</li> </ol> <p>during the <b>period of insurance</b>.</p>
----------	---

We do not cover	<p>We will not cover you under this additional benefit for:</p> <ol style="list-style-type: none"> <li>any costs arising from cleaning, repairing or checking the <b>situation</b>;</li> <li>any loss of <b>gross profit</b> or loss of <b>gross rental</b> directly or indirectly caused by or arising from, or in consequence of, or contributed by: <ol style="list-style-type: none"> <li>any Quarantinable Disease, as that term is defined in the Quarantine Act (Cth) 1908 and any similar legislation; or</li> <li>Highly Pathogenic Avian Influenza.</li> </ol> </li> </ol>
-----------------	--

## 6. Boiler explosion

We cover	We will treat the explosion of any boiler or economiser at the <b>situation</b> , as <b>damage</b> for the purposes of this policy section.
----------	---

## 7. Computer installation

We cover	<p>We will treat <b>damage</b> to a computer installation, including any ancillary equipment that you utilise in your <b>business</b> as being <b>damage</b> for the purposes of this policy section if the following apply.</p> <ol style="list-style-type: none"> <li>the <b>damage</b> would have been covered under policy section 1 if such damage had been to <b>property insured</b> under that policy section;</li> <li>the <b>damage</b> results in not being able to utilise a computer installation or any ancillary equipment in your <b>business</b>; and</li> <li>the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li> </ol>
----------	---

## 8. Roads, bridges and railway lines

We cover	<p>We will treat damage to <b>roads</b>, bridges and railway lines over which <b>stock</b>, components and materials used in your <b>business</b> are conveyed to and from your <b>situation</b> as being <b>damage</b> for the purposes of this policy section if the following apply:</p> <ol style="list-style-type: none"> <li>the <b>damage</b> would have been covered under policy section 1 if such <b>damage</b> had been to <b>property insured</b> under that policy section;</li> <li>the <b>damage</b> results in not being able to convey <b>stock</b>, components or materials used in your <b>business</b> to and from your <b>situation</b>; and</li> <li>the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li> </ol>
We do not cover	We will not cover you for more than is 20% of the 'Gross Profits', 'Gross Rentals' or 'Increased Cost of Working Only' <b>sum insured</b> , whichever is applicable.

## 9. Documents temporarily removed

We cover	<p>We will treat <b>damage</b> to your documents or documents held in trust by you as part of your <b>business</b> that are:</p> <ul style="list-style-type: none"><li>a. temporarily removed to other premises anywhere in Australia; or</li><li>b. in transit to any place in Australia</li></ul> <p>as being <b>damage</b> for the purposes of this policy section if the following apply:</p> <ul style="list-style-type: none"><li>a. the <b>loss</b> or <b>damage</b> would have been covered under Policy Section 1 as if such <b>loss</b> or <b>damage</b> had been to <b>property insured</b> under that policy section; and</li><li>b. the <b>damage</b> results in interruption of or interference with the <b>business</b>.</li></ul>
We do not cover	<p>We will not cover you for more than is 20% of the 'Gross Profits', 'Gross Rentals' or 'Increased Cost of Working Only' <b>sum insured</b>, whichever is applicable.</p>

## 10. Registered motor vehicles owned or operated by you

We cover	<p>We will treat <b>accidental damage</b> to any registered <b>vehicle</b> or trailer owned or operated by you when they are at the <b>situation</b> or in buildings anywhere in Australia as being <b>damage</b> for the purposes of this policy section provided that the <b>damage</b> results in interruption or interference with the <b>business</b>.</p>
We do not cover	<p>We will not cover you for <b>damage</b> that occurs while the <b>vehicle</b> is being driven on a road.</p> <p>We will not pay more than 10% of the gross profits or 'Gross Profits', 'Gross Rentals' or 'Increased Cost of Working Only' <b>sum insured</b>, whichever is applicable.</p>

## 11. Transit section 1 – Fire and other damage

We cover	<p>We will treat <b>damage</b> to <b>stock</b> whilst in transit by <b>road</b>, rail, sea or air to any place in Australia away from your <b>situation</b> as <b>damage</b> for the purposes of this policy section if the <b>loss</b> or <b>damage</b> would have been covered under Policy Section 1 as if such <b>loss</b> or <b>damage</b> had been to <b>property insured</b> under that policy section.</p>
We do not cover	<p>We will not pay more than 10% of the 'Gross Profits', 'Gross Rentals' or 'Increased Cost of Working Only' <b>sum insured</b> in the <b>schedule</b> resulting from any one <b>event</b>.</p>

# Optional insurances

We will provide the following optional insurance when requested by you, when you pay any additional premium required and when shown on your schedule as applying. You can only select these Optional Insurances if you have selected either Gross Profit or Gross Rentals cover.

Any amounts payable under these optional insurances do not apply in addition to the **sum insured**.

## 1. Claims preparation costs

We cover	We will cover you for the reasonable professional accountants', auditors' and claim consultants' fees and other reasonable expenses incurred by you for the preparation of claims under this policy section.  This <b>sum insured</b> will be in addition to the amount covered under extra cover 1.
We do not cover	We will not cover you for more than the 'Claims Preparation Costs' <b>sum insured</b> shown on the <b>schedule</b> for any claim.

## 2. Additional increased cost of working

We cover	We will cover you for the additional expenditure reasonably incurred by you during the <b>indemnity period</b> for all costs not otherwise recoverable that are necessarily incurred for the resumption or maintenance of normal <b>business</b> operations or services following <b>damage</b> covered by this policy section.  This <b>sum insured</b> will be in addition to the amount covered under extra cover 2.
We do not cover	We will not cover you for more than the <b>sum insured</b> shown on the <b>schedule</b> for any claim in relation to this Optional insurance.

## 3. Outstanding accounts receivable

We cover	If, due to <b>loss</b> or <b>damage</b> occurring during the <b>period of insurance</b> for which you are covered by us (or would have been but for the application of the <b>excess</b> and as if such <b>damage</b> had been to property insured under those policy sections but not where you are only covered by an Additional Benefit under those sections ) under:  <ul style="list-style-type: none"><li>a. Policy Section 1: Fire and other damage;</li><li>b. Policy Section 3 Burglary;</li><li>c. Policy Section 4: Money;</li><li>d. Policy Section 5: Glass;</li><li>e. Policy Section 7: Goods in Transit;</li><li>f. Policy Section 10: General Property; or</li></ul>
----------	---

We cover	<p>g. any other policy insuring the <b>events</b> in (a) to (g) and for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an <b>excess</b>,</p> <p>your financial records are <b>damaged</b>, you cannot follow your normal outstanding accounts receivable management processes, then we will cover you for:</p> <ul style="list-style-type: none"><li>a. the difference between the amount owed to you by customers for the supply of goods and services and recorded in your financial records as outstanding accounts receivable and the amount actually paid by customers after the <b>damage</b>; and</li><li>b. the expenditure necessarily and reasonably incurred by you with our consent to trace and establish the outstanding accounts receivable.</li></ul> <p>This optional insurance will only apply if, as soon as possible at the end of each accounting period (usually one month), you have a copy of your financial records stored away from the <b>situation</b>, including a full copy (customer by customer) of your outstanding accounts receivable ledger.</p>
We do not cover	<p>We will not cover you under this optional insurance for more than 'Outstanding Accounts Receivable <b>sum insured</b> shown on the <b>schedule</b>, for any one claim.</p>



# What we pay

## 1. Gross profit

If the **schedule** shows that you are insured for 'Gross Profit' we will pay for your:

- a. reduction in **turnover**. This is the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** does, in consequence of the **damage**, fall short of the **standard turnover**; and
- b. increased cost of working. This is the expenditure necessarily and reasonably incurred with our consent for the sole purpose of avoiding or diminishing the reduction in **turnover** of the **business** caused by the **damage** covered by this policy section. We will not pay for any amount of expenditure that exceeds the reduction in **turnover** avoided by it (less expenses saved as a result of the **damage**).

## 2. Gross rentals

If the **schedule** shows that you are insured for 'Gross Rentals' we will pay for your:

- a. reduction in **gross rentals**. This is the amount by which the **gross rentals** during the **indemnity period** shall, in consequence of the **damage**, fall short of the **standard gross rentals**; and
- b. increased cost of working. This is the expenditure necessarily and reasonably incurred with our consent for the sole purpose of avoiding or diminishing the reduction in **gross rentals** caused by the **damage** covered by this policy section. We will not pay for any amount of expenditure that exceeds the reduction in **gross rentals** avoided by it (less expenses saved as a result of the **damage**).

## 3. Increased cost of working only cover

If the **schedule** shows that you are insured for Increased Costs of Working Only cover, we will pay for general and administrative operating the expenses, such as advertising fees, utilities and additional staff costs, necessarily and reasonably incurred by you during the **indemnity period** to avoid or a reduction in **turnover** of the **business** caused by **loss** or **damage** covered by this section.

## Limits to what we pay

The most we will pay for:

- a. Gross Profit cover is the 'Gross Profit' **sum insured** specified in the **schedule**;
- b. Gross Rental cover is the 'Gross Rental' **sum insured** specified in the **schedule**; and
- c. Increased Costs of Working Only cover is the 'Increased Cost of Working Only' **sum insured** specified in the **schedule**.

## Excess

The **excess** that applies is shown on the **schedule**.

## Policy section conditions

These conditions apply to this policy section.

### 1. Savings

The amount payable for loss of **gross profit** and of **gross rental** will be reduced by the sum of any expenses or charges reduced or avoided during the **indemnity period**.

### 2. End of indemnity period

The **indemnity period** will end at the time any of the following happen:

- a. you form the intention of ceasing to carry on the **business** or a part of it;
- b. the proprietary interest in the **business** or a part of it changes;
- c. you dispose of or permanently discontinue the **business** or a part of it;
- d. you become a bankrupt, or enter into a scheme of arrangement or compromise or composition with creditors;
- e. you are placed in liquidation or provisional liquidation, or under official management or administration, or enter into a scheme of arrangement; or
- f. a receiver, or a receiver and manager, is appointed to any of your assets.

### 3. New business

In the event of **damage** occurring at the **situation** before the completion of the first year's trading or business, the terms 'rate of gross profit', 'annual turnover', 'standard turnover', 'annual gross rentals' and "standard gross rentals" shall bear the following meanings and not those meanings shown in definitions section of this policy section;

#### Annual gross rentals

The proportional equivalent, for a period of 12 months, of the gross rentals realised during the period between the commencement of the **business** and the date of the **damage**.

#### Annual turnover

The proportional equivalent, for a period of 12 months, of the turnover realised during the period between the commencement of the **business** and the date of the **damage**.

#### Rate of gross profit

The rate of gross profit earned on the turnover during the period between the date of commencement of the **business** and the date of the **damage**.

#### Standard gross rentals

The proportional equivalent, for a period equal to the indemnity period, of the gross rentals realised during the period between the commencement of the **business** and the date of the **damage**.

## Standard turnover

The proportional equivalent, for a period equal to the indemnity period, of the turnover realised during the period between the commencement of the **business** and the date of the damage.

The 'rate of gross profit', 'annual turnover', 'standard turnover', 'annual gross rentals' and 'standard gross rentals' will be adjusted to provide for the trend of the **business** and for variations in or other circumstances affecting the **business**, either before or after the damage, so that the adjusted figures represent as far as possible the results which, but for the damage, would have been obtained during the relative period after the damage occurred.

## 4. Under-insurance

- a. For a claim for loss of **gross profit** the amount payable will be proportionately reduced if the 'Gross Profit' **sum insured** is less than the sum produced by applying the **rate of gross profit** to 80% of the **annual turnover** (proportionally increased if the **indemnity period** exceeds 12 months).
- b. For a claim for loss of **gross rental** the amount payable will be proportionately reduced if the 'Gross Rental' **sum insured** is less than 80% of the **annual gross rentals** (appropriately increased if the **indemnity period** exceeds 12 months).

## 5. Turnover elsewhere after damage

If during the **indemnity period** goods are sold, or work is done or services are rendered, elsewhere than at the **situation**, for the benefit of the **business** either by you or by others on your behalf, the **money** paid or payable in respect of such sales, work or services will be included in the calculation of the turnover during the **indemnity period**.

## 6. Gross rentals elsewhere after damage

If during the **indemnity period**, the **business** is conducted elsewhere than at the **situation**, the **gross rentals** derived from those other premises will be included in the calculation of the **gross rentals** during the **indemnity period**.

## 7. Accumulated stocks allowance

In adjusting any loss, account shall be taken and equitable allowance made if any shortage in **turnover**, resulting from the **damage**, is postponed by reason of the **turnover** being temporarily maintained from accumulated **stocks**.

## 8. Business conducted in departments

If the **business** is conducted in departments, business units or different locations and the independent trading results of these are ascertainable, the **gross profit** and **gross rentals** calculations in this policy section, will apply separately to each department, unit or location affected by the **damage**.

# Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24:

---

## Annual gross rentals

The **gross rentals** during the 12 months immediately before the date of the **damage**.

---

## Annual turnover

The **turnover** during the 12 months immediately before the date of the **damage**.

---

## Gross profit

The **turnover** less the nett cost of goods, materials and services relating to the turnover.

---

## Gross rentals

The **money** paid or payable to you by tenants in respect of the rental of the **situation** and for services rendered by you or on your behalf in connection with the rental.

---

## Indemnity period

The period beginning with the occurrence of the **damage** and ending on the earlier of the date:

- a. when the **business** is no longer affected by the loss or **damage**;
  - b. that any of the circumstances referred to in Policy Section Condition 'End of Indemnity Period' occurs; or
  - c. the period shown in the **schedule** ends.
- 

## Rate of gross profit

The rate of **gross profit** earned on the **turnover** during the financial year immediately before the date of the **damage**.

---

## Standard gross rentals

The **gross rentals** during that period in the 12 months immediately before the date of the **damage** which corresponds with the **indemnity period**.

---

## Standard turnover

The **turnover** during the 12 months immediately before the date of the **damage** which corresponds with the **indemnity period**.

---

## Turnover

The **money** paid or payable to you for goods sold and delivered, work done and services rendered in the course of the **business** at the **situation**.

---

# Policy Section 3: Burglary

Please note that if you are insuring a **home building** under this policy section you should also read Part B of this **PDS**.

## About this policy section

This section covers the **loss** of or **damage** to your **contents**, **stock** and **specified items** caused by **burglary**.

## Your insurance under this policy section

We cover	Provided 'Burglary' is shown under 'Sections Insured' in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to your <b>contents</b> , <b>specified items</b> and <b>stock</b> caused by <b>burglary</b> occurring during the <b>period of insurance</b> at the <b>situation</b> .
We do not cover	<p>This policy section does not insure:</p> <p><b>1. Burglary by you, your employees or family</b> <b>Loss</b> of or <b>damage</b> to property caused by you, your <b>employees</b> or any member of your <b>family</b>.</p> <p><b>2. Certain Property</b> <b>Loss</b> of or <b>damage</b> to:</p> <ul style="list-style-type: none"><li>a. <b>money</b>;</li><li>b. jewellery, precious metals or stones, bullion or furs unless these items form part of your <b>stock</b>;</li><li>c. motor <b>vehicles</b>, except for fork lift trucks and similar appliances that are used for hauling or conveying goods at the <b>situation</b>;</li><li>d. live <b>animals</b>; or</li><li>e. plants, shrubs, landscaping materials or growing crops, pastures or standing timber.</li></ul> <p><b>3. Glass</b> The breakage of <b>glass</b> (as those terms are defined in Policy Section 4 - Glass), washbasins, sinks, toilet pans or cisterns, or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken <b>glass</b>;</p> <p><b>4. Open space</b> Except as expressly provided by Additional benefit 2 Theft of External Property, <b>loss</b> of or <b>damage</b> to <b>property insured</b> from or in any open space, whether fenced or unfenced, outside the walls of the <b>building</b>;</p>

We do not cover	<p><b>5. Access</b></p> <p><b>Loss</b> of or <b>damage</b> to, <b>property insured</b> if entry is gained to the <b>building</b>:</p> <ul style="list-style-type: none"> <li>a. by use of a key or security code; or</li> <li>b. through an unlocked door or window;</li> </ul> <p>except as provided for under</p> <ul style="list-style-type: none"> <li>a. Additional benefit 1 Theft without forced entry;</li> <li>b. Additional benefit 3 Employee Dishonesty; or</li> <li>c. Optional insurance 2 Theft sum insured without forced entry (if shown on your <b>schedule</b>).</li> </ul> <p><b>6. Certain Insured Events under section 1</b></p> <p><b>Loss</b> of, or <b>damage</b> to, <b>property insured</b>:</p> <ul style="list-style-type: none"> <li>a. resulting from or as a consequence of fire; or</li> <li>b. arising during or as a consequence of earthquake, tsunami, subterranean fire, volcanic eruption, riot or civil commotion;</li> </ul> <p>unless you are able to prove that the <b>loss</b> or <b>damage</b> occurred independently of these <b>events</b>.</p> <p><b>7. Consequential loss</b></p> <p>Loss of use, loss of earning capacity and any other consequential loss.</p>
-----------------	---

## Extra covers

If we agree to pay a claim under this policy section for **loss** or **damage** caused by **burglary**, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers do not apply in addition to the **sum insured** specified in the **schedule**.

### 1. Reinstatement of sum insured

We cover	<p>If we pay an amount for a claim under this policy section we will automatically reinstate the <b>sum insured</b> to the amount shown on the <b>schedule</b>. You will not have to pay any additional premium.</p>
----------	--

## 2. Damage to rented premises

We cover	<p>We will insure you for <b>damage</b> to the <b>situation</b> that you occupy as a tenant if you are legally liable for that <b>damage</b> under your tenancy agreement, provided that the <b>damage</b> is due to <b>burglary</b> at the <b>situation</b> which occurs during the <b>period of insurance</b>.</p> <p>The maximum we will pay for any one claim under this extra cover is \$5,000.</p> <p>If you want to increase the amount of cover for <b>damage</b> to rented <b>situation</b> you must have selected Optional insurance 1 Additional damage to rented premises. See page 73.</p>
----------	---

## 3. Temporary protection

We cover	We will pay the reasonable and necessary costs of temporary protection incurred, or the employment of guards or watchman by you, for the safety and protection of the <b>building</b> pending repair of <b>damage</b> to the <b>building</b> from a <b>burglary</b> .
We do not cover	We will not pay more than \$5,000 for any one claim.

## 4. Replacement of locks and keys

We cover	<p>We will pay the reasonable cost of replacing locks, keys and combinations used in the <b>business</b> if, as a result of <b>burglary</b>, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated.</p> <p>We will also pay the reasonable cost of opening safes and strong rooms because of the theft of keys or combinations during a <b>burglary</b>.</p>
We do not cover	We will not pay more than \$5,000 for any one claim.

## 5. Directors and employees tools of trade and personal effects

We cover	We will pay for <b>loss</b> of or <b>damage</b> to directors' and <b>employees'</b> tools of trade and personal effects caused by an insured event as if they were <b>contents</b> .
We do not cover	<p>If such tools of trade or personal effects are covered under another insurance policy, we will only pay for <b>loss</b> or <b>damage</b> not otherwise covered by that other policy.</p> <p>We will not pay more than \$5,000 for any one claim. We will not pay more than \$5,000 for any one person for any one <b>burglary event</b>.</p> <p>We will not pay for <b>loss</b> or <b>damage</b> to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instrument, curios, works of art, <b>money</b> or credit cards.</p>

## 6. Seasonal increase on stock

We cover	<p>We will automatically increase the <b>sum insured</b> in respect of <b>stock</b> by 35% or such other amount as is specified in the <b>schedule</b> during the <b>seasonal increase period</b>.</p> <p>You can nominate different <b>seasonal increase period(s)</b> or higher percentage increases of <b>stock</b>. If you do they will be shown on your <b>schedule</b> and you must pay any additional premium that applies.</p>
----------	--

## 7. Rewriting of documents

We cover	We will pay for any reasonable labour costs incurred in reproducing or making good documents that are stolen.
----------	---

## Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions.

Any amounts payable under these additional benefits do not apply in addition to the **sum insured** specified in the **schedule**.

### 1. Theft without forced entry

We cover	We will cover you for <b>loss</b> or <b>damage</b> occurring during the <b>period of insurance</b> to <b>contents</b> and <b>specified items</b> in the <b>building</b> as a result of a theft where there are no signs of forcible and violent entry to or exit from the <b>building</b> .
We do not cover	<p>We will not cover you for more than \$5,000 for any one claim under this additional benefit.</p> <p>If you want to increase the amount of cover for theft without forced entry, you must have selected Optional insurance 2. Additional theft sum insured without forced entry. See page 73.</p> <p>We will not pay a claim for <b>loss</b> of <b>stock</b> under this Additional benefit.</p>

### 2. Theft of external property

We cover	We will cover you for <b>loss</b> or <b>damage</b> occurring during <b>the period of insurance</b> to <b>contents</b> that is securely and permanently affixed (by means other than the connection to a power point) to the outside of the <b>building</b> as a result of <b>burglary</b> or any attempt at <b>burglary</b> .
We do not cover	<p>We will not cover you for more than</p> <p>a. \$5,000; or</p> <p>b. the 'Stock/Contents' <b>sum insured</b></p> <p>whichever is the lesser during the <b>period of insurance</b>.</p>



### 3. Employee dishonesty

We cover	We will cover you for <b>loss</b> of <b>stock</b> , or <b>contents</b> as a direct result of <b>employee</b> dishonesty during the <b>period of insurance</b> if discovered within 31 days of the <b>employee</b> dishonesty occurring.
We do not cover	<p>This additional benefit does not cover:</p> <ul style="list-style-type: none"><li>a. any <b>loss</b> arising from the conduct of an <b>employee</b> after you have knowledge of or information about any prior act of fraud or dishonesty by the <b>employee</b>;</li><li>b. any <b>loss</b> arising from the conduct of an <b>employee</b> outside Australia;</li><li>c. any <b>loss</b> where you unable to identify which <b>employee</b> is responsible;</li><li>d. any <b>loss</b> or part of a <b>loss</b> arising from the conduct of an <b>employee</b>, where the proof of the <b>loss</b>, either as to its occurrence or as to its amount, is dependent upon an inventory <b>stock</b> take or a profit and loss calculation;</li><li>e. fraud or dishonesty committed by your <b>family</b>; or</li><li>f. fraud or dishonesty committed by any of your <b>employees</b> committed with your connivance.</li></ul> <p>We will not cover you for more than:</p> <ul style="list-style-type: none"><li>a. \$2,500 for any one act of <b>employee</b> dishonesty; and</li><li>b. \$5,000 in total for all claims for <b>employee</b> dishonesty during the <b>period of insurance</b>.</li></ul> <p>We will not cover any claims under this additional benefit if you are insured under Policy Section 8 – Fraud and Dishonesty and further provided that any cover given under this additional benefit shall not accumulate with any similar cover that may be given under Policy Section 4 – Money.</p>

### 4. Developing security images

We cover	We will cover you for the cost of developing images stored on <b>media</b> from security cameras following a <b>burglary</b> or attempted <b>burglary</b> at the <b>situation</b> during the <b>period of insurance</b> .
We do not cover	We will not cover you for more than \$1,000 in total for one claim.

## 5. Funeral expenses

We cover	We will cover you for burial or cremation costs if any director, <b>employee</b> , officer or business partner sustains a fatal injury provided:  a. their death directly results from an assault that occurs during a <b>burglary</b> or attempted <b>burglary</b> in the <b>period of insurance</b> of <b>property</b> owned by you or for which you are legally responsible; and  b. the death occurs within 6 months of the assault.
We do not cover	We will not cover you for more than \$10,000 to be paid to the estate of the deceased person.

## Optional insurance

We will provide the following optional insurance when requested by you, when you pay any additional premium required and when shown on your **schedule** as applying.

Any amount payable under these optional insurances applies in addition to the **sum insured**.

### 1. Additional damage to rented premises

We cover	We will cover you for <b>damage</b> to the <b>situation</b> that you occupy as a tenant if you are legally liable for that <b>damage</b> under your tenancy agreement, provided that the <b>damage</b> is due to <b>burglary</b> occurring during the <b>period of insurance</b> .  This <b>sum insured</b> will be in addition to the amount specified in Extra Cover 2 – Damage to Rented Premises.
We do not cover	We will not cover you for more than the ‘additional damage to rented premises’ <b>sum insured</b> shown on the <b>schedule</b> for any one claim under this optional insurance.

### 2. Additional theft sum insured without forced entry

We cover	We will cover you for <b>loss</b> or <b>damage</b> to <b>contents</b> and <b>specified items</b> in the <b>building</b> during the <b>period of insurance</b> by theft that is not a <b>burglary</b> only because there are no signs of forcible and violent entry to the <b>building</b> .
We do not cover	We will not cover you for more than the ‘additional theft without forced entry’ <b>sum insured</b> for <b>contents</b> for any claim under this optional insurance.  We will not cover you for <b>loss</b> of <b>stock</b> under this optional insurance.

## What we pay

At our option, we will:

- a. with respect to **stock**:
  - i. pay you the market value of the **stock** or at the time of the **loss** or **damage**;
  - ii. pay you the value of **obsolete stock** or its purchase price, whichever is the lesser, but no more than the original cost to you;
  - iii. replace or repair the **stock** with property or materials equal to or of a similar standard and specification as the **stock** before it was **damaged**; or
  - iv. pay the cost of repair or replacement of the **stock**.
- b. with respect to **contents** or **specified items**:
  - i. repair or replace the **contents** or **specified items**; or
  - ii. pay you the cost of repair or replacement of the **contents** or **specified item**.

The maximum amount we will pay, in respect of **contents** and **stock** is the 'Stock/Contents' **sum insured** which is set out in your **schedule**.

The maximum amount we will pay in respect of a **specified item** is the **sum insured** noted for that item under the heading 'Other Property' on the **schedule**.

## Excess

You must pay the usual **excess** of \$250 or the **excess** shown on the **schedule** (whichever is the higher) that applies to a claim under this policy section.

The **excess** that applies to additional benefit 2 – Theft of External Property is the higher of the **excess** shown on the **schedule** or \$200.

## Policy section conditions

These conditions apply to this policy section.

### 1. Monitored burglar alarms

If you own or have responsibility for operating and maintaining a burglar alarm for the purposes of the **business**, the alarm system must be tested and used in accordance with the manufacturers specifications. The burglar alarm must be activated whilst the **building** is unoccupied.

Testing and use includes resistance checking the battery, alarm detection coverage and transmission to the monitoring station.

### 2. Valuables

You must ensure that all **stock** that is precious stones, gold and silver articles, jewellery, watches trinkets, stamps, coins and personal ornaments, which are individually of the value of \$500 or more are contained in a securely locked **safe or strongroom** during your non-business hours.

## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Burglary

- a. Theft or any attempt at theft following actual forcible and violent entry to the **building**;
  - b. Theft or any attempt at theft by a person concealed in the building during business hours and, who after hours, breaks out of the **building**;
  - c. Theft following threat of immediate violence or violent intimidation (including armed hold-up); or
  - d. Theft or attempted theft following the violent breaking into of display cabinets or store rooms that are part of the **building**.
- 

### Contents

Business and office furniture and equipment used by you in the **business** and includes:

- a. unused stationery and printed books;
- b. plant and **machinery**, communications systems, fixtures and fittings and floor coverings;
- c. computer systems, **data**, **media**, records, documents, manuscripts, plans, drawings, designs and business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery together with the cost of restoring the **data** stored on **media** or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the records;
- d. current patterns, models, moulds and dies used in the **business** but limited, unless repaired or replaced, to the value stated in your financial records at the time of **damage**;
- e. works of art, antiques and curios;
- f. **Electronic equipment** including but not limited to mobile phones, laptops, palm pilots, computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines, electronic cash registers, electronic scales and electronic testing or analysing equipment used by you in the **business**.

**Contents** does not include:

- a. **stock**; and
  - b. directors' and **employees'** tools of trade and personal effects.
-

---

## Employee

Any person while employed by you in the **business** who you compensate by salary, wages, or commission and have the right at all times to govern, control and direct in the performance of their work.

**Employee** does not include:

- a. any broker, factor, consignee or contractor;
  - b. any member of your **family**; or
  - c. any partner, director or trustee unless that person is also your employee.
- 

## Seasonal increase period/s

Any period of time during the **period of insurance** that has at least 35% increased stock levels compared to other times during the **period of insurance**.

The total number of days we will allow as seasonal increase periods is 120 days during any one **period of insurance**. You do not have to tell us what the dates of the periods are, but, if you make a claim under this **section** then your financial records over at least the previous 2 years must substantiate the period as a seasonal increase period. If the **business** is less than 2 years, we will use the financial records of your **business** from the date of commencement until the date of the **loss** or **damage** to substantiate your claim.

---

## Specified items

Each item of property that is specifically described under 'Other Property' on the **schedule**.

---

## Stock

Merchandise, **stock in trade**, raw materials or work in progress and packing materials used by you in the **business**.

Stock also includes **customers' goods**.

Stock includes items of property at the **situation** under a 'sales or return' consignment agreement.

Stock does not include consigned items of property under an 'agency' arrangement where you make a commission on a sale.

---

## Stock in trade

Merchandise and **customers' goods** for which you are legally responsible including the value of the work done and any containers or packaging materials used in connection with the **business**, but excluding bullion.

---

# Policy Section 4: Money

## About this policy section

This section covers the **loss** of or **damage** to your **business's money** from specified causes such as burglary, or fire. The **money** may be **in transit** or at the **situation** or in **custody** at a private residence.

## Your insurance under this section

We cover	<p>Provided 'Money' is shown under 'Section Insured' in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to <b>money</b> occurring during the <b>period of insurance</b> while:</p> <ul style="list-style-type: none"><li>a. <b>in transit</b>;</li><li>b. in the <b>building</b> during <b>business hours</b>;</li><li>c. in the <b>building</b> outside of <b>business hours</b>;</li><li>d. in the <b>building</b> in a securely locked <b>safe or strongroom</b>; or</li><li>e. <b>in custody</b>.</li></ul> <p>Also we will insure you for <b>loss</b> of or <b>damage</b> to <b>safes or strong rooms</b> in the <b>building</b> as a result of theft or attempted theft of <b>money</b> occurring during the <b>period of insurance</b>.</p>
We do not cover	<p>This policy section does not insure:</p> <p><b>1. Missing money</b> <b>Loss</b> or <b>damage</b> of <b>money</b>:</p> <ul style="list-style-type: none"><li>a. due to shortages resulting from clerical or accounting errors, breakdown or malfunction of any machine or electrical or electronic device or <b>loss</b> due to errors in receiving or paying out;</li><li>b. by any intentional or wilful act or omission by you or your <b>employees</b> with your connivance; or</li><li>c. except as expressly provided by additional benefit 1 – Employee Dishonesty, by any fraudulent or dishonest acts committed by you, your <b>family</b> members or any of your <b>employees</b> acting alone or in collusion with others.</li></ul> <p><b>2. Key or combination in building</b> <b>Loss</b> of or <b>damage</b> to <b>money</b> from any <b>safe or strong room</b> opened by a key or by use of details of a combination that are left in the <b>building</b> outside <b>business hours</b>.</p> <p><b>3. Unattended vehicle</b> <b>Loss</b> of or <b>damage</b> to <b>money</b> in or from an unattended <b>vehicle</b>.</p>

We do not cover	<p><b>4. Professional carrier</b>  <b>Loss</b> of or <b>damage</b> to <b>money</b> while professional money carriers, professional carriers or common carriers carry it.</p> <p><b>5. Loss outside Australia</b>  <b>Loss</b> of or <b>damage</b> to <b>money</b> occurring outside Australia.</p> <p><b>6. Consequential loss</b>  Loss of use, loss of earning capacity and any other consequential loss.</p> <p><b>7. ATMs</b>  <b>Loss</b> of or <b>damage</b> to <b>money</b> that does not belong to you in or from an <b>ATM</b> at the <b>situation</b>.</p> <p><b>8. Discovery of loss</b>  <b>Loss</b> not discovered within 7 (seven) workings days of the <b>loss</b> occurring.</p> <p><b>9. Unoccupied premises</b>  <b>Loss</b> of <b>money</b> when the <b>situation</b> is left unoccupied unless any burglar alarm system which protects the <b>situation</b> is:</p> <ul style="list-style-type: none"> <li>a. operative during the period the premises are left unoccupied; and</li> <li>b. maintained in good working condition.</li> </ul>
-----------------	--

## Extra covers

If we agree to pay a claim under this policy section for **loss** or **damage** to **money**, or for **damage** to a **safe or strong room** caused by **burglary** or attempted **burglary**, we will also pay or provide the extra covers set out below.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **sum insured**.

### 1. Reinstatement of sum insured

We cover	If we pay an amount for a claim under this policy section we will automatically reinstate the <b>sum insured</b> to the amount shown on the <b>schedule</b> . You will not have to pay any additional premium.
----------	--

### 2. Temporary protection

We cover	We will pay the reasonable and necessary costs incurred by you in effecting temporary protection, or the employment of guards or watchman, by you, to safeguard the <b>money</b> at the <b>situation</b> as a result of theft or attempted theft that is covered under this policy section.
----------	---

We do not cover	<p>We will not pay more than \$5,000 for any one claim.</p> <p>Any cover given under this extra cover shall not accumulate with any similar cover that may be given under Policy Section 1 – Fire and other damage or under Policy Section 3 – Burglary.</p>
-----------------	--

### 3. Replacement of locks and keys

We cover	<p>We will pay the reasonable cost of replacing locks, keys and combinations used in the <b>business</b> if, as a result of burglary of <b>money</b> covered under this policy section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated.</p> <p>We will also pay the reasonable cost of opening <b>safes and strongrooms</b> because of the theft of keys or combinations during a burglary of <b>money</b> covered under this policy section.</p>
We do not cover	<p>We will not pay more than \$5,000 for any one claim.</p> <p>Provided that any cover given under this Extra Cover 3 Replacement of locks and keys, shall not be cumulative with any similar cover that may be given under Extra Cover 4 – Replacement of locks and keys of section 3 - Burglary.</p>

### 4. Seasonal increase on money

We cover	<p>We will automatically increase the applicable <b>sums insured</b> in respect of <b>money</b> by either:</p> <ol style="list-style-type: none"> <li>35% or such other amount as is specified in the <b>schedule</b> during a <b>seasonal increase period</b>; or</li> <li>100%, or \$50,000 whichever is the lesser, during any long weekend which occurs as a result of the government gazetted Monday or Friday as a public or bank holiday. This increase shall apply up until bank closing time on the next business day after such holiday.</li> </ol> <p>You can nominate different <b>seasonal increase period(s)</b> or higher percentage increases of <b>money</b>. If you do they will be shown on your <b>schedule</b> and you must pay any additional premium that applies.</p>
----------	---



# Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions.

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the **sum insured**.

## 1. Employee dishonesty

We cover	We will cover you for <b>loss</b> of <b>money</b> as a direct result of <b>employee</b> dishonesty during the <b>period of insurance</b> if discovered within 31 days of the <b>employee</b> dishonesty occurring.
We do not cover	<p>This additional benefit does not cover:</p> <ul style="list-style-type: none"><li>a. any <b>loss</b> arising from the conduct of an <b>employee</b> after you have knowledge of or information about any prior act of fraud or dishonesty by the <b>employee</b>;</li><li>b. any <b>loss</b> arising from the conduct of an <b>employee</b> outside Australia;</li><li>c. any <b>loss</b> where you are unable to identify which <b>employee</b> is responsible;</li><li>d. any <b>loss</b> or part of a <b>loss</b> arising from the conduct of an <b>employee</b>, where the proof of the <b>loss</b>, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;</li><li>e. fraud or dishonesty committed by your <b>family</b>; or</li><li>f. fraud or dishonesty committed by any of your <b>employees</b> committed with your connivance.</li></ul> <p>We will not pay more than:</p> <ul style="list-style-type: none"><li>a. \$2,500 for any one <b>occurrence</b>; and</li><li>b. \$5,000 in total for all claims for <b>employee</b> dishonesty during the <b>period of insurance</b>.</li></ul> <p>We will not pay any claims under this additional benefit if you are insured under Policy Section 8 – Fraud and Dishonesty and further provided that any cover given under this additional benefit shall not accumulate with any similar cover that may be given under Policy Section 3 – Burglary.</p>

## 2. Developing security image

We cover	We will cover you for the cost of developing images stored on <b>media</b> from security cameras following a burglary or attempted burglary of <b>money</b> during the <b>period of insurance</b> covered under this policy section.
We do not cover	<p>We will not cover you for more than \$1,000 in the aggregate per <b>period of insurance</b>.</p> <p>Any cover given under this additional benefit shall not accumulate with any similar cover that may be given under Policy Section 3 – Burglary.</p>

### 3. Clothing and personal effects

We cover	We will cover you for <b>loss</b> of or <b>damage</b> to the personal effects of your directors, officers and <b>employees</b> during a theft or attempted theft of <b>money</b> during the <b>period of insurance</b> covered under this policy section.
We do not cover	<p>We will not cover you for more than \$5,000 for any one person's clothes or personal effects, and \$10,000 in the aggregate per <b>period of insurance</b>.</p> <p>We will not cover you for <b>loss</b> or <b>damage</b> to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instruments, curios, works of art, <b>money</b> or credit cards.</p> <p>Any cover given under this additional benefit shall not accumulate with any similar cover that may be given under Policy Section 3. Burglary.</p>

### 4. Funeral expenses

We cover	<p>We will cover you for any burial or cremation costs if any director, <b>employee</b>, officer or business partner sustains a fatal injury provided:</p> <ol style="list-style-type: none"><li>their death directly results from an assault that occurs during a theft or attempted theft of <b>money</b> owned by you or for which you are legally responsible in the <b>period of insurance</b>; and</li><li>the death occurs within 6 months of the assault.</li></ol>
We do not cover	<p>We will not cover you for more than \$10,000 to the estate of each person.</p> <p>Provided that any cover given under this additional benefit shall not accumulate with any similar cover that may be given under Section 3 – Burglary.</p>

### 5. Travellers' money

We cover	We will cover you for <b>loss</b> of <b>money</b> during the <b>period of insurance</b> in your custody or in the custody of an <b>employee</b> , whilst travelling on <b>business</b> anywhere in the world.
We do not cover	<p>We will not pay more than:</p> <ol style="list-style-type: none"><li>\$1,000 in total for any one <b>event</b>; and,</li><li>\$2,000 in the aggregate during the <b>period of insurance</b>.</li></ol>

### 6. Counterfeit money

We cover	We will cover the loss sustained by you due to the acceptance in good faith of counterfeit Australian currency notes during the <b>period of insurance</b> .
We do not cover	We will not pay more than \$500 in any one <b>period of insurance</b> .

## What we pay

We will pay you the amount of any **money** that is **lost** or **damaged**.

If the **safe or strong room** is **lost** or **damaged**, we will, at our option:

- a. repair the **safe or strong room**;
- b. replace the **safe or strong room** with an item of a specification equal to but not better or more extensive than when it was new;
- c. if the **loss** or **damage** is confined to part of the **safe or strong room**, repair or pay you the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
- d. pay you the cost of repairing or replacing the **safe or strongroom**.

We will not pay costs of alterations, improvements or overhauls carried out when the **lost** or **damaged safe or strongroom** is repaired or replaced.

In the case of any certificates of stock, bonds, coupons and all other types of securities the amount of the securities will be calculated as follows:

- if the securities can with our approval be replaced, the cost of replacement paid or payable by you; or
- otherwise, the greater of:
  - the price for which you purchased them, or
  - the closing market value on the last business day prior to the date of discovery by you of the **loss** or destruction of the securities, or if the time of discovery by you is after the close of the market, their discovery by you.

In the case of a **loss** of subscription, conversion or redemption privileges through the **loss** of any security, the value of such privileges will be the value immediately preceding the expiration of the subscription, conversion or redemption, in the currency in which the **loss** was sustained.

Losses sustained in currencies other than Australian dollars will be calculated by converting the amount of **loss** to Australian dollars at the market rate at the time of settlement of the **loss** or such other rates as may have been expressly agreed with us. If there is no market price or value on the relevant day, then the value shall be agreed between you and us, or in default, we and you shall submit to mediation and be bound by the decision of the mediator.

In the case of travellers cheques, discount house vouchers or lottery tickets, the amount will be calculated at the original purchase price incurred by you.

The maximum amount we will pay, in respect of:

- a. **money in transit** at the time of the **loss** or **damage** is the 'Money in transit' **sum insured**;
- b. **money** in the **building** during **business hours** at the time of the loss or damage is the 'Money in the building during business hours' sum insured;
- c. **money** in the **building** outside **business hours** at the time of the **loss** or **damage** is the 'Money in the building outside business hours' **sum insured**;
- d. **money** in the **building** in securely locked **safe or strongroom** at the time of the **loss** or **damage** is the 'Money in the building in securely locked safe/ strongroom' **sum insured**; or
- e. **money in custody** at the time of the **loss** or **damage** is the 'Money in custody' **sum insured**.

The maximum we will pay for any claim for **loss** or **damage** to **safes or strongrooms** is the 'Loss or damage to safes and/or strongrooms' **sum insured**.

## Excess

The **excess** that applies is shown on the **schedule**.

## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### ATM

Automatic teller machine which is a burglar resistant unit designed for the safe storage and disbursement of bank notes which resists fire and attack by hand-held or power operated tools.

---

### Business hours

The normal working and office hours of the **business** (including overtime) during which you, your directors, officers, partners or **employees** are in the **building** for the purposes of the **business**.

---

### Employee

Any person while employed by you in the **business** who you compensate by salary, wages or commission and have the right at all times to govern, control and direct in the performance of their work.

Employee does not include:

- a. Any broker, factor, consignee or contractor;
- b. Any member of your **family**; or
- c. Any partner, director or trustee unless that person is also your employee.

---

### In custody

In your custody and control at your private residence or in the custody and control of persons authorised by you at their private residences until the next business day when the **monies** can be deposited in the bank.

---

### In transit

During a journey to or from the **situation** to anywhere in The Commonwealth of Australia until the next business day when the **monies** can be deposited in the bank.

**Money** contained in the night safe or **ATM** of any bank where you normally transact business is 'in transit' whilst deposited.

Wages and salaries collected from the bank but not paid to **employees** is 'in transit' until it is physically in the control of **employees**.

---

---

### Seasonal increase period

Any period of time during the **period of insurance** that has at least 35% increased amount of **money** compared to other times during the **period of insurance**.

The total number of days we will allow as **seasonal increase periods** is 120 days during any one **period of insurance** unless a different period is shown in the **schedule**. You do not have to tell us what the dates of the periods are, but ,if you make a claim under this **section** then your financial records over at least the previous 2 years must substantiate the period as a **seasonal increase period**. If the **business** is less than 2 years, we will use the financial records of your **business** from the date of commencement until the date of the **loss** or **damage** to substantiate your claim.

---

# Policy Section 5: Glass

## About this policy section

This policy section covers **loss** of or **damage** to **glass** at the **situation**.

## Your insurance under this policy section

We cover	Provided “Glass” is shown under “Sections Insured” in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to <b>glass</b> which you own or for which you are legally responsible, occurring during the <b>period of insurance</b> at the <b>situation</b> .
We do not cover	<p>This policy section does not insure:</p> <p><b>1. Heat</b> <b>Loss</b> of or <b>damage</b> to <b>glass</b> caused by or arising out of fire or the application of heat.</p> <p><b>2. Some types of glass:</b> <b>Glass:</b></p> <ul style="list-style-type: none"><li>a. when in transit or whilst being fitted into position or removed from its fitting;</li><li>b. forming part of <b>stock in trade</b> or merchandise;</li><li>c. in light fittings;</li><li>d. that is cracked or imperfect prior to <b>loss</b> or <b>damage</b>;</li><li>e. that is not fit for the purpose intended; or</li><li>f. that is in a glasshouse.</li></ul> <p><b>3. Tiles</b> <b>Loss</b> of tiles on shopfronts and office fronts, other than around the broken <b>glass</b>.</p> <p><b>4. Consequential loss</b> Loss of use, loss of earning capacity and any other consequential loss.</p> <p><b>5. Fire or flood</b> <b>Loss</b> or <b>damage</b> to <b>glass</b> directly or indirectly caused by fire or <b>flood</b>.</p>

## Extra covers

If we agree to pay a claim under this section for **loss** or **damage** to **glass**, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers apply in addition to the **sum insured**.

## Costs

We cover	<p>We will pay for the following costs provided they are reasonably incurred by you and are directly related to <b>loss</b> of or <b>damage</b> to the <b>glass</b> covered under this section:</p> <ul style="list-style-type: none"><li>a. the cost of temporary shuttering necessary pending replacement of the <b>lost</b> or <b>damaged glass</b>;</li><li>b. the costs incurred in replacing sign-writing, ornamentation, reflective materials and burglar alarm tapes and connections attached to the <b>glass</b>;</li><li>c. the cost value (excluding profit of any kind) of your <b>stock</b> spoiled by the <b>lost</b> or <b>damaged glass</b>;</li><li>d. the cost incurred in repairing or replacing <b>damage</b> to window, door or showcase frames and their fittings;</li><li>e. the cost incurred in repairing or replacing tiles on shop and office fronts and around the <b>glass</b>; or</li><li>f. the cost of replacing any window tinting or window tinting film.</li></ul>
We do not cover	<p>Except for temporary shuttering covered under this extra cover, we will not cover you for the cost of repairing or replacing bars, grilles or shutters.</p> <p>We will not pay more than \$5,000 for any one <b>event</b> under this extra cover.</p>

## Additional benefits

We will also provide the following additional benefit in this section subject to both the General and Policy Section Exclusions.

Any amount payable under this additional benefit apply in addition to the **sum insured**.

### Broken signs cost

We cover	We will cover you for <b>loss</b> or <b>damage</b> to plastic or perspex signs at the <b>situation</b> if they break during the <b>period of insurance</b> .
We do not cover	We will not pay more than \$5,000 for one claim under this additional benefit.

## Optional insurance

We will provide the following optional insurance when requested by you, when you pay any additional premium required and when shown on your **schedule** as applying.

Any amounts payable under this optional insurance applies in addition to the **sum insured**.

Additional broken signs costs

We cover	We will cover you for <b>loss</b> or <b>damage</b> to plastic or perspex signs at the <b>situation</b> if they break during the <b>period of insurance</b> .  This <b>sum insured</b> will be in addition to the amount covered under the Additional Benefit – Broken signs costs.
We do not cover	Under this Optional Insurance we will not pay more than the ‘Additional broken signs costs’ <b>sum insured</b> for any one claim.

What we pay

We will pay for the cost of replacement of **lost** or **damaged glass** with **glass** of similar manufacture and quality. We will also pay the extra cost necessarily incurred to comply with the minimum requirements of any statutory authority when replacing the **glass**. We will not pay to comply with any requirements that were issued prior to the **loss** of or **damage** to **glass**.

Excess

The **excess** that applies is shown on the **schedule** for each claim you make.

Worked dollar examples

The following worked dollar example is designed to assist you in the understanding some of the important benefits in this policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following examples should be used for general guidance only.

You have cover for a building that is used as both a cafe and residence. For this reason it is a **home building**. The **excess** is \$150. The window glass in the cafe and the perspex sign out on the front are broken after rocks are thrown at them. We assess the cost of replacing the **glass** to be \$1,500, the cost of replacing the damaged sign writing to be \$500 and the cost of replacing the damaged perspex sign to be \$1,000.

How much we pay		Further information
Cost of replacing the glass	\$1,500	We pay the cost of replacing the <b>glass</b> .
Cost of re-applying the sign writing	\$500	The damaged window had signage painted on it. We assess the cost of re-painting the signage to be \$500.
Cost of replacing the damaged perspex sign	\$1,000	The cost to replace the damaged sign is covered under the additional benefit Broken Signs Costs and we will pay \$1,000.
Less <b>excess</b>	-\$150	We deduct this from the amount we pay. We may require you to pay this amount directly to the glass repairer.
Total claim	<b>\$2,850</b>	We normally pay this amount directly to the repairers.



## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Stock

- Stock includes **stock in trade**.
  - Stock includes items of property at your **situation** under a 'sales or return' consignment agreement.
  - Stock does not include consigned items of property under an agency arrangement where you make a commission on a sale.
- 

### Stock in trade

- Merchandise and **customers' goods** for which you are legally responsible including the value of the work done and containers or packaging materials used in connection with the **business**.
-

# Policy Section 6: Public and products liability

## About this policy section

This section of the policy covers **your legal liability** to pay compensation for **personal injury** to another person (other than employees or deemed employees) or **damage** to property owned or controlled by someone else, or **advertising liability** which is caused by an **occurrence** in connection with the **business**, including **legal liability** for **personal injury** or **property damage** caused by **your products**.

## Your insurance under this policy section

We cover	<p>If 'Public and products liability' is shown under 'Sections Insured' in the <b>schedule</b>, we will insure <b>you</b> for <b>your legal liability</b>, provided the <b>property damage</b>, <b>personal injury</b> or <b>advertising liability</b></p> <ul style="list-style-type: none"><li>a. occurs during the <b>period of insurance</b>;</li><li>b. is caused by an <b>occurrence</b> in connection with the <b>business</b> or <b>your products</b>; and</li><li>c. occurs within the <b>geographic limitations</b>.</li></ul>
----------	--

## What is legal liability?

**Legal liability** means that a court or tribunal finds, or we accept, that **you** are legally responsible to pay damages for:

- **damage** to property owned or controlled by someone else; or
- **personal injury** to another person (other than employees); or
- **advertising liability**.

We do not cover	<p>This policy section (including the Additional Benefits unless expressly stated otherwise) does not cover <b>you</b> for liability arising directly or indirectly out of or caused by, through, or in connection with, or for:</p> <p><b>1. Pollution</b></p> <ul style="list-style-type: none"><li>a. the discharge, dispersal, release or escape of <b>pollutants</b> into or upon land, the atmosphere or water unless such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from <b>your</b> standpoint and takes place in its entirety at a specific time and place;</li><li>b. the cost of preventing, removing, nullifying or cleaning up any contamination or pollution as a consequence of the discharge, dispersal, release or escape of any <b>pollutants</b>. However this paragraph (b) does not apply to removal, nullifying or cleaning up costs which are consequent upon a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place, or</li></ul>
-----------------	--

## We do not cover

- c. the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of **pollutants** caused by any of **your products** that has been discarded, dumped, abandoned or thrown away by others.

### 2. Asbestos

- a. the inhalation of (including the fear of inhalation of, or exposure to) asbestos, asbestos fibres or derivatives of asbestos;
- b. **property damage**, or loss of use or diminution in value of property, arising directly or indirectly, out of or caused by, through or in connection with asbestos, asbestos fibres or derivatives of asbestos; or
- c. the cost of cleaning up, removing, treating, controlling, storing or disposing of asbestos, asbestos fibres or derivatives of asbestos or any other associated expenses.

### 3. Employers liability

- a. **personal injury** to any of **your** employees arising out of or in the course of their employment in **your business**;
- b. **personal injury** to any person who is, pursuant to any statute relating to workers' compensation, deemed to be an employee of **yours** or in respect of which **you** are entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any statute relating to workers' compensation whether or not **you** are a party to such contract of insurance; or
- c. any liability imposed by the provisions of any workers' compensation statute or any industrial award or agreement or determination.

However this exclusion does not apply to claims for loss of consortium by the spouse of any of **your** employees or the spouse of any person who is pursuant to any statute relating to workers' compensation deemed to be an employee of **yours**.

### 4. Vehicles

the ownership, use, legal possession, or legal control by **you** of any **vehicle** or any attachment to such **vehicle**:

- a. which is registered;
- b. in respect of which registration or insurance is required by virtue of any legislation relating to **vehicles**; or
- c. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not insurance is effected).

However this exclusion will not apply to the cover provided by additional benefit 3.

## 5. Aircraft and watercraft

- a. the ownership, legal possession, legal control or use by **you** or the use on **your** behalf of:
  - i. any **aircraft**; or
  - ii. any **watercraft** exceeding eight (8) metres in length unless such **watercraft** is owned and operated by others and used by **you** for **business** entertainment;
- b. the selling or manufacturing of **aircraft** or the manufacture, assembly and/or supply of any products that are used with **your** knowledge in **aircraft**;
- c. the leasing, hiring or chartering of **aircraft** to or from **you**;
- d. the repair, service or maintenance of **aircraft** or **aircraft** products or the installation of any products into **aircraft** unless such repair, service, maintenance or installation does not affect the flying capabilities or safety of the **aircraft** and this policy section has been endorsed accordingly; or
- e. the repair, service or maintenance of **watercraft** exceeding eight (8) metres in length or the installation of any products into **watercraft** exceeding eight (8) metres in length unless such repair, service, maintenance or installation does not affect the navigation, propulsion or safety of such **watercraft**.

## 6. Professional duty

- a. a breach of any professional duty owed by **you** or anyone for whose breaches of such duty **you** may be legally liable;
- b. the performance of treatment to humans or **animal(s)** for beautification, cosmetic enhancement or to remedy illness, mental or physical deficiency, disease or injury;
- c. the prescribing of activities, pharmaceuticals, medical or herbal remedies to improve performance or appearance, or to alleviate pain, illness, mental or physical deficiency, disease or injury; or
- d. dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

However, this exclusion does not apply to the rendering of or failure to render first aid.

## 7. Fines, penalties and punitive damages

fines, penalties, liquidated damages, punitive, exemplary or aggravated damages however imposed.

## 8. Product and known defects

- a. **damage to your products** if that damage is attributable to any defect in them or their harmful nature or not fit for purpose.
- b. any defect or deficiency in **your products** of which **you** or **your** agents have knowledge or have reason to suspect at the time when **your products** pass from **your** actual physical custody or from the actual physical custody of any person under **your** control.

## 9. Product recall

the withdrawal, recall, inspection, repair, replacement or loss of use of **your products** or of any property of which they form a part, if **your products** are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

## 10. Loss of use

the loss of use of tangible property which has not been physically damaged or destroyed resulting from:

- a. delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or
- b. the failure of **your products** or work performed by you to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **you**. However, this paragraph (b) does not apply to loss of use of other tangible property resulting from sudden and **accidental** physical damage to or destruction of **your products** after **your products** have been put to use by any person or organisation other than **yourself**.

## 11. Faulty workmanship

the cost of reperforming, completing, correcting or improving any work undertaken by **you** or on **your** behalf. However, this exclusion does not apply in respect of liability for **personal injury** or **property damage** resulting from faulty or defective workmanship.

## 12. Building works

the erection, demolition of and/or alteration or addition to **buildings** or structures by **you** or on **your** behalf except where the completed value of such work does not exceed \$250,000 in total.

## 13. Defective design

any defective or deficient design or error in formula or in specification provided by **you** for a fee.

## 14. Aircraft landing areas

the use of any land, property or structure as an airport, aircraft hangar or aircraft landing area, where such airport, aircraft hangar or aircraft landing area:

- a. is required by law to be issued with a licence permitting regular public transport operations of aircraft having a maximum passenger seating capacity of more than 30; or
- b. has more than 1,000 flight movements per year.

## 15. Jurisdiction limits

- a. any action brought or instituted against **you** or any judgment obtained against **you** (whether or not such judgment is enforced by the courts of the Commonwealth of Australia or New Zealand) in any country other than the Commonwealth of Australia or New Zealand, regardless of whether **you** are represented by a branch or by an employee domiciled in that country or by a company, firm or individual holding **your** power of attorney.

However, this exclusion does not apply to actions and judgments arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from business visits to the **United States** or **Canada**) by travelling directors and employees of the **named insured** normally resident in the Commonwealth of Australia or New Zealand to any country other than the **United States** or **Canada**; or

- b. any actions brought or instituted against **you** or any judgment obtained against **you** (whether or not such judgment is enforced by the courts of the Commonwealth of Australia or New Zealand) within the **United States** or **Canada**.

However, this exclusion does not apply to any recognition or enforcement action brought or instituted within the Commonwealth of Australia or New Zealand relating to a judgement obtained against **you** within the **United States** or **Canada** arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from business visits to the **United States** or **Canada**) by travelling directors and employees of the **named insured** normally resident in the Commonwealth of Australia or New Zealand.

## 16. Preventing our right of recovery

any amount **you** are unable to recover because of a contract or agreement that **you** have entered into which excludes or limits **your** rights to recover that amount.

## 17. Contractual liability

any liability assumed under any contract or agreement. However, this exclusion does not apply to:

- liability which would have been implied or imposed by law in the absence of such contract or agreement;
- liability assumed under those contracts specified in the **schedule**;
- liability assumed under any written lease of, or agreement for the rental of real property, where such lease or agreement does not include an obligation by **you** to insure such property; or

- d. liability assumed under a written contract with a public authority for the supply to **you** of water, gas, electricity or communication services except where such contract is a contract by which **you** agree to perform work for or on behalf of that public authority.

Paragraphs (c) and (d) do not apply to liability assumed by **you** under the relevant lease, contract or agreement to indemnify a party in respect of an act or omission for which it is wholly responsible, unless such liability would otherwise have been implied or imposed on **you** by law.

### **18. Internet and computer operations**

- a. your **internet operations**; or
- b. any liability for **property damage** to **data** and **media** arising directly or indirectly out of or caused by, through or in connection with:
  - i. the use of any computer hardware or software;
  - ii. the provision of computer or telecommunications services by **you** or on **your** behalf; or
- c. any **loss** or **damage** caused by any **computer virus**.

However, this exclusion does not apply to **personal injury** or **property damage** arising out of any material prepared by the manufacturer in respect of product use, safety instructions or warnings which is reproduced on **your** website.

### **19. Libel or slander**

the publication or utterance of a libel, slander or defamation:

- a. made prior to the commencement of the **period of insurance**;
- b. made by **you** or at **your** direction with the knowledge that it is false; or
- c. related to advertising, publishing, printing, broadcasting or telecasting activities conducted by **you** or on **your** behalf.

### **20. Property in physical or legal control**

**damage** to or **loss** of:

- a. property owned, leased or rented by **you**; or
- b. property in **your** physical or legal control.

However this exclusion will not apply to the cover provided by Additional benefit 2 Property in **your** physical or legal control or paragraphs (e) and (f) of Additional benefit 3 Vehicles.

### **21. Hot work**

flame cutting, flame heating, arc or gas welding, metal grinding or any similar operation in which welding, metal grinding or cutting equipment is used, except where such use is carried out in strict compliance with all relevant statutes and Australian Standards 1674.1 and 1674.2 (or any subsequent amendments).

## 22. Underground works

any underground works including digging, trenching or excavation unless **you** can establish that **you** and **your** employees have strictly complied with the relevant regulations and Australian Standards in carrying out this work, including making all searches of underground services before undertaking any underground works.

## 23. Weakening of support to property

**damage** to any land, property or **building** or contents of that **building** caused by or arising out of any:

- a. vibration of that land, property or **building**; or
- b. removal or weakening of support of that land, property or **building**.

## 24. Molestation

the molestation of, the interference with, the mental abuse or the physical abuse of any person by:

- a. **you**;
- b. any employee; or
- c. any person performing any voluntary work or service for **you** or on **your** behalf.

## 25. Types of Advertising liability

in respect of **advertising liability**:

- a. an act, error or omission that occurs prior to the first **period of insurance** of this section of **your** policy;
- b. statements made at **your** direction in the knowledge that such statements are false;
- c. the failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
- d. any incorrect description of products or services;
- e. any mistake in advertised price of products or services;
- f. failure of **your products** or services to conform with advertised performance, quality, fitness or durability;
- g. the export of **your products** to or **business** visits by **your** directors executives and employees to the **United States** or **Canada**; or
- h. your **business's** involvement in publishing, broadcasting, telecasting, internet publishing, newspaper or magazine publishing.



# Extra covers

## Legal costs

We cover	<p>If we agree to pay a claim under this policy section, we will pay all charges, expenses and legal costs incurred by us or by <b>you</b>, with our written consent, in the settlement or defence of the claim for compensation made against <b>you</b>.</p> <p>Any amount payable under this Extra Cover is in addition to the <b>limit of liability</b>.</p>
----------	---

## Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions.

Unless stated otherwise below, any amounts payable under these additional benefits do not apply in addition to the **limit of liability**.

All **loss, damage** or injury that is covered by these Additional Benefits must occur during the **period of insurance**.

### 1. First aid costs

We cover	<p>We will pay any expenses incurred by <b>you</b> for first aid to others at the time of an <b>occurrence</b> during the <b>period of insurance</b> covered by this policy section.</p>
----------	--

### 2. Property in your physical or legal control

We cover	<p>Under this additional benefit, we will pay a claim for <b>your legal liability</b> (as if the words “owned or controlled by someone else” were deleted from the definition of ‘Legal Liability’):</p> <ul style="list-style-type: none"><li>a. to any customer, principal or person for whom <b>you</b> perform work in the course of the <b>business</b> for:<ul style="list-style-type: none"><li>i. the cost of replacing keys or security cards which are damaged, destroyed, <b>lost</b> or stolen whilst in <b>your</b> physical or legal control or that of another person or entity who undertakes or has undertaken work on <b>your</b> behalf;</li><li>ii. the cost of replacing, recalibrating or re-keying locks, locking mechanisms or other security devices which results from the damage, destruction, <b>loss</b> or burglary of keys or security cards whilst in <b>your</b> physical or legal control or that of another person or entity who undertakes or has undertaken work on <b>your</b> behalf;</li><li>iii. the <b>loss</b> of use of keys, security cards, locks , locking mechanism or other security devices caused by the damage, destruction, <b>loss</b> or burglary of keys or security cards whilst in <b>your</b> physical or legal control or that of another person or entity who undertakes or has undertaken work on <b>your</b> behalf;</li></ul></li></ul> <p>subject to:</p> <ul style="list-style-type: none"><li>➤ a maximum of \$5,000 in respect of any one <b>occurrence</b> and in the aggregate any one <b>period of insurance</b> unless some other <b>limit of liability</b> is specified in the <b>schedule</b> or attached by <b>endorsement</b>; and</li></ul>
----------	--

## We cover

- **you** contributing an amount of \$500 as the first payment of any claim in addition to any **excess** specified elsewhere in this policy section or **schedule**.
- b. for **damage** to any **situation** which is leased or rented by **you** for the purpose of carrying on **your business** and the liability does not arise from **your** failure to insure the **situation** as required in the lease or rental agreement;
- c. for **damage** to or **loss** of **vehicles** (not belonging to **you** or used by **you** or on **your** behalf) in **your** physical or legal controls where such **loss** or **damage** occurs whilst any such **vehicle** is in a car park owned or operated by **you** provided that you as part of **your business** do not operate such car park for reward;
- d. for **damage** to or **loss** of employees' and directors' property to the extent it is not otherwise covered under Section 1 – Fire and other damage;
- e. for **damage** to a **situation** temporarily occupied by **you** for the purpose of carrying out work in connection with the **business** or **damage** to or **loss** of the contents of such **situation**; or
- f. for **damage** to or **loss** of property not owned by **you** but in **your** physical or legal control (other than property referred to in subparagraphs (a) through to (e) of this additional benefit and (e) and (f) of the Additional benefit 3. Vehicles), subject to a maximum of \$250,000 any one **occurrence** or any other greater amount set out in the **schedule**.

This Additional benefit 2 overrides Policy Section Exclusion 20 Property in physical or legal control to the extent of any inconsistency.

## 3. Vehicles

## We cover

Under this additional benefit, we will pay a claim for **your legal liability** (as if the words "owned or controlled by someone else" were deleted from the definition of 'Legal Liability') for:

- a. **personal injury** arising out of an **occurrence** which is partially (to the extent of that part) or totally outside the indemnity afforded under such compulsory liability insurance or other legislation relating to **vehicles** and where the reason the **occurrence** is outside the indemnity afforded by compulsory liability insurance or statutory indemnity does not involve a breach by **you** of legislation relating to **vehicles**;
- b. **property damage** arising out of or during **loading** and **unloading** of goods to or from any **vehicle** in the course of the **business**;
- c. **property damage** caused by the operation or use of any **vehicle** which is principally designed for lifting, lowering, **loading** or **unloading** any **goods** and is not also a road transport **vehicle** whilst being operated or used by **you** or on **your** behalf in the course of the **business**;

We cover	<p>d. <b>property damage</b> caused by the use of any tool or plant forming part of or attached to or used in connection with any <b>vehicle</b> other than when travelling to or from any work site or transporting or carting goods;</p> <p>e. <b>property damage</b> to <b>vehicles</b>, not belonging to <b>you</b> or used by <b>you</b> or on <b>your</b> behalf, but in <b>your</b> physical or legal control, either at <b>your situation</b> or while being driven on a public <b>road</b>, for the purpose of servicing, repairing or testing as part of <b>your business</b>, subject to a maximum of \$250,000 any one <b>occurrence</b> unless some other <b>limit of liability</b> is specified in the <b>schedule</b> or attached by <b>endorsement</b>; or</p> <p>f. <b>property damage</b> caused by the use of any <b>vehicle</b> not belonging to <b>you</b> but in <b>your</b> physical or legal control whilst being driven or moved for the purpose of servicing, repairing, delivery or testing as part of <b>your business</b>, subject to <b>you</b> contributing an amount of \$500 as the first payment of any claim in addition to any other <b>excess</b> specified elsewhere in <b>your</b> policy or <b>schedule</b>.</p> <p>This Additional Benefit 3 overrides Policy Section Exclusion 4 - 'Vehicles' and Policy Section Exclusion 20 – Property in physical or legal control, to the extent of any inconsistency.</p>
We do not cover	<p>We will not pay whilst the <b>vehicle</b> is:</p> <ol style="list-style-type: none"> <li>1. engaged in or being tested in preparation for racing or pacemaking;</li> <li>2. any reliability trial or hill climbing test;</li> <li>3. being driven on any racetrack or speedway;</li> <li>4. being towed by another vehicle;</li> <li>5. being driven by an unlicensed driver;</li> <li>6. being driven whilst in an unroadworthy condition unless the liability incurred was not caused or contributed to by such unroadworthiness;</li> <li>7. being driven by, or is in the charge of, someone who: <ol style="list-style-type: none"> <li>a. was under the influence of, or had their judgement affected by, any alcohol or drug;</li> <li>b. had more than the legal limit of alcohol in their breath or blood, as shown by analysis;</li> <li>c. refused to take a legal test for alcohol or drugs or</li> <li>d. was not licensed, not correctly licensed or not complying with the conditions of their licence.</li> </ol> </li> </ol> <p>We will cover you if you were not the driver or person in charge of your <b>vehicle</b> at the time of the <b>event</b> and you can satisfy us that you did not know, and could not have reasonably known, of any of the above circumstances. If we pay a claim we can recover those costs from the person who was driving or in charge of your <b>vehicle</b>, unless the law prohibits recovery by us.</p>

We do not cover	<p>8. more than 100 kilometres from the <b>situation</b> at the time of the <b>occurrence</b>.</p> <p>In relation to paragraphs e. and f. under what 'We cover' we will not be liable for the first:</p> <ul style="list-style-type: none"> <li>➤ \$1,000 when the <b>vehicle</b> is being driven by a person under 25 years of age;</li> <li>➤ \$250 when the <b>vehicle</b> is being driven by a person who has not held a driving licence in relation to the class of <b>vehicle</b> for two or more consecutive years.</li> </ul> <p>These <b>excesses</b> are cumulative to the extent that one or more of the above circumstances apply and they are also in addition to the amount of any other applicable <b>excess</b> specified in this policy section or the <b>schedule</b>.</p> <p>This Additional Benefit 3 overrides Policy Section Exclusion 4 – 'Vehicles' and Policy Section Exclusion 20 – Property in physical or legal control, to the extent of any inconsistency.</p>
-----------------	--

#### 4. Interested parties

We cover	<p>We will pay a claim for legal liability for compensation for <b>personal injury</b>, <b>property damage</b> or <b>advertising injury</b> occurring within the <b>geographic limitations</b> during the <b>period of insurance</b> and caused by an <b>occurrence</b> connected with your <b>business</b> or <b>your products</b>, that is incurred by any interested party noted on the <b>schedule</b>.</p> <p>The <b>personal injury</b> or <b>property damage</b> must:</p> <ul style="list-style-type: none"> <li>a. result directly from the acts, errors or omissions of any person within clauses (a) to (d) of the definition of "you", in the carrying out of work or services in connection with <b>your business</b> and;</li> <li>b. not have been intended or expected by <b>you</b> or the interested party.</li> </ul>
We do not cover	<p>Such liability will be limited:</p> <ul style="list-style-type: none"> <li>a. to the extent required by any undertaking or contract entered into between <b>you</b> and the interested party; and</li> <li>b. only where such liability would exist in the absence of such an undertaking or contract.</li> </ul>

#### 5. Non-Manual Work Worldwide Cover

We cover	<p>We will pay a claim for <b>legal liability</b> which results in <b>personal injury</b> or <b>property damage</b> occurring in the <b>period of insurance</b> arising from non-manual work carried out by <b>you</b> anywhere in the world provided that at the time of the work being carried out, the person carrying out that work was normally resident in the Commonwealth of Australia or New Zealand.</p>
----------	--

## 6. Representation costs

### We cover

We will pay the costs of representing **you** at an inquest or in any court of summary jurisdiction relating to an **occurrence** occurring during the **period of insurance** which may give rise to **legal liability** covered under this policy section, if **you** have notified us in advance and we have given our prior written consent to **your** incurring these costs.

## What we pay

### Public liability

Subject to the limits that apply to products liability claims, we will pay up to the 'Public liability' **limit of liability** for any claim or series of claims for **personal injury**, **property damage** or **advertising liability** caused by or arising out of one **occurrence** or series of **occurrences** arising out of one original cause.

### Products liability

We will pay, in the aggregate, up to the 'Products Liability' **limit of liability** for **your legal liability** arising out of any **occurrences** that happen during the **period of insurance** in connection with **your products**.

### Legal costs

Unless stated otherwise, the legal cost extra cover are in addition to the **limit of liability**.

Subject to the terms and conditions of the exclusion 'Jurisdiction Limits' paragraph (b); for any claim arising from a recognition or enforcement action brought or instituted within the Commonwealth of Australia or New Zealand relating to a judgment obtained against **you** within the **United States** or **Canada** arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from business visits to the **United States** or **Canada**) by travelling directors and employees of the **named insured** normally resident in the Commonwealth of Australia or New Zealand, the **limit of liability** is inclusive of the extra cover Legal costs and additional benefits.

### Application of limit of liability to claims that exceed the limit

If we pay the **limit of liability** in respect of any claim or series of claims we will not be obliged to defend any legal action against **you**. We will have no further liability under this policy section with respect to the claim or series of claims (including legal costs) except for additional benefits incurred by **you** with our permission prior to the date of payment.

If a payment exceeding the **limit of liability** has to be made to dispose of a claim, or legal action against **you**, our liability to pay any additional benefits will be limited to that proportion of those additional benefits as the **limit of liability** bears to the amount paid to dispose of the claim or legal action.

## Excess

The **excesses** that are shown on the **schedule** apply. Other **excesses** set out in this policy section or any **endorsement** may also apply.

# Policy section conditions

These conditions apply to this policy section.

## 1. Joint insureds

Where **you** are comprised of more than one party we will deal with any claim as though a separate policy had been issued to each one of those parties, provided that nothing in this clause shall operate to require us to pay more than the **limit of liability** shown in the **schedule**.

We agree to waive all rights of subrogation or action which we may have against any such entity in relation to matters covered by this section.

## 2. Reasonable care

**You** must:

- a. exercise reasonable care to avoid and minimise **personal injury** or **property damage**, which includes taking reasonable measures to maintain all **situations**, fittings and plant in sound condition; and
- b. at **your** own expense take reasonable action to trace, recall or modify any, or all, of **your products** containing any defect or problem of which **you** have knowledge, or reason to suspect. This includes any compulsory recall or ban imposed by a government or statutory agency.

## 3. Inspection of property

We will be permitted to, but not obliged to, inspect the operations or **property insured** of **your business** at any time. Our inspection, or lack of inspection, does not constitute a recognition, admission or waiver of rights by us that any **property insured** or operation of **your business** is safe.

# Definitions

The following words have the following meanings for this policy section only. **You** should also refer to the General Definitions section starting on page 24.

---

### Advertising liability

- a. Any infringement of copyright or passing off of title or slogan; or
- b. Unfair competition, piracy, idea misappropriation contrary to an implied contract; or
- c. Invasion of privacy committed or alleged to have been committed during the **period of insurance** in any advertisement, publicity article, broadcast or telecast and caused by or arising out of **your** advertising activities.

---

### Canada

The Dominion of Canada and its respective territories, protectorates or dependencies.

---

---

## Geographic limitations

- a. anywhere in the Commonwealth of Australia or New Zealand; and
  - b. elsewhere in the world but only in respect of:
    - i. **business** visits by directors and employees of the **named insured** normally resident in the Commonwealth of Australia or New Zealand, other than directors or employees who are engaged in or supervising **manual labour** during such visits and not in respect of **advertising liability** arising from **business** visits to the **United States** or **Canada**; or
    - ii. **your products** exported from the Commonwealth of Australia or New Zealand, other than **your products** exported to the **United States** or **Canada**.
- 

## Internet operations

- a. use of electronic mail systems by **you** or **your** employees, including part time and temporary staff, and others within **your business** or others communicating with **your business** by electronic mail;
  - b. access through your network to the world wide web or a public internet site by **you** or **your** employees, including part time and temporary staff, and others within **your business**;
  - c. access to **your** intranet (internal company information and computing resources) which is made available through the world wide web for **your** customers or others outside **your business**; and
  - d. the operation and maintenance of **your** website.
- 

## Manual labour

Work primarily involving physical exertion, but does not include activities associated with marketing, promotion, demonstration or selling.

---

## Named insured

The person, company or legal entity shown as the insured on the **schedule**.

---

## Occurrence

An **event** neither expected nor intended from your standpoint including continuous or repeated exposure to substantially the same general conditions.

---

## Personal injury

- a. bodily injury, death, sickness, disease, disability, shock, fright, mental anguish, mental injury or loss of consortium;
  - b. false arrest, false imprisonment, wrongful eviction, wrongful detention or malicious prosecution;
  - c. libel, slander, defamation of character or invasion of right of privacy; or
  - d. assault and battery not committed by **you** or at **your** direction unless committed for the purpose of preventing or eliminating danger to persons or property.
-

---

## Property damage

- a. physical damage to or destruction of tangible property (which includes **loss** of property) including the loss of use of the property damaged or destroyed; or
- b. loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused by physical damage to or **loss** or destruction of other tangible property.

---

## United States

The United States of America and its respective territories, protectorates or dependencies.

---

## You, your, yours, yourself

The term 'you' includes:

- a. your personal representatives in the event of your death;
- b. all subsidiary companies (now or hereafter constituted) of the **named insured** which are incorporated within the Commonwealth of Australia or New Zealand and which carry on your **business**;
- c. any director, executive officer, employee, partner or shareholder of the **named insured** or the companies as designated in paragraph (b) but only whilst acting within the scope of their duties in such capacity;
- d. voluntary workers but only whilst acting within the scope of their duties in such capacity;
- e. any principal in respect of the liability of such principal arising out of the performance by the **named insured** or the companies as designated in paragraph (b) of any contract or agreement for the performance of work for such principal;
- f. any employee, office bearer or member of social, sports, fire fighting or welfare organisations, canteen and first aid facilities formed with the consent of the **named insured**, the companies as designated in paragraph (b) or the persons as designated in paragraph (c); and
- g. where the **named insured** is a club or association, any member of such club or association, but only whilst engaged as a member in activities organised by the club or association.

---

## Your products

Any thing (including any component, packaging or container of or for such thing) after it has ceased to be in your possession or control which has been manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied or distributed by you in the course of your **business**. The term includes any thing (including any component, packaging or container of or for such thing) which by operation of a law of the Commonwealth of Australia you are deemed to have manufactured.

---



# Policy Section 7: Goods in transit

## About this policy section

This policy section covers **loss** of or **damage** caused to **goods** you sell, buy or use in your **business** when they are **in transit**. You have a choice of two types of cover in this section.

You may insure under Option A or Option B. The option you choose will be shown on your **schedule**. You only have insurance for **goods in transit**, caused by the events listed below in the 'we cover' clause.

## Your insurance under the policy section

We cover	Provided 'Goods in Transit' is shown under 'Sections Insured' in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to <b>goods</b> during the <b>period of insurance</b> when they are <b>in transit</b> . You may choose either Option A – Specified Perils or Option B – Accidental Damage.
We do not cover	<p>Whether you choose Option A or Option B, this policy section will not cover you for:</p> <ul style="list-style-type: none"><li>a. electrical or mechanical derangement or breakdown. This exclusion does not apply if there is external evidence of derangement or breakdown having been caused directly by an insured peril.</li><li>b. <b>loss</b> or <b>damage</b> caused directly or indirectly because you do not comply with government or statutory laws and regulations for transporting hazardous <b>goods</b>.</li><li>c. <b>loss</b> or <b>damage</b> caused directly or indirectly by the conveying <b>vehicle</b> colliding with a kerb, roadway or ancillary <b>road</b>.</li><li>d. <b>loss</b> or <b>damage</b> caused by impact of <b>goods</b> with the <b>road</b> or surrounding areas because of the <b>goods</b> dropping or falling from the conveying <b>vehicle</b>, unless caused by insured events (a) or (b);</li><li>e. <b>loss</b> or <b>damage</b> caused directly or indirectly by the unsound or unroadworthy condition of the transporting <b>vehicle</b> if you own it.</li><li>f. delay of any kind or the results of delay.</li><li>g. confiscation or detention by Government</li></ul> <p>Whether you choose Option A or Option B, this policy section will not cover you for:</p> <ul style="list-style-type: none"><li>a. electrical or mechanical derangement or breakdown. This exclusion does not apply if there is external evidence of derangement or breakdown having been caused directly by an insured peril.</li><li>b. <b>loss</b> or <b>damage</b> caused directly or indirectly because you do not comply with government or statutory laws and regulations for transporting hazardous <b>goods</b>.</li><li>c. <b>loss</b> or <b>damage</b> caused directly or indirectly by the conveying <b>vehicle</b> colliding with a kerb, roadway or ancillary <b>road</b>.</li></ul>

We do not cover	<ul style="list-style-type: none"> <li>d. <b>loss</b> or <b>damage</b> caused by impact of <b>goods</b> with the <b>road</b> or surrounding areas because of the <b>goods</b> dropping or falling from the conveying <b>vehicle</b>, unless caused by insured events (a) or (b);</li> <li>e. <b>loss</b> or <b>damage</b> caused directly or indirectly by the unsound or unroadworthy condition of the transporting <b>vehicle</b> if you own it.</li> <li>f. delay of any kind or the results of delay.</li> <li>g. confiscation or detention by Government officials or authorities.</li> <li>h. <b>loss</b> or <b>damage</b> caused directly or indirectly by: <ul style="list-style-type: none"> <li>i. rust, oxidisation, discolouration, mildew, moths, mould, vermin or insects;</li> <li>ii. heating, sweating or any variation in temperature;</li> <li>iii. the inherent vice or nature of the <b>goods</b>;</li> <li>iv. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear;</li> <li>v. scratching, denting, chipping, cracking or breakage of <b>glass</b> or any fragile items; or</li> <li>vi. loss of use, loss of earning capacity and any other consequential loss.</li> </ul> </li> </ul>
-----------------	---

### Option A – Specified perils

We cover	<p>Provided 'Option A - Loss or damage to specified perils' is shown in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to <b>goods in transit</b> that is caused by any of the following insured events:</p> <ul style="list-style-type: none"> <li>a. collision or overturning or derailment or jack- knifing of the transporting <b>vehicle</b>;</li> <li>b. fire, lightning, explosion or <b>flood</b>;</li> <li>c. forced landing of or the misadventure of an <b>aircraft</b>;</li> <li>d. impact of the <b>goods</b> with something that is not on or part of the conveying <b>vehicle</b>;</li> <li>e. jettison, washing overboard and <b>loss</b> or <b>damage</b> incurred in time of peril;</li> <li>f. burglary from an unattended transporting <b>vehicle</b> following forcible and violent entry to the <b>vehicle</b>; or</li> <li>g. war or warlike activities, which means invasion, acts of a foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.</li> </ul>
----------	--

## Option B – Accidental damage

We cover	<p>Provided 'Option B - Loss or damage to unspecified perils' is shown in the <b>schedule</b> we will insure you for <b>loss</b> of or <b>damage</b> to <b>goods in transit</b> as a result of insured events a. to g. above and the following insured events and during <b>loading</b> and <b>unloading</b>.</p> <ul style="list-style-type: none"><li>a. <b>Accidental loss</b> of or <b>damage</b> to the <b>goods</b> during the <b>transit</b>;</li><li>b. <b>Loss</b> or <b>damage</b> caused by strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions;</li><li>c. <b>Loss</b> or <b>damage</b> caused by malicious acts of persons, unless caused or directed by you;</li><li>d. <b>Loss</b> or <b>damage</b> caused by insufficiency or unsuitability of packing or preparation of the <b>goods</b>, unless such was caused, directed or agreed by you;</li><li>e. Unexpected deterioration of temperature controlled <b>goods</b>;</li><li>f. <b>Loss</b> or <b>damage</b> while at any exhibition or display (other than in your owned or controlled <b>situations</b>), limited to a maximum of fourteen days;</li><li>g. If the transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not <b>loss</b> or <b>damage</b> is caused to the <b>goods</b>, we will pay the extra costs of freight or storage to forward the <b>goods</b> to their intended destination, or to return the <b>goods</b> to the place from which they were despatched, up to a maximum of 10% of the <b>sum insured</b> of the <b>goods</b>.</li></ul>
----------	---

## Extra covers

If we agree to pay a claim under this policy section for **loss** or **damage** to **goods in transit**, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers are in addition to the **sum insured**.

### 1. Air freight of replacement parts

We cover	We will cover you for the cost of air freighting replacement parts from suppliers to the original destination, even if the original transit was not by air freight.
We do not cover	We will not pay more than \$10,000 for any one claim.

### 2. Clean up costs

We cover	We will cover you for the clean up and disposal costs at any accident site, where you are legally or contractually obliged to pay those costs.
We do not cover	We will not pay more than \$25,000 for any one claim.

### 3. Transport and disposal costs

We cover	We will cover you for the reasonable costs and expenses incurred in cleaning up or decontaminating your <b>situation</b> following the delivery or return of salvaged <b>goods</b> , plus the cost of transport and disposal costs to remove those <b>goods</b> .
We do not cover	We will not pay more than \$25,000 for any one claim.

### 4. Freight and salvage charges

We cover	We will cover you for any additional freight or salvage charges that you are required to pay to remove your <b>goods</b> from any accident site, including the cost of transport to forward the <b>goods</b> to their intended destination or to return the <b>goods</b> to the place from which they were dispatched.
We do not cover	We will not pay more than \$10,000 for any one claim.

### 5. Minimisation costs

We cover	We will cover you for the reasonable costs incurred to avoid or minimise any further <b>loss</b> of or <b>damage</b> to the <b>goods</b> .
We do not cover	We will not pay more than \$10,000 for any one claim.

### 6. General average and salvage contribution

We cover	We will cover you for general average and or salvage contribution that you are required to pay under any Bill of Lading or similar document if the transit is by sea.
----------	---

# Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions.

Any amounts payable under this additional benefit do not apply in addition to the **sum insured**.

## Buyer and seller protection

We cover	<p>If, as a buyer or seller, you retain a contingent financial interest in the <b>goods in transit</b>, to the extent that:</p> <ul style="list-style-type: none"><li>a. the <b>goods</b> are <b>lost</b> or <b>damaged</b> during the <b>period of insurance</b>, and the <b>loss</b> or <b>damage</b> would be covered under this transit cover;</li><li>b. the other party under the terms of sale is legally liable to pay you for the <b>goods</b> or for the <b>loss</b> or <b>damage</b>, but fails to do so;</li><li>c. you have taken all reasonable steps to safeguard the <b>goods</b> and to recover payment from the other party; and</li><li>d. you have not disclosed to any party interested in the <b>goods</b>, the existence of this cover;</li></ul> <p>we will cover you for the <b>loss</b> or <b>damage</b> to the <b>goods</b> caused by the insured events that apply to the option that applies to your cover under this policy section.</p>
----------	--

# What we pay

At our option, we will pay you:

- a. for **goods** that you have sold, the price you have invoiced your customer;
- b. for **goods** that you have purchased, the purchase price shown on your suppliers' invoice (less any Goods and Services Tax included in that price);
- c. for any **stock** transfers between your branches or divisions, the internal accounting value given to that **stock**;
- d. for plant transfers between your branches or divisions:
  - i. where the plant is destroyed, the cost of replacing the plant with similar plant in a condition equal to but not better or more extensive than its condition when new;
  - ii. where the plant is **damaged**, the cost of repairing the **damage** or the cost of restoring the **damaged** portion of the plant to a condition substantially the same as but not better or more extensive than its condition when new;
- e. for **goods** being returned after sale, the market value of the **goods**; or
- f. general average and salvage charges, adjusted or determined according to the transport contract and the governing law and practice, incurred to avoid or in connection with the avoidance of **loss** or **damage** from any cause.

The maximum amount we will pay in respect of any one claim for **goods in transit** under this policy section is the 'Goods in transit' **sum insured**.

# Excess

The **excess** that applies is shown on the **schedule**.

# Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

## Goods

Goods, merchandise or property as described on the **schedule** and **customers' goods** that the **business** intends to or has repaired, serviced or maintained.

Goods do not include:

- a. **money**;
  - b. livestock;
  - c. antiques;
  - d. explosives, or any oxidising or radio-active substances or liquid fuel, liquid gas, toxic chemicals, corrosive acids, compressed gases, organic peroxides;
  - e. jewellery, precious metals or stones, bullion or furs unless these items form part of your normal **stock**;
  - f. **aircraft**, aerial devices, **watercraft** or mechanically propelled **vehicles** registered for **road** use; or
  - g. cigarettes, tobacco, wines, spirits or other alcoholic beverage.
- 

## In transit

The period of time starting from the time the **goods** leave a warehouse or place of storage in Australia for transportation, during the ordinary course of transportation anywhere in Australia, until either:

- a. delivery to the buyers or other final warehouse or place of storage in Australia; or
- b. delivery to any other warehouse or place of storage in Australia, whether prior to or at the final destination, which you have elected to use:
  - i. for storage other than in the ordinary course of transit; or
  - ii. for allocation or distribution,

whichever occurs first.

---

## Loading

The period of time starting from the time the **goods** are lifted from the ground or loading dock immediately adjacent to the transporting **vehicle** or conveyance until the **goods** are placed on the transporting **vehicle** or conveyance.

---

## Unloading

The period of time starting from the time the **goods** are lifted from the transporting **vehicle** or conveyance until the **goods** are placed on the ground or loading dock immediately adjacent to the transporting **vehicle** or conveyance.

---

# Policy Section 8: Fraud and dishonesty

## About this section

This section covers the theft of your **goods** or **money** by any of your **employees** either acting alone or in collusion with any others.

## Your insurance under this section

We cover	Provided 'Fraud and Dishonesty' is shown under 'Sections Insured' in the <b>schedule</b> we will insure you for <b>loss</b> of <b>money</b> or <b>goods</b> as a result of any act of fraud or dishonesty committed by any of your <b>employees</b> while working for you in connection with the <b>business</b> , either acting alone or in collusion with others that occurs during the <b>period of insurance</b> .
We do not cover	<p>This policy section does not cover you for:</p> <ul style="list-style-type: none"><li>a. any <b>loss</b> arising from the conduct of an <b>employee</b>, discovered later than:<ul style="list-style-type: none"><li>i. 12 months after the expiry of the <b>period of insurance</b>; or</li><li>ii. 12 months after the termination of employment of the relevant <b>employee(s)</b></li></ul></li></ul> <p>whichever occurs first;</p> <ul style="list-style-type: none"><li>b. any <b>loss</b> arising from the conduct of an <b>employee</b> after you have knowledge of or information about any prior act of fraud or dishonesty by the <b>employee</b>;</li><li>c. <b>loss</b> arising from the conduct of an <b>employee</b> outside Australia;</li><li>d. any <b>loss</b> where you are unable to identify which <b>employee</b> is responsible unless you can satisfactorily demonstrate to us that the <b>loss</b> was caused by the dishonest conduct of one or more <b>employees</b>;</li><li>e. <b>loss</b> or part of a <b>loss</b> arising from the conduct of an <b>employee</b>, where the proof of the <b>loss</b>, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;</li><li>f. fraud or dishonesty by any of your <b>employees</b> committed with your connivance;</li><li>g. loss of use, loss of earning capacity and any other consequential loss; or.</li><li>h. loss arising from any contractual liability.</li></ul>

# Extra covers

If we agree to pay a claim under this policy section for fraud or dishonesty we will also pay for the extra covers set out below.

Any amounts payable under the extra cover do not apply in addition to the **sum insured**.

## 1. Claims preparation costs

We cover	We will also pay for the reasonable cost of auditors' fees and other reasonable expenses incurred by you with our consent, for the preparation of claims under this policy section.
We do not cover	We will not pay more than \$5,000 under this extra cover during any one period of insurance.

## 2. Costs of recovery

We cover	If you sustain a <b>loss</b> greater than the <b>sum insured</b> shown in the <b>schedule</b> for this section, we will pay for costs and expenses that you have reasonably incurred in an attempt to recover the <b>lost goods</b> or <b>money</b> .
We do not cover	We will not pay more than an additional 20% of the <b>sum insured</b> shown in the <b>schedule</b> .

# Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions.

Unless stated otherwise below, any amounts payable under these additional benefits do not apply in addition to the **sum insured**.

## 1. Welfare, social or sporting club cover

We cover	The term 'you' is extended to include any welfare, social or sporting club formed with your knowledge and consent which is exclusively for the benefit of <b>employees</b> and their families.
----------	--

## 2. Retroactive cover

We cover	<p>If this policy section replaces any previous fraud and dishonesty policy held by you that is terminated, cancelled or allowed to expire at the time of the replacement, we will cover any <b>loss</b> that is within the period of cover of the previous policy provided that:</p> <ul style="list-style-type: none"><li>a. the <b>loss</b> is not covered by the previous policy;</li><li>b. the <b>loss</b> would have been recoverable by you under the previous policy except for the fact that the time within which to discover any <b>loss</b> had expired; and</li><li>c. the <b>loss</b> would have been covered under this section if this section had been in force when the acts or defaults causing the <b>loss</b> were committed.</li></ul>
----------	---



## We do not cover

We will not cover you for any **loss** arising from any act of dishonesty committed more than 12 months before the inception of this policy section.

We will not cover you for more than the lesser of the:

- a. **sum insured** shown in the **schedule**; or
- b. the amount that would have been recoverable under the previous policy had it continued in force until the discovery of the **loss**.

## What we pay

We will:

- a. pay you the amount of **lost money**; or
- b. at our option, replace **lost goods** or pay the market value of the **goods**.

Notwithstanding that the act of fraud or dishonesty may have been committed during more than one **period of insurance**, the maximum amount we will pay for any claim is the 'Limit any one employee' **sum insured**.

## Policy section conditions

These conditions apply in addition to the general claims conditions (see pages 20 to 22).

### 1. After a loss

As soon as you become aware of any fraud or dishonesty you must:

- a. take all reasonable steps to recover **lost** or stolen property and prevent further **loss**;
- b. agree to withhold (to the extent you are allowed to by law) and to retain salary, commission, **money** or assets that are the property of an employee whose dishonesty has caused a claim; and
- c. notify the police immediately.

### 2. Documentation

In the event of a claim, you must supply us with all records and documents that may assist us in substantiating and investigating the act of fraud or dishonesty and your rights of recovery. This includes but is not limited to all records (including computer, electronic and accounting records), video and audio recordings, working papers, internal memoranda, police reports, accounting records and audit documents.

### 3. Acts of fraud or dishonesty

A series of related, continuous or repeated acts of fraud or dishonesty (whether by any one employee or any number of **employees** in collusion) will be treated as a single act of fraud or dishonesty even if committed during more than one **period of insurance**.

However, if the act of fraud or dishonesty is committed during more than one **period of insurance** you shall be entitled to elect in which of these **periods of insurance** the act of fraud or dishonesty shall be deemed to have occurred. The maximum amount of insurance will be determined by the **sums insured** that applied in the elected **period of insurance**.

## Excess

The **excess** that applies is shown on the **schedule**.

## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Employee

Any person while employed by you in the **business** who you compensate by salary, wages, or commission and have the right at all times to govern, control and direct in the performance of their work.

**Employee** does not include:

- a. any broker, factor, consignee or contractor;
- b. any member of your **family**; or
- c. any partner, director or trustee unless that person is also your **employee**.

---

### Goods

All property, including but not limited to, contents, **stock**, tools of trade, **cigarettes, cigars and tobacco**, which is sold or used in your **business** and which you own or for which you are legally liable.

---

### Cigarettes, cigars and tobacco

Cigarettes, cigars and tobacco for sale by you in the **business**

---

### Stock

- Stock includes **stock in trade** and **cigarettes, cigars** and **liquor**.
- Stock includes items of property at your **situation** under a 'sales or return' consignment agreement.
- Stock does not include consigned items of property under an agency arrangement where you make a commission on a sale.

---

### Stock in Trade

- Merchandise and **customers' goods** for which you are legally responsible including the value of the work done and containers or packaging materials used in connection with the **business**.
-

# Policy Section 9: Equipment breakdown

## About this policy section

This section covers **breakdown** of **insured equipment** at the **situation** and any direct **loss** or **damage** to **insured property** as a result for the events set out under the ‘we cover’ column.

## Your insurance under this section.

We cover	<p>Provided “Equipment breakdown’ is shown under ‘Sections Insured’ in the <b>schedule</b> we will insure you for:</p> <ul style="list-style-type: none"><li>a. <b>breakdown</b> of <b>insured equipment</b> which occurs at the <b>situation</b>; and</li><li>b. any direct <b>loss</b> or <b>damage</b> to <b>insured property</b> as a result of that <b>breakdown</b></li></ul> <p>where the <b>breakdown</b>, <b>loss</b> or <b>damage</b> occurs during the <b>period of insurance</b>.</p>
We do not cover	<p>We do not cover <b>loss</b> or <b>damage</b> caused by or arising out of pollution, contamination or damage by a <b>hazardous substance</b>, however caused, except as provided for in extra cover 1.</p> <p>We do not cover <b>loss</b> or <b>damage</b> to <b>air conditioners</b> unless your <b>schedule</b> shows that they are covered.</p> <p>We do not cover <b>loss</b> or <b>damage</b> caused by or arising out of:</p> <ul style="list-style-type: none"><li>a. earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;</li><li>b. storm, hail, lightning, thunder, wind, rainwater;</li><li>c. the sea, including tidal wave, tsunami, storm surge or high water;</li><li>d. <b>flood</b>;</li><li>e. fire, smoke or combustion explosion;</li><li>f. water, liquids or substances discharged or other means used to extinguish a fire;</li><li>g. escape of water or liquids unless resulting from a <b>breakdown</b>;</li><li>h. <b>aircraft</b> or other aerial devices or articles dropped there from or sonic boom;</li><li>i. riot, civil commotion or sabotage; or</li><li>j. vandalism or malicious damage.</li></ul> <p>We do not cover losses from:</p> <ul style="list-style-type: none"><li>a. loss of use or consequential loss of any kind; or</li><li>b. any other indirect result of a <b>breakdown</b> except as may be provided in the additional benefits.</li></ul>

## We do not cover

We do not cover losses caused by or resulting from the partial or total failure, malfunction or loss of use of any **electronic equipment**, computer system, information repository, microchip, integrated circuit or other similar device due to:

- a. the erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
- b. any error in creating, amending, entering, deleting or using **data**;
- c. the inability to receive, transmit or use **data**; or
- d. the impact of any **computer virus** or the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility, however, we will pay for **losses** that result solely from the **breakdown** of any other **insured equipment** which is covered by this policy section.

We do not cover:

- a. **breakdown, loss or damage** caused during the course of maintenance, inspection, repair, alteration, modification or overhaul;
- b. **breakdown, loss or damage** caused during installation, erection or relocation;
- c. **damage** to foundations, brickwork, and refractory materials other than as a result of **breakdown**;
- d. **breakdown, loss or damage** arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded;
- e. **breakdown, loss or damage** caused by a deliberate act, neglect or omission on your part;
- f. **breakdown, loss or damage** for which the manufacturer or supplier or other parties are responsible under maintenance or warranty agreement;
- g. the cost of alterations, improvements or overhauls unless it is required for the repair or replacement;
- h. the costs associated with modifying the **machinery** so that it operates with a more ozone friendly refrigerant gas as required by the **United Nations Environment Programme** Montreal Protocol with respect to substances which deplete the ozone layer ("**UNEP**");
- i. **Breakdown, loss or damage** as a result of dual lifting; or
- j. **Breakdown**, of any equipment which is useless or obsolete to your **business**.

# Extra covers

If you have selected a **sum insured** for 'Equipment Breakdown', as noted on your **schedule**, and we agree to pay a claim under this policy section for **breakdown** or direct **loss** or **damage** as a result of **breakdown** we will also pay for the extra covers set out below. Any amounts payable under these extra covers will be included in the **sum insured**.

If you have selected 'repair and replacement' cover, as noted on your **schedule**, and we agree to pay a claim under this policy section for **breakdown** or direct **loss** or **damage** as a result of **breakdown** we will also pay for the extra covers set out below. Any amounts payable under these extra covers will be in addition to the repair and replacement amount paid under the insuring clause.

## 1. Hazardous substances

We cover	If a <b>hazardous substance</b> is involved in or released by a <b>breakdown</b> of <b>insured equipment</b> , we cover you for the increase in cost to repair, replace, clean up or dispose of, <b>damaged insured property</b> .
We do not cover	We will not pay more than \$25,000 for each claim under this extra cover.

## 2. Expediting expenses

We cover	<p>We will also pay your reasonable costs of:</p> <ul style="list-style-type: none"><li>➤ hiring temporary replacement <b>insured equipment</b> but no other associated costs such as, but not limited to, installation and storage costs;</li><li>➤ effecting temporary repairs;</li><li>➤ overtime work required for carrying out the repairs;</li><li>➤ express freight services; and</li><li>➤ consultants fees.</li></ul>
We do not cover	<p>We will not pay more than \$25,000 in total for these expediting expenses for each <b>event</b>.</p> <p>We will not pay for the temporary replacement of computers, word processors or electronic processing systems.</p>

# Optional insurance

We will provide the following optional insurance when requested by you, when you pay any additional premium required and when shown on your **schedule** as applying.

Any amounts payable under this optional insurance are in addition to the **sum insured**.

## 1. Deterioration of stock

We cover	<p>We will cover you for <b>loss</b> of perishables that spoil during the <b>period of insurance</b> due to a rise or fall in temperature as a result of:</p> <ul style="list-style-type: none"><li>a. a <b>breakdown</b> of <b>insured equipment</b> which is covered by this policy section; or</li><li>b. the operation or failure of the thermostats, controls, fuses, circuit breakers or overload devices which are owned by you and are protecting a refrigeration chamber, but not including <b>loss</b> or <b>damage</b> due to the manual operation or setting of switches.</li></ul> <p>If there is a <b>breakdown</b> of equipment not owned, leased, operated or controlled by you we will cover you for <b>loss</b> of perishable <b>insured property</b> which spoils as a result, but only if the equipment is:</p> <ul style="list-style-type: none"><li>a. of a type described in the definition of <b>insured equipment</b> in this policy section;</li><li>b. located on or within three hundred (300) metres of the <b>situation</b>; and</li><li>c. owned by the owner of the <b>building</b> at the <b>situation</b> or by a utility company; and</li><li>d. used to supply telephone, electricity, air conditioning, heating, gas, water or steam services to your <b>business</b> at the <b>situation</b>,</li></ul> <p>and the <b>breakdown</b> occurs during the <b>period of insurance</b>.</p>
We do not cover	<p>If the perishable <b>insured property</b> is not replaced, we only cover you for the <b>actual cash value</b> of the spoiled <b>insured property</b>.</p> <p>However, under this Optional Insurance we will not pay more than the amount shown on the <b>schedule</b>.</p>

## 2. Restoration of computer data

We cover	<p>We will cover you if, as a result of <b>breakdown</b> to any computer, word processor or electronic processing system which is <b>insured equipment</b>, <b>data</b> is <b>lost</b> or <b>damaged</b> during the <b>period of insurance</b>.</p> <p>The <b>media</b> containing the <b>data</b> must be:</p> <ul style="list-style-type: none"><li>a. at the <b>situation</b>;</li><li>b. at a <b>storage situation</b>;</li><li>c. temporarily at any alternative location for processing purposes; or</li><li>d. in transit between any of these locations.</li></ul>
----------	--

We cover	<p>Under this optional insurance, we will pay:</p> <ol style="list-style-type: none"> <li>any expenses which you can prove have been incurred by you strictly for the purpose of restoring or replacing <b>data</b> by reproduction of <b>data</b> or information in a condition equivalent to that existing prior to the <b>breakdown</b>. <b>Data</b> may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form; and</li> <li>the reasonable costs incurred by you to replace or restore <b>data</b> or information, including any overtime, night work or work carried out during public holidays.</li> </ol>
We do not cover	<p>We will not cover you for more than the 'Restoration of Computer Data' <b>sum insured</b> for any claim under this optional insurance.</p> <p>We will not pay any amount under this optional insurance if:</p> <ol style="list-style-type: none"> <li>you do not incur the expense or costs within 12 months of the <b>breakdown</b>; or</li> <li>in relation to any <b>data</b>, you do not have a backup copy of the <b>data</b> that is: <ol style="list-style-type: none"> <li>less than five (5) business days old; and</li> <li>stored at an offsite <b>storage situation</b>.</li> </ol> </li> </ol>

### 3. Substitute computer systems

We cover	<p>Following a <b>breakdown</b>, during the <b>period of insurance</b>, to any computer, word processor or electronic processing system that is <b>insured equipment</b>, we will cover you for the cost of a substitute computer, word processor or electronic processing system used in the <b>business</b> during the interruption caused by the <b>breakdown</b>.</p> <p>Under this optional insurance, we will pay:</p> <ol style="list-style-type: none"> <li>the expenses incurred for the use of a substitute computer or electronic data processing system of similar specification; and</li> <li>any other reasonable additional costs incurred by you to operate the substitute computer or electronic data processing system during normal business hours.</li> </ol>
We do not cover	<p>We will not pay more than the 'Substitute computer systems' <b>sum insured</b> for any claim under this optional insurance.</p> <p>We will not pay any amount under this optional insurance for expenses incurred during the period of interruption (beginning on the date of the <b>breakdown</b> and ending when normal operations of the <b>business</b> resume but no more than 12 months after the date of the <b>breakdown</b>) where normal operations of the computer, word processor or electronic processing systems can not resume solely because of the discontinuance of manufacture or obsolescence of the computer, word processor or electronic processing system or any component part of system.</p>

# What we pay

## 1. Insured equipment

In the event of a claim we will pay with respect to:

- a. **media** – the cost of replacing the **media** with blank material;
- b. exposed film, records, manuscripts and drawings – the cost of replacement with blank material plus the cost of transcription; and
- c. all other **insured equipment** and other **insured property** – the lesser of the cost at the time of the **breakdown** to:
  - i. repair the damaged property; or
  - ii. replace the damaged property with similar property of like kind, capacity, size, quality and function.

However, we shall not pay:

- i. any cost of repairing or replacing any part or parts of a piece of **insured equipment** which is greater than the cost of repairing or replacing the entire piece of **insured equipment**;
- ii. more than the cost to replace the **insured equipment** or **insured property** with equipment or property of like kind, capacity, size, quality and function;
- iii. more than the cost to replace the **insured equipment** or **insured property** at the **situation** or adjacent site; or
- iv. for **breakdown, loss** or **damage** to **insured equipment** or **insured property** which is useless or obsolete to your **business**.

If the **damaged property** or **insured equipment** is not repaired or replaced within 12 months after the date of the **breakdown**, we will pay you the **actual cash value** of the **damaged property** or **insured equipment** at the time of the **breakdown**.

The maximum we will pay is the **sum insured** as shown in the **schedule**.

## Excess

The **excess** that applies to any one claim under this section is the 'Breakdown' **excess** shown on the **schedule**.

If a claim is made under the insuring clause and under an optional insurance cover which arises from the same **event**, only one **excess** applies.



# Policy section conditions

These conditions apply in addition to the general policy conditions (see pages 17 to 19).

## 1. Adherence to statutory requirements

If **insured equipment** is required to be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, you must obtain any licenses as required and use the **insured equipment** as specified in the license.

## 2. Inspection

We or our authorised representatives have the right to make inspections of **insured equipment** at any reasonable time. Neither this right to make inspections nor making them is an undertaking to you or others that the **insured equipment** is safe and not hazardous or injurious to health.

## 3. Obligation to prevent loss

If we or our authorised representatives discover **insured equipment** in or exposed to a dangerous condition, you must comply with any direction provided by us or our representatives to prevent **loss**. If you do not comply within 30 days of receiving the direction, we may refuse to pay a claim and cancel your policy.

## 4. One breakdown

If either:

- a. a **breakdown** of **insured equipment** causes the **breakdown** of other **insured equipment**; or
- b. a series of **breakdowns** occur at the same time as a result of the same cause;

they will all be considered as one **breakdown** for the purpose of applying the **excess**, the 'Equipment Breakdown' **sum insured**, and any other **limit** in this policy section.

# Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Actual cash value

The cost of replacing damaged property with property of similar kind, capacity, size, quality and function less depreciation for the age, condition, and normal life expectancy of the property.

---

### Air conditioner

An appliance, system, or mechanism designed to extract heat from an area via a refrigeration cycle. Its purpose in a building is to provide comfort during either hot or cold weather.

---

---

## Breakdown

Sudden and **accidental** failure of equipment resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.

Breakdown does not mean:

- a. depletion, deterioration, corrosion or erosion of material;
- b. wear and tear;
- c. vibration or misalignment;
- d. the functioning of any safety device or protective device; or
- e. the failure of a structure or foundation supporting the equipment or a part of the equipment.

---

## Hazardous substance

- a. any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
- b. any mould, yeast, **fungus** or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, **fungus** or mildew, whether or not allergic, pathogenic or toxigenic.

---

## Insured equipment

Any of the following equipment provided it is owned, leased, operated or controlled by you in your **business**:

- a. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels (but only to the extent that the **schedule** shows that **air conditioners** are covered) and piping or any other piping and its accessory equipment, but not including:
  - i. any boiler foundation, any refractory or insulating material;
  - ii. any part of a boiler or fired pressure vessel that does not contain steam or water; or
  - iii. any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
- b. any mechanical or electrical equipment that generates, transmits or utilises mechanical or electrical power, but not including:
  - i. any **vehicle** or mobile equipment;
  - ii. any **watercraft** or **aircraft**; or
  - iii. any elevator or escalator but not excluding any electrical or **electronic equipment** used with such apparatus;
- c. any electronic machine, device or instrument used for research, diagnosis, treatment, communication, word processing, **data** processing, duplicating, monitoring or scanning.

---

## Insured property

- a. Your property; or
- b. property not belonging to you but in your care, custody or control and for which you are legally liable.

---

## Storage situation

The location away from the **situation** where copies of **data media** are stored.

---

# Policy Section 10: General property

## About this policy section

This section covers you for **loss** or **damage** to **insured property** that you usually take with you in the course of your **business** anywhere in the world. Any individual item worth more than \$2,500 must always be specified.

## Your Insurance under this section

We cover	Provided 'General Property' is shown under 'Sections Insured' in the <b>schedule</b> we will insure you for <b>accidental loss</b> or <b>damage</b> to <b>insured property</b> occurring anywhere in the world during the <b>period of insurance</b> .
We do not cover	<p>This policy section does not cover:</p> <ul style="list-style-type: none"><li>a. any <b>unspecified item</b> of property unless your <b>schedule</b> shows that you have cover for <b>unspecified items</b> of property.</li><li>b. <b>loss</b> or <b>damage</b> caused by or arising out of:<ul style="list-style-type: none"><li>i. the actual process of cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;</li><li>ii. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;</li><li>iii. moths, termites or other insects or vermin;</li><li>iv. scratching, biting or chewing by any <b>animal</b></li><li>v. chipping, scratching, denting or marring that does not materially affect the use or operation of the <b>insured property</b>;</li><li>vi. change in colour, loss of weight, change in flavour, texture or finish;</li><li>vii. the action of light, atmospheric conditions, any form of <b>fungus</b> or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;</li><li>viii. mechanical, hydraulic, electrical or electronic breakdown, burn-out, failure, malfunction or derangement of any equipment or device;</li><li>ix. soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);</li><li>x. any faults or defects in any item of <b>insured property</b> that you or any of your <b>employees</b> knew about before taking out this policy section;</li><li>xi. unexplained inventory shortage, disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials;</li><li>xii. testing, experimentation, intentional overloading, misuse or abuse;</li></ul></li></ul>

We do not cover

- xiii. cracking, scratching or breakage of **glass** or fragile items unless as a consequence of **loss** or **damage**;
- xiv. fraud or dishonesty by you or any other person;
- xv. kidnapping, bomb threat, threat of contamination, hoax, trickery, extortion or any attempt at any of these;
- xvi. detention, confiscation or disappearances by customs or any lawful authority;
- xvii. the sea, including tidal wave tsunami, storm surge or high water;
- xviii. **flood**;
- xix. erosion; subsidence, earth movement or collapse;
- xx. faulty materials or faulty workmanship; or
- xxi. error, failure or omission in design plan or specification;
- c. **loss** or **damage** to:
  - any item worth more than \$2,500 unless it is a **specified item**.
- d. **loss** or **damage** to **money** or documents of any kind;
- e. **loss** or **damage** to tools of trade, sporting equipment, guns or musical instruments while they are in use;
- f. **loss** or **damage** to **property** undergoing any process involving the application of heat;
- g. loss of use, loss of earning capacity and any other consequential loss;
- h. **loss** or **damage** to **property** as a result of:
  - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
  - ii. **breakdown** or malfunction of the processing system including operator error or omission in creating, amending, loading, deleting or using **data**; or
  - iii. total or partial inability or failure to receive, send, access or use **data** for any time or at all;
- i. you for any **loss** or **damage** caused by or arising out of burglary:
  - i. committed by any member of your **family** or by any **employee** of yours or committed by any person whilst lawfully at your **situation**; or
  - ii. of unattended **insured property** in the open air.

We do not cover	<ul style="list-style-type: none"> <li>j. you for any <b>loss</b> or <b>damage</b> caused by or arising out of burglary from any building or <b>vehicle</b> unless the <b>insured property</b> was: <ul style="list-style-type: none"> <li>i. securely locked in the <b>vehicle</b> and the burglary was consequent upon forcible and violent entry to the <b>vehicle</b>;</li> <li>ii. securely and permanently affixed to the building or <b>vehicle</b> and burglary is consequent upon forcible and violent removal of the <b>insured property</b>;</li> <li>iii. securely chained to the <b>vehicle</b> by a steel chain having a link diameter of 10mm or greater and a padlock with a security rating under AS 4145.4 (or any subsequent amendment) of 6 (or its equivalent) or above;</li> <li>iv. in your private residence or the private residence of your <b>employee</b> who has been authorised by you to have the custody and control of the <b>insured property</b>. However we will not cover any burglary by a tenant;</li> <li>v. securely locked in a building or any part of the building and the burglary is consequent upon forcible and violent entry to the building or that part of the building. However we will not cover any burglary: <ul style="list-style-type: none"> <li>➤ committed by any person while lawfully in the building; or</li> <li>➤ of <b>insured property</b> which is unattended in areas of the building accessible by the general public; or</li> </ul> </li> <li>vi. stolen as a consequence of armed hold- up or the threat of physical violence.</li> </ul> </li> </ul>
-----------------	---

## Extra covers

If we agree to pay a claim for **loss** or **damage** to your **insured property** under this policy section, we will also pay for the following extra covers.

### Reinstatement of sum insured

We cover	<p>If we pay an amount for a claim under this policy section we will automatically reinstate the <b>sum insured</b> to the amount shown on the <b>schedule</b>. You will not have to pay any additional premium.</p>
----------	--

# Additional benefits

We will also provide the following additional benefits in this policy section subject to both the General and Policy Section Exclusions. Any amounts payable under these additional benefits apply in addition to the **sum insured**.

## Burglary of other equipment

We cover	We will cover you for burglary of any <b>insured property</b> not belonging to you but in your physical or legal control for the purposes of your <b>business</b> occurring during the <b>period of insurance</b> anywhere in the world.
We do not cover	<p>This additional benefit does not cover burglary committed by any member of your <b>family</b> or by any <b>employee</b> of yours or committed by any person whilst lawfully at your <b>situation</b>.</p> <p>We will not cover you under this additional benefit unless the <b>insured property</b> was:</p> <ul style="list-style-type: none"><li>a. in a securely locked <b>vehicle</b> and the burglary was consequent upon forcible and violent entry to the <b>vehicle</b>;</li><li>b. in a securely and permanently affixed to the building or <b>vehicle</b> and burglary is consequent upon forcible and violent removal of the <b>insured property</b>;</li><li>c. in a <b>vehicle</b> and was securely chained to that <b>vehicle</b> by a steel chain having a link diameter of 10mm or greater and a padlock with a security rating under AS 4145.4 (or any subsequent amendment) of 6 (or its equivalent) or above;</li><li>d. in your private residence or the private residence of your <b>employee</b> who has been authorised by you to have the custody and control of the <b>insured property</b>. However we will not cover any burglary by a tenant;</li><li>e. securely locked in a building or any part of the building and the burglary is consequent upon forcible and violent entry to the building or that part of the building.</li></ul> <p>However we will not cover any burglary:</p> <ul style="list-style-type: none"><li>i. committed by any person while lawfully in the building; or</li><li>ii. of <b>insured property</b> which is unattended in areas of the building</li></ul> <ul style="list-style-type: none"><li>f. stolen as a consequence of armed hold-up or the threat of physical violence.</li></ul> <p>We will not cover you for more than \$2,000 in any one <b>period of insurance</b> under this additional benefit.</p>

## What we pay

At our option, we will:

- a. repair or replace the item of **insured property** (including carry case and usual accessories) to a condition equal to but not better or more extensive than its condition when new; or
- b. pay the cost to repair or replace the **insured property**.

When the **loss** or **damage** is confined to a part or component of the **insured property**, we will only pay for that part or component plus the cost of any necessary dismantling and reassembling.

If we replace or pay the cost of replacing any item of **insured property** you no longer have any cover for that item or the replacement item.

Maximum amount we will pay:

- a. in respect of each **specified item** is the **sum insured** for that item.
- b. in respect of any one **unspecified item** is \$2,500.
- c. during the **period of insurance** for all claims in respect of any particular group or class of **unspecified items** is the **sum insured** for that group or class of **unspecified property** set out in the **schedule**.

## Excess

The **excess** that applies is shown on the **schedule**. The **excess** applies to each **event**.

## Policy section conditions

These conditions apply in addition to the general claims conditions (see pages 20 and 21).

### A. Items in a pair, set or collection

When the **insured property** includes items in a pair, set or collection the insurance for each item is limited to its proportionate value only, and does not include any special value the individual item may have as part of a pair, set or collection. Any reduction in the value of the remaining part or parts of the pair, set or collection following **loss** or **damage** to an individual item is not covered.

### B. Under-insurance of specified items

If two or more items are insured under one **sum insured** then, in the event of **loss** or **damage**, we will be liable for no greater proportion of the **loss** or **damage** than that which the **sum insured** bears to eighty percent (80%) of the replacement value of those items.

The replacement value will be determined net of any GST component of that value and will be calculated as at the date the policy was last entered into, renewed, extended or varied.

# Worked dollar examples

The following worked dollar examples are designed to assist you in the understanding some of the important benefits in this policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following examples should be used for general guidance only.

You have cover for property that you use away from the **situation** from which you operate your **business**. You have specified a laptop computer, detailing the model and serial number worth \$3,000, a mobile phone worth \$1,000 and some unspecified measuring tools that in total are worth \$3,500. Your locked car is broken into and the insured laptop, a laptop worth \$2,900 that is usually at the **situation**, the mobile phone, a laser leveling device worth \$2,600, a GPS unit worth \$500 and a digital measuring laser device worth \$655 are stolen. Your **excess** is \$200.

How much we pay		Further information
Specified laptop	\$3,000	We may pay this amount directly to the suppliers
2nd laptop	\$0	The laptop worth \$2,900 is not specified on the <b>schedule</b> and as a result is not covered. This item must be specified on the <b>schedule</b> . The item is not covered.
Laser leveling device	\$0	This device is worth more than \$2,500 and as a result cannot be covered as an unspecified item. This item is not specified on the <b>schedule</b> and as a result is not covered.
The mobile phone	\$1,000	The phone is specified on the <b>schedule</b> , as required by the policy. We may pay this amount directly to the suppliers.
The GPS unit	\$0	The GPS is worth less than \$2,500 but the policy requires it to be specified on the <b>schedule</b> to be covered. The item is not covered.
Digital measuring laser device	\$655	The item of property is worth less than \$2,500 and falls within a class of <b>unspecified items</b> described on the <b>schedule</b> . We may pay this amount directly to the suppliers.
Less <b>excess</b>	-\$200	This is the <b>excess</b> shown on your <b>schedule</b> .
Total claim	<b>\$4,455</b>	We may pay this amount directly to the suppliers.

If all of the property was stolen from the **situation** following forcible entry after hours and you have a burglary cover covering \$10,000 of contents, then we would pay \$2,900 for the 2nd laptop and \$500 for the GPS unit under the burglary cover, total \$3,400. There would be no **excess** on the amount paid under the burglary cover, as we only apply one **excess** for the **event**.



# Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

**Insured property**  
**Specified items** and/or **unspecified items**, as shown in your **schedule**.

---

**Specified items**  
Each item of property that is specifically described on the **schedule**.

---

**Unspecified items**  
Each item of property which is not a **specified item** but which is part of a group or class of property described generally on the **schedule**. The group or class described may include hand tools and hand held power tools.

Unspecified items do not include

- a. mobile phones, laptop computers, electronic diaries, GPS units or video cameras, or any of their accessories; or
- b. any item worth more than \$2,500.

---

# Policy Section 11: Tax audit

## About this policy section

This policy section covers the **professional fees** such as accountant’s fees incurred by you in connection with an audit, review or investigation of your **business’s** tax affairs by The Commonwealth of Australian Taxation Office, or by a Commonwealth, State or Territory department, body or agency authorised to conduct a **tax audit**.

## Your insurance under this policy section

We cover	Provided that ‘Tax Audit’ is shown under ‘Sections Insured’ in the <b>schedule</b> we will insure you for <b>professional fees</b> reasonably and necessarily incurred by you in connection with an official <b>tax audit</b> , by an <b>authority</b> , commenced and notified to us during the <b>period of insurance</b> .
We do not cover	<p>This policy section does not cover:</p> <ul style="list-style-type: none"><li>a. any claim or claims caused by or arising out of any income return that has not been prepared or reviewed prior to dispatch by your <b>tax agent</b>. However, this exclusion does not apply to any return for:<ul style="list-style-type: none"><li>i. prescribed sales tax;</li><li>ii. income derived from any payment under a contract of employment of service between you and any other person, company or entity, other than when that payment is paid by a company for which you are a director or have a controlling interest;</li><li>iii. income derived from any payment from superannuation, pension or other retirement benefit; or</li><li>iv. income derived from personal investments that you are not wholly or mainly dependent on;</li></ul></li><li>b. you:<ul style="list-style-type: none"><li>i. if you bring about a <b>tax audit</b> through your failure to lodge taxation or any other return within the time limit prescribed by statute or through any extension of time granted by the <b>authority</b>;</li><li>ii. if you make a statement to the <b>authority</b> or your tax <b>agent</b> that omits a material particular or is false or misleading; or</li><li>iii. if you bring about a <b>tax audit</b> by your failure to pay all taxes by the due date or within any extension of time granted by the <b>authority</b>;</li><li>iv. for the amount of any fine or penalty that you may be ordered to pay by any <b>authority</b> or court;</li><li>v. for any amount that you are unable to recover because of a contract or agreement that you have entered into that excludes or limits your rights to recover that amount;</li><li>vi. for any <b>tax return</b> prepared:<ul style="list-style-type: none"><li>– by a person who ordinarily resides outside Australia and its external territories;</li><li>– for a company, firm or entity which operates outside Australia and its external territories;</li></ul></li></ul></li></ul>

We do not cover

- c. any claim arising from any **tax audit** for which notice or information was received by you or your **tax agent** before the inception of this section;
- d. any claim or claims caused by or arising out of any inquiry from an authority which is not related to either an identified intention to conduct a **tax audit** or is not directed at obtaining information or **data** for a possible future **tax audit**;
- e. any claim or claims caused by or arising out of any fraudulent act or fraudulent omission or statement made to an **authority**.  
This exclusion does not apply when a false or misleading statement results from:
  - i. you being misled by the **authority**, when you did not and could not be expected to know that statement was false or misleading; or
  - ii. a matter which you can demonstrate to our satisfaction to be a contentious matter;
- f. any claim or claims caused by or arising out of any improper, unwarranted or unjustified refusal or failure to comply with any request made by the **authority**.  
This exclusion does not apply when, in accordance with professional advice, you refuse or fail to comply with an authorisation under section 263 of the Income Tax Assessment Act 1936 or under section 264 of the Income Tax Assessment Act 1936;
- g. any claim or claims caused by or arising out of any act committed deliberately or with wilful intent by you;
- h. any audit conducted by the Australian Prudential Regulation Authority;
- i. any **tax audit** where a return has been prepared lodged or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected;
- j. any **tax audit** where the Australian Taxation Office, or where another **tax agent** assesses your behaviour as being a case of deliberate evasion or recklessness;
- k. any routine enquiries, or enquiries from the **tax agent** which are not identified as being either preliminary to, or relating to a **tax audit** of a **tax return**;
- l. **professional fees** that are:
  - i. associated with any criminal prosecution;
  - ii. associated with any **tax return** lodged outside Australia, its states or territories;
  - iii. in respect of any person or organisation ordinarily resident outside Australia, its states or territories;

We do not cover	<p>m. any:</p> <ul style="list-style-type: none"> <li>i. amounts sought by any amended notice of assessment;</li> <li>ii. additional tax, duty government impost or the like; or</li> <li>iii. costs in legally pursuing or defending any legal actions against you or initiated by you (unless it is at our discretion);</li> </ul> <p>n. <b>tax audit</b> that includes a refund or claim for tax or duty relief arising out of an arrangement, facility, financial structure or the like adopted for the principal purpose of obtaining that refund or relief, unless the arrangement has received prior written approval from the relevant government or government authority or agency before being offered to you or the general public;</p> <p>o. any form of activity involving a periodic review relevant to you maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance or similar requirements;</p> <p>p. any form of activity involving a review of how the professional firm assisting you undertakes its professional duty;</p> <p>q. any form of practice or procedural audit of any of your files;</p> <p>r. any activity involving a statutory authority;</p> <p>s. any activity involving agency gathering information or data that is not part of a formal <b>tax audit</b>; or</p> <p>t. any activity involved in the familiarisation, education, training, application, implementation, process or operation of any amendments or changes to existing or the introduction of new statutory or industry regulation.</p>
-----------------	---

## Extra covers

If we agree to pay a claim for **professional fees** we will also pay for the following extra benefit.

### Reinstatement of sum insured

We cover	<p>If we pay an amount for <b>professional fees</b> in connection with a <b>tax audit</b>, we will automatically reinstate the <b>sum insured</b>. You will not have to pay any additional premium.</p>
----------	---

## Optional insurance

We will provide the following optional insurance when requested by you, when you pay any additional premium required and when shown on your **schedule** as applying.

This optional insurance applies in addition to the **sum insured**.

## Directors’ personal tax returns

We cover	<p>If you are a company and the director(s) work full-time in the <b>business</b>, we will also pay for <b>professional fees</b> reasonably and necessarily incurred by each director in connection with a tax audit of their personal income tax returns by an <b>authority</b> commenced and notified to us during the <b>period of insurance</b>.</p> <p>This optional insurance only covers a tax audit of a director’s personal income tax return that was prepared by the same <b>tax agent</b> who prepared the income tax return for the <b>business</b> in that same year.</p>
We do not cover	<p>We will not cover you for more than the ‘Director’s personal returns’ <b>sum insured</b>’ for <b>professional fees</b> incurred in the <b>period of insurance</b> for each director.</p>

## What we pay

Subject to Extra Cover – Reinstatement of sum insured, the maximum amount we will pay for all **tax audits** in the **period of insurance** is the **sum insured** specified in the **schedule**.

## Excess

The **excess** that applies is shown on the **schedule**.

## Policy section conditions

These conditions apply to this policy section.

### 1. Authority matters

- a. you must make a full and complete statement of the total income and profits or gains of a capital nature derived by you and of any deductions or capital losses during each tax year;
- b. you must be registered for GST purposes, if required by the operation of legislation; and
- c. all correspondence, requests and inquiries from an **authority** must be dealt with within a reasonable time taking all reasonable steps to minimise cost and delay.

### 2. Claims

For any claim:

- a. you must notify us, in writing, within 30 days of the first notice of a **tax audit**;
- b. you must keep us fully informed of all developments as they occur;
- c. before retaining any professional other than your accountant obtain our prior approval of that person’s engagement and of the fees and disbursements likely to be incurred;
- d. you shall take all necessary and reasonable steps to minimise any delays and costs incurred or likely to be incurred;
- e. we have the right to directly access your **tax agent** and lawyers and any documented advice they have given you relevant to the **tax audit**; and
- f. your **tax agent** will assist us with any matter we may pursue with the **authority**.

## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Authority

The Australian Taxation Office or a revenue office of an Australian State or Territory which is duly authorised to conduct a **tax audit**.

---

### Designated tax

Any tax assessable in accordance with the provisions, as amended, of the:

- a. Income Tax Assessment Act 1936 (Cth);
  - b. Income Tax Assessment Act 1997 (Cth);
  - c. Fringe Benefits Tax Assessment Act 1986 (Cth);
  - d. A New Tax System (Goods and Services Tax) Act 1999 (Cth);
  - e. Superannuation Guarantee (Administration) Act 1992 (Cth);
  - f. Termination Payments Tax (Assessment and Collection Act ) 1997 (Cth);
  - g. Sales Tax Assessment Act 1930 (Cth);
  - h. Sales Tax Assessment Act 1992 (Cth); or
  - i. any legislation of an Australian State or Territory relating to payroll tax.
- 

### Professional fees

Fees, costs and disbursements payable to a **tax agent** in connection with a **tax audit** by an **authority** for work undertaken up to the completion of an **tax audit**.

Professional fees does not mean any fees, costs or disbursements:

- a. that relate to any subsequent objection lodged with the **authority** in respect of a **tax audit**;
  - b. that relate to, or are associated with the preparation of any accounts, financial statements and / or documents or to any attendance or service which would have been or would or should ordinarily or prudently have been prepared prior to or at the time that the lodgement of any **return** and / or document was required to be lodged;
  - c. incurred after the tax audit has been completed;
  - d. incurred after 12 months from the commencement date of the **tax audit** other than when you can demonstrate to our satisfaction that the delay in completing the **tax audit** was caused primarily by the **authority**; or
  - e. form part of an annual or fixed fee or cost arrangement.
- 

### Tax agent

Any person who is recognised by the **authority** as a registered tax agent, as appropriate to the type of **designated tax**, who prepares returns and statements required by that **authority** in respect of your liability to pay a **designated tax**, including supervision of the preparation of, and review prior to dispatch of, those returns and statements.

Tax agent does not mean you or a person working for you under a contract of employment.

---

---

## Tax audit

- a. The audit of a **tax return** submitted by you or on your behalf in respect of your liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **tax return** for that **designated tax**; or
- b. Any official inquiry, investigation, examination or review in respect of your liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **tax return** for that **designated tax**.

If an official inquiry, investigation, examination or review referred to in paragraph (b) above escalates or results in an audit as referred to in paragraph (a) above, then this would be viewed as one **tax audit** for the purposes of this policy section.

For the purpose of this section:

- a. the **tax audit** commences at the time you or your professional adviser first receive notice of the proposed **tax audit**.
- b. the **tax audit** is complete when:
  - i. the auditor has given written notice to that effect;
  - ii. the auditor notifies us that it has made a concluded decision about your returns;
  - iii. when the auditor has issued an assessment or amended assessment of your returns; or
  - iv. in the absence of i, ii or iii where your professional adviser declares in writing that such an audit has been concluded.

---

## Tax return

Any return legally required to be, and is actually lodged with, an **Authority** by you or on your behalf.

---

# Policy section 12: Personal accident and illness

## About this policy section

This policy section covers the **named person** shown on the **schedule** for certain **insured losses** caused by an **accident** or **illness**.

## Your insurance under this section.

We cover	<p>Provided 'Personal Accident and illness' is shown under 'Sections Insured' in the <b>schedule</b>, we will insure a <b>named person</b> for:</p> <ul style="list-style-type: none"><li>a. a lump sum <b>benefit</b> for an <b>insured loss</b> caused by an:<ul style="list-style-type: none"><li>i. <b>accident</b> if a <b>sum insured</b> is shown on the <b>schedule</b> against 'Lump Sum (Benefit – Accident Only)'; or</li><li>ii. <b>accident</b> or <b>illness</b> if <b>sums insured</b> are shown on the <b>schedule</b> against 'Lump Sum Benefit – Accident Only' and 'Lump Sum Benefit – Illness Only'.</li></ul></li></ul> <p>You can choose cover for Accident Only or Accident and Illness. You cannot choose cover for Illness Only; or</p> <ul style="list-style-type: none"><li>b. a weekly <b>benefit</b> for <b>partial disablement</b> or <b>total disablement</b> caused by an <b>accident</b>, if a <b>sum insured</b> is shown against 'Weekly Benefit – Accident Only' in the <b>schedule</b>; or</li><li>c. a weekly <b>benefit</b> for an <b>insured loss</b> caused by an <b>illness</b>, if 'Weekly Benefit – Illness Only' is shown in the <b>schedule</b>.</li></ul>
We do not cover	<p>This policy section does not cover:</p> <ul style="list-style-type: none"><li>1. A <b>named person</b> for an <b>accident</b> or <b>illness</b> or death:<ul style="list-style-type: none"><li>a. except when they are in Australia or New Zealand or travelling directly between Australia and New Zealand;</li><li>b. during or as a result of air travel unless they are a passenger in a fully licensed commercial <b>aircraft</b> owned and operated by a recognised airline over an established route;</li><li>c. as a result of riding or being a pillion passenger on a motor cycle;</li><li>d. because the <b>named person</b> took part in hazardous sporting or recreational activities including but not limited to football (including soccer, Australian Rules Football, Rugby League and Rugby Union but not touch football), boxing, rodeo activities, wrestling, martial arts, any race (except on foot), polo, water skiing, scuba diving and other underwater activities, parachuting, parasailing, hang gliding or other aerial activities, ski jumping, snow or ice sports, grass skiing, mountaineering, bungee jumping, abseiling, caving, rock climbing, base jumping, motor sports or professional sporting activities of any kind;</li></ul></li></ul>



## We do not cover

- e. while they were intoxicated by alcohol or a drug (or as a result of this), unless the drug was prescribed by a qualified medical practitioner and taken according to the advice of that practitioner;
  - f. because the **named person** didn't consult an appropriately qualified medical practitioner within a reasonable time following an **accident** or the appearance of symptoms, or they didn't follow medical advice or accept medical treatment that was reasonably available;
  - g. because the **named person** was involved in a riot, civil commotion, strike or industrial dispute; or
  - h. because the **named person**, or someone acting with their knowledge and consent, committed or tried to commit a:
    - i. criminal, fraudulent or dishonest act; or
    - ii. wilful or intentional act for which that person have been, or could be, held liable, fined or penalised financially.
2. A **named person** for any **insured loss** relating to or arising from:
- a. actual or attempted self-harm or suicide, or an accident the person intentionally caused;
  - b. a sexually transmissible disease;
  - c. acquired immune deficiency syndrome (AIDS) or its agents including HIV;
  - d. pregnancy or childbirth or any associated complications;
  - e. use of any illegal substance or addiction to any substance;
  - f. a medical condition for which the **named person** sought treatment or advice from a medical practitioner or health professional before the cover for the named person began, unless that person told us about the condition before taking out the cover and we agreed in writing at that time to cover the **named person** for that condition under the policy;
  - g. an **illness** (including death resulting from illness) contracted within the **illness waiting period**; or
  - h. any biological, bacterial, viral, germ, chemical or poisonous pollutant or contaminant.

# What we pay

## 1. Benefit Option A – Lump sum benefit for accident or illness.

### a. Lump sum for accident

If the **schedule** shows that you are insured for 'Lump Sum for Benefit – Accident Only' cover, the amount we will pay for each **insured loss** caused by an **accident**, is determined by multiplying the corresponding percentage specified in Table A1 by the 'Lump Sum Benefit – Accident Only' **sum insured** that is specified in your **schedule** in respect of the **named person**.

We will only pay:

- a. the **benefit** with the highest percentage if a single **accident** causes more than one **insured loss** shown on Table A1;
- b. a **benefit** in respect the death of the **named person** if the **named person's** body has been found or evidence convinces us that they have died;
- c. a **benefit** in respect of an **insured loss** caused by an **accident** if the **insured loss** occurs within 12 months of the **accident**;
- d. a **benefit** for **permanent** and **total disablement** if the **named person** first became **permanently** and **totally disabled** within 12 months of the date of the **accident** which caused the disablement; or
- e. the difference between the **benefit** payable under Table A1 (Benefit Option A) and the total of any **benefits** we have paid under Table B (Benefit Option B) in respect of an **insured loss** caused by the same **accident**.

We will not pay any **benefit** in respect of an **insured loss** caused by **illness**.

If we pay a **benefit** for the **named person's** full **sum insured** for Table A1 we will not pay for any subsequent **insured loss** suffered by that **named person**.

Table A1

Insured loss	Benefit
<b>Death by accident</b>	100%
<b>Sight</b> Loss of: <ul style="list-style-type: none"><li>› sight of both eyes</li><li>› sight of one eye</li><li>› binocular vision</li></ul>	100%  50% 50%
<b>Hearing</b> Loss of hearing	75%
<b>Speech</b> Loss of power of speech	75%
<b>Arm</b> Loss of use of arm: <ul style="list-style-type: none"><li>› above elbow</li><li>› below elbow</li></ul>	90% 80%
<b>Hands</b> Loss of use of: <ul style="list-style-type: none"><li>› both hands</li><li>› a hand, thumb and four fingers</li><li>› a thumb or forefinger</li><li>› any finger except a forefinger</li><li>› distal phalanx of thumb or any finger</li></ul>	100% 80% 30% 20% 15%
<b>Hands and a foot</b> Loss of use of a hand and a foot	100%
<b>Leg</b> Loss of use of leg: <ul style="list-style-type: none"><li>› at or above knee</li><li>› below knee</li></ul>	90% 80%

Insured loss	Benefit
<b>Feet</b>	
Loss of use of:	
➤ both feet	100%
➤ one foot	75%
➤ great toe	25%
➤ any toe except the great toe	10%
➤ phalanx of great toe	10%
➤ phalanx of any other toe	5%
<b>Total and permanent disablement</b>	100%

### b. Lump sum for illness

If the **schedule** shows that you are insured for 'Lump Sum Benefit – Illness only', the amount we pay for each **insured loss** caused by an **illness**, is determined by multiplying the corresponding percentage specified in Table A2 by the 'Lump Sum Benefit – Illness only' **sum insured** that is specified in your **schedule** in respect of the **named person**.

We will only pay:

- the **benefit** with the highest percentage if a single **illness** causes more than one **insured loss** on Table A2;
- a **benefit** in respect of an **insured loss** caused by **illness** if the **insured loss** occurs within 12 months of the date the **named person** first received medical treatment in respect of that **insured loss**;
- a **benefit** for **permanent** and **total disablement** if the **named person** first became **permanently** and **totally disabled** within 12 months of the date of the **illness** which caused the **total disablement**; or
- the difference between the **benefit** payable under Table A2 (Benefit Option A) and the total of any **benefits** we have paid under Benefit Option C in respect of an **insured loss** caused by the same **illness**.

We will not pay any **benefit** in respect of an **insured loss** suffered by a **named insured** which is caused by an **accident**.

If we pay a **benefit** for the **named person's** full **sum insured** for Table A2 we will not pay for any subsequent **insured loss** suffered by that **named person**.

Table A2

Insured loss	Benefit
<b>Sight</b> Loss of: <ul style="list-style-type: none"> <li>› sight of both eyes</li> <li>› sight of one eye</li> <li>› binocular vision</li> </ul>	100% 50% 50%
<b>Hearing</b> Loss of hearing	75%
<b>Speech</b> Loss of power of speech	75%
<b>Arm</b> Loss of use of arm: <ul style="list-style-type: none"> <li>› above elbow</li> <li>› below elbow</li> </ul>	90% 80%
<b>Hands</b> Loss of use of: <ul style="list-style-type: none"> <li>› both hands</li> <li>› a hand, thumb and four fingers</li> <li>› a thumb or forefinger</li> <li>› any finger except a forefinger</li> <li>› distal phalanx of thumb or any finger</li> </ul>	100% 80% 30% 20% 15%
<b>Hands and a foot</b> Loss of use of a hand and a foot	100%
<b>Leg</b> Loss of use of leg: <ul style="list-style-type: none"> <li>› at or above knee</li> <li>› below knee</li> </ul>	90% 80%
<b>Feet</b> Loss of use of: <ul style="list-style-type: none"> <li>› both feet</li> </ul>	100%

Insured loss	Benefit
➤ one foot	75%
➤ great toe	25%
➤ any toe except the great toe	10%
➤ phalanx of great toe	10%
➤ phalanx of any other toe	5%
<b>Permanent and total disablement</b>	100%

## 2. Benefit option B – Weekly benefit for an accident

If the **schedule** shows that you are insured for 'Weekly Benefit – Accident only', the amount we pay for a weekly **benefit** in respect of **partial disablement** or **total disablement** is determined by multiplying the corresponding percentage specified in Table B by the 'Weekly Benefit – Accident only' **sum insured** that is specified in your **schedule** in respect of the **named person**.

We will only pay a **benefit** where the **partial disablement** or **total disablement** begins within 12 months of the **accident** which caused the **disablement**. We will reduce our payment of the **benefit** to the **named person** by the amount they are entitled to receive from:

- i. workers compensation;
- ii. another insurance policy; or
- iii. earnings or leave entitlement from their **occupation**.

We will not pay any weekly **benefit**:

- a. for the **excess period** for the **named person** shown on your policy **schedule**;
- b. after the **maximum period** has expired;
- c. after the **named person** is able to engage in or attend to a substantial part of their **occupation**;
- d. once a lump sum benefit under Benefit Option A becomes payable by us in respect of the loss; or
- e. above the **named person's average weekly earnings**.

Table B

Insured loss	Benefit
<b>Total disablement by accident</b>	100%
<b>Partial disablement by accident</b>	25%

3. Benefit option C – Weekly benefit for illness

If the **schedule** shows that you are insured for ‘Weekly benefit – Illness only’, the amount we will pay for a **weekly benefit** in respect of **partial disablement** or **total disablement** is determined by multiplying the corresponding percentage specified in Table C by the ‘Weekly Benefit – Illness only’ **sum insured** that is specified in your **schedule** in respect of the **named person**.

We will only pay a **benefit** where the **partial disablement** or **total disablement** begins within 12 months of the date when the **named person** first received medical treatment for the **illness** which caused the **disablement**. We will reduce our payment of the **benefit** to the **named person** by the amount they are entitled to receive from:

- i. workers compensation;
- ii. another insurance policy; or
- iii. earnings or leave entitlement from their **occupation**.

We will not pay any **benefit**:

- a. for the **excess period** for the **named person** shown on your policy **schedule**;
- b. after the **maximum period** has expired;
- c. after the **named person** is able to engage in or attend to a substantial part of their **occupation**;
- d. once a lump sum **benefit** under Benefit Option A becomes payable by us in respect of the loss; or
- e. above the **named person’s average weekly earnings**.

Table C

Insured loss	Benefit
Total disablement by accident	100%
Partial disablement by accident	25%

Extra covers

If we agree to pay a claim under this policy section we will also pay the following extra cover. Any amount payable under this Extra Cover is in addition to the **sum insured**.

We cover	<p><b>Funeral expenses</b></p> <p>We will pay \$2,000 to the executor(s) of the <b>named person’s</b> estate for funeral expenses if the <b>named person</b> dies because of:</p> <ul style="list-style-type: none"><li>a. an <b>accident</b> and the <b>schedule</b> shows that the <b>named person</b> is insured for ‘Weekly Benefit for an – Accident Only’ cover or ‘Lump Sum Benefit – Accident Only’ cover; or</li><li>b. an <b>illness</b> and the <b>schedule</b> shows that the <b>named person</b> is insured for ‘Weekly Benefit – Illness only’ cover or ‘Lump Sum Benefit – Illness Only’ cover.</li></ul>
----------	--

## Policy section conditions

These conditions apply to this policy section.

### 1. Payment recipient

We will pay any **benefit** under this policy section to the **named person**. If that person dies, we will pay the **named person's** estate.

### 2. Payment method

Any payment of a weekly **benefit** by us will be paid monthly in arrears.

### 3. Current earnings

If we ask, the **named person** must supply us with documentation to substantiate their current **average weekly earnings** at the time of the **accident** or **illness**.

### 4. Health of named person at renewal

You must tell us before you renew your policy if, in the last period of insurance, the **named person** had or continues to have:

- a. abnormal blood pressure, any heart condition or complaint or suffered a stroke;
- b. a cholesterol abnormality requiring treatment, diabetes or other type of blood disorder;
- c. kidney, bowel, bladder or liver disease, cancer or tumour, asthma or lung complaint, hernia, paralysis or any disease or disorder of the back or spine;
- d. treatment for any mental or nervous disorder, depression or similar disorder, epilepsy, alcohol or drug abuse; or,
- e. any medical condition that requires a treatment regime that last for more than 14 days.

We can decide not to offer to renew cover for a **named person** for the new **period of insurance**.

### 5. Named person is 65 years old at renewal

You cannot renew the cover for a **named person** after they have reached the age of 65.



# Worked dollar examples

The following worked dollar examples are designed to assist you in the understanding some of the important benefits in this policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following examples should be used for general guidance only.

A <b>named person</b> shown on your <b>schedule</b> is insured under 'Lump Sum Benefit – Accident Only'. Your policy <b>schedule</b> shows a 'Lump Sum benefit – accident only' <b>sum insured</b> of \$500,000. The <b>named person</b> suffers an <b>accident</b> involving machinery which results in the loss of use of a thumb on one hand, as well as loss of hearing.	
How much we pay	Further information
Loss of hearing	\$375,000
Loss of thumb	\$0
Total claim	\$375,000

A **named person** shown on your **schedule** is insured under 'Weekly Benefit for – Accident Only'. The **named person** suffers an **accident** involving machinery which results in an inability for them to engage in a substantial part of their **business** duties for 24 weeks. We agree that the **named person** has suffered **partial disablement**. At the time of the **accident** the **named person's average weekly earnings** totalled \$1,800 per week. Your policy **schedule** shows a 'Weekly Benefit – Accident Only' **sum insured** of \$1,500. An **excess period** applies of 14 days. The **named person** is not in receipt of any other amount from workers compensation, another insurance policy or earnings or leave entitlements.

How much we pay	Further information
<b>Partial disablement</b> amount per week	\$375
Multiplied by the number of weeks	x 22
Total claim	\$8,250

## Definitions

The following words have the following meanings for this policy section only. You should also refer to the General Definitions section starting on page 24.

---

### Accident

An external, violent, accidental and visible **event** happening in the **period of insurance** which is the only cause of bodily injury. For the purposes of this section this definition overrides the definition of “Accidental” in the General Definitions section to the extent of any inconsistencies.

---

### Average weekly earnings

The **named person's** weekly income after deducting **business** expenses but before deducting income tax or personal expenses. It must:

- be **money** earned from their **occupation**;
  - be their average weekly income in the 12 months immediately before the **accident** or **illness**; and
  - not include bonuses, commissions, overtime payments or other allowances they earn.
- 

### Benefit

The amount we pay for each **insured loss**. We pay the percentage shown in Tables A1, A2, B and C (depending on the Benefit Option you have selected as shown on your **schedule**) multiplied by the **named person's sum insured** on your policy **schedule** for that table.

---

### Excess period

A 14-day period, starting on the date of the **accident** giving rise to the claim for which **benefits** are payable or on the date the **named person** first received medical treatment for **illness**. No **benefit** is paid in respect of this period.

---

### Illness

Sickness, disease, a condition, a syndrome or physical impairment. It does not include an **accident** or any condition or impairment that results from an **accident**. Symptoms must first appear in the **period of insurance**.

---

### Illness waiting period

A 28-day period, starting on the first day of the **period of insurance**. This does not apply when you renew your insurance.

---

### Insured loss

Losses shown in Tables A1, A2, B or C (depending on the Benefit Options you have selected as shown on your **schedule**). Loss must be permanent.

---

### Maximum period

A period of 104 weeks, starting on the first day after the **excess period**.

No **benefit** is paid after the end of this period.

---

### Named person

A person whose name is shown on your **schedule** as being covered by this policy section.

---

---

## Occupation

The **named person's** usual occupation, trade, profession or **business** that is shown on your **schedule**.

---

## Partial disablement

The inability of the **named person** to engage in a substantial part of their occupation or **business** duties while they are under the regular care of and acting in accordance with the instructions or advice of a doctor.

---

## Permanent

Having lasted 104 consecutive weeks and at the expiry of that period being beyond the hope of improvement.

---

## Total disablement

The inability of the **named person** to engage in or attend any occupation or **business** for which they are reasonably qualified by reason of education, training or experience.

---



## How to contact us

- › Phone us
- › For enquiries **13 10 10**
- › For claims **13 14 46**
- › Visit one of our branches
- › Find us on the web at [gio.com.au](http://gio.com.au)

## Who we are

This insurance is issued by

GIO General Limited  
ABN 22 002 861 583  
AFSL No. 229873



# Commercial Motor Vehicle Insurance

Product Disclosure Statement



# Finding your way through this document

<b>Welcome .....</b>	<b>1</b>
Who is the insurer? .....	1
About your insurance policy .....	1
Cooling off period .....	2
Privacy statement .....	2
General Insurance Code of Practice .....	4
Updating information .....	4
Financial Claims Scheme .....	5
Complaints resolution .....	5
Information about the cost of this insurance .....	7
Information about excesses payable .....	8
No Claim Discount/Rating (Comprehensive cover only) .....	9
Your Duty of Disclosure .....	11
Paying your premiums .....	11
How the Goods and Services Tax (GST) affects this insurance .....	12
Interested parties .....	12
Cancelling your policy .....	13
Your responsibilities .....	13
<b>Your cover .....</b>	<b>15</b>
Cover options .....	15
Part A – Loss or damage to your insured vehicle .....	16
Additional covers .....	22
How we settle a claim under Part A .....	26
Part B – Legal liability .....	29
How we settle a claim under Part B .....	35
Optional covers for comprehensive cover .....	36
<b>Application of excess .....</b>	<b>38</b>
Types of excesses .....	38
Application of excess involving trailer and towing vehicle .....	40
<b>General exclusions .....</b>	<b>41</b>
<b>Making a claim .....</b>	<b>44</b>
Fraudulent claims .....	45
Some other circumstances affecting claims .....	45
Claim payment examples .....	46
<b>Definitions .....</b>	<b>51</b>

# Welcome

This **Product Disclosure Statement (PDS)** is an important legal document that contains details of your motor vehicle insurance. If you decide to buy insurance from us, please read it through, then keep this **PDS**, together with your **schedule** in a safe place.

## Who is the insurer?

GIO General Limited ABN 22 002 861 583, AFS License No. 229873 is the insurer of this **policy** and issuer of this **PDS**.

## About your insurance policy

Your insurance **policy** is a legal contract between you and us. The contract is based on the information you gave us when you applied for the insurance, and any subsequent information which you have supplied.

Your insurance **policy** is made up of this **PDS**, any **Supplementary PDS (SPDS)** we may send you, any **endorsements** and the **schedule**. You should read all these documents together to tell you what we cover, what we exclude, what we pay to settle claims and other important information. This **policy** has general exclusions which are listed on pages 41 to 43, and which apply to the whole **policy**.

You must pay the premium and any relevant government charges for the **period of insurance** and comply with all of the **policy** conditions.

In this insurance **policy**:

- You/your means the policyholder named in the **schedule**.
- We/our/us means GIO General Limited ABN 22 002 861 583.

Some other words used in this **PDS** have special defined meanings. These words are in **bold**. Most of the words we have defined are listed in the “Definitions” section on pages 51 to 54 of this **PDS**.



## Cooling off period

You have the right to cancel and return the insurance **policy** by notifying us in writing within 21 days of the date it was issued to you ('cooling off period'), unless you have a claim under the **policy** within the cooling off period.

If you cancel it in this time, we will return the amount you have paid.

To cancel at other times, please see 'Cancelling Your Policy' on page 13.

## Privacy statement

GIO General Limited is a member of the Suncorp Group.

The Privacy Act 1988 (Cth) requires us to inform you that:

### **Purpose of collection**

Personal information is information about an identifiable individual and includes facts or an opinion about you which identifies you or by which your identity can be reasonably determined. The collection of your personal information is essential to enable us to conduct our business of offering and providing you with our range of financial products and services.

We collect personal information for the purposes of:

- identifying you when you do business with us;
- establishing your requirements and providing the appropriate product or service;
- setting up, administering and managing our products and services;
- assessing and investigating, and if accepted managing a claim made by you under one or more of our products; and
- improving our financial products and services, including training and developing our staff and representative

We may be required by Anti-Money Laundering/Counter Terrorism Financing legislation to collect your personal information.

### **Consequences if personal information is not provided**

If we request personal information about you and you do not provide it, we may not be able to provide you with the financial product or service that you request, provide insurance cover, manage or pay any claim under an insurance policy, manage your product or provide any benefits, or provide you with the full range of services we offer.

### **Disclosure**

We use and disclose your personal information for the purposes we collected it.

We may also use and disclose your personal information for a secondary purpose related to the purpose for which we collected it, where you would reasonably expect us to use or disclose your personal information for that secondary purpose. In the case of sensitive information, any secondary purpose, use or disclosure will be directly related to the purpose of collection.

When necessary and in connection with purposes listed above, we may disclose your personal information to and/or collect your personal information from:

- other companies within the same Group;
- where required or authorised under our relationship with our joint venture companies;
- information technology providers, including hardware and software vendors and consultants such as programmers;
- customer research organisations;
- intermediaries including a broker or a representative acting on your behalf, other Australian Financial Services Licensee or our authorised representatives and our agents;
- where you are an insured person and not the policy holder, we will disclose to the policy holder;
- government, law enforcement or statutory bodies;
- the Financial Ombudsman Service or the appropriate workers compensation regulatory body;
- other insurers, financial institutions, insurance and claims reference agencies, credit agencies, loss assessors, financial or investigative service providers;
- legal and other professional advisers;
- hospitals, medical and health professionals;
- research and development service providers;
- printers and mail service and delivery providers for the mailing of statements, insurance policy documents and marketing material; and
- imaging and document management services.

## **Disclosure overseas**

There are also instances where we may have to send your personal information overseas or collect personal information from overseas. These instances include:

- sending your personal information to companies in the same Group;
- when you have asked us to do so;
- when we are authorised or required by law to do so;
- when we have outsourced a business activity or function to an overseas service provider with whom we have a contractual arrangement; or
- certain electronic transactions
- when it is necessary in order to facilitate a transaction on your behalf.

We will only send your personal information overseas or collect personal information about you from overseas for the purposes in this statement and in compliance with the privacy regime.

## **Access**

You can request access to the personal information we hold about you by contacting us.

In some circumstances, we are able to deny your request for access to personal information. If we deny your request for access, we will tell you why.

If accessing your personal information will take an extended period of time, we will inform you of the likely delay. For more detailed requests for access to personal information, for example, access to information held in archives, a fee may be charged to cover the associated cost of retrieval and supplying this information.

## Marketing

We would like to use and disclose your personal information to keep you up to date with the range of products and services available from us and other companies within the Group.

Generally, our companies in the Group will use and disclose your personal information for the Group's marketing purposes.

If you do not want us to use and disclose your personal information for the purpose of marketing products and services to you, you should contact us and tell us.

## Contact

Please contact us to:

- change your mind at any time about receiving marketing material;
- request access to the personal information we hold about you; or
- obtain more information about our privacy practices by asking for a copy of our Privacy Policy;

You can contact us by sending a letter to

The Privacy Officer  
GPO Box 3999  
Sydney NSW 2001

Our Privacy Policy can also be found on our website at  
[http://www.suncorp.com.au/suncorp/legal/privacy\\_policy.aspx](http://www.suncorp.com.au/suncorp/legal/privacy_policy.aspx)

## General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by visiting [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au) or phoning (02) 9253 5100.

## Updating information

The information in this **PDS** was current at the date of preparation. We may update some of the information in the **PDS** that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by calling 13 10 10. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a **Supplementary PDS (SPDS)** or replacement **PDS**.

## Financial Claims Scheme

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

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

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

Information about the FCS can be obtained from APRA at <http://www.apra.gov.au> or by calling 1300 13 10 60.

## Complaints resolution

We are committed to:

- Listening to what you tell us;
- Being accurate and honest in telling you about our products and services;
- Communicating with you clearly; and
- Resolving any complaints or concerns you have in a fair, transparent and timely manner.

If you have a complaint concerning this product or our services, please tell the people who provided your initial service. Or you can:

- Phone us on                    1800 689 762 (FREE CALL)
- Fax us on                      1300 767 337
- Write to us at                Reply Paid 1453 Customer Relations Unit RE058  
   GPO Box 1453, Brisbane QLD 4001 or
- Email us on                    [customer.relations@suncorp.com.au](mailto:customer.relations@suncorp.com.au)

### What we will do to resolve your complaint

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint within a 24 hour period.

If we cannot resolve your complaint to your satisfaction, we will contact you within 3 working days to advise you that your complaint has been referred to our Internal Dispute Resolution team (unless you advise us that you no longer wish to pursue your complaint).

We will endeavour to send you our final decision within 15 working days from the date you first made your complaint. If we require further information, assessment or investigation of your complaint, we will contact you to agree on a reasonable alternative timeframe to resolve your complaint.

For more information on our complaints handling process, please contact us.

## What if you are not satisfied

We expect our procedures will provide you with a fair and prompt resolution to your complaint. If however you are not satisfied with our final decision or if we have not been able to resolve the complaint to your satisfaction within 45 days you may be able to take the complaint to the Financial Ombudsman Service ("the FOS").

The FOS is an independent external dispute resolution scheme and its service is free to our customers.

You can contact the FOS by:

- Phone            1300 780 808 (for the cost of a local call)
- Mail             GPO Box 3  
                     Melbourne VIC 3001.
- Email            [info@fos.org.au](mailto:info@fos.org.au) or
- Website        [www.fos.org.au](http://www.fos.org.au)

The FOS will tell you if they can help you, as their services are not available to all customers.

We agree to accept a FOS decision however you have the right to take legal action if you do not accept their decision.

If you want more information on the FOS, please ask us for a brochure.

# Information about the cost of this insurance

The premium is the amount you pay us for this insurance. The premium payable by you will be shown on your [schedule](#). Premiums are subject to applicable Commonwealth and State taxes and charges. These include the Goods and Services Tax (GST), Fire Services Levy (FSL) and Stamp Duty. The amount of these taxes and charges will be shown on your [schedule](#).

If you change your [policy](#) you may be entitled to a partial refund of premium or be required to pay an additional premium.

## How various factors may affect your premium

The following table is a guide to the significant factors that may impact generally on your premium.

Type	Lowers premium	Increases premium
Type of cover	Legal liability only	Comprehensive
Market and agreed value	Market value	Agreed value
No claim discount/rating	Higher rating	Lower rating
Type of vehicle	Low risk vehicle	High risk vehicle
Vehicle use	Low risk use	High risk use
Modifications and accessories	Not applicable	Additional modifications and accessories and vehicle modifications and accessories that increase the insurance risk
Gender	Female driver	Male driver
Freight carried	Low risk freight	High risk freight
Radius	Smaller radius of operation	Australia wide
Sum insured	Lower sum insured	Higher sum insured
Postcode	Low risk postcode	High risk postcode
Optional covers	None taken	One or more taken
Claims experience	Low claims experience	High claims experience
Voluntary excess	Higher excess	Lower excess
Occupation	Low risk occupation	High risk occupation
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Payment of premium	Annual payment	Monthly instalments
Our expenses of doing business including payments we make to intermediaries	Low expenses	High expenses

When determining your premium we also take into account the age of the vehicle and the age of the drivers. These factors may lower or increase the premium depending on whether they mean there is a higher chance of you making a claim and if so, for how much.

## Premium discounts

At times we may offer premium discounts to particular customers as part of a promotion or to take account of market conditions. The amount and type of discounts offered can change at any time before you take out this **policy**, or at your next renewal.

## Why your premium can change

Each time you renew your insurance your premium is likely to change, even if your personal or business circumstances have not changed. This is because premiums are affected by:

- › the cost of claims we have paid to other customers;
- › the cost of claims we expect to pay in the future;
- › any changes in government taxes or charges; and
- › our expense of doing business.

At renewal, we might decide to pass on all, or part of, any premium increase or decrease.

## Information about excesses payable

If you make a claim, you may be required to pay one or more **excesses**. The descriptions of these **excesses**, their amounts (other than the **insured vehicle excess**) and the circumstances in which they are applied are shown on pages 38 to 40 of this **PDS**. The amount of the **insured vehicle excess** is shown on your **schedule**.

We take into consideration a number of factors when setting the amount of your **insured vehicle excess**, such as:

- › the make, model and type of **vehicle** being insured, including modifications made to the **vehicle**;
- › any voluntary **excess** that we may allow you to choose
- › the age and driving experience of people who will be driving the **vehicle**;
- › the **sum insured** of the **vehicle**;
- › where and how the **vehicle** is used;
- › the type of cover chosen;
- › the place where your **insured vehicle** is garaged;
- › your previous insurance and claims history; and
- › any Extra Benefits, Additional Covers, Optional covers and **endorsements** that apply to your **policy**.

# No Claim Discount/Rating (Comprehensive cover only)

A No Claim Discount/Rating recognises your good driving and claims history record where you are insured for comprehensive cover.

Your **schedule** will show the type of No Claim Discount/Rating you are entitled to (if any), and your premium will be charged accordingly.

## How you earn a No Claim Discount/Rating

If you are not entitled to a maximum No Claim Discount/Rating, you will earn an entitlement to a discount for the next **period of insurance** if you have no **legal liability**, **loss** or **damage** claims that fall within the definition of a **penalty claim**.

The following No Claim Discount/Rating will apply if you qualify for a No Claim Discount/Rating:

For sedans, station wagons, 4 wheel drives or goods carrying vehicles with a carrying capacity of not more than 2 tonnes:

Year	Existing discount	Renewal discount
1st year	0%	20%
2nd year	20%	30%
3rd year	30%	40%
4th year	40%	50%
5th year	50%	60%
Subsequent years	60%	60%

For all other vehicles:

Year	Existing discount	Renewal discount
1st year	0%	20%
2nd year	20%	30%
3rd year	30%	40%
4th year	40%	50%
Subsequent years	50%	50%

## Protected No Claim Discount/Rating

If you are entitled to a maximum No Claim Discount/Rating of 60% for sedans, station wagons, 4 wheel drives, or a goods carrying vehicle with a carrying capacity of not more than 2 tonnes, we may allow you to have the option when you first take out the **policy**, or upon renewal, to protect your No Claim Discount/Rating for that **vehicle**. An additional premium is payable to extend the **policy** to include this option. See page 37 for details.

## How making a claim could affect your No Claim Discount/Rating

### If an event is not your fault

If you did not lodge a **penalty claim** during the **period of insurance**, then your No Claim Discount/Rating will not be detrimentally affected at renewal of your **policy**.



### Windscreen claims

When you renew your **policy**, your No Claim Discount/Rating will not be affected for any windscreen or window glass claim you make.

### Other claims

When you renew your **policy**, we reduce your No Claim Discount/Rating for each **penalty claim** you have made during the **period of insurance** unless you have selected the protected No Claim Discount/Rating optional cover.

If you have selected the protected No Claim Discount/Rating optional cover for your **insured vehicle** involved in a claim, we will not count that first **penalty claim** on that **insured vehicle** during the **period of insurance**.

The amount we reduce your No Claim Discount/Rating to, is set out below:

For sedans, station wagons, 4 wheel drives or goods carrying vehicles with a carrying capacity of not more than 2 tonnes:

Your current No Claim Discount/Rating	Following 1 penalty claim	Following more than 1 penalty claim
60%	40%	20%
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

For all other vehicles:

Your current No Claim Discount/Rating	Following 1 penalty claim	Following more than 1 penalty claim
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

Where we consider your claims history to be unsatisfactory, we may decide not to offer renewal of your **policy**. Where we do decide to offer renewal of your **policy**, we may take the following actions in addition to reducing your No Claim Bonus entitlement:

- offer renewal with an additional premium loading, and/or
- offer renewal with an increased **excess**.

## Your Duty of Disclosure

You must comply with your Duty of Disclosure when you apply for insurance with us and each time you renew or alter your cover.

You have a duty of disclosure to tell us everything you know or should know, that is relevant to our decision to insure anyone under the **policy**, including you, and on what terms.

It includes matters we specifically ask about when you apply for a **policy**, or renew or alter your **policy**, and any other matters which might affect whether we insure you and on what terms.

The information you tell us can affect:

- the amount of your premium and your **excess**
- if we will insure you
- if special conditions will apply to your **policy**.

You do not need to tell us of anything which:

- reduces the chances of you making a claim or
- we should know about because of the business we are in or
- we tell you we do not want to know.

If you are unsure it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce a claim, refuse to pay a claim, cancel your **policy** or, if fraud is involved we can treat the **policy** as if it had never existed.

The duty of disclosure applies to every person or organisation insured under the **policy**. Refer to 'Your responsibilities' on page 13 and page 14 for more details.

## Paying your premiums

We will tell you how much you have to pay and how much time you have for payment.

You must pay the premium and other charges by the due date to get this insurance cover.

Unless we tell you, any payment reminder we send you does not change the **policy** expiry date.

If you do not pay the premium and other charges in full, we will reduce the **period of insurance** so it is in line with the amount you paid.

### Paying by monthly instalments

We may agree that you can pay the total premium by monthly instalments instead of all at once. This is called paying by monthly instalments.

The fee for paying by monthly instalments is \$2.75 per month including GST and is included in your monthly payment.

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

In addition to the premium, we will charge you an amount on account of GST.

You must inform us of the extent to which you are entitled to an input tax credit for that GST amount each time that you make a claim under this **policy**. No payment will be made to you for any GST liability that you may have on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit.

GST has an impact on the way in which claim payments are calculated under your **policy**. We will calculate the amount of any payment we make to you having regard to your GST status.

In respect of **loss** or **damage** to your **insured vehicle**, if your **insured vehicle** is a **total loss** and you have chosen the **agreed value** option, we will not deduct any input tax credit entitlement from the amount of the **agreed value** for your **insured vehicle** shown on your **schedule** (we will, however, deduct your input tax credit entitlement from any amount we pay for **modifications and accessories**).

In all other circumstances our liability to you will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or which you would have been entitled were you to have made a relevant acquisition.

If, for example, we make a cash payment to you for the purchase of goods or services for which you are entitled to claim an input tax credit, we will only pay you an amount equal to your net cost – i.e. your cost after claiming input tax credits.

In respect of your **policy** with us, therefore, where you are registered for GST purposes, you should calculate your **sums insured** having regard to your entitlement to input tax credits.

You should, therefore, consider the net amount (after all input tax credits have been taken into account) which is to be insured and calculate and advise to us **sums insured** on a GST exclusive basis.

If you are either wholly or partially input taxed, you are in a special category under the GST legislation, and will need to advise us your **sums insured** on a GST inclusive basis.

This is a general outline of the effect of the GST on your **policy**. You should not rely on this information without first seeking expert advice on the application of the GST to your particular circumstances.

‘GST’, ‘input tax credit’, ‘acquisition’ and ‘supply’ have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

## Interested parties

We will not insure the interests of any person other than you unless you have notified us of such interest and we have agreed to note that interest in writing on your **schedule**.

# Cancelling your policy

## How you may cancel

You may cancel the **policy** at any time by telling us that you want to cancel it.

We subtract from any premium you have paid us, an amount to cover the period that we have already insured you for. We will then return the rest of the premium to you (along with GST and any relevant government charges where this is allowed).

## How we may cancel

We may only cancel a **policy** when the law says we can.

We will cancel your **policy** by telling you so in writing, either in person or by post to your last known address.

We will return the premium that you have paid for the rest of the **period of insurance** (along with GST and any relevant government charges where this is allowed).

## Paying by instalments

If you pay your premium and other charges by monthly instalment and your payment is overdue we can:

- refuse to pay a claim if payment of at least one instalment is 14 days (or more) late; and
- cancel your **policy** without notice if payment is a month (or more) late.

# Your responsibilities

## Keeping us up to date

During the **period of insurance** and at renewal you must tell us of any of the following changes (for which we may decline to continue cover or ask for an additional premium to maintain cover):

- any change in the business;
- details of any accessories added to your **insured vehicle** that you have not already declared or that are not included within the definition of your **insured vehicle**;
- details of any conversion or modification to your **insured vehicle** made by someone other than the manufacturer. For example, if you give your **insured vehicle** wide tyres or wheels, or lower its suspension; or
- you change your address, your **insured vehicle**, your **insured vehicle's** garaged postcode or the way you use your **insured vehicle**.

## You must tell us

You must tell us prior to the commencement of your **policy** and at each renewal if you have experienced any of the following in the past 5 years:

- you have been declared bankrupt;
- you have had a receiver appointed or been placed in voluntary administration;
- you have been unable to pay any debts or liabilities as they fell due; or
- you have had any insurance policy cancelled, declined or refused.

You must tell us immediately if you or anyone who might drive or be in charge of your **insured vehicle** has:

- a criminal conviction relating to arson, drugs, burglary, housebreaking, theft, robbery, receiving stolen goods, fraud, criminal or willful damage or injury to anyone. However, these convictions do not need to be declared if the person was convicted for the offence/s committed whilst under the age of eighteen (18) and the conviction is more than 3 years old.
- had their license suspended for any reason, cancelled due to driving while their license is suspended or been convicted, charged or given a traffic infringement notice for culpable, dangerous or negligent driving.

You must also tell us prior to the commencement of your **policy** and at each renewal if you or anyone who might drive or be in charge of your **insured vehicle** has experienced any of these criteria in the past 5 years.

### **Taking care**

You must:

- take all reasonable steps to prevent **loss** of or **damage** to your **insured vehicle**;
- take all reasonable care to prevent injury to another person or **damage** to another person's property;
- comply with all laws and safety requirements imposed by any authority or by state or national legislation; and
- keep all vehicles in a roadworthy condition.

### **Complying with our requirements**

You must comply, within a reasonable time that we will specify, with any request made by us:

- for the protection or improvement of your **insured vehicle**; or
- to reduce the likelihood of **personal injury** or **loss** of or **damage to property**.

# Your cover

## Cover options

There are two different types of cover for your **insured vehicles**. Both types of cover may not be available for all types of **insured vehicles**. If your **insured vehicle** is insured for Comprehensive Cover, it will either have a monetary amount shown as its **sum insured** or the words ‘market value’ on your **schedule**. The option you have chosen is shown on your **schedule** and is detailed below.

Cover option	Description of cover provided
Part A and B (Comprehensive)	Part A applies Part B applies
Part B (Legal Liability)	Part A does not apply Part B applies

What we cover is described in the ‘We cover’ sections in the following pages. What we do not cover is described in the ‘We do not cover’ sections in the following pages, the General Exclusions on pages 41 to 43 of this **PDS** and in any **endorsements** that apply to your **policy**.

You can ask us at any time to change the cover option for your **insured vehicle** and if we agree, there may be an additional premium or a refund of premium.

### Cover for additional vehicles

We automatically provide cover for any additional vehicle you acquire, purchase or lease during the **period of insurance**. You must tell us about the additional vehicle within 30 days of getting it and pay any extra premium we ask for.

If we are unable to continue covering the additional vehicle, we will tell you and give you 5 working days from the date we tell you so you can organise to insure the vehicle elsewhere. Cover on the additional vehicle will then end at 4pm 5 days after we have told you we are unable to continue covering the additional vehicle.

If you have only one type of cover option for your **insured vehicles**, we will automatically provide that cover option for any additional vehicle you get during the **period of insurance** (unless you tell us you want another cover option).

If you have **insured vehicles** insured with us for both Comprehensive and Legal Liability cover, we will automatically provide the Comprehensive cover option for an additional vehicle you get during the **period of insurance** (unless you tell us you want Legal Liability cover).

Unless a higher amount is shown on your **schedule** for additional vehicles or we have agreed to insure an additional vehicle that is similar for a higher amount, the most we will pay for a claim involving an additional vehicle is \$150,000.

# Part A – Loss or damage to your insured vehicle

You can claim for **loss** of or **damage** to your **insured vehicle** as described under ‘We cover’ section if:

- your **insured vehicle** is insured for Comprehensive cover;
- the **event** which causes the **loss** or **damage** happens during the **period of insurance**;
- the **loss** or **damage** occurs within Australia or its external territories;
- the **loss** or **damage** is not excluded by anything under the ‘We do not cover’ section;
- the **loss** or **damage** is not excluded by any of the General Exclusions on pages 41 to 43; and
- the **loss** or **damage** is not excluded by an **endorsement**.

We cover	We will pay for <b>loss</b> of or <b>damage</b> to your <b>insured vehicle</b> caused by an <b>event</b> .
We do not cover	<p>We will not pay for:</p> <p><b>Loss or damage to tyres</b> <b>loss</b> or <b>damage</b> to tyres caused by punctures, bursts, road cuts or the application of brakes.</p> <p><b>Vehicle deterioration</b> <b>loss</b> or <b>damage</b> due to wear and tear, corrosion, rusting or depreciation.</p> <p><b>Accessories</b> more than \$2,000 for <b>modification and accessories</b> if your <b>insured vehicle</b> is a car, 4WD, utility or van of not more than 2 tonne carrying capacity. However, if we have agreed to insure additional <b>modifications and accessories</b> we will pay the <b>modifications and accessories sum insured</b> shown on your <b>schedule</b> in addition to this amount.</p> <p><b>Failure or breakdown</b> structural, mechanical, electrical, or electronic failure or breakdown.</p> <p><b>Safeguarding your insured vehicle</b> <b>loss</b> or <b>damage</b> caused by you failing to take reasonable steps to protect, prevent or diminish further <b>loss</b> or <b>damage</b> to your <b>insured vehicle</b> after:</p> <ul style="list-style-type: none"><li>➤ it breaks down;</li><li>➤ it is <b>damaged</b> in an <b>event</b>; or</li><li>➤ you have been notified that your stolen <b>insured vehicle</b> has been found.</li></ul> <p><b>Engine, gearbox and transmission</b> <b>damage</b> to your <b>insured vehicle’s</b> engine, gearbox or transmission because it was driven in a <b>damaged</b> condition after an <b>event</b> unless we agree that you could not reasonably have known that the <b>damage</b> was occurring.</p> <p><b>Lawful seizure</b> <b>loss</b> or <b>damage</b> caused by or arising from any person or organisation who lawfully takes possession of your <b>insured vehicle</b>.</p>

# Extra benefits

If your **insured vehicle** has Comprehensive cover and as a result of an **event** which causes **loss** or **damage** to your **insured vehicle** we agree to pay a claim under this Part A, we will also pay for the following:

## 1. New vehicle after total loss

We cover	<p>Only applicable if your <b>insured vehicle</b> is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity, prime mover, trailer or rigid body truck and we decided that because of the <b>event</b> it is a <b>total loss</b>.</p> <p>If you are the first registered owner of your <b>insured vehicle</b> you can choose to accept a new replacement vehicle of the same make, model and series if:</p> <ul style="list-style-type: none"><li>➤ the <b>loss</b> or <b>damage</b> to your <b>insured vehicle</b> occurred within 2 years of the date of your <b>insured vehicle's</b> original registration;</li><li>➤ the replacement vehicle is available in Australia; and</li><li>➤ anyone who provided finance for your <b>insured vehicle</b> agrees in writing.</li></ul> <p>We will also pay all on-road costs.</p>
We do not cover	<p>If your <b>insured vehicle</b> is a prime mover, trailer or rigid body truck we will not pay more than 112.5% of the <b>sum insured</b> of your <b>insured vehicle</b>.</p> <p>This new vehicle benefit does not apply if your <b>insured vehicle</b>:</p> <ul style="list-style-type: none"><li>➤ has a stock, tanker or vacuum application,</li><li>➤ is a concrete agitator vehicle;</li><li>➤ is a garbage compactor;</li><li>➤ is a concrete pumping truck or trailer;</li><li>➤ is any other specialised rigid vehicle body type; or</li><li>➤ is insured for <b>agreed value</b>.</li></ul>

## 2. Personal effects

We cover	<p>We will pay the reasonable costs of repair or replacement if your or the <b>authorised driver's personal effects</b> are <b>damaged</b> or lost as a result of your <b>insured vehicle</b> being:</p> <ul style="list-style-type: none"><li>➤ <b>damaged</b> in the <b>event</b>; or</li><li>➤ stolen as a result of forcible entry to your <b>insured vehicle</b>.</li></ul>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ more than \$1,000 for any one <b>event</b>; or</li><li>➤ if such <b>personal effects</b> are insured under another policy.</li></ul>



### 3. Funeral expenses

We cover	<p>We will pay the associated burial or cremation costs if the driver of your <b>insured vehicle</b> sustains a fatal injury during the <b>event</b>, and travel costs within Australia or its external territories, for the deceased driver or any member of the deceased driver's immediate family.</p> <p>This benefit will not be reduced by any accident compensation.</p>
We do not cover	<p>We will not pay more than \$5,000 for any one <b>event</b>.</p> <p>We will not pay if the death happens:</p> <ul style="list-style-type: none"><li>➤ more than 12 months from the date of the <b>event</b>; or</li><li>➤ because the driver committed suicide.</li></ul> <p>We will not pay if we have paid an amount for the 'Personal accident' Extra Benefit.</p>

### 4. Personal accident

We cover	<p>We will pay \$5,000 if your <b>insured vehicle</b> was being driven by you or any <b>authorised driver</b> and, as a direct and sole result of the <b>event</b>, the driver:</p> <ul style="list-style-type: none"><li>➤ permanently and totally loses sight in one or both eyes; or</li><li>➤ permanently and totally loses the efficient use of one or both hands or feet.</li></ul> <p>We pay the driver.</p>
We do not cover	<p>We will not pay more than \$5,000 for any one <b>event</b>.</p> <p>We will not pay if the <b>loss</b> happens:</p> <ul style="list-style-type: none"><li>➤ more than 12 months from the date of the <b>event</b>; or</li><li>➤ because the driver attempted to commit suicide.</li></ul> <p>We will not pay if we have paid an amount for the 'Funeral expenses' Extra Benefit.</p>

### 5. Emergency repairs

We cover	<p>We will pay reasonable costs if you need <b>emergency repairs</b> so you can get your <b>insured vehicle</b> to your destination or a repairer after the <b>event</b>.</p> <p>If you need <b>emergency repairs</b> we give you the authority to arrange these matters on our behalf.</p> <p>You must produce tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>For any one <b>event</b>, we will not pay more than:</p> <ul style="list-style-type: none"><li>➤ \$500 if your <b>insured vehicle</b> is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity; or</li><li>➤ \$3,000 if your <b>insured vehicle</b> is any other vehicle type.</li></ul>

## 6. Emergency travel

We cover	We will pay reasonable costs of emergency travel for you or the <b>authorised driver</b> and any <b>insured vehicle</b> occupants if your <b>insured vehicle</b> was unroadworthy or unsafe to drive following the <b>event</b> . If you need emergency travel we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.
We do not cover	We will not pay more than \$1,250 for any one <b>event</b> .

## 7. Emergency accommodation

We cover	<p>We will pay reasonable costs for temporary accommodation:</p> <ul style="list-style-type: none"><li>› for you or the <b>authorised driver's</b> emergency accommodation if the <b>event</b> was more than 100km from your home or the <b>authorised driver's</b> home and your <b>insured vehicle</b> was unroadworthy or unsafe to drive.</li><li>› if your <b>insured vehicle</b> is an unregistered on-site caravan and it is <b>damaged</b> by the <b>event</b>, provided that it is your only home and you can't live in it as a result of the <b>damage</b>.</li></ul> <p>If you need overnight accommodation we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	We will not pay more than \$1,250 for any one <b>event</b> .

## 8. Removal of debris

We cover	If you are liable to pay the cost of cleaning up or removing goods that have fallen off your <b>insured vehicle</b> because it was in a collision or it overturned, we will pay those reasonable costs. You must provide invoices or other proof of payment of costs if we ask for them.
We do not cover	We will not pay more than \$25,000 for any one <b>event</b> .

## 9. Vehicle modifications

We cover	We will pay the reasonable costs of modifying your <b>insured vehicle</b> for any <b>authorised driver</b> of your <b>insured vehicle</b> who is permanently disabled following the <b>event</b> .
We do not cover	We will not pay more than \$3,000 for any one <b>event</b> .

## 10. Towing and storage

We cover	<p>We will pay the reasonable and necessary costs of towing your <b>insured vehicle</b> when your <b>insured vehicle</b> cannot be driven to:</p> <ul style="list-style-type: none"><li>➤ our nearest Assessing Centre;</li><li>➤ a <b>recommended repairer</b> that we nominate; or</li><li>➤ a repairer we agree to.</li></ul> <p>We will also pay the reasonable costs of storing your <b>insured vehicle</b>.</p>
We do not cover	We do not cover storage costs for any period after your claim is settled.

## 11. Hire vehicle after theft

We cover	<p>We will pay the reasonable cost of hiring a vehicle of a similar make and model to your <b>insured vehicle</b> for up to 30 days if your <b>insured vehicle</b> is stolen and either not found or is found but is not driveable. This benefit stops before the 30 day limit if:</p> <ul style="list-style-type: none"><li>➤ your <b>insured vehicle</b> is returned undamaged;</li><li>➤ we repair your <b>insured vehicle</b> and return it you; or</li><li>➤ we have settled your claim.</li></ul> <p>You are responsible for all running costs and extras of the hire vehicle, including paying the deposit, security bond, fuel and any upgrade costs. You are responsible for paying all costs for any period you continue to use the hire vehicle after this benefit stops.</p> <p>If you withdraw your claim or we refuse to accept it you might have to refund us any payments for the hire vehicle we have already made.</p> <p>Please see the Additional Cover policy 'Hired Vehicle' on page 23 for details of the cover provided under this <b>PDS</b> when you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.</p>
We do not cover	We will not pay more than \$3,000 for any one <b>event</b> .

## 12. Lease payout

We cover	<p>If your <b>insured vehicle</b> is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity we will pay the difference when the amount owing by you under a lease or a hire purchase agreement is greater than the <b>market value</b> of your <b>insured vehicle</b> if it was a <b>total loss</b>.</p> <p>We will deduct:</p> <ul style="list-style-type: none"><li>➤ any amounts or interest in arrears at the time of the <b>loss</b> or <b>damage</b>; and</li><li>➤ discounts in respect of finance charges or interest for the unexpired term of the financial agreement.</li></ul>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ more than 20% of the <b>market value</b> of your <b>insured vehicle</b>; or</li><li>➤ when your <b>insured vehicle</b> is insured for <b>agreed value</b>.</li></ul> <p>We will not pay the lease payout:</p> <ul style="list-style-type: none"><li>➤ when the <b>loss</b> or <b>damage</b> to your <b>insured vehicle</b> was caused by fire or theft; or</li><li>➤ if your <b>insured vehicle</b> was purchased via a personal loan or line of credit.</li></ul>

## 13. Lease payout

We cover	<p>If your <b>insured vehicle</b> is a type other than those referred to in Extra Benefit 12, we will pay the difference when the amount owing by you under a lease or a hire purchase agreement is greater than the <b>market value</b> of your <b>insured vehicle</b> if it was a <b>total loss</b>.</p> <p>We will deduct:</p> <ul style="list-style-type: none"><li>➤ any amounts or interest in arrears at the time of the <b>loss</b> or <b>damage</b>; and</li><li>➤ discounts in respect of finance charges or interest for the unexpired term of the financial agreement.</li></ul>
We do not cover	<p>We will not pay more than 12.5% of the <b>sum insured</b> for your <b>insured vehicle</b>.</p> <p>We will not pay the lease payout:</p> <ul style="list-style-type: none"><li>➤ when the <b>loss</b> or <b>damage</b> to your <b>insured vehicle</b> was caused by fire or theft, or</li><li>➤ if your <b>insured vehicle</b> was purchased via a personal loan or line of credit.</li></ul>

# Additional covers

If your **insured vehicle** has Comprehensive cover, you can also claim for **loss** or **damage** as described under the ‘We cover’ sections below if:

- the **event** giving rise to the claim happens during the **period of insurance** and occurs within Australia or its external territories; and
- the claim is not excluded by:
  - anything in the applicable ‘We do not cover’ section;
  - anything in any other ‘We do not cover’ section in Part A or Part B of the **policy**;
  - any of the General Exclusions on page 41 to 43; or
  - any **endorsement**.

## 1. Two-wheel or box trailer

We cover	We will cover <b>loss</b> or <b>damage</b> to your two-wheel trailer or box trailer when it is attached to or being towed by your <b>insured vehicle</b> .
We do not cover	We will not pay more than \$1,000 for any one <b>event</b> .  If we agree, you can insure your trailer for more if you insure it as a separate <b>insured vehicle</b> under your <b>policy</b> .  No <b>excess</b> is payable for any claim accepted by us under this Additional Cover.

## 2. Locks and keys

We cover	We will pay the cost of replacing the keys or re-coding your <b>insured vehicle’s</b> locks if the keys to your <b>insured vehicle</b> : <ul style="list-style-type: none"><li>➤ have been stolen (even if your <b>insured vehicle</b> was not),</li><li>➤ have been <b>damaged</b> or lost after an <b>event</b> as a result of which we have paid a claim under Part A; or</li><li>➤ may have been duplicated and there are reasonable grounds to believe so.</li></ul>
We do not cover	We will not pay more than \$3,000 for any one <b>event</b> .  You must pay the <b>insured vehicle excess</b> applicable to your <b>insured vehicle</b> for any claim accepted under this Additional Cover.

### 3. Hired vehicle

We cover	<p>If you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity:</p> <p>a. but do not insure it with the hiring company, we will pay for:</p> <ul style="list-style-type: none"><li>› theft, <b>loss</b> or <b>damage</b> to that hire vehicle; and</li><li>› your <b>legal liability</b> for another person's <b>personal injury</b> or <b>damage</b> to another person's property which you cause while you are driving or in control of the hire vehicle.</li></ul> <p>Please refer to page 35 of this <b>PDS</b> for how we will settle a claim for your <b>legal liability</b> under this Additional Cover.</p> <p>b. and you did insure the hire vehicle with the hiring company for the theft, <b>loss</b> or <b>damage</b> or <b>legal liability</b>, we will pay any excess you are required to pay to the hiring company under that insurance for theft, <b>loss</b> or <b>damage</b> for that hire vehicle during the <b>period of insurance</b>.</p>
We do not cover	<p>We will not pay more than:</p> <ul style="list-style-type: none"><li>› if a. applies, \$40,000 for the <b>loss</b> or <b>damage</b> to the hire vehicle; or</li><li>› if b. applies, the hire vehicle excess,</li></ul> <p>for any one <b>event</b>.</p> <p>You must pay to us an <b>excess</b> of \$500 (unless another amount is shown on any <b>endorsement</b>) for any claim accepted by us under this Additional Cover.</p>

### 4. Recovery costs – no damage

We cover	<p>We will pay the reasonable cost of removing your <b>insured vehicle</b> to a place of safety following it becoming immobilised, bogged or stranded even if there is no <b>damage</b> to your <b>insured vehicle</b>.</p> <p>You must pay for the recovery costs and provide tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>We will not pay more than \$5,000 for any claim under this Additional Cover.</p> <p>You must pay the <b>insured vehicle excess</b> applicable to your <b>insured vehicle</b> for any claim under this Additional Cover.</p> <p>This Additional Cover does not apply if your <b>insured vehicle</b> is immobilised, bogged or stranded solely as a result of your <b>insured vehicle</b> failure or breakdown.</p>

## 5. Theft of certain vehicle accessories

We cover	<p>If any of the following accessories that would normally be attached to or in or on your <b>insured vehicle</b> are stolen we will pay the reasonable cost to replace them, even if the theft occurs while they are not attached to your <b>insured vehicle</b> or if they are not shown on your <b>schedule</b>:</p> <ul style="list-style-type: none"><li>› Buckets</li><li>› Post hole borer</li><li>› Chain trencher</li><li>› Ramps</li><li>› Hammer</li><li>› Ripper</li><li>› Laser</li><li>› Rock Breaker</li><li>› Pallet Forks</li><li>› Sweeper</li></ul>
We do not cover	<p>We will not cover these accessories if:</p> <ul style="list-style-type: none"><li>› you do not give us evidence to satisfy us that the <b>sum insured</b> reflects the value of your <b>insured vehicle</b> plus the accessories, and</li><li>› you cannot prove you owned the accessories.</li></ul> <p>You must pay the <b>excess</b> applicable to your <b>insured vehicle</b> for any claim under this Additional Cover, unless you have already paid the <b>excess</b> applicable to your <b>insured vehicle</b> because it was also stolen in the <b>event</b>.</p>

## 6. Vehicles being test driven by you

We cover	<p>If a vehicle is being demonstrated to you or test driven by you or your <b>authorised driver</b>, we will cover your <b>legal liability</b> for:</p> <ul style="list-style-type: none"><li>› theft, <b>loss</b> of or <b>damage</b> to that vehicle; or</li><li>› your <b>legal liability</b> for another person's <b>personal injury</b> or <b>damage</b> to another person's property which you cause while you or an <b>authorised driver</b> are driving or in control of that vehicle.</li></ul> <p>Please refer to page 35 of this <b>PDS</b> for how we settle a claim for your <b>legal liability</b> under this Additional Cover.</p>
We do not cover	<p>We will not pay more than \$100,000 for the theft of, <b>loss</b> or <b>damage</b> to the demonstration or test driven vehicle.</p> <p>No <b>excess</b> is payable for any claim accepted under this Additional Cover.</p>

## 7. Non-owned trailer in control

We cover	<p>Only applicable if your <b>insured vehicle</b> is a prime mover or rigid body truck of 2 tonne carrying capacity or more.</p> <p>We will pay for <b>loss</b> or <b>damage</b> to a trailer you do not own, lease or hire when:</p> <ul style="list-style-type: none"><li>➤ the trailer was in your legal possession or control at the time the <b>loss</b> or <b>damage</b> occurred; and</li><li>➤ you or an <b>authorised driver</b> were using it in conjunction with your <b>insured vehicle</b>.</li></ul>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ more than \$50,000 for any one <b>event</b>, regardless of the number of trailers your <b>insured vehicle</b> may have under its control at the time of the <b>event</b>;</li><li>➤ for <b>loss</b> or <b>damage</b> to goods or property being carried in the non-owned trailer; or</li><li>➤ if the trailer is a tanker, tipper, convertible, refrigerated, freezer or chiller trailer.</li></ul> <p>You must pay to us an <b>excess</b> of \$2,500 (unless another amount is shown on any <b>endorsement</b>) for any claim accepted by us under this Additional Cover. This <b>excess</b> is additional to any <b>excess</b> payable for your <b>insured vehicle</b>.</p> <p>We may allow you to increase the maximum we will pay and remove the restrictions relating to the type of trailers that are in your lawful custody or control. If we agree to your request an extra premium will be payable.</p> <p>We will not backdate any request.</p>



## How we settle a claim under Part A

If we agree to pay a claim under Part A, we will either pay you for a **partial loss** or a **total loss**. This is determined by the extent of the **loss** or **damage**, the cost of repair or replacement and the value of your **insured vehicle**.

If we agree to pay a claim for **legal liability** under any Additional Cover in this Part, the 'How we settle a claim under Part B' will apply.

### Total loss

If we accept a claim for your **insured vehicle** and decide it is a **total loss** and the conditions applying to Extra Benefit 1 – 'New vehicle after total loss' are met, you can choose to accept a new replacement vehicle of the same make, model and series as your **insured vehicle**.

If Extra Benefit 1 - 'New vehicle after total loss' does not apply we will settle your claim in one of the following ways:

#### a. If your insured vehicle is a car, 4WD, utility or van of not more than 2 tonne carrying capacity

We will pay you:

- if your **insured vehicle** is shown on your **schedule** as having an **agreed value**, that **agreed value**; or
- if your **insured vehicle** is shown on your **schedule** as being insured for **market value**, the **market value** of your **insured vehicle**.

The amount we pay as the **agreed value** or **market value** includes the value of any tools, accessories and spare parts supplied and installed by the manufacturer as standard equipment.

We will also pay you up to:

- \$2,000; plus
- the **modifications and accessories sum insured** shown on your **schedule**;  
for **loss** or **damage** to any vehicle **modification and accessories** you can prove to us were attached to or in or on your **insured vehicle** at the time of the **event**.

#### b. If your insured vehicle is any other type of vehicle

We will pay you the lesser of the **market value** of your **insured vehicle**, or the **sum insured** for your **insured vehicle** shown on your **schedule**;

The amount we pay as the **sum insured** or **market value** includes the value of:

- any tools, accessories and spare parts supplied and installed by the manufacturer as standard equipment; and
- any **modifications and accessories** you can prove to us were attached to or in or on your **insured vehicle** at the time of the **event**.

## Applicable to all insured vehicles:

We will deduct from the amount we pay you:

- any **excess** that is payable;
- any unpaid premium; and
- if another party is entitled to the salvage of your **insured vehicle**, we will deduct from the amount we pay you our estimate of the salvage amount.

If we pay the **agreed value**, **market value** or **sum insured** for your **insured vehicle** as a result of a **total loss** then your cover for that **insured vehicle** comes to an end. There will be no refund in premium.

Your **insured vehicle**, unexpired premium, registration and Compulsory Third Party (CTP) insurance becomes our property when we pay your **total loss**.

If another party (e.g. a bank) is shown as having an interest on your **schedule** and your **insured vehicle** is a **total loss**, we will pay them (instead of you) what you owe them up to an amount you are entitled to under this **policy**. If this amount is less than the full amount payable under the **policy**, we pay you the balance.

For an example of how we settle a total loss claim, see pages 46 to 48 of this PDS.

## Partial loss

If we agree to pay a claim for your **insured vehicle** and decide it is a **partial loss**, we can arrange the repairs with a **recommended repairer** if one is available, or alternatively you can choose your own repairer and arrange repairs with them.

Where we are able to provide you with access to one of our **recommended repairers**, we will offer you a choice if there is more than one in your area. However, we may only be able to nominate one **recommended repairer** if there are no others available.

Where we are unable to provide you with access to one of our **recommended repairers**, we will require you to choose your own repairer.

If we authorise repairs with a **recommended repairer** or your own repairer we will:

- authorise the repair of your **insured vehicle** to the same or reasonably similar condition and standard it was immediately before the **event**;
- authorise only the use of new parts or parts which are consistent with the age and condition of your **insured vehicle** (which may include using non genuine and/or recycled parts);
- authorise only the use of manufacturer's approved parts if your **insured vehicle** is under warranty, but not when your **insured vehicle** has an extended warranty or for windscreen replacement;
- only pay the market value of damaged parts we consider to be obsolete;
- replace damaged windscreen or window glass with glass which may not be produced by the original manufacturer but which meets Australian Design Rules; and
- guarantee the quality of materials and workmanship in respect of the repairs for the life of your **insured vehicle**.

Any repairer we authorise to repair your **insured vehicle** may sub-contract some of the repairs to a person of their choice. This will usually occur when the repairer is unable to perform the repairs themselves.

If you choose your own repairer and we do not authorise repairs, we:

- will pay an amount equal to the **reasonable repair costs**; and
- will not provide any guarantee for the quality of materials and workmanship in respect of the repairs.

We are not responsible for the costs which occur because of delays in delivery of parts. If a part is not available in Australia, we will pay the cost of surface freight from the nearest reasonable source of supply.

You are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.

You may have to contribute to the cost of replacing or repairing tyres, engines, accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much you are required to pay will depend on how worn we consider these items were when the **damage** happened. If you do not agree to pay these amounts we will pay you the **reasonable repair cost** less any contribution charges.

We will subtract any **excess** that may apply.

For an example of how we settle a **partial loss** claim, see page 49 of this **PDS**.

### **Lifetime guarantee for repairs**

If we authorise repairs for your **insured vehicle**, we will guarantee the repairs against any defect due to workmanship or faulty material for the life of your **insured vehicle**.

If you choose your own repairer and we pay **reasonable repair costs** instead of authorising repairs, we will not provide a lifetime guarantee for the repairs.

### **Modifications and accessories**

If your **insured vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity you may have to contribute to the cost of repairs or replacing **modifications and accessories** if:

- the cost of repairing and replacing **modifications and accessories** exceeds \$2,000 plus the **modifications and accessories sum insured** shown on your **schedule**; and
- such repair and replacement is necessary to return your **insured vehicle** to a roadworthy state.

How much you pay will depend on the amount by which the cost of repair and replacement exceeds the limit we will pay for **modifications and accessories**.

### **Underinsurance condition**

If at the time of the **loss** or **damage** your **insured vehicle** was insured for less than 80% of its **market value** and we decide your **insured vehicle** is:

- A **total loss**, this underinsurance condition does not apply.
- A **partial loss**, we will pay the same proportion of the loss as the **sum insured** bears to 80% of the **market value** of your **insured vehicle**.

In assessing the amount we pay, prime movers and attached trailers and dollies are regarded as separate and distinct **insured vehicles**.

This underinsurance condition does not apply if your **insured vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity.

## Part B – Legal liability

### What your vehicle also means.

For the purposes of Part B, your **insured vehicle** also means:

- › a trailer;
- › a caravan; or
- › another vehicle which has broken down;

that is being towed by your **insured vehicle** or a **substitute vehicle** legally and not for reward; and

- › a **substitute vehicle**.

### What is legal liability?

**Legal liability** means that an Australian court or a court of an Australian external territory finds, or we accept, that:

- › you;
- › an **authorised driver**;
- › a passenger in your **insured vehicle**; or
- › your employer, principal or business partner;

are legally responsible to pay compensation for:

- › **loss** of or **damage to property** owned or controlled by someone else; or
- › the **personal injury** to another person (but only where the **legal liability** is not covered or capable of being covered by any compulsory third party insurance or public liability insurance)

caused by an **event** which occurs during the **period of insurance** in Australia or its external territories.

We will pay for a claim for your **legal liability** as described in the 'We cover' section below, if:

- › the **event** giving rise to that **legal liability** was not expected or intended; and
- › that liability is not excluded by:
  - › anything in the 'We do not cover' section;
  - › the General Exclusions on pages 41 to 43; or
  - › any **endorsement**.

We cover	<p>If the <b>event</b> that gives rise to the <b>legal liability</b> is one that is caused by:</p> <ul style="list-style-type: none"> <li>› you or an <b>authorised driver</b> driving, using or being in charge of your <b>insured vehicle</b>;</li> <li>› goods being carried by or falling from your <b>insured vehicle</b>;</li> <li>› loading goods onto your <b>insured vehicle</b> from a fixed place of rest directly beside your <b>insured vehicle</b>;</li> <li>› unloading goods off your <b>insured vehicle</b> to a fixed place of rest directly beside your <b>insured vehicle</b>; or</li> <li>› a passenger in your <b>insured vehicle</b> with your permission while travelling or getting in or getting out of your <b>insured vehicle</b>.</li> </ul>
We do not cover	<p>We will not pay for your <b>legal liability</b>:</p> <ul style="list-style-type: none"> <li>› which is a direct or indirect result of discharge or escape of <b>contaminants or pollutants</b> or <b>dangerous goods</b> from your <b>insured vehicle</b> unless they are substances you are legally allowed to carry;</li> <li>› for <b>loss</b> of or <b>damage to property</b> you own, control or are responsible for, or which belongs to someone who normally lives with you. However, this exclusion will not apply to your <b>legal liability</b> for <b>damage</b> to motor vehicles belonging to an <b>employee</b> or visitor which occurs within the confines of a private car park owned or operated by you;</li> <li>› for <b>personal injury</b> to anyone who was your <b>employee</b> at the time of the <b>event</b>;</li> <li>› for <b>personal injury</b> if you were or anyone else was required by law to have insurance for compensation, damages or similar insurance for injury (e.g. compulsory third party insurance or workers compensation required by law);</li> <li>› for <b>personal injury</b> if your <b>insured vehicle</b> is registered in the Northern Territory of Australia;</li> <li>› where you cause your own <b>personal injury</b>, or if you injure or cause the death of someone who normally lives with you;</li> <li>› if at the time of the <b>event</b> your <b>insured vehicle</b> is being driven or used at, in or on any <b>aircraft</b> hangar or any part of an airport or airfield used by <b>aircraft</b> for loading, unloading, taxiing, takeoffs or landings;</li> <li>› for <b>personal injury</b> if at the time of the <b>event</b> your <b>insured vehicle</b> is being used as a show, carnival or festival attraction, parade float or for any similar activity;</li> <li>› because of an agreement you or anyone insured under this <b>policy</b> enters into, unless <b>legal liability</b> would have applied anyway;</li> </ul>

## We do not cover

- › occurring because you, an **authorised driver** of your **insured vehicle**, a passenger in your **insured vehicle**, or your employer, principal or business partner agreed to accept liability;
- › resulting from the use of your **insured vehicle** if it was unregistered at the time of the **event**, unless your **insured vehicle** is an unregistered on-site caravan;
- › in respect of fuel contamination caused by you delivering:
  - › the incorrect type of fuel; or
  - › the fuel to the incorrect place.
- › for **damage to property** resulting from an **event** arising out of the use of your **insured vehicle** while it is digging, excavating, boring or drilling.

However, we will pay if your **insured vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which your **insured vehicle** was designed.

- › to pay fines or punitive, exemplary or aggravated damages;
- › arising directly or indirectly from:
  - › the transportation, distribution, and or storage of asbestos;
  - › any material containing asbestos or any process of decontamination, treatment or control of asbestos.

This will only apply to **personal injury** arising in consequence of inhalation of asbestos fibre, and to **loss** or **damage to property** due to the presence of asbestos.

- › for **personal injury** or **loss** of or **damage to property** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water). However, this exclusion does not apply to Additional Cover 1 - 'Pollution'.

# Extra benefits

We will also pay claims as described under the ‘We cover’ sections below if:

- The **event** giving rise to the claim happens during the **period of insurance** and occurs within Australia or its external territories; and
- The claim is not excluded by:
  - anything in the applicable ‘We do not cover’ section;
  - anything in any other ‘We do not cover’ section in Part A or Part B of the **policy**;
  - the General Exclusions on pages 41 to 43; or
  - any **endorsement**.

## 1. Damage by uninsured drivers

We cover	<p>Applicable if your <b>insured vehicle</b> is insured for Legal Liability Only.</p> <p><b>Loss</b> of or <b>damage</b> to your <b>insured vehicle</b> in an <b>event</b> as a result of a collision with another vehicle driven by an uninsured driver.</p> <p>A driver is uninsured if neither the driver nor the owner of the other vehicle had an insurance policy that would cover them for the <b>loss</b> or <b>damage</b> to your <b>insured vehicle</b>.</p> <p>We only pay if:</p> <ul style="list-style-type: none"><li>➤ you show the <b>event</b> was the fault of the uninsured driver and we agree; and</li><li>➤ you can identify the other vehicle and its driver (name, residential address, phone number and registration details).</li></ul>
We do not cover	<p>We will not pay more than \$5,000 or the <b>market value</b> of your <b>insured vehicle</b> (whichever is less), for <b>loss</b> of or <b>damage</b> to your <b>insured vehicle</b> during any one <b>period of insurance</b>.</p> <p>We will deduct:</p> <ul style="list-style-type: none"><li>➤ any <b>excess</b> that may apply to your <b>insured vehicle</b>; and</li><li>➤ the residual value of your <b>insured vehicle</b> if it is not repairable (you keep the damaged <b>insured vehicle</b>).</li></ul>

## 2. Emergency services

We cover	<p>If we agree to pay a claim under Part A or Part B, we will also pay the reasonable costs and charges levied by the police force or fire brigade or authority due to your <b>insured vehicle</b> causing the attendance of a member of the:</p> <ul style="list-style-type: none"><li>➤ fire brigade or authority for the purpose of fire extinguishment or other purposes; and/or</li><li>➤ police force;</li></ul> <p>at the accident site.</p>
----------	---

# Additional covers

We will also pay a claim for your **legal liability** as described under the ‘We cover’ section below if:

- The **event** giving rise to the **legal liability** was not expected or intended; and
- The liability was not excluded by:
  - anything in the applicable ‘We do not cover’ section;
  - anything in any other ‘We do not cover’ section in Part A or Part B of the **policy**;
  - the General Exclusions on pages 41 to 43; or
  - any **endorsement**.

## 1. Pollution

We cover	<p>Your <b>legal liability</b> arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of <b>contaminants or pollutants</b> into or upon any property, land, the atmosphere, water course or body of water (including ground water), where such discharge, dispersal, release or escape:</p> <ul style="list-style-type: none"><li>➤ is caused by or in connection with the operation ownership possession or use by you or on your behalf of any <b>insured vehicle</b>;</li><li>➤ is caused by a sudden identifiable unintended and unexpected <b>event</b>;</li><li>➤ takes place in its entirety at a specific point in time during the <b>period of insurance</b>; and</li><li>➤ does not relate to any property, land, air, water course or body of water which you own, occupy or have in your custody or control.</li></ul> <p>We will also only pay for clean up or removal costs if they are caused by such an incident.</p> <p>The exclusion for <b>contaminants or pollutants</b> on page 30 does not apply to this Additional Cover.</p>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ more than \$500,000 during the <b>period of insurance</b>; or</li><li>➤ if the <b>contaminants or pollutants</b> are <b>dangerous goods</b>.</li></ul>



## 2. Legal liability for unregistered on-site caravans

We cover	If your <b>insured vehicle</b> is an unregistered on-site caravan, you are covered for your <b>legal liability</b> caused by your use or occupation of the unregistered on-site caravan.
We do not cover	<p>We do not pay for:</p> <ul style="list-style-type: none"><li>› amounts you must pay which are covered, or should be, by Medicare, workers compensation or another government scheme or arrangement, or private medical insurance; or</li><li>› <b>loss</b> or <b>damage</b> to the unregistered on-site caravan, unless the caravan is an <b>insured vehicle</b> and we have accepted a claim for it under Part A of the <b>policy</b>.</li></ul>

## 3. Non-owned vehicle liability

We cover	Your <b>legal liability</b> as set out in Part B, in respect of any vehicle not owned or supplied by you while that vehicle is being used or driven by you or an <b>authorised driver</b> in connection with your business.
We do not cover	You must pay to us an <b>excess</b> of \$500 for each claim accepted by us under this Additional Cover.

## 4. Legal liability for caravans and trailers

We cover	<p>You are covered for your <b>legal liability</b> as a result of:</p> <ul style="list-style-type: none"><li>› the actions of a caravan or trailer while it is being towed by your <b>insured vehicle</b>;</li><li>› a caravan or trailer running out of control after separating from your <b>insured vehicle</b> while your <b>insured vehicle</b> is moving; or</li><li>› another vehicle colliding or acting to avoid a collision with:<ul style="list-style-type: none"><li>› property falling off a caravan or trailer while it is being towed by your <b>insured vehicle</b>; or</li><li>› property being loaded or unloaded from a caravan or trailer attached to your <b>insured vehicle</b>.</li></ul></li></ul>
We do not cover	<p>We do not cover <b>loss</b> or <b>damage</b> to:</p> <ul style="list-style-type: none"><li>› a caravan or trailer unless it is an <b>insured vehicle</b>; or</li><li>› the property which is loaded or unloaded from or which falls from the caravan or the trailer.</li></ul> <p>We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is an <b>insured vehicle</b> and we have accepted a claim for it under Part A of the <b>policy</b>.</p> <p>You must pay the <b>excess</b> applicable to your <b>insured vehicle</b> for any claim accepted under this Additional Cover.</p>

## How we settle a claim under Part B

If we agree to pay a claim for **legal liability**, we will pay:

- the compensation;
- legal costs and expenses if we have given our prior written consent to you incurring these costs;
- costs and charges reasonably and necessarily incurred by you in removing or cleaning up debris, unless stated otherwise; and
- costs and charges reasonably and necessarily incurred to extinguish a fire that your **insured vehicle** has caused.

We will also pay for legal costs in representing you or any other person covered at any inquest or other inquiry relating to an **event** which may give rise to you being **legally liable**, if we have given our prior written consent to you incurring these costs.

You must pay any **excess** that may apply.

For an example of how we settle a liability claim, see page 50 of this **PDS**.

### Limits to what we pay

If we agree to pay a claim for **legal liability**, the most we will pay for all claims arising directly or indirectly from one **event** is \$30 million (unless another amount is specified on your **schedule**) but restricted to:

- \$1,000,000 for any one **event** occurring within the external territories of Australia, but only in respect of the death or bodily injury to another person;
- \$1,000,000 (unless another amount is specified on your **schedule**) where your **insured vehicle** is being used for the transportation of **dangerous goods** or is attached to, or is towing, an **insured vehicle** used for the transportation of **dangerous goods**; and
- \$500,000 during the **period of insurance** in respect of all claims under the Additional Cover 1 – 'Pollution' under Part B.

These amounts include all legal costs and expenses.

These limits also apply to any cover for your **legal liability** provided under any Extra Benefit, Additional Cover, Optional cover or any **endorsement** (both Parts A and B) unless a lower limit is specified in the Benefit, Cover or any **endorsement**.

These limits are the most we will pay even if there are several claims against you relating to the one **event**.

# Optional covers for comprehensive cover

We may allow you to choose the following Optional covers. If it applies to your **policy** it will be shown on your **schedule**.

We will not pay if the claim is excluded by:

- anything in the applicable ‘We do not cover’ section;
- anything in any other ‘We do not cover’ section in Part A or Part B of the **policy**;
- the General Exclusions on pages 41 to 43; or
- any **endorsement**.

## 1. Windscreen excess waiver

We cover	You will not have to pay your <b>insured vehicle excess</b> for the first windscreen or window glass claim for your <b>insured vehicle</b> in any <b>period of insurance</b> . If you have any additional windscreen or window glass claims during the same <b>period of insurance</b> for that <b>insured vehicle</b> , the <b>insured vehicle excess</b> will apply.
We do not cover	This option will only apply if your <b>insured vehicle</b> is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

## 2. Rental vehicle following accident

We cover	<p>If your <b>insured vehicle</b> cannot be driven or is in need of repair following <b>loss</b> or <b>damage</b> as a result of an insured <b>event</b> (other than theft) for which we agreed to pay a claim under Part A, we will reimburse you for the cost of hiring a replacement vehicle:</p> <ul style="list-style-type: none"><li>➤ of a similar type to your <b>insured vehicle</b>; and</li><li>➤ from the date your <b>insured vehicle</b> is left at the repairers.</li></ul> <p>Please see:</p> <ul style="list-style-type: none"><li>➤ Additional Cover ‘Hired Vehicle’ (page 23) for cover applicable to and caused by the rental vehicle.</li><li>➤ Extra Benefit ‘Hire vehicle after theft’ (page 20) for cover applicable if your <b>insured vehicle</b> is stolen.</li></ul>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ if your <b>insured vehicle</b> is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity;</li><li>➤ if your <b>insured vehicle</b> is stolen;</li><li>➤ to hire a vehicle for any longer than the day after repairs to your <b>insured vehicle</b> have been completed;</li><li>➤ after your claim has been paid if your <b>insured vehicle</b> is a <b>total loss</b>;</li><li>➤ the running costs of the rental vehicle;</li><li>➤ for any other non-rental costs which you may be liable to pay for under a hire agreement; and</li><li>➤ more than \$1,500 for any one <b>event</b>.</li></ul>

### 3. Protected No Claim Discount/Rating

We cover	Where a <b>penalty claim</b> would affect your No Claim Discount/Rating, it will not be affected for that <b>insured vehicle</b> provided that you have not made a previous <b>penalty claim</b> for an insured <b>event</b> occurring in the <b>period of insurance</b> for that <b>insured vehicle</b> .
We do not cover	<p>This Optional cover does not apply if your <b>insured vehicle</b> is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity.</p> <p>This Optional cover does not apply unless you are entitled to a maximum No Claim Discount/Rating for your <b>insured vehicle</b>.</p>

### 4. Damage to towed vehicles

We cover	<p>Only available if your <b>insured vehicle</b> is a registered tow truck.</p> <p>We will pay all amounts you become <b>legally liable</b> to pay as damages for <b>loss</b> or <b>damage</b> to any vehicle being towed, retrieved or carried by your <b>insured vehicle</b>, in the <b>period of insurance</b>.</p>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none"><li>➤ more than \$150,000 any one <b>event</b> for <b>loss</b> or <b>damage</b> to any vehicle/s being towed, retrieved or carried by your <b>insured vehicle</b>;</li><li>➤ if your <b>insured vehicle</b> and the vehicle being towed, retrieved or carried are not being operated within the provisions of any law relating to the use of a tow truck; or</li><li>➤ if at the time of the theft, the vehicle your <b>insured vehicle</b> is carrying is stolen while your <b>insured vehicle</b> is located at any premises you own, occupy or control.</li></ul>

# Application of excess

An **excess** is the amount you might have to pay if you claim. **Excesses** are cumulative and apply to all claims, unless otherwise stated. For each **event**, or series of **events** arising from the one originating cause you will bear the amount of the **excess** in respect of each and every **insured vehicle**, unless stated otherwise.

The **insured vehicle excess** is shown on your **schedule**. The amounts for any other **excesses** (or where the amount can be found in this **PDS**) are detailed below and on page 39 and page 40 of this **PDS**. You might have to pay more than one type of **excess** when you claim. You must pay the **excesses** in full.

We will decide if you pay the **excess** to us (when we ask for it) or to the repairer when you pick up your **insured vehicle** after it has been repaired. We can also choose to deduct the **excess** from the amount we pay you.

You don't pay any **excess** when your **insured vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity if:

- another vehicle is involved, we agree the driver of your **insured vehicle** was not at fault, and you can identify the other vehicle and the other driver responsible (name, residential address, phone number and vehicle registration details); or
- no other vehicle is involved, we agree the driver of your **insured vehicle** was not at fault, and you can identify another person at fault (name, residential address and phone number) and prove that they were at fault.

## Types of excesses

### Insured vehicle excess

**Insured vehicle excess** is the amount shown on your **schedule**.

### Age or inexperienced driver excess

An age or **inexperienced driver excess** applies if a driver under 25 or an **inexperienced driver** was in charge of your **insured vehicle** at the time of an **event**. This **excess** will not apply to glass, damage while parked, fire, malicious damage, theft or storm claims.

If we accept a claim where the driver was less than 25 years of age or was an **inexperienced driver**, the following age or **inexperienced driver excesses** will apply to the claim when:

- Your **insured vehicle** is a rigid body truck, car, 4WD, utility or van:
  - for drivers under 21 years of age \$500 or \$1,750 if your **schedule** shows that the youngest driver is over 25 years of age or no youngest driver age is shown;
  - for drivers between 21 and 24 years of age \$300 or \$1,000 if your **schedule** shows that the youngest driver is over 25 years of age or no youngest driver age is shown; or
  - for **inexperienced drivers** \$250.

- Your **insured vehicle** is a prime mover and:
  - the **sum insured** for the prime mover is less than \$100,000 or it is insured for Legal Liability only – the age or **inexperienced driver excess** is \$2,500 or \$3,500 if the prime mover was towing more than one trailer at the time of the **event**.
  - the **sum insured** for the prime mover is \$100,000 or more, but not more than \$200,000 – the age or **inexperienced driver excess** is \$10,000 or \$15,000 if the prime mover was towing more than one trailer at the time of the **event**.
  - the **sum insured** for the prime mover is more than \$200,000 – the age or **inexperienced driver excess** is \$25,000 or \$37,500 if the prime mover was towing more than one trailer at the time of the **event**.
- your **insured vehicle** is any other vehicle type the age **excess** is \$750. No **inexperienced driver excess** will apply.

You must pay these age or **inexperienced driver excesses** in addition to any other **excess** for your **insured vehicle** that may be payable. For the purposes of the application of these age or **inexperienced driver excess**, a dolly is considered a trailer.

### Tipping excess

A tipping **excess** applies if your **insured vehicle** is a trailer or rigid body truck and it is **damaged** while the tipping hoist is partly or fully extended. The tipping **excess** is \$1,000 and you pay this in addition to any other **excess** payable for your **insured vehicle**.

### Theft excess

A theft **excess** of \$2,500 applies to each claim for theft or **damage** occasioned by theft of:

- your skid steer loader, excavator, loader, backhoe or bobcat, or
- any of their accessories, whether these accessories are attached to your **insured vehicle** at the time of the theft or **damage** or not.

You pay this in addition to any other **excess** for your **insured vehicle** that may be applicable.

### Endorsement excess

An **endorsement excess** may apply if you have **endorsements** to your **policy**. Any **endorsement excess** applicable to your **policy** will be shown in the **endorsement** wording.

You pay the **endorsement excess** shown in the **endorsement** wording in addition to any other **excess** for your **insured vehicle** that may be payable.

## Radius excess

A radius **excess** applies if we accept a claim for **loss** or **damage** to your **insured vehicle** or **legal liability** and at the time of the **event**, your **insured vehicle** was on a journey to or from a destination beyond the maximum radius of operation shown on your **schedule** measured from your **insured vehicles** garaged postcode shown on your **schedule**.

The radius **excess** is:

- \$500 if your **insured vehicle** is a truck or bus,
- \$2,500 if your **insured vehicle** is a trailer which at the time of the **event** was being towed by a prime mover or \$500 if being towed by a truck, or
- \$7,500 if your **insured vehicle** is a prime mover.

You pay the radius **excess** in addition to any other **excess** for your **insured vehicle** that may be payable.

## Additional cover excesses

Please refer to pages 22 to 25 for the amount of any **excess** you might have to pay if you make a claim under any Additional Cover in Part A of the **policy**.

## Application of excess involving trailer and towing vehicle

If a trailer being towed by your **insured vehicle damages** the property of another person and:

- only the trailer was **damaged**, the **excess** for the towing vehicle will apply; or
- there is no **damage** to either the trailer or towing vehicle, the **excess** for the towing vehicle will apply.

## General exclusions

You are not covered for an **event** occurring when your **insured vehicle** is being driven by, or is in the charge of, someone who:

- was under the influence of, or had their judgement affected by, any alcohol or drug;
- had more than the legal limit of alcohol in their breath or blood, as shown by analysis;
- refused to take a legal test for alcohol or drugs; or
- was not licensed, not correctly licensed or not complying with the conditions of their licence.

We will cover you if you were not the driver or person in charge of your **insured vehicle** at the time of the **event** and you can satisfy us that you did not know, and could not have reasonably known, of any of the above circumstances. If we pay a claim we can recover those costs from the person who was driving or in charge of your **insured vehicle**, unless the law prohibits recovery by us.

You are not covered:

- if you or an **authorised driver** does something or neglects to do something that is not in accordance with this **policy** or does not give us the information or assistance that we ask for;
- for theft of or malicious **damage** to your **insured vehicle** when anyone insured under this **policy** has not taken reasonable care to prevent this **loss** or **damage**;
- for financial loss:
  - occurring because you cannot use your **insured vehicle**;
  - because your **insured vehicle's** value was less after being repaired; or
  - because your **insured vehicle's** working life has been reduced;
- for **loss** of or **damage** to a drill rod or bit attached to your **insured vehicle** while the drill rod or bit is being used for its designed purpose. For the purposes of this exclusion, a drill rod or bit includes any part attaching to or forming part of the drill rod or bit including but not limited to pipes, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and/or any other electronic mechanism;
- for the cost to repair or replace burnt out electric motors or wiring of appliances in your caravan;
- for **damage** to your caravan, caravan annexe, trailer or **personal effects** caused by biting, chewing or scratching by an animal or bird;
- for **damage** to your caravan, caravan annexe or **personal effects** caused by any tenant;
- if your unregistered on-site caravan is unoccupied for 60 consecutive days. (If you want cover over 60 days, you need to ask us for an extension of time and we must agree in writing. We might charge an extra premium or impose special terms.);
- for **loss** or **damage** to your caravan caused by the sea or high water;
- for **loss** or **damage** or **legal liability** caused or contributed to by or arising from any biological, bacterial, viral, germ, chemical or poisonous **contaminant** or **pollutant** (except for any cover provided under Additional Cover 1 – 'Pollution' on page 33) or any looting or rioting following these occurrences;



- for theft by anyone who has hired or leased your **insured vehicle** or who has taken it as security for a debt;
- for any **loss, damage** or **legal liability** directly or indirectly caused by or contributed to by or arising from:
  - ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning or fission of nuclear fuel; or
  - the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it;
- for any **loss, damage, personal injury**, or **legal liability** directly or indirectly caused by or contributed to by, or arising from nuclear weapons material;
- for any consequence of war or warlike activities which includes invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- for any **loss** or **damage** due to confiscation, nationalisation or expropriation;
- for any **loss, damage** or **legal liability** caused by any person or organisation who lawfully destroys or takes away your ownership or control of any property or **insured vehicle** covered by this **policy**;
- for any **loss, damage** or **legal liability** which happens before the **period of insurance** or which arises from an **event** before the **period of insurance** starts unless specifically stated otherwise;
- for any **loss** or **damage** caused deliberately by you, or any director, business partner, principal, or **employee** of yours, or with your permission;
- for your consequential **loss** of any kind including loss by delay, confiscation or detention by customs or other lawful authority, loss of market, lack of performance;
- for an **event** that occurs outside Australia or its external territories;
- for:
  - a. **personal injury, damage to property, legal liability, loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any **act of terrorism** regardless of any other cause or **event** contributing concurrently or in any other sequence to the **personal injury, damage to property, legal liability, loss, damage**, cost or expense;
  - b. **personal injury, damage to property, legal liability, loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.
- for theft of or **loss** or **damage** to your **insured vehicle** caused by vandalism, fire, malicious intent, storm or hail if your **insured vehicle** is described on the **schedule** as Trade Plate, Motor Trade, Driving Risk or Customers Vehicles and at the time of the theft, **loss** or **damage** occurred your **insured vehicle** was:
  - on any premises you occupy or control;
  - on any showground or exhibition ground where your **insured vehicle** is an exhibit; or
  - being repaired at any motor repairer or garage.

We will not pay a claim for **loss, damage** or **legal liability**:

- If another person is, or could have been, liable to compensate you for such **loss, damage** or **legal liability**, but you have agreed with that person either before or after the **loss, damage** or **legal liability** occurred that you would not seek to recover any moneys from that person.

You are not covered if, at the time of an **event**, your **insured vehicle** was:

- damaged, unsafe or unroadworthy. However, this exclusion will not apply if you prove to our satisfaction that the unroadworthy or unsafe condition of your **insured vehicle**:
  - did not cause or contribute to the **loss, damage** or **legal liability** being incurred, or
  - could not reasonably have been detected by you;
- being used in a race, contest, trial, test, hill climb or any similar activity;
- being used on a competition race track, circuit, course or arena;
- being used by you for illegal purposes;
- carrying passengers for payment or reward unless it was a car pool, child care arrangement or fare paying passenger bus;
- carrying a greater number of passengers than it was designed for or is allowable according to law;
- conveying, towing, lifting or carrying a load not secured according to law;
- conveying, towing, lifting or carrying a load in excess of that which is was designed for or is allowable according to law;
- being used to move **dangerous goods** or substances that pollute or contaminate unless this was done legally;
- travelling on railway lines; or
- being operated, transported or driven in an underground mine or mining shaft (but we will cover you if your **insured vehicle** was being used for open cut mining).

# Making a claim

You must do the following if there is an **event** that could lead to a claim:

- Contact us as soon as possible on 13 14 46. We're available 24 hours a day, 7 days a week. Our staff will advise you whether to bring your **insured vehicle** to one of our assessing centres or take it to a repairer. We can help with any other arrangements necessary to get you back on the road as quickly as possible.
- Do everything reasonable to limit and prevent further **loss, legal liability or damage**.
- If someone has stolen, attempted to steal or maliciously damaged your **insured vehicle**, call the Police immediately. If we ask, you must provide to us the name of the Police Officer and Police station where you made the report.
- Obtain the full names, addresses and phone numbers of all drivers and passengers involved and any witnesses to the **event**. You will also need to obtain the vehicle registration numbers and insurance details of all vehicles involved. If **damage** is caused to any other property please provide details of the address and owners names.
- Give us any information and other assistance we reasonably need to handle the claim. If we ask for it, you must provide us with a statutory declaration verifying the truth of your claim and any matters connected with it.
- If you get demands, a notice of prosecution, details of an inquest or similar communications from other parties involved in the **event**, you must tell us immediately. If you delay in telling us, we may not cover any legal or other costs that result from that delay.
- Tell us your entitlement to Input Tax Credits (ITCs) for your insurance premium if you are registered or should be registered for goods and services tax (GST) purposes. If information you give us is incorrect, we will not cover you for any resulting fines, penalties or tax charges.

What you must not do:

- Admit to anyone else involved in the **event** that it was your fault.
- Unless we have agreed, negotiate or promise anyone a payment, authorise any repairs (except **emergency repairs** to your **insured vehicle**, see page 18 for details) or dispose of any **damaged** property.
- Accept any payment (including **excess** payments) from anyone unless we agree first.

What you must agree to if you claim:

- You must provide proof of ownership of any lost or **damaged** property. Proof could include your **insured vehicle** log book, receipts, valuations or warranties.
- You must let us inspect and, if necessary, move your **insured vehicle** before repairs begin.
- Give us any information and help we need to handle the claim. This can include agreeing to be interviewed and providing relevant documents we ask for.
- You must allow us to make admission, defend or settle claims on your behalf.
- You must allow us to take legal action in your name against another person to recover any payment we have made on a claim before we have paid your claim, or whether or not you have been compensated or paid in full for your actual **loss**.
- If we decide to defend you, settle any claim against you, represent you or try to recover money from the person who caused the **loss or damage**, you must give us all the assistance we need, including assistance after your claim has been paid.

## Fraudulent claims

If you or someone acting on your behalf makes a false or fraudulent claim, we may:

- refuse to pay the claim;
- cancel the **policy**;
- take legal action against you; or
- do any or all of the above.

## Some other circumstances affecting claims

We may refuse to pay a claim, or we may reduce the amount we pay you, if:

- you have not complied with your duty of disclosure (see page 11);
- when making a claim you:
  - are not truthful,
  - have not given us full and complete details, or
  - have not told us something when you should have;
- you are paying your premium by instalments and at the date of the **event** you are claiming for, you are 14 days (or more) late in paying an instalment; or
- you have not complied with any conditions of your **policy**.

# Claim payment examples

The following worked dollar examples are designed to assist in the understanding of some of the important benefits and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following should be used as a general guide only. You should consider all examples as each example covers different benefits and scenarios.

## Example: Total loss - Market value

A car that has a carrying capacity of not more than 2 tonnes is comprehensively insured for market value. The insured vehicle excess is \$500. Your insured vehicle is damaged in an accident and we assess the cost of repair to be \$20,000.

The market value is determined as follows:

Your insured vehicle is an 8 year old sedan in poor condition. A motor vehicle guide records the value is \$20,000 for good condition. We assess the market value to be \$15,000 (GST inclusive).

The vehicle contains no modifications and accessories and we decide it is a total loss.

How much we pay		Further information
Market value	\$15,000	Your insured vehicle is a total loss with a market value of \$15,000. We normally decide a vehicle is a total loss if the complete repair cost exceeds its market value less salvage value.
Less ITC	-\$1,364	If you are registered for GST and entitled to an Input Tax Credit (ITC) we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%). We will not deduct this entitlement if your insured vehicle is insured for Agreed Value.
Less outstanding premium	-\$300	If you paid your insurance by pay by the month instalments, we will deduct the remaining instalments for the period of insurance. In this example, there are three \$100 per month instalments remaining when total loss occurs.
Less excess	-\$500	Only your insured vehicle excess applies in this example. We deduct this from the amount we pay to you.
<b>Total claim</b>	<b>\$12,836</b>	We would normally pay this amount directly to you in a total loss situation.

Plus lease payout	\$2,200	If, instead of owning your insured vehicle outright, your insured vehicle was purchased under a finance lease and the amount owing was \$17,200 (excluding any payments in arrears and resulting interest), we will pay the difference between the amount owing under the finance arrangement and the market value (\$17,200 - \$15,000). This benefit has a limit of 20% of the market value (\$3,000).
Less ITC	- \$200	In this example you are entitled to a full Input Tax Credit (100%).
<b>Total claim</b>	<b>\$14,836</b>	We would normally pay the claim directly to your financier and not to you in circumstances of a lease payout. You pay your financier any amounts left owing.

If the insured vehicle in the above example was less than 2 years old at the time of the event, instead of paying the claim above you can choose to accept a replacement vehicle including similar accessories and parts plus on-road costs e.g. registration, compulsory third party, pre-delivery. You must pay the excess to the dealership that has provided the replacement vehicle or us.

If insured vehicle salvage is valued at \$1,000, the salvage becomes our property and we are entitled to keep the \$1,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless you obtain these refunds directly in which case we will deduct these costs from the total claim above.

Example: Total loss - Agreed value

A utility that has a carrying capacity of not more than 2 tonnes is comprehensively insured for an agreed value of \$45,000. The vehicle is damaged in an accident that we agree was not your fault and you have identified the at fault party and provided all their details that we require.

We assess the cost of repair of your insured vehicle to be \$40,000 but as it has a \$10,000 salvage value as is, we decide it is a total loss. The insured vehicle is not subject to finance. Your insured vehicle excess is \$500.

The schedule shows a sum insured of \$1,500 for modifications and accessories and all modifications and accessories valued at \$3,500 in total on and in the insured vehicle are destroyed as a result of the event.

How much we pay		Further information
Agreed value	\$45,000	The vehicle is a total loss with an Agreed Value of \$45,000. We normally decide a vehicle is a total loss if the complete repair cost exceeds its Agreed Value less salvage value.
Less ITC	\$0	We do not deduct any ITC from the agreed value for your insured vehicle.
Modifications and accessories	\$3,500	We pay the sum insured of \$1,500 for additional modifications and accessories in addition to the \$2,000 limit for modifications and accessories. We pay this in addition to your insured vehicles, Agreed Value.
Less ITC	-\$318	If you are registered for GST and entitled to an ITC we will deduct this entitlement from the amount we pay you for modifications and accessories. In this example you are entitled to a full ITC (100%)
Less excess	\$0	No insured vehicle excess applies in this example as the accident was not your fault and you have provided all the details of the at fault party that we require.
Total claim	\$48,182	We would normally pay this amount directly to you in a total loss situation, unless your insured vehicle is subject to finance.

If the salvage of the insured vehicle including the modifications and accessories is valued at \$10,000, the salvage including the modifications and accessories becomes our property and we are entitled to keep the \$10,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless these refunds are paid to you directly in which case we will deduct these costs from the total claim above.

### Example: Partial loss

A vehicle is comprehensively insured for market value. The insured vehicle is stolen and subsequently recovered, damaged, 25 days later. We assess the cost of repairs to be \$5,500 plus an additional \$3,500 to repair damaged modifications and accessories. Your insured vehicle excess is \$500.

The schedule shows no sum insured for modifications and accessories.

How much we pay		Further information
Damage to vehicle	\$5,500	We normally decide a vehicle is repairable if the cost of repairs is significantly less than the market value.
Modifications and accessories	\$2,000	We pay a maximum of \$2,000 for theft, loss or damage to modifications and accessories unless a sum insured for additional modifications and accessories is shown on the schedule. (If it was necessary to spend \$3,500 on repairing modifications and accessories to return the vehicle to a road worthy state we would ask you to contribute the additional \$1,500 required to do this).
Less excess	- \$500	Only your insured vehicle excess applies in this example. We normally require you to pay the excess directly to the repairer.
<b>Total claim</b>	<b>\$7,000</b>	We would normally pay this amount directly to the repairer in a partial loss situation.

If personal effects to the value of \$350 are also stolen during the theft:

Plus personal effects	+ \$350	Personal effects cover is limited to \$1,000 per event. This Extra Benefit's sub-limit is in addition to the market value of the vehicle.
<b>Total claim</b>	<b>\$7,350</b>	We normally pay the \$350 for personal effects to you (and the remaining \$7,000 directly to the repairer).

If a hire vehicle of a similar type for a cost of \$100 per day is arranged by us:

Plus vehicle hire cost	+ \$2,800	Your insured vehicle takes 3 days to repair. The cost per day times the number of days from the date of theft until the date repairs are completed is 28 x \$100. This benefit has a limit of up to 30 days and we will not pay more than \$3,000.  Note: This benefit would not apply if the vehicle was damaged in an accident instead of stolen, unless you also selected Optional Cover 2 'Rental vehicle following accident'.
<b>Total claim</b>	<b>\$10,150</b>	We normally pay the \$2,800 for vehicle hire directly to the hire company (the \$350 to you and \$5,000 towards the repairs to the vehicle and \$2,000 towards the repairs of the modifications and accessories).



### Example: Legal liability

A vehicle is insured for Legal Liability cover. The insured vehicle is involved in an accident and the other driver claims that the driver of your insured vehicle has a legal liability for the accident. The damage to the other vehicle would be assessed by a court at \$12,500. There is an insured vehicle excess of \$500 on your policy. The legal costs to defend your legal liability are \$3000.

How much we pay		Further information
Damage to other vehicle	\$12,500	We normally pay the cost of repairs directly to the third-party claimant.
Less excess	- \$500	Only your insured vehicle excess applies in this example. We normally require you to pay this amount to us before we act on your behalf.
Plus our legal costs	+ \$3,000	We incur and do not charge you for these costs providing you have paid your excess prior to legal costs being incurred.
<b>Total claim</b>	<b>\$15,000</b>	

Assume the driver of your insured vehicle was not at fault in an accident and the driver of the other vehicle was at fault but was not insured. You are able to provide us with the details of the other driver. The insured vehicle excess is \$500. For the purposes of this example it is assumed that your insured vehicle is not comprehensively insured:

Damage by uninsured drivers' Extra Benefit	\$4,500	Your insured vehicle is not covered for own damage because Legal Liability Only cover was purchased. However, the 'damage by uninsured drivers' Extra Benefit provides limited cover in these circumstances for up to \$5,000.  For the purposes of this example, we assess that the damage to your insured vehicle will cost more than its market value of \$4,500. We decide it is not repairable.
Less ITC	- \$409.09	If you are registered for GST and entitled to an Input Tax Credit (ITC) we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%).
Less excess	- \$500	Only your insured vehicle excess applies in this example. We deduct this from the amount we pay you
Less residual value of wreck	- \$500	The remaining value of your damaged vehicle. We deduct this from the amount we pay you.
<b>Total claim</b>	<b>\$3,090.91</b>	We normally pay this directly to you. You will keep the damaged vehicle.

# Definitions

---

## act of terrorism

An act, including but not limited to the use of force or violence and/or the threat thereof, of 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 done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government or to put the public, or any section of the public, in fear.

---

## agreed value

The amount you nominate and we agree to insure your **insured vehicle** for. This amount is shown on your **schedule**.

It includes the value of any tools, accessories and spare parts supplied and installed by the manufacturer as standard equipment.

It does not include the value of **modifications and accessories**.

Only cars, 4WD, utilities and vans of not more than 2 tonne carrying capacity can be insured for an **agreed value**.

---

## authorised driver

A person controlling, driving or using your **insured vehicle** with your consent.

---

## contaminants or pollutants

Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other contaminants or pollutants. **Pollutants and contaminants** do not include **dangerous goods**.

---

## damage or damaged

Sudden or unforeseen physical damage or destruction.

---

## damage to property

- physical **loss** of or **damage** to or destruction of tangible property including resultant loss of use; or
  - loss of use of tangible property which has not been physically **damaged** or destroyed provided such loss of use is caused by an **event**.
- 

## dangerous goods

- substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail;
  - liquid fuels, liquefied or compressed gases, toxic chemicals, acids, organic peroxides or corrosives;
  - infectious, explosive radioactive or oxidising substances; or
  - substances with a flashpoint of below twenty two point seven degrees celsius (22.7°C).
- 

## emergency repairs

Minor repairs which are essential for you to be able to drive your **insured vehicle** safely from the site of an accident or **event** causing **damage**.

---

---

## employee or employees

Any person:

- engaged in your business under a contract of service or apprenticeship, or
- supplied to you pursuant to a contract of labour hire.

---

## endorsement

A written change or addition we make to your **policy**, particularly if we have changed the cover to meet your needs or excluded a specific cover we would have normally covered. Any **endorsements** that apply to your **policy** will be shown on your **schedule**, unless we send you the **endorsement** separately.

---

## event or events

One incident or all incidents of a series consequent on, or attributable to, one source or original cause.

---

## excess or excesses

The first amount of each and every claim that shall be paid by you, before the application of any limits by the **policy**.

---

## inexperienced driver

A person who is 25 years or over and has not held a drivers licence for the class of vehicle being driven at the time of the **event** for the past 2 consecutive years.

---

## insured vehicle

The **insured vehicle(s)** shown on your **schedule**.

It includes:

- tools, accessories and spare parts supplied and installed by the manufacturer as standard equipment; and
- **modifications and accessories.**

However, if the **insured vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity then we will not pay more than \$2,000 plus the **modifications and accessories sum insured** shown on your **schedule** for **loss** or **damage** to **modifications and accessories**.

---

## loss or losses

Sudden and unforeseen physical loss.

---

---

## market value

The amount we calculate the market would pay for your **insured vehicle**. It takes into account the age, make, model, kilometres travelled and condition of your vehicle immediately before the incident.

We might use recognised industry publications to calculate the amount.

If your **insured vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity we will not take any **modifications and accessories** into account when determining the **market value**.

For all other vehicles, the **market value** includes the value of any **modifications and accessories**.

**Market value** includes any tools, accessories and spare parts supplied and installed by its manufacturer as standard equipment

---

## modification and accessories

- › Modifications made to your **insured vehicle** that were not made, supplied or installed by its manufacturer as standard.
  - › Accessories, attachments and spare parts not supplied and installed by its manufacturer as standard equipment provided they are attached to or in or on your **insured vehicle**.
- 

## partial loss

When we decide, at our option, to repair your **insured vehicle**, replace any part of it or reimburse you for the **loss** or **damage** to it. In this case, we will not treat your **insured vehicle** as a **total loss**.

---

## penalty claim

An **event** or claim where we consider you to be at fault, or a claim where we are not able to recover the costs of repairing or replacing your **insured vehicle**.

---

## period of insurance

Means the period of time your **policy** is in force, as shown on your current **schedule**.

---

## personal effects

Clothing and personal belongings normally worn or carried but excluding personal computers, nonfixed GPS units, musical instruments, curios, works of art, money or credit cards.

---

## personal injury

Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or loss of consortium resulting from any of them.

---

## policy

Your insurance contract. It consists of this **PDS**, any **endorsements** and your **schedule**. It also includes any **Supplementary PDS** we may send you.

---

## Product Disclosure Statement (PDS)

PDS is the name of this document and it contains the terms of your insurance cover. It tells you what cover we provide, details of costs and **excesses** and other important information. It should be read together with your **schedule**, any **endorsements** and any **Supplementary PDS** that we may give you.

---

---

### reasonable repair costs

If you choose your own repairer, we will pay the amount we consider to be reasonable repair costs taking into account:

- your repairer's quote with any adjustment or reduction recommended by an experienced motor vehicle assessor we appoint; and
- a quote we may choose to obtain from one of our **recommended repairers**.

---

### recommended repairer

A repairer who has been appointed by us as a recommended repairer because we have assessed the repairer as capable of meeting our strict standards of quality workmanship, timeliness, efficiency and cost effectiveness.

---

### road

Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

---

### schedule

The schedule attached to and forming part of the **policy**, or if the **policy** has been renewed the **schedule** issued with the renewal notice.

---

### substitute vehicle

A vehicle which does not belong to you and which you, your spouse, defacto partner or an **employee** are using while your **insured vehicle** is not in use because your **insured vehicle** is unroadworthy or undergoing repair.

---

### sum insured or sum insureds

The relevant amount specified in the **schedule**.

---

### Supplementary PDS (SPDS)

A document that updates or adds to the information in the **PDS**.

---

### total loss

When your **insured vehicle** is stolen and not recovered, or is damaged so badly it would cost us more to repair than the value of your **insured vehicle**.

---

This page left blank intentionally

This page left blank intentionally





## How to contact us

- › Phone us.
- › For questions or to change your details **13 10 10**.
- › For claims **13 14 46**.
- › Come into one of our **branches**.
- › Find us on the web at **[gio.com.au](http://gio.com.au)**

## Who we are

This insurance is issued by

GIO General Limited  
ABN 22 002 861 583  
AFSL No. 229873



# Steadfast Commercial Motor

Product Disclosure Statement



# Contents

## About the Steadfast Commercial Motor Vehicle Insurance

About Zurich.....	2
About Steadfast .....	2
How to apply for this insurance .....	2
Steadfast Commercial Motor Vehicle Insurance .....	3
Our contract with You .....	3
Significant issues to consider .....	3
Duty of Disclosure.....	5
How We calculate Your premium .....	6
Cooling-off Period.....	6
Goods and Services Tax .....	6
How to make a claim.....	7
Repair Industry Code of Conduct.....	7
Privacy.....	7
General Insurance Code of Practice .....	8
Complaints and Disputes Resolution process .....	8
Financial Claims Scheme.....	8
Updating this PDS .....	8
Benefits of Cover Available.....	9

## Steadfast Commercial Motor Wording

1. Words with special meaning.....	12
2. Headings.....	16
3. Description of Cover .....	16
4. Part A – Damage to Your Vehicle .....	17
5. Additional Benefits applicable to Part A.....	17
6. Optional Covers Available under Part A .....	22
7. Limitations of Cover applicable to Part A .....	23
8. Exclusions applicable to Part A.....	24
9. Part B – Third Party Liability.....	24
10. Additional Benefits applicable to Part B .....	24
11. Exclusions applicable to Part B .....	27
12. Additional Benefits applicable to both Part A and Part B .....	29
13. Exclusions applicable to both Part A and Part B.....	30
14. Limitations of Cover applicable to both Part A and Part B.....	33
15. General Conditions applicable to both Part A and Part B.....	34
16. Making a claim .....	36

# About the Steadfast Commercial Motor Vehicle Insurance

## About Zurich

The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507. In this document, ZAIL may also be expressed as 'Zurich', 'We', 'Us' or 'Our'.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurance provider with a global network of subsidiaries and offices. With about 60,000 employees, the Zurich Insurance Group delivers a wide range of general insurance and life insurance products and services for individuals, small businesses, and mid-sized and large companies, including multinational corporations, in more than 170 countries.

This Product Disclosure Statement (PDS) is an important document. You should read it carefully before making a decision to purchase this product.

This PDS will help You to:

- decide whether this product will meet Your needs; and
- compare this product with other products You may be considering.

The information contained in this PDS is general information only. It is important You read Your Policy to ensure You have the cover You need.

We sometimes capitalise terms in this PDS, to show that words are abbreviated or have a particular defined meaning. You should refer to the 'Words with special meaning' on Page 12 to obtain the full meaning of such terms.

## About Steadfast

Steadfast Group Limited (Steadfast) is a public company. It includes a large network of insurance brokerages who operate in Australia as Steadfast Brokers. This Policy is available exclusively to You through a Steadfast Broker.

Steadfast Group Limited does not issue, guarantee or underwrite this Policy.

### Important information about Steadfast's advice

Any advice Steadfast gives about this Policy does not take into account any of Your particular objectives, financial situation or needs. For this reason, before You act on Steadfast's advice, You should consider the appropriateness of the advice taking into account Your own objectives, financial situation and needs.

Before You make any decisions about whether to acquire this Policy We recommend You read this insurance Policy.

## How to apply for this insurance

Zurich distributes this product via the Steadfast Brokers who are qualified professional insurance brokers who are able to access a wide selection of insurance products from which they are able to recommend those best suited to Your insurance requirements, after taking into account Your individual circumstances.

Throughout this document when We are referring to Your Steadfast broker, We may simply refer to them as Your intermediary.

If You are interested in buying this product or have any inquiries about it, You should contact Your intermediary who should be able to provide You with all the information and assistance You require.

If You are not satisfied with the information provided by Your intermediary You can contact Us at the address or telephone number shown on the back cover of this document. However, We are only able to provide factual information or general advice about the product. We do not give advice on whether the product is appropriate for Your personal, objectives, needs or financial situation.

## Steadfast Commercial Motor Vehicle Insurance

The Steadfast Commercial Motor Vehicle Insurance is principally designed for medium to large enterprises. Sedans and commercial vehicles can be included in this Policy.

The Policy cover can be customised to meet Your Business requirements and some of the options can be summarised as follows:

### Option 1: Comprehensive – Own Damage and Third Party Liability

This provides cover for:

- physical loss, Damage or destruction to Your Vehicle as a result of an Accident (Part A); and
- physical loss, Damage or destruction to Third Party property as a result of an Accident by Your Vehicle (Part B);

### Option 2: Fire, Theft and Third Party Liability only

- Part A is restricted to physical loss, Damage or destruction to Your Vehicle caused by fire, explosion, lightning, theft or attempted theft and cover for liability arising from loss or Damage or death or personal injury to Third Parties as a result of Your Vehicle (Part B of this Policy will operate).

### Option 3: Third Party Liability only

- This provides cover for liability arising from loss or Damage or death or personal injury to Third Parties as a result of Your Vehicle (only Part B of this Policy will operate).

## Our contract with You

Your Policy is a contract of insurance between You and Zurich and contains all the details of the cover that We provide. Your Policy is made up of:

- the Policy wording, which is attached as the second part of this document. It tells You what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the proposal, which is the information You provide to Us when applying for insurance cover;
- Your most current Schedule issued by Us. The Schedule is a separate document unique to You, which shows the insurance details relevant to You. It includes any changes, exclusions, terms and conditions made to suit Your individual circumstances and may amend the Policy; and
- any other written changes otherwise advised by Us in writing (such as an endorsement or a supplementary PDS). These written changes vary or modify the above documents.

Please note, only those Parts shown as covered in Your Schedule are insured.

This document is also the PDS for any offer of renewal We may make, unless We tell You otherwise. Please keep Your Policy in a safe place. We reserve the right to change the terms of this product where permitted to do so by law.

## Significant issues to consider

Insurance contracts contain policy exclusions, policy terms and conditions and policy limits and sub-limits that You should be aware of when deciding to purchase Our product. These things may affect the amount of the payment that We will make to You if You have a claim.

We may express some policy terms, policy limits or sub-limits as being either a dollar amount or a percentage of Your Sum Insured shown in Your Schedule or some other amount, factor or item specified in the relevant clause of this document.

You should be aware of the following matters in considering whether this product is suitable for Your needs.

### Option 1: Comprehensive – Own Damage and Third Party Liability

When Option 1 – Own Damage and Third Party Liability is selected, You may choose the Basis of Settlement option You require. The standard options are either Market Value, Sum Insured or Nominated Value when declared.

The correct Basis of Settlement selection is vital, as an incorrect selection, may possibly leave You underinsured.

### **Option 2: Fire, Theft and Third Party Liability only**

When Option 2 – Part A is restricted to stated perils i.e. Fire & Theft and Third Party Property Damage. We have automatically included the Limits of Liability within Your Schedule. We recommend You review these limits to ascertain if they are adequate for Your business requirements.

### **Option 3: Third Party Liability only**

When Option 3 – Third Party Liability only is covered, We have automatically included the Limits of Liability within Your Schedule. We recommend You review these limits to ascertain if they are adequate for Your business requirements.

### **Carriage of Hazardous Goods**

When Part B is selected, We provide cover in the event that Your Vehicle is being used for, attached to, or towing a Motor Vehicle, Machine and/or trailer carrying Dangerous Goods, up to \$1,000,000 Limit of Liability. We recommend You refer to page 24 and You review the limit of Dangerous Goods cover provided, to ascertain if it is adequate for Your business requirements.

### **Additional Benefits**

When You have a loss, additional expenses may be incurred. For example, Emergency car hire, Signwriting and Non-owned trailer liability etc. Please refer to Additional Benefits to Part A from page 17, Additional Benefits to Part B from page 24 and Additional Benefits to Part A and Part B from page 29.

Optional Covers are available in Part A. These additional covers, which are not automatically provided with the Policy, can be included with the cover provided. Please refer to Optional Covers Available under Part A from page 22.

Where these benefits or extensions have limits, these limits (whilst some are additional to the sum insured), are sub-limited to either per Accident, per Your Vehicle or per Period of Insurance. We suggest You review these limits to see if they are adequate for Your business requirements.

### **Excesses can apply**

For each of the available Options, an Excess may apply.

An Excess is not an additional fee charged by Us at the time of making a claim. Rather, it is the uninsured first portion of a loss for which You are otherwise covered, i.e. the amount that You must contribute towards each claim.

Details of Excess amounts and circumstances in which they will be applied is included in excess under 'Words with special meaning' on page 13 and please refer to '16.2 Excess' under Making a Claim from page 36.

Upon acceptance of Your claim, You must immediately pay the total amount of the applicable Excess, either to Us or to the repairer. We will advise You to whom the Excess must be paid, however if the Insured Vehicle is a Total Loss, We may deduct any Excess that You must pay from any payment We make.

### **Exclusions**

This Policy contains a number of exclusions, some of which are common in insurance policies. For example, We may not pay for loss or Damage arising out of:

- loss or Damage caused by wear and tear, rust, corrosion, depreciation, or mechanical, structural, electrical or computer failures, malfunctions or non-performance;
- loss or Damage to tyres or wheel rims caused by braking, road punctures, cuts or bursts; or
- an Act of Terrorism.

Some of the exclusions may be less common, and as such may be unexpected. For example, this Policy excludes cover if Your Vehicle is or has caused Damage arising in any way from Aviation Works. Please refer to page 30 for the details of this exclusion.

The above are some of the events that are not covered by this Policy. Before making a decision about whether to purchase this Policy, You should read the full details of all relevant exclusions, which are contained in the Policy Wording.

Some may not be relevant to Your business however You should make Yourself aware of all the exclusions. Please refer to, the Exclusions to Part A on page 24, Exclusions to Part B from page 27 and Exclusions to Part A and Part B from page 30.

## **General Conditions**

The General Conditions set out Your obligations with which You need to comply. Please read the General Conditions applicable to both Part A and Part B from page 34. You should make Yourself aware of all the terms and conditions that apply. If You do not meet them, We may be able to decline or reduce the claim payment or cancel Your Policy.

## **Make sure You have the cover You need**

You should discuss with Your intermediary the appropriate amounts and risks for which You need to be insured. If You do not adequately insure for the relevant risks You may have to bear any uninsured losses Yourself.

If You do not choose appropriate amounts that allow for the current value of Your Vehicle or other financial risks that Your Policy aims to cover, then You may be underinsured when You need to make a claim.

## **Change of circumstances**

You should also advise Your intermediary to notify Us as soon as possible when Your circumstances change which are relevant to Your Policy. For instance, if You purchase a new vehicle outside the parameters of the Insured Vehicle coverage. If You do not tell Your intermediary of these changes in the event of You suffering a loss or Damage, Your sum insured may not be adequate to cover Your loss, or You may not even have any cover under Your Policy.

## **Duty of Disclosure**

### **What you need to tell us, who needs to tell us and when**

You have a duty, under the Insurance Contracts Act 1984 (Cth), to tell Us every matter that You know, or which a reasonable person in the circumstances could be expected to know, is relevant to Our decision whether to insure You and, if so, on what terms.

If We ask You specific questions, You must be honest and must tell Us everything You know, which a reasonable person in the circumstances would disclose in answer to the questions. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy and, if so, on what terms.

If We offer to renew Your Policy, We may give You information about the disclosures You have previously made and ask You to tell Us if there has been any change to those matters. If You do not disclose any change to those matters that You know, which a reasonable person in the circumstances would disclose, then You will be taken to have informed Us that there are no changes to those matters.

It is important that You understand You are answering Our questions in this way for Yourself and anyone else whom You want to be covered by the Policy.

Your duty of disclosure applies before, and up until the time, You enter into, renew, extend, vary or reinstate the Policy.

### **What you do not need to tell us**

The duty does not require disclosure of any matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or, in the ordinary course of Our business as an insurer, ought to know;
- as to which compliance with Your duty is waived by Us.

### **What happens if you breach the duty**

If You fail to comply with Your duty, We may be entitled to reduce Our liability in respect of a claim, refuse a claim and/or cancel Your Policy. If Your non-disclosure is fraudulent, We may also have the option of treating the Policy as never having existed.



## How We calculate Your premium

The amount of Your premium is determined by taking a number of different matters into account. You can seek a quote at any time.

It is important for You to know in particular that the premium varies depending on the information We receive from You about the risk to be covered by Us. The higher the risk is, the higher the premium will be. Based on Our experience and expertise as an insurer, We decide what factors increase Our risk and how they should impact on the premium. Each insurer can do this differently.

Some other factors impacting premium are:

- type of Your Vehicle or Machine (make, age, model);
- use of Your Vehicle or Machine (private, business);
- the value of Your Vehicles or Machine and the Basis of Settlement selected;
- type of additional cover, terms and conditions;
- location and operating radius of the vehicles;
- claims history from prior years; and
- risk management procedures Your business undertakes.

Your intermediary can arrange for You to be provided with a quote for a premium. You will need to give Your relevant details to Your intermediary at this time to enable Us to calculate Your premium.

Another important thing to know is that Your premium also includes amounts that take into account Our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Fire Services Levy) in relation to Your Policy. These amounts will be set out separately on Your Schedule as part of the total premium payable.

## How and when You pay Your premium and what happens if You don't pay?

Premiums are charged and are payable on a yearly basis. Your intermediary can also tell You what other methods are available to make Your premium payments.

Your intermediary will send You an offer of renewal of Your insurance once a year, before Your current Period of Insurance expires. If You do not pay Your premium when due, Your Policy may lapse after 30 days and You will not be covered. You may be able to reinstate Your Policy after it lapses, but You must submit an application to Us, which is subject to Our reassessment of Your circumstances at the time of application.

## Cooling-off Period

After You apply for a Zurich product and You have received the Policy document, You have 21 days to check that the Policy meets Your needs. Within this time You may cancel the Policy and receive a full refund of any premiums paid, unless:

- You have made a claim or become entitled to make a claim under Your Policy; or
- You have exercised any right or power You have in respect of Your Policy or the Policy has ended.

Your request will need to be in writing and forwarded to Us via Your intermediary or to the address shown on the back cover of this document.

You can cancel Your Policy at any time after the cooling-off period. Please refer to '15.2 Cancellation' under General Conditions applicable to both Part A and Part B on page 34.

## Goods and Services Tax

The sum insured that You choose should exclude Goods and Services Tax (GST). In the event of a claim, if You are not registered for GST, We will reimburse You the GST component, in addition to the amount We pay You. If You are registered for GST, You will need to claim the GST component from the Australian Taxation Office.

You must advise Us of Your correct input tax credit percentage, where You are registered as a business and have an Australian Business Number. Any GST liability arising from Your incorrect advice is payable by You.



## How to make a claim

If You need to make a claim against this Policy, please refer to '16. Making a claim' on page 36. If You have any queries please contact Your intermediary as soon as possible, or call Us on 132 687.

## Repair Industry Code of Conduct

Zurich complies with the Repair Industry Code of Conduct.

You can choose a repairer, or We can recommend one for You. If We do not accept Your choice of repairer, You must still co-operate with Us to select another repairer that We both agree on.

When Your Vehicle is repaired, the repairer may use re-usable parts or parts that are not manufactured by a supplier to the vehicle's original manufacturer which:

- are consistent with the age and condition of Your Vehicle;
- do not affect the safety or the structural integrity of Your Vehicle;
- comply with the vehicle manufacturer's specifications and applicable Australian Design Rules;
- do not adversely affect the post repair appearance of Your Vehicle; and
- do not void or affect the warranty provided by the vehicle manufacturer.

In repairing Your Vehicle, We may arrange for a part of the repair to be carried out by a specialist service provider, for example windscreen repairs.

We guarantee workmanship of the repairs authorised by Us. This guarantee is for the life of Your Vehicle and is in addition to Your statutory rights against the repairer and warranties that You have from the repairer directly. Wear and tear is not covered by this guarantee.

We will arrange for repairs authorised by Us to be rectified at no cost to You, if We agree that the repairs are defective. Before We can arrange for any defective repairs to be rectified, You must give Us the opportunity to inspect the Insured Vehicle.

## Privacy

Zurich is bound by the Privacy Act 1988 (Cth). Before providing Us with any Personal or Sensitive Information ('Information'), You should know that:

We collect, use, process and store Personal Information and, in some cases, Sensitive Information about You in order to comply with Our legal obligations, assess Your application and, if Your application is successful, to administer the products or services provided to You, to enhance customer service and/or product options or manage a claim ('purposes').

If You do not agree to provide Us with the Information, We may not be able to process Your application, administer Your policy or assess Your claims.

By providing Us or Your intermediary with Your Information, You consent to Our use of this Information which includes Us disclosing Your Information where relevant for the purposes, to Your intermediary, affiliates of the Zurich Insurance Group Ltd, other insurers and reinsurers, Our service providers, Our business partners or as required by law within Australia or overseas.

Zurich may obtain Information from government offices and third parties to assess a claim in the event of loss or damage.

For further information about Zurich's Privacy Policy, a list of service providers and business partners that We may disclose Your Information to, a list of countries in which recipients of Your Information are likely to be located, details of how You can access or correct the Information We hold about You or make a complaint, please refer to the Privacy link on Our homepage – [www.zurich.com.au](http://www.zurich.com.au), contact Us by telephone on 132 687 or email Us at [Privacy.Officer@zurich.com.au](mailto:Privacy.Officer@zurich.com.au)

## **General Insurance Code of Practice**

We support and adhere to the General Insurance Code of Practice which was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

You can obtain more information on the Code and how it assists You by contacting us.

## **Complaints and Disputes Resolution process**

If You have a complaint about an insurance product We have issued or service You have received from Us, please contact Your intermediary to initiate the complaint with Us. If You are unable to contact Your intermediary, You can contact Us directly on 132 687.

We will respond to Your complaint within 15 working days. If You are not satisfied with Our response, You may have the matter reviewed through Our internal dispute resolution process, which is free of charge.

If You are not satisfied with the outcome of the dispute resolution process and would like to take the complaint further, You may refer the matter to the Financial Ombudsman Service (FOS), an independent and external dispute resolution scheme.

The FOS is free of charge to You. FOS contact details are:

The Financial Ombudsman Service  
Freecall: 1300 78 08 08  
Post: GPO Box 3, Melbourne, Victoria 3001  
Website: [www.fos.org.au](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto:info@fos.org.au)

## **Financial Claims Scheme**

Zurich is an insurance company authorised under the Insurance Act 1973 (Cth) to carry on general insurance business in Australia. As such, We are subject to prudential requirements and standards, regulated by the Australian Prudential Regulation Authority (APRA).

This Policy may be a protected Policy under the Federal Government's Financial Claims Scheme, (FCS) which is administered by APRA.

The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies, a person who is entitled to make a claim under this insurance Policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria.

Further information about the FCS can be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 13 10 60.

## **Updating this PDS**

Certain information in this PDS may change from time to time. If the updated information is not materially adverse from the point of view of a reasonable person deciding whether or not to purchase this product, a paper copy of the updated information will be available free of charge upon request, by contacting Your intermediary or Us by using Our contact details on the back cover of this PDS. Please note that We may also choose to issue a new PDS or a supplementary PDS in other circumstances.

# Benefits of Cover Available

The following is a summary of the major benefits of covers available under the Policy. Please refer to each Part for full details of coverage and applicable terms and conditions.

Types of Covers Available	Benefits of Cover Available	Page no
Option 1: Comprehensive	Part A – Damage to Your Vehicle	17
	Part B – Third Party Liability	24
Option 2: Fire, Theft and Third Party Liability only	Part A – Restricted to loss or Damage caused by fire, explosion, lighting, theft or attempted theft.	17
	Part B – Third Party Liability	24
Option 3: Third Party Liability only	Part B – Third Party Liability	24
<b>Additional Benefits applicable to Part A</b>		
Accommodation and travelling expenses	Following loss or Damage to Your Vehicle, if more than 100 km from normal place of garaging, the reasonable costs of transporting the driver and passengers, obtaining overnight accommodation or hiring another vehicle, up to a maximum \$3,000 per Accident	17
Automatic Trailer Cover	Provides cover to any attaching trailer up to the Market Value of the trailer, limited to \$1,000 maximum value	18
Cover For Interested Parties	Provides cover to any party who has an insurable interest in any of Your Vehicle(s) insured by this Policy	18
Emergency car hire	Up to a maximum \$5,000 per Accident, where the Damage to Your Vehicle is caused by fire or theft	18
Emergency expenses	Cost of emergency repairs which may be necessary to enable You to drive Your Vehicle to point of departure;	18
	Replacement of windscreen;	
	Towing Your Vehicle to the nearest repairer	
Employee's Motor Vehicles	Coverage for employee's vehicles being used in connection with Your Business, to a maximum \$50,000 per any one Accident	18
Family Expenses When Driver Hospitalised	If Your Vehicle driver sustains personal injury requiring hospitalisation as a result of an Accident more than 100 km from normal place of garaging, We will pay reasonable costs of transporting and accommodation (within Australia only) incurred by the injured driver's Family member to get to the hospital, up to a maximum \$3,000 per Accident	19
Finance payout – Total Loss of encumbered vehicles	Up to an additional 25% limit of Market Value or Sum Insured value whichever is the lesser	19
Funeral expenses	Up to a maximum \$10,000 for funeral expenses following fatal injury to Your driver	19
Gates, chains and tarpaulins	Up to a maximum \$5,000 per Event	19
Marine contribution	Transit of Your Vehicle within the Commonwealth of Australia by road and/or rail and/or sea	20
Modification	Up to a maximum \$5,000 if Your driver suffers a permanent disability that necessitates modifications to Your Vehicle or Your driver's private Motor Vehicle	20

Types of Covers Available	Benefits of Cover Available	Page no
Personal Property	Covering personal effects (excluding cash, cheques and alike) after an Accident or stolen from Your Vehicle when locked, up to a maximum amount \$500 per Accident and \$2,000 in total	20
Re-delivery following theft	Reasonable costs of returning Your Vehicle following theft, up to a maximum \$25,000 per Accident	20
Re-keying and re-coding	Up to a maximum \$5,000 for each of Your Vehicle and per Accident in replacing key ignition barrel and all locks as a result keys are lost, stolen, Damaged or illegally duplicated	20
Removal and delivery expenses	Reasonable costs of removing and delivering Your Vehicle, if Your Vehicle suffers loss or Damage, up to a maximum \$25,000 per Accident	20
Replacement Motor Vehicle	A new replacement vehicle including registration fees, delivery charges and stamp duty for a sedan, station wagon, 4WD, utility, van, mini bus, rigid body truck, rigid body tipper, table-top truck, prime mover including attached articulated trailer, being less than two years old from Your Vehicle's first registration date, where replaceable	20
	Payment up to an additional 20% limit of Market Value, Sum Insured or Nominated Value whichever is the lesser for replacement cost (including registration fees, delivery charges and stamp duty) for Other Vehicles less than one year old from Your Vehicle's first registration date, where replaceable	21
Signwriting	Reasonable replacement cost of any signwriting or artwork (including advertising signs) affixed to Your Vehicle at the time of loss or Damage	21
Towing – applicable to Option B	Reasonable cost of protection, removal and towing of Your Vehicle to the nearest repairer or place of safety	21
Tyre replacement	As a direct result of Damage sustained from a loss covered under this Policy, We will pay for the new replacement cost of a tyre of similar make and specification	21
Windscreen claims	In the event of the breakage of the windscreen of Your Vehicle and consequent scratching to body work, We will not apply any Excess or prejudice Your premium rating	21
<b>Optional Covers Available under Part A</b>		
Hire Costs following an Accident	Up to \$100 per day, up to maximum of \$3,000 per Accident	22
Disability	Benefits for injury suffered in an Accident where driver at fault, with benefits ranging from \$25,000 up to a Maximum of \$100,000	22
<b>Additional Benefits applicable to Part B</b>		
Cost of Cleaning	Reasonable cost of cleaning up and preventing Damage, as a result of an Accident caused by the use of Your Vehicle	24
Difference in excess / hired-in or rental Motor Vehicles	Covering any difference in excess between that payable under the terms of the hire agreement and the excess level under Your Policy	24
Employer or principal	Includes coverage for any principal of Yours or Commonwealth, State or Local Government in the terms of Part B in connection with the use of Your Vehicle	25

Types of Covers Available	Benefits of Cover Available	Page no
Falling goods	Coverage includes Damage to property caused by goods falling from Your Vehicle	25
First aid costs	In addition to the Liability Limit	25
Legal Costs	Coverage includes all legal costs and expenses incurred with Our written consent	25
Movement of other Motor Vehicles	Coverage includes loss or Damage to property resulting from You moving any Motor Vehicle or trailer parked in a position which prevents or impedes the loading, unloading or legitimate passage of Your Vehicle	25
Non owned Motor Vehicle liability	Coverage for non-owned or supplied vehicles being used in connection with Your Business	25
Non-owned trailer liability	Damage to non-owned trailer being towed by Your Vehicle, up to \$75,000 or as shown in the schedule	25
Substitute Vehicle	Coverage includes indemnity against legal liability for Accidental Damage by a vehicle being used by You as a substitute vehicle	25
Supplementary bodily injury (legal liability)	Coverage includes the amount which You, or any person driving, using or in charge of Your Vehicle with Your permission, may be held legally liable to pay as compensation or damages for death or bodily injury to any person resulting from an Accident caused by or arising out of the use of Your Vehicle	26
Towing Disabled Motor Vehicles	Coverage includes indemnity against legal liability arising from the towage of a trailer or the towing of a disabled mechanically propelled vehicle	26
Trailers	Coverage includes indemnity You may be held legally liable to pay for Accidental Damage to property caused by or arising out of the use of any trailer attached to Your Vehicle	26
Uninsured Motorist Extension	This extension only applies if the current Schedule is described Option 2: Fire, Theft and Third Party Liability only or Option 3: Third Party Liability only. We may pay up to \$5,000 for Your Vehicle, if You were not at fault with the Accident and the other driver was not insured	26
<b>Additional Benefits applicable to Part A and Part B</b>		
Acquired Companies	Coverage includes the interests of any subsidiary company formed, purchased or otherwise acquired by You for 30 days from the date of such formation, purchase or acquisition	29
Automatic additions	Automatically covering a new vehicle within 60 days maximum \$300,000 per vehicle	29
Fire Brigade & Emergency Services cover	Covering costs levied in respect of Fire Brigade, Police or any Government Emergency Services as a result of an Accident up to a maximum \$25,000 per Accident	29
LPG Conversion	Coverage includes Your Vehicles which have been modified to operate on liquefied petroleum gas	29
Removal of debris	Up to a maximum \$25,000 per Accident	29

# Steadfast Commercial Motor Wording

Subject to the terms and conditions contained in this Policy, and after You have paid or agreed to pay Us Your premium, We will insure You against loss or Damage or any liability incurred as described, occurring within Australia during the Period of Insurance.

## 1. Words with special meaning

Some words have special meaning when they appear in this Policy. These words and the meanings are listed below:

<b>Accident</b>	means an unforeseen or unintended happening.
<b>Accidental Damage</b>	means sudden physical loss, Damage or destruction to Your Vehicle caused by an Accident.
<b>Act of Terrorism</b>	<p>means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation 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) de jure or de facto, and which:</p> <ul style="list-style-type: none"><li>• involves violence against one or more persons;</li><li>• involves damage to property;</li><li>• endangers life other than that of the person committing the action;</li><li>• creates a risk to the health or safety of the public or a section of the public; or</li><li>• is designed to interfere with or to disrupt an electronic system.</li></ul>
<b>Aircraft</b>	means any craft or object designed to travel through air space, other than model Aircraft.
<b>Aviation Works</b>	<p>means any of the following work:</p> <ul style="list-style-type: none"><li>• the refuelling of Aircraft; or</li><li>• the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of buildings, runways or structures (whether permanent or not) forming, or to form part of the airport areas; or</li><li>• the installation, alteration, repair or maintenance of lighting, power supply, drainage, sanitation, water supply, gas supply, fire protection, security and communications systems in any of the airport areas; or</li><li>• any operation on any of the airport areas involving site clearance, earthmoving, excavation, tunnelling, boring, laying of foundations, erection or dismantling of scaffolding, site restoration, landscaping and the provision of roadways and other access works.</li></ul>
<b>Business</b>	means the business of the Insured as shown in Your Schedule.
<b>Caravan or Trailer</b>	<p>means the registered Caravan or Trailer shown on Your Schedule.</p> <p>Caravan or Trailer also includes:</p> <ul style="list-style-type: none"><li>• the permanent fixtures, fittings, furniture, furnishings and bottled gas equipment contained in or on Your Caravan or Trailer which would normally be sold with it; or</li><li>• an annex or canvas awning which is securely attached to Your Caravan or Trailer at the time of any Damage.</li></ul> <p>Caravan or Trailer does not include:</p> <ul style="list-style-type: none"><li>• a caravan permanently on site or which is used as a permanent residence; or</li><li>• a motorised, campervan, or motor home.</li></ul>

<b>Damage</b>	<p>means:</p> <ul style="list-style-type: none"> <li>• sudden and unexpected physical loss, damage or destruction of Your Vehicle or Insured Property (including by Malicious Damage and theft) but excludes breaking, distortion, seizing, failure or breakdown of a part of Your Vehicle or Insured Property caused by a defect of the part of Your Vehicle or Insured Property; or</li> <li>• permanent loss by theft.</li> </ul>
<b>Dangerous Goods</b>	<p>means dangerous goods as defined in either the current Australian Code for the Transport of Dangerous Goods by Road or Rail or the current Australian Code for the Transport of Explosives by Road or Rail or the current New Zealand Land Transport Rule: Dangerous Goods Amendment 2011.</p>
<b>Dry Hire</b>	<p>means the hiring out of Insured Property without a driver or operator.</p>
<b>Event</b>	<p>means a happening causing sudden and unforeseen physical loss of Insured Property.</p>
<b>Excess</b>	<p>means:</p> <ul style="list-style-type: none"> <li>• <b>Basic excess</b> <p>This is the first amount of each claim for which You must pay when You make a claim under this Policy, unless We state that an Excess does not apply. We will pay for amounts above any Excess amounts to be met by You. The amount of the Basic Excess is shown in Your Schedule. The Basic Excess will apply separately to each of Your Motor Vehicle, Machine, Caravan or Trailer for each and every claim.</p> <p>Where a trailer is attached to Your Vehicle, and that Motor Vehicle and Trailer (both of which are covered under this policy) are Damaged in the same Accident, You will pay the applicable Basic Excess in respect of each of Your Vehicle(s) insured as follows:</p> <p>Part A – Damage to Your Vehicle:</p> <ul style="list-style-type: none"> <li>– where one of Your Vehicles has been lost or Damaged, You will pay the Basic Excess as shown in Your Schedule for that Motor Vehicle, Machine, Caravan or Trailer; or</li> <li>– where more than one Motor Vehicle, Machine, Caravan or Trailer (for this section, a trailer is a separate vehicle) has been lost or Damaged, You will pay the applicable Basic Excess in respect of each Motor Vehicle, Machine, Caravan or Trailer insured;</li> </ul> <p>Part B – Third Party Liability:</p> <ul style="list-style-type: none"> <li>– where Your liability arises as a result of Your control of the towing vehicle, the Basic Excess applicable to the towing vehicle will apply; or</li> <li>– where Your liability arises as a result of Your control of a trailer not attached to a towing vehicle, the Trailer Excess shown in Your Schedule will apply.</li> </ul> </li> <li>• <b>Age and inexperienced driver's excess</b> <p>If at the time of loss or Damage, Your Vehicle (providing Your Vehicle was not a rigid and/or articulated vehicle with a carrying capacity in excess of 10 tonnes Payload) was being driven by a person as set out below, the following additional Excess per Accident shall apply:</p> <ul style="list-style-type: none"> <li>– driver under 21 years of age: \$850;</li> <li>– driver aged 21 years of age and under 25 years of age: \$750;</li> <li>– driver aged 25 years of age and over, having held a licence less than two years: \$750.</li> </ul> <p>However this Excess will not apply in the event of hail.</p> </li> </ul>

- **Age and inexperienced driver's excess applying to rigid and/or articulated vehicles**

If at the time of loss or Damage, Your rigid and/or articulated vehicle with a carrying capacity in excess of 10 tonnes Payload, was being driven by a person as set out below, the following additional Excess per Accident shall apply:

- driver under 21 years of age: \$2,500;
- driver aged 21 years of age and under 25 years of age: \$2,500;
- driver aged 25 years of age and over, having held a rigid and/or articulated vehicle licence less than two years: \$2,500.

However this Excess will not apply in the event of hail.

- **Undeclared driver's excess applying to rigid and/or articulated vehicles**

If at the time of loss or Damage, Your rigid and/or articulated Vehicle with a carrying capacity in excess of 10 tonnes Payload, was being driven by a person who failed to complete a driver's questionnaire and submit it to Us within 14 days of that person first driving or being in charge of Your Vehicle, You will pay an additional Excess of \$2,500.

However this Excess will not apply in the event of hail.

- **Tipping excess**

If Your Vehicle is a rigid body tipper or a tipping trailer, and at the time of loss or Damage, the tipping hoist was in use and was fully or partially elevated, the basic Excess shall be increased by 100% to each Vehicle and each claim on that Vehicle.

- **Radius Limit excess**

If Your Vehicle is Damaged or liability is incurred as a result of an Accident which occurs outside the Radius Limit shown in the Schedule, then You will pay an additional Excess in the amount of 100% of the basic Excess per Vehicle.

**Family**

means:

- Your spouse or de facto spouse; and
- Your children or the children of Your spouse or de facto spouse, who ordinarily live with You.

A 'de facto spouse' means a person whether of the same sex or not, who ordinarily lives with You in a genuine personal and domestic relationship similar to the relationship of husband and wife.

**Insured Property**

means:

- Your Vehicle; or
- items specifically noted in Your Schedule as Insured Property.

**Machine**

means an item of machinery identified in Your Schedule including any attachment acquired by You that:

- is identified in Your Schedule;
- is permanently attached to Your Machine; or
- has a Market Value at the commencement of the Period of Insurance, no greater than \$10,000 or 10% of the Sum Insured, whichever is the lesser.

**Malicious Damage**

means intentional Damage done to Your Vehicle by someone else without Your consent.



<b>Market Value</b>	means the value We determine as being the amount of money it would cost to buy a vehicle of the same make, model, age and condition of Your Vehicle at the date of its Damage, but no more than the Sum Insured.
<b>Motor Vehicle</b>	means: <ul style="list-style-type: none"> <li>• any type of Machine intended to be propelled on wheels or self-laid tracks by means other than human or animal power; and</li> <li>• a trailer or other attachment being towed or becoming detached while being towed by a motor vehicle,</li> </ul> but excludes rail and tram rolling stock.
<b>Nominated Value</b>	means the amount You have nominated as the value of Your Vehicle which is specified on Your Schedule.
<b>Payload</b>	means the maximum load that Your Vehicle is designed to carry.
<b>Period of Insurance</b>	means the period We provide the cover under the Policy as set out on Your Schedule.
<b>Personal Property</b>	means personal items designed to be worn or carried, but not: <ul style="list-style-type: none"> <li>• cheques, money, credit cards or negotiable instruments; or</li> <li>• firearms; or</li> <li>• tools or items used in connection with a business or occupation; or</li> <li>• mobile phones.</li> </ul>
<b>Policy</b>	means this document and any endorsement, specification, attachment or memoranda affixed (or intended to be affixed) to it and Your Schedule.
<b>Pollutants</b>	means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke, vapour, soot, fumes, chemicals or waste. Waste will include, but not be limited to, all materials that have been or are intended to be recycled, reconditioned or reclaimed.
<b>Property Damage</b>	means: <ul style="list-style-type: none"> <li>• physical loss, destruction or Damage to tangible property, including the loss of use from such physical loss, destruction or Damage; or</li> <li>• the loss of use of tangible property that has not been physically lost, destroyed or damaged,</li> </ul> provided that such loss is caused by, or arises out of, an Accident.
<b>Radius Limit</b>	means the area inside a circle drawn with Your Vehicle's primary location as the centre and with a radius of the length shown in the Schedule.
<b>Schedule</b>	means the most current Policy Schedule/certificate and attachments issued to You by Us on renewal or variation or by way of endorsement. It sets out the Policy number, the cover types selected by You and other applicable details of Your cover such as the Period of Insurance and any Excess(es) payable.
<b>Substitute Vehicle</b>	means a Motor Vehicle not belonging to You and which is used by You with the consent of the owner whilst Your Vehicle is undergoing repairs or service.
<b>Sum Insured</b>	means the Sum Insured stated in Your Schedule, or in other documents forming part of Your Policy, against each of Your Vehicles.
<b>Third Party</b>	means a person who is not the Insured, or is not a person to whom cover is provided directly by this Policy.

<b>Tool of Trade</b>	means the use or operation of a vehicle and/or any attachment, equipment, tool or apparatus which forms part of the vehicle, but only whilst engaged in and undertaking its designed purpose of digging, scraping, shovelling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, pumping, spraying, vacuuming or suction activities.
<b>Total Loss</b>	means Your Vehicle is stolen and not recovered within a reasonable period of time or where Your Vehicle is Damaged and We consider the cost of repairing Your Vehicle is uneconomical or greater than the Sum Insured or Market Value, whichever is the lesser.
<b>We, Our, or Us</b>	means the Insurer named in the Schedule.
<b>You or Your</b>	means: <ul style="list-style-type: none"> <li>those named in Your Schedule and their subsidiary companies, organisations and other entities in which they have a controlling interest at the commencement of the Period of Insurance and other third parties or persons who are specifically provided with cover under the Policy.</li> <li>for the purpose of Part B – Third Party Liability: <ul style="list-style-type: none"> <li>anyone using or in charge of Your Vehicle with Your consent, but excluding hirers;</li> <li>any authorised passenger in Your Vehicle;</li> <li>Your employer or principal where Your Vehicle was, at the relevant time, being driven on Your behalf with Your consent.</li> </ul> </li> </ul>
<b>Your Vehicle(s)</b>	<p>means all Motor Vehicle(s), Machine(s) and/or Caravan(s) or Trailer(s):</p> <ul style="list-style-type: none"> <li>described on Your Schedule or other documents forming the Policy or otherwise specifically covered by the Policy; and</li> <li>any manufacturers' tools, accessories, equipment and options fitted to Your Vehicle; and</li> <li>any agreed non-manufacturer accessories or equipment fitted to Your Vehicle which are noted on Your Schedule as Vehicle Accessories or otherwise specifically covered by the Policy.</li> </ul> <p>Your Vehicle includes all motor vehicles presently existing or subsequently acquired, owned, hired, leased, rented, loaned, borrowed or used by or on Your behalf, or in which You have an insurable interest of for which You have received instructions to insure, employees' motor vehicle(s) or motor vehicles in the charge of employees (not otherwise insured) while in use in Your Business including travel to and from employees' residences.</p> <p>The term Your Vehicle(s) also includes motor cycles, trailers, caravans, mobile plant and equipment, tractors and self propelled agricultural machines.</p>

## 2. Headings

Headings used in Your Policy are purely descriptive in nature and are not intended to be used for interpretative purposes.

## 3. Description of Cover

Under this Policy there are three types of cover available. The type of cover You have selected for each of Your Vehicle(s) is shown on Your Schedule. The types of cover which are available are:

- Option 1: Comprehensive** – Damage to Your Vehicle and Third Party Liability – both Part A and Part B of this Policy will operate;
- Option 2: Fire, Theft and Third Party Liability only** – Part A of the Policy is restricted to Damage to Your Vehicle caused by fire, explosion, lightning, theft or attempted theft, and Part B of this Policy will operate;
- Option 3: Third Party Liability only** – only Part B of this Policy will operate.

## **4. Part A – Damage to Your Vehicle**

### **4.1 What You are covered for if You choose Option 1**

If during the Period of Insurance Your Vehicle suffers Accidental Damage, We will, at Our option:

- 4.1.1 replace, reinstate or repair Your Vehicle; or
- 4.1.2 pay You the reasonable cost to repair Your Vehicle to its condition before it was Damaged; or
- 4.1.3 if Your Vehicle is a Total Loss, and Your Schedule shows that Your Vehicle is insured for Market Value or Sum Insured, We will pay You the Market Value or the Sum Insured whichever is the lesser; or
- 4.1.4 If Your Vehicle is a Total Loss, and Your Schedule shows that Your Vehicle is insured for Nominated Value, then We will pay You for Your Vehicle whichever is the lesser of:
  - (i) the Nominated Value; or
  - (ii) the Market Value plus 15%.

### **4.2 What You are covered for if You choose Option 2**

If during the Period of Insurance Your Vehicle suffers Accidental Damage as a result of fire, explosion, lightning, theft or attempted theft, We will, at Our option:

- 4.2.1 replace, reinstate or repair Your Vehicle; or
- 4.2.2 pay You the reasonable cost to repair Your Vehicle to its condition before it was Damaged; or
- 4.2.3 if Your Vehicle is a Total Loss, and Your Schedule shows that Your Vehicle is insured for Market Value or Sum Insured, We will pay You the Market Value or the Sum Insured whichever is the lesser; or
- 4.2.4 if Your Vehicle is a Total Loss, and Your Schedule shows that Your Vehicle is insured for Nominated Value, then We will pay You for Your Vehicle is the lesser of:
  - (i) the Nominated Value; or
  - (ii) the Market Value plus 15%.

## **5. Additional Benefits applicable to Part A**

The following covers are only available in addition to a claim covered under Part A if the amount claimed at least exceeds the relevant Excess(es) payable.

If You have chosen Option 2 (Fire, Theft and Third Party Liability only), the following covers are not applicable unless expressly indicated on Your Policy Schedule.

### **5.1 Accommodation and travelling expenses**

If Your Vehicle is on a journey and:

- 5.1.1 is Damaged in an Accident and unable to be driven; or
- 5.1.2 is lost through theft and not found within a reasonable time;
- 5.1.3 Your Vehicle was more than 100 km from its usual place of garaging at the time of the Accident or theft,

We will pay the reasonable costs incurred in:

- 5.1.4 returning Your driver and any non-paying passengers to the point of departure or, at Your option, to the driver's destination;
- 5.1.5 obtaining overnight accommodation if the journey cannot be completed in the same day as the Damage occurs;
- 5.1.6 hiring another Motor Vehicle of similar make and model to complete the journey or to return Your driver to where the journey first commenced,

up to a maximum of \$3,000 per Accident.

## **5.2 Automatic Trailer Cover**

We will pay for Damage to any two wheeled or box trailer which is owned by You and which is not listed in Your Schedule while it is:

- 5.2.1 attached to Your Vehicle; or
- 5.2.2 detached from Your Vehicle but within Your Business premises or the domestic land boundaries of Your usual home, as long as it was not in a common area of home units, flats and the like.

We do not pay for loss of or Damage to any property in or on the trailer. The maximum amount We will pay is the Market Value of the trailer, limited to \$1,000 maximum value.

## **5.3 Cover For Interested Parties**

We will provide cover to any party who has an insurable interest in any of Your Vehicle(s) insured by this Policy by way of mortgage, lease, hire purchase or any other encumbrance over Your Vehicle, but only to the extent that the party's insurable interest in Your Vehicle(s) or Machine(s) was affected at the time of the Damage to Your Vehicle(s).

## **5.4 Emergency car hire**

Where the Damage to Your Vehicle is caused by fire or theft, We will, at Our option, arrange the hire of, pay the cost of, or reimburse You for the reasonable cost of, the hire of a Motor Vehicle, to a maximum amount of \$5,000 per Accident / per Motor Vehicle provided that:

- 5.4.1 the payment / reimbursement is limited to costs incurred by You after You have notified Us of the loss; and
- 5.4.2 the substitute Motor Vehicle is of a similar like and kind to that lost or Damaged; and

the payment / reimbursement will cease on the day Your Vehicle, if stolen, is recovered or is found but is not driveable, or the day We offer settlement to You for the Damage to Your Vehicle, whichever occurs first.

Any such rental will be arranged through Our preferred suppliers when the loss is reported. Additional charges incurred, other than the daily rental rate, for any such rental are excluded.

## **5.5 Emergency expenses**

If Damage to Your Vehicle occurs, We will pay to You the reasonable additional costs necessary to effect immediate temporary repairs or to expedite permanent repairs of the Damage to Your Vehicle including:

- 5.5.1 the cost of emergency repairs which may be necessary to enable You to drive Your Vehicle to point of departure after it has suffered Damage;
- 5.5.2 the repair or replacement of Your Vehicle's windscreen and/or windows; or
- 5.5.3 the towing of Your Vehicle to the nearest repairer or place of safety, or to any other place already approved by Us.

## **5.6 Employee's Motor Vehicles**

Your Policy is extended to cover loss of, or Damage to, any Motor Vehicle belonging to Your employee, while such Motor Vehicle is being used in connection with Your Business.

However:

- 5.6.1 the maximum We will pay for Damage to Your employee's Motor Vehicle, is \$50,000 for any one Accident; and
- 5.6.2 as far as allowed by law, this Additional Benefit will only apply in excess of any amount for which Your employee is otherwise insured.

### **5.7 Family Expenses When Driver Hospitalised**

Where the driver of Your Vehicle sustains personal injury requiring hospitalisation as a result of an Accident covered by this Policy and Your Vehicle was more than 100km from its usual place of garaging at the time of the Accident, We agree to pay for the reasonable cost of transport and accommodation (within Australia only) incurred by the injured driver's Family member to get to the hospital. We will pay up to \$3,000 in total in any one Period of Insurance.

### **5.8 Finance payout – Total Loss of encumbered vehicles**

If:

- 5.8.1 Your Vehicle is a Total Loss; and
- 5.8.2 Your Vehicle is the subject of a lease agreement or other similar agreement; and
- 5.8.3 the terms of the lease agreement, or other similar agreement, require You to make a payment (the termination payment) to the other party of the lease agreement, or other similar agreement, in order to terminate that agreement; and
- 5.8.4 the amount of the termination payment is greater than the amount We will pay You in respect of Your Vehicle, calculated in accordance with the terms of the Policy,

then We will pay You or any other party whom You direct Us to pay, the difference between the amount of the termination payment, excluding any amounts in arrears at the time of the loss or Damage, and the amount We will pay to You in respect of Your Vehicle, calculated in accordance with the terms of this Policy.

The maximum amount We will pay under this Additional Benefit is:

- (i) 25% of Market Value; or
- (ii) 25% of the Sum Insured,

whichever is the lesser.

### **5.9 Funeral expenses**

Should You or Your driver suffer a fatal injury as a result of an Accident involving Your Vehicle (irrespective of whether or not death occurs at the time of the Accident), We will pay up to a maximum amount of \$10,000 per Accident for expenses associated with the funeral, for transportation of the body of the deceased person and for travel by any member of the deceased person's Family for the purpose of attending the funeral.

### **5.10 Gates, chains and tarpaulins**

When chains, chain dogs, tarpaulins, curtains, straps, ropes, binders, pogo sticks, ramps, fences and gates and the like when these items form part of Your Vehicle and are in or on or attached to Your Vehicle we will pay for Damage to those items as follows:

- 5.10.1 if Gates, Chains and Tarpaulins (including chain dogs, curtains, straps, ropes, binders, pogo sticks, ramps or fences) are shown in the Schedule as Vehicle Accessories then the maximum amount we will pay for Damage to those items is the amount shown in the Schedule.

Any amount payable under this sub-clause is in addition to any amount we pay to you in respect of Damage to Your Vehicle.

- 5.10.2 if Gates, Chains and Tarpaulins (including chain dogs, curtains, straps, ropes, binders, pogo sticks, ramps or fences) are not shown in the Schedule as Vehicle Accessories then the maximum amount we will pay for Damage to those items, per Event, is:

- (i) \$5,000; or
- (ii) the maximum amount we have agreed to pay You for Damage to Your Vehicle in accordance with the Basis of Settlement,

whichever is the lesser.

However this is on the basis that any amount payable under this sub-clause will be included in calculating the maximum amount we will pay You for Damage to Your Vehicle in accordance with the Basis of Settlement.

#### **5.11 Marine contribution**

If Your Vehicle is being transported by sea between places within Australia or New Zealand during the Period of Insurance, We will pay Your contribution for general average charges where such maritime conditions apply. General Average is declared when goods or cargo are thrown overboard or other steps are taken to safeguard the vessel and the remaining property on the vessel. All cargo owners share the expenses or salvage costs incurred by a ship owner in preserving the vessel and cargo including claims costs incurred by cargo owners.

#### **5.12 Modification**

Should You or Your driver suffer personal injury as a result of an Accident involving Your Vehicle and such injury renders You or Your driver with a permanent disability that necessitates modifications to Your Vehicle or Your driver's private Motor Vehicle, We will pay for the costs necessary to modify Your Vehicle or Your driver's private Motor Vehicle up to \$5,000 per Accident.

#### **5.13 Personal Property**

We will pay for loss or Damage to Personal Property not specifically insured belonging to the custodian of Your Vehicle which is:

- 5.13.1 damaged in an Accident involving Your Vehicle;
- 5.13.2 stolen from Your Vehicle if locked; or
- 5.13.3 stolen at the same time as Your Vehicle.

Any payment will be subject to due allowance for depreciation, age and wear and tear. The maximum We will pay in respect of any one Accident or theft is \$500 per Accident and \$2,000 in total.

#### **5.14 Re-delivery following theft**

If Your Vehicle suffers no loss or Damage following theft, We will pay You the reasonable cost of returning Your Vehicle to Your usual place of garaging when Your Vehicle has been recovered following its theft, up to a maximum amount of \$25,000 per Accident.

#### **5.15 Re-keying and re-coding**

If the keys to Your Vehicle are lost, destroyed or damaged, or if there are reasonable grounds to believe that the keys may have been duplicated, We will reimburse the costs of replacing the key ignition barrel and all locks and keys, if required, up to a maximum amount of \$5,000 for each of Your Vehicles and \$5,000 per Accident.

Nil Excess will apply if no other loss or Damage has occurred to Your Vehicle.

#### **5.16 Removal and delivery expenses**

If Your Vehicle suffers loss or Damage, We will pay the reasonable costs necessarily incurred by You in removing Your Vehicle (excluding any debris or load) and, where applicable, relocating Your Vehicle to the nearest repairer which We have approved and/or delivering Your Vehicle to You at Your usual place of garaging after its repair up to a maximum amount of \$25,000 per Accident.

#### **5.17 Replacement Motor Vehicle**

If Your Vehicle becomes a Total Loss within the period defined below in either 5.17.1 or 5.17.2 of its original registration after new manufacture of Your Vehicle, then, at Your election, We will replace Your Vehicle with a new one of the same make, model or series (subject to availability) or pay the equivalent cash amount of such replacement.

- 5.17.1 If Your Vehicle is a Sedan, Station Wagon, 4WD, Utility, Goods Carrying Vehicles up to ten tonnes Payload carrying capacity or less, Prime Mover including Trailer or Rigid body truck:
  - (i) is less than two years old from the date of Your Vehicle's first registration; and
  - (ii) is stolen and not recovered, lost and not recovered, or Damaged and We do not consider it economical to repair Your Vehicle becoming a Total Loss,

We will replace Your Vehicle with a new vehicle of the same make, model and series (or if unavailable, a vehicle of similar make and model) and shall include registration fees, delivery charges and stamp duty.

However where:

- (iii) Your Vehicle's model has been deleted from a manufacturer's range;
- (iv) Your Vehicle's model is superseded by a vehicle that is in Our opinion significantly different to Your Vehicle; or
- (v) Your Vehicle was bought as an end of series run-out, or demonstration model,

then We may at Our option pay only the amount of the actual purchase price which You paid for Your Vehicle, including any registration fees, delivery charges and stamp duty, if these items were included in the purchase price.

5.17.2 If Your Vehicle is a Machine, Caravan or Trailer, Tanker, Vacuum or Sweeping application vehicle, Garbage compactor, Concrete agitator, Concrete pumping truck or trailer, or is any other specialised rigid body type vehicle, including all Other Vehicles:

- (i) is a vehicle not referred to above in 5.17.1; and
- (ii) is less than one year old from the date of Your Vehicle's first registration; and
- (iii) is stolen and not recovered, lost and not recovered, or Damaged and We do not consider it economical to repair Your Vehicle becoming a Total Loss,

We will assist You in replacing it with a new vehicle of the same make, model and series (or if unavailable, a vehicle of similar make and model) by paying You up to:

- (iv) the replacement cost including any registration fees, delivery charges and stamp duty;
- (v) the amount You have specified as the Sum Insured or Nominated Value plus 20%; or
- (vi) the current Market Value plus 20%, where You have not specified a Sum Insured or Nominated Value,

whichever is the lesser.

However the maximum amount We will pay under this 5.17 will not exceed \$1,000,000 for any one Motor Vehicle, Machine and/or Caravan or Trailer.

#### **5.18 Signwriting**

We will pay for the reasonable replacement cost of any signwriting or artwork (including advertising signs) affixed to Your Vehicle at the time of loss or Damage.

#### **5.19 Towing – applicable to Option B**

Following Damage to Your Vehicle, We will pay the reasonable cost of protection, removal and towing of Your Vehicle to the nearest repairer, place of safety or any other place which We agree to.

#### **5.20 Tyre replacement**

If We agree to pay a claim and any tyre cannot be used as a direct result of Damage sustained from a loss covered under this Policy, We will pay for the new replacement cost of a tyre of similar make and specification. This benefit is applicable provided that the condition of the damaged tyre's remaining tread conforms with legal requirements at the time of Damage and it was not a recapped or retread tyre.

#### **5.21 Windscreen claims**

In the event of the breakage of the windscreen of Your Vehicle and consequent scratching to body work, We will not apply any Excess or prejudice Your premium rating.

## 6. Optional Covers Available under Part A

Your Schedule will show if the following options apply.

### 6.1 Hire costs following an Accident

Where Your Vehicle suffers Damage as a result of an Accident and You are unable to use Your Vehicle, We will pay the reasonable cost of hiring a replacement Motor Vehicle of a similar type to Your Vehicle that has suffered Damage. The most We will pay is \$100 per day up to a maximum of \$3,000 per Event. Cover will cease after 30 days or when the Vehicle is returned to You in its pre Accident condition or when We pay You for a Total Loss, whichever occurs first.

### 6.2 Disability

We will pay the following compensation to a driver of Your Vehicle who is injured as a result of the Accident while driving Your Vehicle and who, as a direct result, suffers a permanent disability. Compensation will only be payable if:

- 6.2.1 the driver was driving Your Vehicle with Your consent and was licensed to drive Your Vehicle;
- 6.2.2 the driver was not under the influence of alcohol or any narcotic, depressant, stimulant or hallucinogenic drug;
- 6.2.3 the claim for Accidental Damage to Your Vehicle has been accepted under this Policy; and
- 6.2.4 the driver is not entitled to any benefits under any compulsory statutory insurance scheme or accident compensation scheme or would have been so entitled if:
  - (i) it were not for the application of any excess or deductible applying under the scheme, or
  - (ii) compensation under the scheme had not been refused because You did not register Your Vehicle or apply for cover under the scheme.

**Table of Compensation Benefit**

Disability from an injury resulting in a compensation	Compensation amount
Permanent Quadriplegia	\$100,000
Permanent Paraplegia	\$100,000
Permanent loss of entire sight in both eyes	\$50,000
Permanent loss of entire sight in one eye	\$25,000
Loss of one hand or foot	\$50,000

Where the driver is permanently left with more than one disability as above We will pay only one of the compensation amounts mentioned above. In such circumstances the highest single level of applicable benefit will be paid.

The medical diagnosis of the injury leading to the permanent disability must be made within 90 days of the date of the Accident for any of the benefits to be given.

The establishment of a permanent disability will be solely determined by Our medical specialist.

We will not pay a benefit claim until the injury is stabilised, or Our medical specialist has confirmed that in their opinion, the injury is of a permanent nature and the injury will not be likely to significantly improve.

Unless the injured driver undergoes all medical examinations organised by Us in order to assess the claim no compensation will be payable by Us. We will arrange the examinations and pay the costs associated which includes reasonable travel expenses for any examinations arranged by Us.



## 7. Limitations of Cover applicable to Part A

### 7.1 Limit per Accident

The maximum amount We will pay for Damage arising out of any one Accident is \$10,000,000.

### 7.2 Mobile cranes, mobile drilling rigs and mobile piling rigs

Where Mobile Cranes or Mobile Drilling Rig or Mobile Piling Rig is shown in Your Schedule under Vehicle Description, and loss or Damage occurs to the mobile crane, mobile drilling rig or mobile piling rig, then We will not indemnify You against any loss or Damage or liability caused directly or indirectly by, arising from or in connection with the:

- 7.2.1 deliberate or reckless overloading of Your Vehicle;
- 7.2.2 deliberately or recklessly incorrect loading of Your Vehicle;
- 7.2.3 failure of:
  - (i) You;
  - (ii) a director or partner of Yours or an employee; or
  - (iii) a person engaged in the operation of Your Vehicle,to knowingly not service, maintain, use or operate Your Vehicle strictly in compliance with systems and procedures imposed or recommended by law, Australian Standards, industry standards or manufacturers' or distributors' recommendations or guidelines;
- 7.2.4 operation of Your Vehicle while its load-measuring instruments or limiters are known or suspected to be defective, inoperative or turned off by:
  - (i) You;
  - (ii) a director or partner of Yours or an employee; or
  - (iii) person engaged in the operation of Your Vehicle;
- 7.2.5 acts or omissions of:
  - (i) You;
  - (ii) a director or partner of Yours or an employee; or
  - (iii) a person engaged in the operation of Your Vehicle,with the intention of causing, or with reckless disregard of the risk of causing, injury, or loss or Damage to person or property;
- 7.2.6 tests or experiments imposing abnormal operating conditions on Your Vehicle;
- 7.2.7 scratching or chipping of painted or polished surfaces;
- 7.2.8 corrosion, rusting, erosion, gradual deterioration, wear and tear, defect of any type, fatigue, lack of lubricant, lack of coolant, incorrect lubricant, incorrect coolant or electrical failure, unless You prove that prior to the loss or Damage:
  - (i) neither You nor any employee nor any person engaged in the operation of Your Vehicle was aware of such corrosion, etc.; and
  - (ii) a casual inspection of Your Vehicle would not have revealed such corrosion, etc.;
- 7.2.9 drill pipes, collars, rock bits, reamers, stabilisers, core barrels, logging equipment, casing and tools of all kinds occurring while below the rotary table, whilst performing horizontal and/or vertical drilling / boring activities; or
- 7.2.10 Your Vehicle while being used for oil, gas or geothermal drilling or in connection with existing oil, gas or geothermal wells.

## 8. Exclusions applicable to Part A

We will not cover:

### 8.1 Loss of use

loss or Damage suffered because You cannot use Your Vehicle.

### 8.2 Tyres

loss or Damage to tyres or wheel rims caused by braking, road punctures, cuts or bursts unless caused by an Accident covered under Part A.

### 8.3 Wear and tear and breakdown

loss or Damage caused by wear and tear, rust, corrosion, depreciation, or mechanical, structural, electrical or computer failures, malfunctions or non-performance. However We will cover loss or Damage to Your Vehicle, if an Accident occurs as a result of a cause listed above.

### 8.4 Obsolete Parts

any amount greater than the manufacturer's latest list price for the supply of any part that is not available locally.

### 8.5 Safeguarding Your vehicle

for loss or Damage due to failure to secure Your Vehicle after it has broken down or been damaged.

### 8.6 Theft by hirer

for theft or attempted theft of Your Vehicle by a hirer.

## 9. Part B – Third Party Liability

We will cover You for Your legal liability to pay compensation for loss or Damage to Third Party property caused by or arising out of the use of Your Vehicle (including any Caravan or Trailer towed by Your Vehicle) which happens during the Period of Insurance.

We will also cover You for Your legal liability to pay compensation for loss or Damage to Third Party property if Your Vehicle is being used for or is attached to or is towing a Motor Vehicle, Machine and/or trailer which is used for the commercial transport of Dangerous Goods or any other substances which form explosive mixtures with organic or other readily oxidisable materials, provided that the method of transportation complies with all relevant code, regulatory or legislative requirements.

The maximum We will pay in respect of a claim under Part B is \$30,000,000 inclusive of defence costs for any one Accident or series of Accidents resulting from the one original cause. If the Accident or series of Accidents arises out of the commercial transport of Dangerous Goods or any other substances which form explosive mixtures with organic or other readily oxidisable materials, the maximum We will pay is \$1,000,000 or any greater amount shown in the Policy Schedule.

## 10. Additional Benefits applicable to Part B

The following Additional Benefits are subject to the Limits of Liability for Part B unless otherwise stated. We will also pay:

### 10.1 Cost of Cleaning

the reasonable cost of cleaning up and preventing Damage, as a result of an Accident caused by the use of Your Vehicle.

### 10.2 Difference in excess / hired-in or rental Motor Vehicles

where You hire in or rent a Motor Vehicle in connection with Your Business and the hire agreement deems the owner of the Motor Vehicle responsible for insurance, the difference in the basic Excess level between Your Policy and the excess level under the insurance coverage provided by the owner of the Motor Vehicle.

### **10.3 Employer or principal**

the amount which:

10.3.1 Your employer, principal or partner; or

10.3.2 the Commonwealth, State or Local Government,

becomes legally liable to pay as compensation caused by, or arising out of the temporary use of Your Vehicle.

### **10.4 Falling goods**

for Damage to property caused by goods falling from Your Vehicle.

### **10.5 First aid costs**

the amount incurred by You for first aid to others who suffered bodily injury as a result of an Accident involving Your Vehicle. These expenses are In addition to the Limits of Liability.

### **10.6 Legal Costs**

10.6.1 all reasonable legal expenses incurred with Our written consent for representation at any formal legal enquiry or at any Coroner's inquest;

10.6.2 all reasonable legal costs and expenses in defending Your legal liability in respect of any Motor Vehicle not owned or supplied by You while that Motor Vehicle is being used or driven by You or a person authorised by You in connection with Your Business;

We will not pay more than \$10,000 under this Additional Benefit in respect of any one Accident.

### **10.7 Movement of other Motor Vehicles**

for loss or Damage to property resulting from You moving any Motor Vehicle or trailer parked in a position which prevents or impedes the loading, unloading or legitimate passage of Your Vehicle.

### **10.8 Non owned Motor Vehicle liability**

the amount which You may be held legally liable to pay as compensation, resulting from an Accident occurring during the Period of Insurance, caused by, or arising out of the use of a Motor Vehicle not owned by You, but being used by You, or one of Your employees, or some other person with Your consent, in connection with Your Business.

However as far as is allowed by law, this Additional Benefit will only provide cover for any amount in excess of the amount for which You are entitled to indemnity under any other insurance Policy which specifically covers the Motor Vehicle.

### **10.9 Non-owned trailer liability**

the amount which You or any other person entitled to cover under this Part may be held legally liable to pay for actual physical damage to any trailer being towed by Your Vehicle caused by or arising out of the use of Your Vehicle.

However:

10.9.1 this Additional Cover only applies if, at the time of the Accident, the trailer is being towed in the course of Your Business and the trailer is not owned, rented, hired or leased by You; and

10.9.2 the cover provided does not extend to the contents of any non-owned trailer, nor clean-up costs associated with the contents of any non-owned trailer;

We will not pay more than \$75,000 under this Additional Benefit in respect of any one Accident.

### **10.10 Substitute Vehicle**

the amount which You may be held legally liable to pay for Accidental Damage to someone else's property caused by You driving a Substitute Vehicle.

We will only pay if one Substitute Vehicle is being used at any one time in place of Your Vehicle.

#### **10.11 Supplementary bodily injury (legal liability)**

the amount which You, or any person driving, using or in charge of Your Vehicle with Your permission, may be held legally liable to pay as compensation or damages for death or bodily injury to any person resulting from an Accident caused by or arising out of the use of Your Vehicle.

We do not cover You for legal liability for death or bodily injury to:

- 10.11.1 You or any person driving, using or in charge of Your Vehicle or a Substitute Vehicle;
- 10.11.2 any person, who is an employee of Yours or who is deemed by any law to be Your employee, arising out of their employment with You.

We do not provide cover:

- 10.11.3 if Your Vehicle was not registered at the time of the Accident; or
- 10.11.4 if the Accident that gave rise to the legal liability is wholly or partially covered under any compulsory statutory insurance scheme or accident compensation scheme; or
- 10.11.5 if the Accident that gave rise to the legal liability would have been covered under any such scheme as it existed at the commencement date of the relevant Period of Insurance, even though there may have been a change in the law during that Period of Insurance, or
- 10.11.6 if You or the person, using or in charge of Your Vehicle or the Substitute Vehicle would have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme, or
- 10.11.7 if You or the person, using or in charge of Your Vehicle or the Substitute Vehicle would have been entitled to be covered under any such scheme had not cover been refused because You did not:
  - (i) register Your Vehicle;
  - (ii) apply for cover under the scheme;
  - (iii) comply with a term or condition of the scheme.
- 10.11.8 if You or the person, using or in charge of Your Vehicle or the Substitute Vehicle which is registered in the Northern Territory of Australia.

#### **10.12 Towing Disabled Motor Vehicles**

the amount which You may be held legally liable to pay for Accidental Damage occasioned whilst Your Vehicle is towing any disabled vehicle provided such disabled Motor Vehicle is not being towed for reward or financial gain.

#### **10.13 Trailers**

the amount which You may be held legally liable to pay for Accidental Damage to property caused by or arising out of the use of any trailer attached to Your Vehicle provided that the number of trailers does not exceed the number permitted by law.

#### **10.14 Uninsured motorists**

You up to \$5,000 less any applicable Excess(es) for Damage to Your Vehicle caused in an Accident with another Motor Vehicle during the Period of Insurance if:

- 10.14.1 The driver of the other Motor Vehicle was at fault;
- 10.14.2 The other Motor Vehicle was uninsured; and
- 10.14.3 You can tell Us who the other driver was and identify the other Motor Vehicle.

This cover is not applicable where You have Option 1: Comprehensive cover.

## 11. Exclusions applicable to Part B

We will not pay, under Part B, any liability of whatsoever nature:

### 11.1 Aircraft liability

any liability of whatsoever nature in connection with loss or Damage to any Aircraft resulting from an Accident caused by, or arising out of, the use of Your Vehicle.

### 11.2 Death/bodily injury

death or bodily injury:

- 11.2.1 if You or any another person entitled to cover under this Part B, has been, or is entitled to be, partially or wholly indemnified by any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- 11.2.2 for any claim for which You or any other person entitled to cover under this Part B, would have been partially or wholly indemnified, but for Your failure to insure or register Your Vehicle in accordance with a requirement or any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- 11.2.3 to You or any person in charge of Your Vehicle;
- 11.2.4 (i) to any person related to You;  
(ii) to any person related to the person in charge of Your Vehicle;  
by way of birth, marriage or de facto relationship;
- 11.2.5 to any person with whom You ordinarily reside or who ordinarily resides with You;
- 11.2.6 to any employee, agent, contractor, or subcontractor employed or engaged by any person entitled to indemnity under this Policy;
- 11.2.7 to any person in or on, or getting out of, or off any bus, coach or caravan, whether registered or deemed to be registered;
- 11.2.8 arising out of, or in any way connected with a defect in Your Vehicle, or in a Motor Vehicle causing loss of control of Your Vehicle whilst it is being driven;
- 11.2.9 to any person injured by a Queensland or New South Wales registered trailer only, either whilst in tow and/or unattached;
- 11.2.10 to any person injured by a Northern Territory registered vehicle; or
- 11.2.11 where at the time of the Accident, You did not have in force a current general liability or public liability policy pertaining to Your Business operations.

This Exclusion 11.2 does not apply to any cover which is available under Additional Benefit applicable to Part B, 10.11 'Cover for supplementary bodily injury (legal liability)'.

### 11.3 Employer's liability

death of or bodily injury to any person:

- 11.3.1 caused by or arising out of the employment of the person by You;
- 11.3.2 in Your service that arises from any liability imposed by;
  - (i) any workers' compensation legislation;
  - (ii) any industrial award, agreement or determination.

### 11.4 Fines, penalties, punitive damages

for any fines, penalties, or aggravated, exemplary or punitive damages.

### **11.5 Pollution**

- 11.5.1 death or bodily injury or Property Damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of Pollutants or contaminated substances into or upon any property, land, the atmosphere or any watercourse or body of water (including ground water);
- 11.5.2 death or bodily injury or property Damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of Pollutants or contaminated substances caused by any product that has been discarded, dumped, abandoned or thrown away by others;
- 11.5.3 the cost of removing, nullifying or cleaning up Pollutants or contaminated substances; or
- 11.5.4 the cost of preventing the escape of Pollutants or contaminated substances.

This Exclusion shall not apply where the claim arises from a sudden identifiable, unintended and/or unexpected event which takes place in its entirety at a specific time and place during the Period of Insurance.

### **11.6 Property in Your Custody of Control**

- 11.6.1 for Damage to property that is owned by You;
- 11.6.2 for Damage to property which is Your physical or legal control;
- 11.6.3 any liability for loss of use arising out of or from the loss or Damage to any property in Your physical or legal control.

For the purpose of this Exclusion only:

- (i) employees or visitor's Motor Vehicles whilst contained within a car park or premises;
- (ii) premises leased or rented to You; or
- (iii) Your Vehicle including any Motor Vehicle referred to in Additional Benefits applicable to Part B – 10.7 'Movement of other Motor Vehicles' and 10.9 'Non-owned trailers liability',

are not deemed to be in Your custody or control.

### **11.7 Statutory liability**

any liability You or other covered persons incur to pay compensation which is the subject of any compulsory motor vehicle insurance law.

### **11.8 Tool of Trade**

for Damage to underground services, pipes, cables or the like caused by or arising out of the use of Your Vehicle as a Tool of Trade, or liability in respect of Damage to any land or fixed property arising from vibration or from the removal or weakening of or interference with support to land, buildings or any other property, arising out of the use of Your Vehicle.

### **11.9 Trailers**

for Damage caused or contributed to by more than the legally permitted number of trailers attached to Your Vehicle.

### **11.10 Unregistered vehicles**

if Your Vehicle is unregistered at the time of the Accident giving rise to the claim.

### **11.11 Vibration / vehicle weight**

Damage to property that is caused by:

- 11.11.1 vibration; or
- 11.11.2 the weight of Your Vehicle exceeding any lawful requirements or advisory signs.

## **12. Additional Benefits applicable to both Part A and Part B**

### **12.1 Acquired Companies**

This Policy will provide cover, in respect of the Motor Vehicle(s) of any subsidiary company or firm or business purchased, formed or acquired by, or in Your name, during the Period of Insurance, if You hold a controlling interest in the subsidiary company, firm or business so purchased, formed or acquired, as follows:

- 12.1.1 if You advise Us of Your interest in the subsidiary company, firm or business within 14 days of the purchase, formation or acquisition, We will hold You covered in respect of those Motor Vehicles for a period of 30 days from the date of such purchase, formation or acquisition; and
- 12.1.2 if, within 30 days of such purchase, formation or acquisition, You also provide Us with a schedule of the additional Motor Vehicles to be insured and details of their prior claims history, We will extend the hold covered period until 45 days from the date of such purchase, formation or acquisition; and
- 12.1.3 if You pay the premium we assess as applicable for the hold-covered period.

No cover is provided for such Motor Vehicles beyond the hold covered period(s), unless You agree to any special terms required by Us, and pay any additional premium required by Us.

### **12.2 Automatic additions**

We will, subject to the terms of Your Policy, pay for loss or Damage or any liability incurred by You that relates to any Motor Vehicle(s) and/or Machine(s) purchased, leased or hired by You (and for which You are legally liable) during the Period of Insurance, provided that:

- 12.2.1 such Motor Vehicles are of a similar type to Your Vehicles of Machine(s) at the commencement of the Period of Insurance;
- 12.2.2 You notify Us in writing within 60 days of acquiring any such Motor Vehicle or Machine;
- 12.2.3 the Limit of Cover (which applies under Part A) does not exceed \$300,000 for each newly acquired or hired Motor Vehicle or Machine, unless We have otherwise agreed in writing; and
- 12.2.4 You pay Us any additional premium We may require.

However any Motor Vehicle or Machine acquired by virtue of the purchase or other acquisition of, or the formation of any company or firm or business (including the purchase or acquisition of the business of any sole trader or sub-contractor) or any Motor Vehicles or Machines acquired or hired by You from any of Your subcontractors, will not be treated as newly acquired Motor Vehicles or Machines purchased or hired by You, as required by this Additional Benefit.

### **12.3 Fire Brigade & Emergency Services cover**

Following an Accident, We will pay up to \$25,000 for Your Liability for charges imposed by the Fire Brigade, Police or any Government Emergency Services.

### **12.4 LPG Conversion**

The Policy includes cover for Your Vehicles which have been modified to operate on liquefied petroleum gas provided such modification has been carried out in accordance with the relevant statutory standard.

### **12.5 Removal of debris**

We will pay You for the reasonable costs necessarily incurred for the clean-up and removal of Your Vehicle's or Machine's debris and Your Vehicle's or Machines' load arising from an Accident or resulting from goods falling or leaking from Your Vehicle, but only to a maximum amount of \$25,000 per Accident.

However this Additional Benefit will only provide cover for any amount in excess of which Your Vehicle's or Machine's load is otherwise insured.

### 13. Exclusions applicable to both Part A and Part B

The following exclusions apply to the whole Policy. We will not pay any claim:

#### 13.1 Asbestos

in connection with, or directly or indirectly caused by, or directly or indirectly arising from asbestos, asbestos products or asbestos contained in any products.

#### 13.2 Aviation Works

arising in any way from Aviation Works.

#### 13.3 Contractual liability

if Damage or any liability arises from an undertaking or indemnity given or contracted by You without Our written consent, provided that this exclusion will not apply if such liability:

13.3.1 would have attached notwithstanding such undertaking or indemnity; or

13.3.2 was assumed under a contract which was specifically designated in Your Schedule.

#### 13.4 Cranes and Lifting Devices

if Damage or any liability arises out of the operation of any crane or lifting device insured by this Policy whilst being used in any raising, carrying or lowering operation in which a single load is shared by two or more cranes or lifting devices unless Our prior consent has been obtained in writing.

#### 13.5 Dangerous goods

If Damage or any liability which is incurred while Your Vehicle is carrying any substance that is shown in the Australian Dangerous Goods Code as Goods Too Dangerous to Transport or while any such substance is being moved to or from Your Vehicle or while any such substance is being loaded or unloaded from Your Vehicle which does not comply with the relevant Codes.

#### 13.6 Geographical limitations

unless We agree in writing to the contrary, if Damage occurs to Your Vehicle or Insured Property covered by this Policy which is outside the Commonwealth of Australia at the time of the Damage, except as specifically stated otherwise in the Policy.

#### 13.7 Hire or reward

if at the time of the Damage or when any liability was incurred, Your Vehicle:

13.7.1 is used for carrying passengers for hire or reward, except for a private pooling arrangement or when You receive a travelling allowance from Your full time employer;

13.7.2 is let out on hire, unless operated by You or one of Your employees or We have agreed in writing to provide Dry Hire cover,

except as specifically stated otherwise in the Policy.

#### 13.8 Overloading

13.8.1 if at the time of the Damage or when any liability was incurred, Your Vehicle was being used to carry a number of passengers in excess of that for which it was designed or used contrary to the manufacturer's recommendations; or

13.8.2 if at the time of the Damage or when any liability was incurred, Your Vehicle or any Caravan or Trailer being towed by Your Vehicle was used to carry, lift, haul or tow a load in excess of that for which it was designed or used contrary to the manufacturer's recommendations.

This exclusion does not apply if You can prove that:

(i) You did not allow such use of Your Vehicle; or

(ii) You had no reason to suspect that Your Vehicle was being used in that manner; or

(iii) the loss or Damage or liability incurred was not caused by, or contributed to, by such excess of passengers and/or load.



### **13.9 Radioactive Contamination**

for:

- 13.9.1 loss or Damage to property eligible for insurance by the relevant Nuclear Insurance Pool and/or Association; or
- 13.9.2 loss, cost, Damage, liability or expense directly or indirectly caused by or contributed to by or arising from:
  - (i) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
  - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
  - (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
  - (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

### **13.10 Seizure of Your Vehicle**

for Damage to Your Vehicle caused by:

- 13.10.1 lawful seizure, confiscation or acquisition;
- 13.10.2 any person lawfully repossessing or attempting to lawfully repossess Your Vehicle, where Your Vehicle is used as security for a debt.

### **13.11 Stock in Trade**

if at the time of the Damage or when any liability was incurred, Your Vehicle formed part of the stock in trade of Your Business.

### **13.12 Terrorism**

- 13.12.1 for any death, injury, illness, loss, Damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any Act of Terrorism regardless of any other contributing cause or event;
- 13.12.2 for any death, injury, illness, loss, Damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, suppressing or in any way relating to Act of Terrorism.

### **13.13 Underground mining**

if at the time of the Damage or when any liability was incurred, Your Vehicle was:

- 13.13.1 used for drilling or tunnelling whilst underground; or
- 13.13.2 used or driven in an underground mine or mining shaft.

### **13.14 Use of Your Vehicle**

- 13.14.1 if Damage or any liability occurred while Your Vehicle is being driven by any person impaired by or under the influence of any drug or alcohol, or by any person with a percentage of drug or alcohol in their breath or blood in excess of that allowed by law. However, if You can prove You did not know that the driver of Your Vehicle was so affected, We will cover You but not the driver of Your Vehicle;
- 13.14.2 if Damage or any liability occurred while Your Vehicle is being driven by any person who refuses a request from a person with legal authority to take a breath, blood or other test to determine the percentage of drugs or alcohol in the person's breath or blood. However, if You can prove You did not know that the driver of Your Vehicle refused to submit to the test, We will cover You but not the driver of Your Vehicle;

13.14.3 if Damage or any liability arises out of an Accident caused by a person who was not licensed to drive Your Vehicle but this exclusion will not apply where:

- (i) the person is driving Your Vehicle without Your consent;
- (ii) the person is driving Your Vehicle with Your consent but You can prove:
  - (1) the driving licence produced to You by that person has been forged or was the subject of an unauthorised alteration which could not have been reasonably discerned from the driving licence produced by You; or
  - (2) the driving licence produced would, if it had been valid, have authorised that person to drive the particular category or type of Vehicle which was to be driven with Your consent; or
  - (3) You do not know or could not reasonably have known that person did not have a licence to drive Your Vehicle.

We will not waive Our right of subrogation against that person but Our right of subrogation is subject to the Insurance Contracts Act.

13.14.4 if at the time of the Damage or when any liability was incurred, Your Vehicle is being:

- (i) used in connection with the motor trade for experiment, test, trial, demonstration or towing;
- (ii) used for any illegal purpose with Your consent;
- (iii) used in connection with a race, trial, test, contest or other sports event;
- (iv) tested other than in connection with service or repair by a person who is qualified to carry out the service or repair or who is acting under the supervision of such a person;
- (v) used in an unroadworthy or unsafe condition. However, We will cover You if You can prove that the condition could not reasonably have been detected by You or that the loss, Damage or liability was not caused by or contributed to by the unroadworthy or unsafe condition.

#### **13.15 Vehicles on rails / cables**

if at the time of the Damage or when any liability was incurred, Your Vehicle was being used to run on rails, tram tracks or cables.

#### **13.16 War**

for Damage arising directly or indirectly as a result of:

13.16.1 war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not) and/or civil war; and/or

13.16.2 mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military and/or usurped power.

This Policy also excludes any loss, destruction, Damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, (or contributed to by, resulting from, or arising out of, or in connection with) any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above.

#### **13.17 Wilful damage**

for Damage that is intentionally caused or liability that is intentionally incurred by You, anyone acting on Your behalf or any other covered persons.

## 14. Limitations of Cover applicable to both Part A and Part B

### 14.1 Bobcats/skid-steer loaders

#### New South Wales & Victoria:

We will not pay any amount if Your Vehicle is a bobcat or skid-steer loader and is stolen within:

- 14.1.1 the Sydney metropolitan area (which is defined as a 60km Radius Limit from the central GPO);
  - 14.1.2 the Wollongong metropolitan area (which is defined as a 25km Radius Limit from the central GPO);
  - 14.1.3 the Melbourne metropolitan area (which is defined as a 60km Radius Limit from the central GPO);
- and is not fitted with either an engine immobiliser or vehicle tracking/GPS system at the time of the theft.

Should Your Vehicle be fitted with either an engine immobiliser or a vehicle tracking/GPS system at the time of the theft, then an additional Excess of \$2,500 will apply in respect of each claim.

However, should Your Vehicle be fitted with both an engine immobiliser and a vehicle tracking/GPS system at the time of the theft, then no Excess will apply.

#### Queensland:

If Your Vehicle is a bobcat or skid-steer loader and is stolen within a 50km Radius Limit of either Brisbane Central GPO, or Caloundra PO or a 25km Radius Limit of the Surfers Paradise PO, an additional Excess of \$2,500 will apply.

However, if Your Vehicle is fitted with an engine immobiliser and/or a vehicle tracking/GPS system at the time of the theft, then no Excess will apply.

### 14.2 Motor trade

When Motor Trade is shown in Your Schedule, then the cover provided by this Policy will apply, subject to the following:

- 14.2.1 The Vehicle Description shown in Your Schedule means all registered Motor Vehicles or vehicles displaying a trade plate (other than motor cycles and/or Caravan or Trailers unless specifically shown in Your Schedule) which are in Your custody or control for the purpose of sale, repair, modification or servicing but only while such vehicles are being driven by a duly licensed driver.

- 14.2.2 The following additional Exclusions will apply:

We will not pay for Damage that occurs or liability, which is incurred, where Your Vehicle is:

- (i) personally owned by You;
- (ii) being used in the business of a motor driving school;
- (iii) being used for hire, paying of hire or let on hire;
- (iv) being driven by potential buyers unless accompanied by You or Your employee;
- (v) lost as a result of trickery or deception; or
- (vi) being towed by a motor breakdown towing truck belonging to, or being operated by You.

- 14.2.3 The following Additional Benefits applicable to Part A will not apply:

- (i) 5.4 Emergency car hire;
- (ii) 5.8 Finance payout – Total Loss of encumbered vehicles; and
- (iii) 5.17 Replacement Motor Vehicle.

- 14.2.4 The following Additional Benefit applicable to Part B will not apply:

- 10.8 Non owned Motor Vehicle liability.

- 14.2.5 The following Exclusions applicable to both Part A and Part B will not apply:

- 13.11 Stock in Trade.

- 14.2.6 The following Additional Benefits applicable to both Part A and Part B will not apply:

- 12.2 Automatic additions.

## 15. General conditions applicable to both Part A and Part B

The following General Conditions apply to all Parts of this Policy.

### 15.1 Breach of conditions

Breach of or non-compliance with any Policy condition(s) by one insured named in Your Schedule will not prejudice any other named insured.

### 15.2 Cancellation

#### How You may cancel this Policy

- You may cancel this Policy at any time by telling Us in writing that You want to cancel it.
- When 'You' involves more than one party, We will only cancel the Policy when a written agreement to cancel the Policy is received from all parties named in Your Schedule.

#### How We may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing You in writing.
- We will give You this notice in person or send it to Your address last known to Us.

#### The premium

We will refund premium for each day of the unexpired Period of Insurance. The daily premium will be calculated by dividing the premium by the number of days of the Period of Insurance. Some government taxes and duties are not refundable.

### 15.3 Changes to Your insurance details – what You must tell Us

You must tell Us immediately if during the Period of Insurance Your Vehicle or Your Machine is modified in a manner that affects its value or performance in any way:

When We receive this information, We may:

- alter the terms and conditions of the Policy, or
- charge You additional premium, or
- decide not to offer to renew the Policy.

If You do not provide the information immediately We may not pay a claim under Your Policy.

Before We agree to renew the Policy You must tell Us if, during the current Period of Insurance, You or any person who is a driver of Your Vehicle has:

- had any fines or penalties imposed for a traffic offence, other than a parking fine; or
- been convicted of any traffic offences; or
- had a drivers' licence cancelled or suspended or been disqualified from holding a driver's licence for any period; or
- been responsible for causing an Accident; or
- had any Motor Vehicle damaged or stolen.

### 15.4 Cross liability

We agree that each person comprising the insured named in Your Schedule is considered as if that person were the only person named as the insured, and We waive Our rights of subrogation against any of those persons named as the insured.

### 15.5 Joint insured

A claim lodged by any one person covered by the Policy is considered to be a claim by all persons covered by the Policy.

### 15.6 Jurisdiction

All disputes arising out of or under this Policy shall be subject to determination by any court of competent jurisdiction within Australia according to the law which applies to that jurisdiction.

### **15.7 Keeping evidence of the value of the Insured Property**

You should keep evidence of the value of all property covered under the Policy. You should also keep evidence of the amount of any Accidental Damage.

### **15.8 Notices**

Any notice We give You will be in writing and it will be effective:

15.8.1 if it is delivered to You personally, or

15.8.2 if it is delivered or posted to Your address last known to Us.

It is important for You to tell Us of any change of address as soon as possible.

### **15.9 Other insurances covering the same loss, damage or liability**

If at the time of any event giving rise to a claim under this Policy there is any other current Policy covering the same loss, Damage or liability You must notify Us of the other insurance and You must render all reasonable assistance to Us in order that We may obtain a rateable recovery from any other Insurer.

### **15.10 Prevention of loss or damage**

We may not pay Your claim if You do not take all reasonable precautions to prevent injury, loss or Damage, including securing Your Vehicle against unauthorised entry when it is unattended. This includes removing Your keys and locking Your Vehicle.

It is a condition of the Policy that Your Vehicle be kept in good repair.

### **15.11 GST Notice**

The Policy has a GST provision in relation to premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need. Please read it carefully. Seek professional advice if You have any queries about GST and Your insurance.

#### **Sums insured**

All monetary limits in the Policy may be increased for GST in some circumstances (see below).

#### **Claim settlements – Where We agree to pay**

When We calculate the amount We will pay You, We will have regard to the items below:

- 15.11.1 Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a damaged item insured under the Policy) We will pay for the GST amount. We will pay the GST amount in addition to the Sum Insured/limit of indemnity or other limits shown in the Policy or in Your Schedule. If Your Sum Insured/limit of liability is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim. We will reduce the GST amount We pay for by the amount of any input tax credits to which You are or would be entitled.
- 15.11.2 Where We make a payment under the Policy as compensation instead of payment for a relevant acquisition, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to had the payment been applied to a relevant acquisition.
- 15.11.3 Where the Policy insures business interruption, We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by Your Business that is relevant to Your claim.

#### **Disclosure – Input tax credit entitlement**

If You register, or are registered, for GST You are required to tell Us Your entitlement to an input tax credit on Your premium. If You fail to disclose or understate Your entitlement, You may be liable for GST on a claim We may pay. The Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

## 16. Making a claim

### 16.1 What You must do

In the event of a claim:

#### **Do not admit liability**

You must not:

- admit liability or make a promise or offer of payment in connection with the claim; or
- offer or agree to settle the claim,

without Our written consent.

We are entitled to take over and conduct the defence of any claim made against You for damages by a third party. We have full discretion in conducting any negotiations, proceedings and the settlement of claims.

If the claim is for legal liability, You may make a written request to Us to agree that You are covered in respect of the claim.

#### **Prevent further damage**

You must take all reasonable precautions to prevent any further loss, Damage or liability.

#### **Contact the police**

Depending on the laws of the State or Territory in which the Accident occurs, You must:

- contact the police if any person was injured as a result of the Accident;
- request the police to attend the scene of the Accident;
- go to the local police station to complete a 'Self Reporting Collision Form' if the police inform You that it is not necessary for them to attend the scene of the Accident.

You must contact the police immediately if Your Vehicle is stolen or maliciously damaged.

#### **Contact Us as soon as possible**

If there is any Damage or liability which is likely to result in a claim, You must give Us immediate notice as well as full details of any Damage or anticipated or alleged liability.

You or Your representative must give Us full details in the manner We request which will be either:

- verbally; or
- in writing by completing Our claim form which will be supplied to You when You contact Us.

The process for authorising repairs to Your Vehicle is explained under 'Authorising repairs'. Any correspondence You receive regarding the Accident must be sent to Us immediately.

You must advise Us immediately of:

- any notice of impending prosecution;
- details of any inquest or official enquiry.

### 16.2 Excess

An Excess is the amount shown in 'Words with special meaning' under Excess which You must pay when You make a claim under the Policy unless We state an Excess does not apply. The payment of an Excess helps to keep the cost of Your premium down by reducing the number of small claims.

There are different types of Excess which may apply to You or the driver of Your Vehicle at the time of the claim.

These are:

#### **Basic Excess**

The basic Excess is the first amount You must pay on each claim.

**Age Excess**

If You make a claim for an Accident when Your Vehicle was being driven by or was in the charge of a driver under the age of 25 years, You must pay the age Excess in addition to the basic Excess.

**Inexperienced driver Excess**

You need to pay the inexperienced driver Excess in addition to the basic Excess payable if You make a claim arising from an Accident in which Your Vehicle was being driven by or was in the charge of a driver over the age of 25 who has not held the Australian driver's licence required to drive Your Vehicle for at least 2 years.

You will not have to pay any age or inexperienced driver Excess if You are claiming for any of the following:

- windscreen or window glass Damage only;
- Damage or loss caused by theft;
- hail, storm or flood Damage;
- Malicious Damage; or
- Damage to Your Vehicle while parked.

**Undeclared Drivers Excess**

You need to pay the Undeclared Drivers Excess in addition to the basic Excess payable if Your rigid and/or articulated Vehicle with a carrying capacity in excess of 10 tonnes Payload was being driven by a person who failed to complete a driver's questionnaire at the time of an Accident.

**Tipping excess**

You need to pay the Tipping Excess in addition to the basic Excess payable if Your Vehicle is a rigid body tipper or a tipping trailer, and at the time of loss or Damage, the tipping hoist was in use and was fully or partially elevated.

**Radius Limit excess**

You need to pay the Radius Limit in addition to the basic Excess payable if Your Vehicle is Damaged or liability is incurred as a result of an Accident which occurs outside the Radius Limit shown in the Schedule.

**Faultless Excess**

You will not be required to pay the basic, age and or inexperienced driver Excess if:

- You satisfy Us that the Accident which gave rise to the claim was the fault of the driver of the other Motor Vehicle or Machine; and
- You can supply the name and address of that driver.

**How the Excess applies**

The Excess applies to each of Your Vehicles for each Accident, but if one Accident causes Damage to two or more of Your Vehicles simultaneously, the highest Excess applicable to any of Your Vehicles shall apply once in respect of all of Your Vehicles which are damaged as a result of the event.

The Sum Insured and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any applicable Excess.

**Deciding who is at fault**

We will be solely responsible for deciding whether You contributed to the cause of an Accident.

**16.3 Choice of repairer**

You have the right to choose any repairer.

**16.4 Authorising repairs**

Where You have Comprehensive cover You may only authorise emergency repairs as detailed on page 18 under 'Emergency expenses'. You cannot authorise further repairs to Your Vehicle without Our prior consent.

Before We make a decision regarding Your claim and repairs to Your Vehicle, We may need to inspect Your Vehicle. A motor vehicle assessor will be appointed by Us. We or Our assessor will make the necessary arrangements with You.

#### **16.5 Parts, extras and accessories**

If We are able to repair the part which is damaged, We will use new, recycled or reconditioned parts that meet the requirements of Australian Design Rules (ADR). If such parts are not available or appropriate, parts from alternative distribution channels may be used.

We will not pay any amount greater than the maker's last list price in Australia (together with a reasonable charge for fitting) for the supply of any part, extra or accessory.

In the event that any part, extra or accessory cannot be obtained immediately, We may choose to pay You the value of the part, extra or accessory (together with a reasonable charge for fitting) rather than supply the part, extra or accessory.

#### **16.6 Sublet repairs**

If the Damage to Your Vehicle requires Us to engage the services of a specific specialist repairer and/or supplier We may sublet that component or the work to such repairer or supplier.

#### **16.7 Assist Us with Your claim**

You must assist Us with Your claim. This means give Us all the information and assistance with Your claim which We may reasonably require. If You do not We may not pay Your claim or provide cover.

If We have the right to recover any amount payable under the Policy from any other person, You must cooperate with Us in any action We may take.

#### **16.8 Our rights of recovery**

We have the right to recover from any person, in Your name, the amount of any claim paid under the Policy and We have full discretion in the conduct, settlement or defence of any such claim. If We recover more than the amount We have paid to You or on Your behalf, We will pay You the balance.

#### **16.9 Salvage of Your Vehicle or Machine when it is a Total Loss**

If Your Vehicle or Machine is a Total Loss and We have agreed to pay the Market Value, Sum Insured or Nominated Value for Your Vehicle or Machine:

16.9.1 the wreckage of Your Vehicle will become Our property; and

16.9.2 We will keep the proceeds of any salvage sale.

You must transfer the title and interests of Your Vehicle to Us and We shall be entitled to dispose of the remains. In States or Territories where We are entitled to do so, We will also retain any proceeds from any registration and compulsory third party insurance.

#### **16.10 Payment of unpaid premium when Your Vehicle is a Total Loss**

If Your Vehicle is a Total Loss and We have agreed to pay the Market Value, Sum Insured or Nominated Value for Your Vehicle or Machine:

16.10.1 the amount of any unpaid premium for the Period of Insurance will be deducted from the amount payable to You; and

16.10.2 if We are replacing Your Vehicle or Machine, You must pay Us the balance of any unpaid premium or instalments for the Period of Insurance.

#### **16.11 No return of premium after a Total Loss**

If Your Vehicle or Machine is a Total Loss and We have agreed to pay the Market Value, Sum Insured or Nominated Value for Your Vehicle or Machine, no return of premium will be made for any unused portion of the premium.



This page has been left blank intentionally

This page has been left blank intentionally

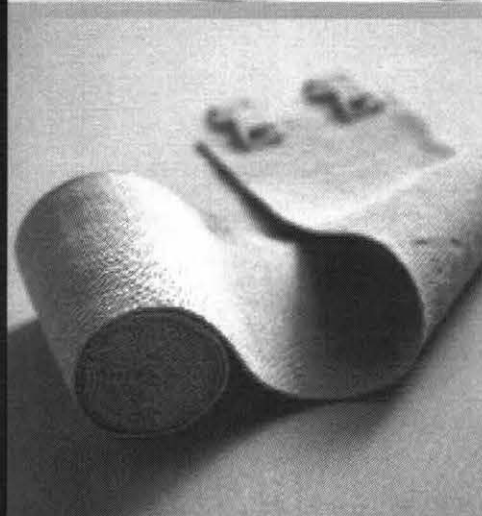
**Zurich Australian Insurance Limited**  
ABN 13 000 296 640, AFS Licence No: 232507  
Head Office: 5 Blue Street, North Sydney NSW 2060

Client Enquiries  
Telephone: 132 687  
[www.zurich.com.au](http://www.zurich.com.au)



**voluntary workers  
personal accident  
insurance**  
product disclosure  
statement  
and policy

# voluntary workers



Preparation date: 17/06/2004



*Insurer*  
**CGU Insurance Limited**  
ABN 27 004 478 371  
An IAG Company

This is an important document. If you cannot read and understand English, please use an interpreter to explain it to you before entering into this contract of insurance.

Questo è un documento importante. Se non avete una buona conoscenza dell'Inglese, per favore fatevelo spiegare da un interprete prima di concludere un contratto di assicurazione.

Αυτό είναι πολύ σπουδαίο έγγραφο. Αν έχετε δυσκολία με τα Αγγλικά, παρακαλείστε να μεταχειρισθείτε διερμηνέα να σας το εξηγήσει προτού συνάψετε μια ασφαλιστική συμφωνία.

這是一份重要文件。如你不諳英語，在投保前，請先用傳譯員為你解釋保險合約。

ان هذه الوثيقة هامة. إذا كنت لا تجيد الإنكليزية، يرجى استعمال مترجم كي يشرحها لك قبل أن تدخل طرفاً في عقد تأمين.

Dies ist ein wichtiges Dokument. Falls Sie die englische Sprache nicht beherrschen, lassen Sie es sich von einem Dolmetscher erklären, bevor Sie einen Versicherungsvertrag eingehen.

Đây là một văn kiện quan trọng. Nếu quý vị không thông thạo tiếng Anh, xin vui lòng nhờ thông dịch viên giải thích để quý vị hiểu rõ trước khi ký tên vào hợp đồng bảo hiểm.

Este es un documento importante. Si Ud. No tiene conocimientos sólidos de inglés, pida a un intérprete que le explique el documento antes de contratar el seguro.

នេះគឺជាឯកសារមួយដែលមានសារៈសំខាន់ ។ ប្រសិនបើអ្នកពុំសូវចេះភាសាអង់គ្លេសឬសំណាស់ទេ សូមស្នើសុំអ្នកបកប្រែភាសាឲ្យពន្យល់ប្រាប់អ្នកមុនពេលអ្នកយល់ព្រមចុះកិច្ចព្រមព្រៀងធានារ៉ាប់រងណាមួយ ។

# Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information required under the Financial Services Reform Act 2001.

To assist you to locate specific items in the policy wording, a table of contents is provided on page 5 and an index is provided on page 12.

## Introduction

### Who is the insurer

CGU Insurance Limited is the insurer of the insurance policy. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291. In this booklet the insurer is called 'we', 'us' or 'our'.

### How to contact us

You may contact us by any of the following ways:

- ◆ In person at any CGU Insurance office.
- ◆ By telephone on:  
ACT (02) 6248 6088    NSW (02) 4935 7100  
NT (08) 8981 2384    QLD (07) 3212 7878  
SA (08) 8405 6300    TAS (03) 6345 3500  
VIC (03) 5320 1400    WA (08) 9278 1333
- ◆ By writing to us at CGU Insurance, GPO Box 9902 in your capital city.
- ◆ By email on our website [www.cgu.com.au](http://www.cgu.com.au)

### The purpose of this PDS

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits and risks and information about how the insurance premium is calculated. You still need to read the policy wording which commences on page 3 for a full description of the terms, conditions and limitations of the insurance policy.

### General Insurance Code of Practice

CGU Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry. Details about the Code are shown in the policy wording under 'General Insurance Code of Practice' on page 3. Brochures on the Code are available from your nearest CGU Insurance office.

### Your cooling-off period

We will refund all premium paid for cover under the insurance policy if you request cancellation of the insurance policy within 21 days of its commencement. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will not receive a refund if you have made a claim under the insurance policy. Details about the cooling-off period are shown in the policy wording under 'CGU Insurance Triple Guarantee' on pages 3 and 4.

### What to do if you have a dispute

If you have a concern about the insurance policy, our decision on your claim, our service or the service of our authorised representatives, loss adjusters or investigators, you may access our internal dispute resolution process. To do so, please contact your nearest CGU Insurance office.

In the event we are unable to resolve your concern through our internal dispute resolution process, you may then request the matter be reviewed by the Insurance Ombudsman Service. This is a free service available to you by calling 1300 78 08 08. The scheme is administered by Insurance Ombudsman Service Limited ABN 23 062 284 888. Details about the dispute resolution system are shown in the policy wording under 'Our service commitment' on page 11.

### Your privacy

We treat your personal information with care. We will not release your personal information to anyone else other than another insurer, an insurance reference service or as permitted or required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers. Details about your privacy are shown under 'The way we handle your personal information' on page 4.

### Your duty of disclosure

We rely upon the information you provide to us when you apply for insurance, and when you renew, change or reinstate your policy. You must tell us everything that you know, or should know, could affect our decision to insure you and/or the terms on which we insure you.

Details about disclosure information are shown in the policy wording under 'What you need to tell us' on page 6 and 'What you need not tell us' on page 6.

### How to apply for insurance

Complete our application form. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

## How to make a claim

To make a claim, please contact your nearest CGU Insurance office, or call 13 15 32 when something happens that you believe you can claim for. Details about making a claim are shown in the policy wording under 'How to make a claim' on page 10.

## Taxation Information

CGU Insurance shows all taxes and charges as separate items on all schedules.

## Significant features and benefits of this policy

- ◆ Personal Accident cover includes:
  - Accidental death.
  - Total or partial permanent loss of limbs, sight or hearing.
  - A capital benefit for temporary or permanent incapacity to perform any occupation for at least one year.
  - A weekly benefit if the insured person is incapable of carrying out all or some of the usual duties of the insured person's usual occupation.

For details of these benefits, refer to the policy wording under 'Events A1-A3 and C1-C17' on page 8.

## Exclusions

Our insurance is designed to provide protection for you in the event of something happening which has been insured against.

Under some circumstances, this policy will not provide any insurance cover to you.

For example, we will not pay claims for events which are caused by or made more serious by:

- ◆ Any deliberate or self-inflicted injury.
- ◆ The insured person being under the influence of, or addicted to, alcohol.
- ◆ The insured person taking part in a sporting activity.
- ◆ The insured person taking part in aerial activities, or travelling by air.

This lists some of the events that are not covered by this insurance, and for full details of all relevant policy exclusions you should read the policy wording and schedule to make yourself aware of all the exclusions that apply.

In the policy wording you should refer to 'When we will pay' on page 8, 'Words that have a special meaning' on pages 6 and 7, the 'Table of cover' on page 8, 'Limits to the cover' on page 9 and 'When we will not pay' on page 9.

It is important that you are aware of these exclusions and so you should read them.

There are things that you must do in order for your insurance cover to apply. For example, you must pay the premium. In the policy wording we show what you need to do under 'What you are required to do for us' on page 10.

## Significant risks

### Type of work undertaken

You must tell us in writing as soon as possible if there is any change in the type of work engaged in by the insured person(s) during the period of insurance which could affect the risk of injury or accident. We may decide to discontinue cover or to apply an additional premium.

### An insured person suffering injury

You must make sure that the insured person, as soon as possible after he or she suffers any injury, obtains and follows medical advice from a medical practitioner.

### Limitations applying to an insured persons age

You must be aware that we will not pay any benefits for injury to any person who is under the age of 15 years or over the age of 75 years at the time that the accident occurs.

## Disclosure

You have certain disclosure obligations that you need to comply with. Failure to comply with these obligations may have consequences in terms of your insurance cover or in the event that you make a claim. Your disclosure obligations and the consequences of not complying with these obligations are outlined in the policy wording under 'What you need to tell us' on page 6 and 'What will happen if you do not tell us' on page 6.

## Excesses

The amount of any benefit payable under this policy may be reduced by an excess period. An excess is a period of time for which we will not pay any benefits. The amount of each excess will be shown on your schedule.

In most instances you can select at the time of your enquiry or application for insurance the amount of policy excess you wish to apply should you have a claim. When you select a higher policy excess period, we will normally reduce the amount of premium we charge you.

In some instances, we will impose the period of excess that will apply should you have a claim. In deciding to impose an excess period, we take into consideration a number of factors in setting the excess period.

These include factors relating to the type of cover you require, the occupation of the insured person, and the insured person and insured's previous insurance and claims history. At the time of your enquiry or application for insurance, the period of the excess will be advised to you.

### **Costs**

The premium payable by you will be shown on your schedule.

The key factors that influence the premium calculation are reflected in the questions asked, and information sought, at the time of your enquiry or application for insurance. These include factors relating to the type of work undertaken by voluntary workers, how many voluntary workers may be engaged at any one time, your claims history, the type of cover and the limits selected.

Premiums are subject to Commonwealth and State taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your schedule.

## **Voluntary Workers Personal Accident Insurance Policy**

Please read this policy before you apply for insurance.

This policy sets out the terms, conditions and limits that apply for the insurance we make available to you.

If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

Our agreement with you is made up of your application, this policy, and the schedules and endorsements we send to you. Endorsements are notices we send to confirm any change to your insurance.

Keep this policy in a safe place. You may want to refer to it from time to time.

If you need more information about this insurance policy, please contact our agent or your broker. We are happy to give you personal attention and service in relation to this or any other insurance enquiry.

### **General Insurance Code of Practice**

CGU proudly supports the General Insurance Code of Practice.

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The code aims to improve:

- ◆ The quality, comprehension and accuracy of policy documents and other information provided to consumers.
- ◆ Employee and representative training and supervision.
- ◆ Claims handling and dispute resolution.

Brochures on the Code are available from your nearest CGU office.

### **CGU Insurance Triple Guarantee**

Our guarantee assures you of quality insurance and service at all times.

#### **Service Guarantee**

We will provide you with the highest standards of service.

#### **Fair Dealing Guarantee**

We will meet any claims covered by your policy fairly and promptly.



### **Money Back Guarantee**

You have 21 days after you receive your numbered policy schedule to be sure you have the cover you require. If it is not the cover you require, you can cancel the policy. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will receive a full refund of the premium paid, providing nothing has occurred for which a claim is payable under the policy.

### **The way we handle your personal information**

We collect personal information from you for the purpose of providing you with insurance products and services, and processing and assessing claims. You can choose not to provide this information, however, we may not be able to process your requests. We may disclose information we hold about you to other insurers, an insurance reference service or as required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators and/or legal advisers. If you wish to update or access the information we hold about you, contact us.

## Table of contents

<b>Your policy</b>	<b>6</b>
What you need to tell us	6
What you need not tell us	6
What will happen if you do not tell us	6
Important notices	6
When you are insured	6
Who is insured by this policy	6
Who is the insurer	6
Words that have a special meaning	6
<b>Cover</b>	<b>8</b>
When we will pay	8
Who we will pay	8
Table of cover	8
Limits to the cover	9
Age limits	9
When we will not pay	9
<b>Important information</b>	<b>10</b>
You cannot give your rights away	10
What you are required to do for us	10
Cancelling your policy before the due date	10
Return of premium if your policy is cancelled before the due date	10
<b>How to make a claim</b>	<b>10</b>
<b>Special condition</b>	<b>11</b>
<b>Our service commitment</b>	<b>11</b>
<b>Policy index</b>	<b>12</b>

## Your policy

### What you need to tell us

You must tell us everything that you know, or should know, could affect our decision to insure you and/or the terms on which we insure you. You must do this when you apply for a policy, renew your policy and when you change or reinstate your policy. When we ask you specific questions, you must answer these questions truthfully and in a way that a reasonable person in the circumstances would answer them. It is important that every person who will be insured by the policy answers all questions in this way. These requirements are part of the Insurance Contracts Act 1984.

### What you need not tell us

You do not need to tell us anything that:

- ◆ Reduces our risk.
- ◆ Is of common knowledge.
- ◆ We know, or as an insurer should know.
- ◆ We say that we do not want to know.

### What will happen if you do not tell us

If you withhold relevant information or you do not answer our questions in the way we have described, we can reduce the amount we pay for your claim, or we can cancel your policy. If your failure to tell us is fraudulent, or your answers are untruthful, we can treat your policy as if it never existed.

### Important notices

#### 1. Claims

This policy does not cover any injury suffered in an accident that occurred before the commencement of the period of insurance.

#### 2. Cover

Please note, in relation to:

- ◆ Death – this policy can cover death by accident. It cannot cover death by illness or disease.
- ◆ Hernia – this policy does not cover hernia.

### When you are insured

Your insurance begins when we accept your application. The commencement date of your insurance will be shown on the schedule that we will send you. The insurance applies for the period for which you have paid us (or agreed to pay us) the premium. You may pay your premium by cash, cheque or credit card. If your cheque or credit card is dishonoured by your financial institution, you are not insured.

### Who is insured by this policy

The organisation whose name is set out in the schedule as 'the insured' is the organisation that takes out the policy. This organisation is referred to as 'you' ('your') in this policy booklet, but may be referred to as 'the insured' in the schedule and other documents.

The persons described in the schedule as the 'insured person(s)' are the voluntary workers, engaged in the type of work described in the schedule, against whose injury you are insuring.

### Who is the insurer

CGU Insurance Limited is the insurer. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291. In this policy the insurer is referred to as 'we', 'us' or 'our'.

### Words that have a special meaning

In this policy there are words that have a special meaning. These words are listed below.

<b>Benefit(s)</b>	means the amount calculated by multiplying the percentage shown as the benefit for the event as set out in the Table of cover on page 8 of this booklet, by the amount shown on your schedule.
<b>Event(s)</b>	means the event(s) set out in the 'Table of cover' on page 8 of this booklet.
<b>Insured person</b>	means a voluntary worker engaged in the type of work described in the schedule. See also under 'Who is insured by this policy', on page 6.
<b>Medical practitioner</b>	means a doctor in general practice who is qualified and licensed to practise medicine in the place where he or she is practising, or a specialist medical doctor to whom the insured person is referred by such a doctor in general practice.
<b>Occupation</b>	means any trade, business, profession or employment.
<b>Period of insurance</b>	means the period between the dates stated on your schedule, for which the insurance cover applies.
<b>Personal weekly income</b>	means the average weekly income earned by the insured person (after deducting the average weekly expenses incurred in earning that income) over the period that the insured person has been

continuously engaged in his or her occupation, or over 52 weeks, whichever is the shorter period, immediately before the date that the event happened.

**Schedule**

means the document we give you which sets out the details of your insurance cover. You receive a schedule when you first take out your insurance and again when the policy is renewed or changed.

## Cover

### When we will pay

If any of the events, set out in the 'Table of cover' below, happens to the insured person during the period of insurance, we will pay the benefit set out next to that event. Your schedule sets out which of the events are covered and the amount of the benefits.

The event must result solely and directly from an injury suffered by the insured person, in an identifiable accident, which occurred not more than one year before the event, while:

- (a) doing voluntary work, which you have organised and which you control, for you; or
- (b) travelling to, from, or during such voluntary work, but not while travelling by air.

We will not pay the benefit for event A3 until the condition for which you are claiming has continued for at least one year.

Please also refer to the 'Limits to the cover', 'Age limits' and 'When we will not pay' on page 9.

### Who we will pay

We will pay benefits to you or, if requested by you, to the insured person or his or her personal legal representative.

### Table of cover

The Events		The Benefits	
A1	The insured person becoming totally incapable of carrying out all of the usual duties of his or her usual occupation. There must be no usual duties at all that the insured person can carry out.	100%	of the weekly amount specified for events A1 and A2 in the schedule, for each week of continuing incapacity.
A2	The insured person, being a person who does not engage in any occupation, becoming totally incapable of carrying out some of his or her usual duties, and necessarily incurring the cost of employing domestic help as a result.	25%	
A3	The insured person becoming totally and permanently incapable of carrying out any occupation at all. There must be no duties and no occupation at all that the insured person can carry out.	100%	of the amount specified for event A3 in the schedule, as one lump sum.
C1	Death.	100%	of the amount specified for events C1 to C17 in the schedule, as one lump sum.
C2	Total and irrecoverable loss of all sight in both eyes.	100%	
C3	Total and permanent loss of the use of both hands.	100%	
C4	Total and permanent loss of the use of both feet.	100%	
C5	Total and permanent loss of the use of one hand and one foot.	100%	
C6	Total and permanent loss of the use of one arm or the greater part of one arm.	80%	
C7	Total and permanent loss of the use of one leg.	75%	
C8	Total and irrecoverable loss of all sight in one eye as well as irrecoverable loss of at least 50% of the sight of the other eye.	75%	
C9	Total and permanent loss of the use of one hand, or four fingers and the thumb of one hand, or the lower part of one arm.	70%	
C10	Total and permanent loss of the use of one foot or the lower part of one leg.	60%	
C11	Total and permanent loss of hearing.	50%	
C12	Total and irrecoverable loss of the lens of, or of all sight in, one of two eyes.	20%	
C13	Burns or disfigurement of more than 50% of the body.	20%	
C14	Total and permanent loss of the use of either phalanx of either thumb.	15% each	
C15	Total and permanent loss of the use of any phalanx of any finger.	4% each	
C16	Total and permanent loss of the use of any toe other than a great toe, or either phalanx of either great toe.	6% each	
C17	Total and permanent loss of hearing in one ear.	15%	

## Limits to the cover

1. We will only pay benefits for a maximum of 52 weeks for event A1 or A2 as a result of any one accidental injury.  
If the insured person returns to the usual duties of his/her usual occupation and then suffers an aggravation or relapse of the original injury, we will treat this aggravation or relapse as a continuation of the original claim and not as a new claim. The time in between, when the insured person returned to his or her usual duties, will not count toward the limit of 52 weeks.
2. We will only pay benefits for one of the events A1 or A2 for the same period of time.
3. If you have made a claim for any of events C1 to C17, the most we will pay for event A3, as a result of the same accidental injury, is the amount, if any, by which the benefit for event A3 is more than the amount already claimed.
4. If more than one of events C1 to C17 happens to the insured person during the period of insurance, we will only pay for the event that has the greatest benefit. The most we will pay is 100% of the amount specified for events C1 to C17 in the schedule.
5. The most we will pay for event A1 is 85% of the reduction in the insured person's personal weekly income, resulting from event A1, which is not replaced from any other source.
6. The most we will pay for event A2 is the cost actually and reasonably incurred by the insured person for the employment of essential domestic help.
7. The most we will pay in total for all insured persons who are injured while travelling in one vehicle, vessel or craft is \$1,000,000.

## Age limits

We will not pay any benefits for injury to any person who is under the age of 15 years or over the age of 75 years at the time that the accident occurs.

## When we will not pay

We will not pay claims for any event which is caused by, or made more serious by:

1. Any deliberately self-inflicted injury.
2. Any deliberate taking of poisonous substances or drugs except as prescribed by a medical practitioner.
3. The insured person being under the influence of, or addicted to, alcohol.
4. Hernia.

5. Any injury suffered in an accident which occurred before this cover commenced.
6. The insured person taking part in a sporting activity.
7. The insured person travelling by air or taking part in other aerial activities.
8. The insured person taking part in a riot or civil commotion, or criminal activity.
9. War or warlike activity, whether or not war is declared.
10. Acts of foreign enemies, hostilities, terrorism, rebellion, insurrection or revolution.
11. Anything radioactive or involving nuclear energy or nuclear weapons material.

## Important information

### You cannot give your rights away

You cannot give anyone else an interest in this policy without our written consent.

### What you are required to do for us

1. You or any other person who may be entitled to a benefit under this policy must comply with the conditions of this policy and you must co-operate with us in exercising our rights.
2. You must pay us the premium for this insurance.
3. (a) You must tell us in writing, as soon as possible, of anything that changes the facts or circumstances relating to your insurance.  
(b) You must tell us in writing, as soon as possible, if there is any change in the type of work engaged in by the insured person(s).

We may decide to discontinue or change the cover or apply an additional premium.

### Cancelling your policy before the due date

You can cancel this policy at any time. To do this you must ask in writing to cancel your policy. The policy will end when we receive your request.

We can cancel this policy if you do any of the following.

1. Make a misleading statement to us when you apply for your insurance.
2. Fail to tell us anything you should tell us when you apply for this policy, renew this policy or when you change or reinstate this policy.
3. Fail to comply with the conditions of this policy.
4. Fail to pay the premium for this insurance.
5. Are not fair and open in your dealings with us.
6. Make a claim during the period of this policy that is not true. The claim does not have to be against this policy and can be with us or another insurance company.

We may also cancel this policy if there is a change in the circumstances of the risk during the period of insurance.

If we cancel this policy, we will tell you in writing.

### Return of premium if your policy is cancelled before the due date

If your policy is cancelled before the due date, we will return to you the premium paid for the period from the date the policy ended to the due date of the policy.

## How to make a claim

1. You must tell us in writing as soon as possible after the insured person suffers any injury that may result in a claim.
2. You or the insured person must pay the cost, if any, of certificates, reports or other evidence that we may require (except as in 3., below, and the 'Special condition', on page 11).

Our claim forms include certificates of incapacity to be filled in on behalf of the insured person. We will only consider an initial certificate of incapacity from a medical practitioner. We may require additional supporting proof if you or the insured person are claiming for any period of incapacity before the date on which the initial certificate was issued. We will tell you if we need you to provide any other specific information.

We will consider certificates of continuing incapacity from a medical practitioner or from a registered physiotherapist, registered chiropractor or registered osteopath if appropriate to the insured person's injury.

3. The insured person must be available as reasonably required for examination by any medical practitioner(s) chosen by us. We will pay for the examination(s).



## Special condition

When an insured person dies, we may require a post-mortem examination. We will pay for this examination.

## Our service commitment

CGU Insurance is proud of its service standards and supports the General Insurance Code of Practice. In the unlikely event that you are not satisfied with the way in which we have dealt with you, as part of our commitment to customer service, we have an internal dispute resolution process in place to deal with any complaint you may have.

If you are not satisfied with any of the following, please contact your nearest CGU Insurance office.

- ◆ One of our products.
- ◆ Our service.
- ◆ The service of our authorised representatives, loss adjusters or investigators.
- ◆ Our decision on your claim.

Our staff will help you in any way they can. If they are unable to satisfy you, they will refer the matter to the appropriate manager who will immediately deal with the matter. If the manager cannot resolve the matter, the manager will escalate the matter to our internal dispute resolution staff.

Our internal dispute resolution staff will review the matter and will try to reach a satisfactory outcome. Once their review has been completed, they will advise you of our final decision within 15 working days. If they need longer, they will contact you and explain the reasons why. Our internal dispute resolution process is a free service to you.

If you do not agree with our final decision, the matter may be reviewed through the Insurance Ombudsman Service. The scheme is administered by Insurance Ombudsman Service Limited ABN 23 062 284 888.

The scheme is an external body that is independent of this company. It will investigate the matter and make its decision at no cost to you.

Access to the Insurance Ombudsman Service is not available to you if your staff numbers or business turnover exceeds the jurisdictional limits of the Insurance Ombudsman Service Limited. We can advise you of these limits or they can be confirmed by calling the Insurance Ombudsman Service Limited on 1300 78 08 08.

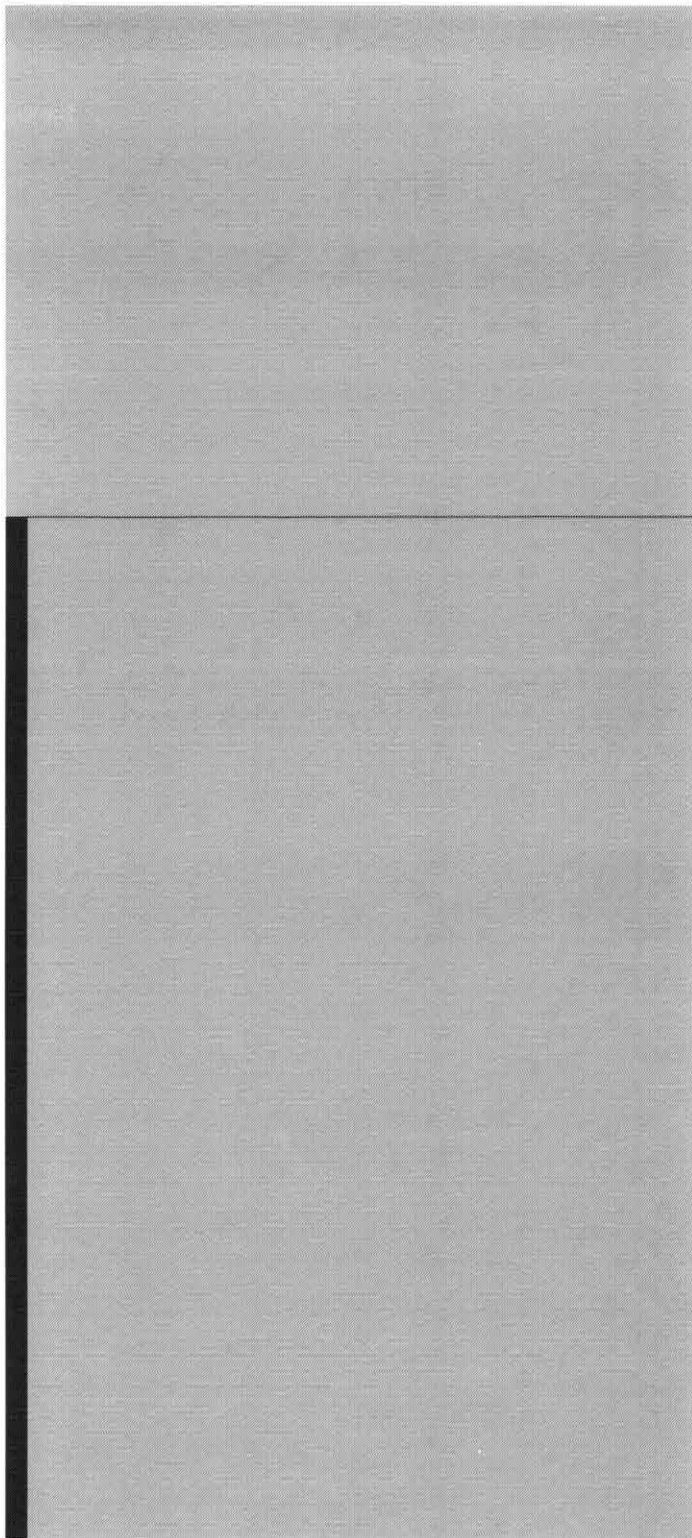
Brochures outlining our internal dispute resolution process are available from your nearest CGU Insurance office.



# Policy index

Aerial activities	9
Age	9
Aggravation	9
Alcohol	9
Arm	8
Benefits	6, 8, 9
Blindness	8
Burns	8
Cancellation	10
Certificates (medical)	10
Chiropractor	10
Civil commotion	9
Continuation (aggravation, relapse)	9
Cover	8, 9
Death	6, 8, 9
Doctor	6, 10
Drugs	9
Ear	8
Events	6, 8
Evidence	10
Eye	8
Feet	8
Finger	8
Flying	9
Foot	8
Hand	8
Hearing	8
Hernia	6, 9
Injury	8, 9
Insured/you	6
Insured person	6, 8
Leg	8
Limits	9
Medical certificates	10
Medical practitioner	6, 10
Nuclear energy, weapons	9
Occupation	6, 9
Osteopath	10
Period of insurance	6
Personal weekly income	6, 9
Physiotherapist	10
Poison	9
Post-mortem examination	11
Proof	10
Radioactivity	9
Relapse	9
Riot	9

Schedule	7
Self-inflicted injury	9
Sight	8
Sport	9
Table of cover	8
Terrorism	9
Thumb	8
Toe	8
War	9
Weeks – maximum	9
You/insured	6



*Insurer*  
**CGU Insurance Limited**  
ABN 27 004 478 371  
An IAG Company

Mr Geoff Cameron  
Director  
Narara Ecovillage Co-operative Ltd  
25 Research Road  
NARARA NSW 2250

Dear Geoff,

**RE: Narara Ecovillage Co-operative Ltd- Insurance & Risk Management**

Further to Risk Review dated 28<sup>th</sup> October the attached Risk Matrix has been prepared to summarise the new Insurance & Risk structured for NEV.

IPART submission requirements have been taken into consideration.

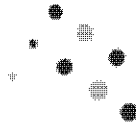
The methodology adopted was to consider foreseeable exposures taking into consideration business activity of: Ecovillage residential community, provider of community programs, property owner of 63 hectares and holder of related licences including WICA Licensing.

I look forward to addressing any queries,

Regards



Tony Sykes ANZIF (Snr Assoc)  
Director



General Insurance Brokers  
of Australia

## 2015 Insurance & Risk Management Report

**Prepared for:**

Narara Ecovillage Co-operative Ltd

7 December 2015

Prepared By

Tony Sykes ANZIF (Snr Assoc)  
General Insurance Brokers of Australia Pty Ltd  
ABN 94 135 132 455  
AFSL No 342546  
2010 All Rights Reserved



General Insurance Brokers  
of Australia

# Table of Contents

---

## Section One –Executive Summary

Introduction .....  
Risk Background.....  
Insurance & Risk Details.....

## Section Two – Certification

Insurance Broker Certifies .....

# Section 1

## Executive Summary



## Introduction

---

The purpose of risk management is to ensure levels of risk and uncertainty are identified and then properly managed in a structured way, so any potential threat is appropriately managed..

The objectives of the risk management are to identify, assess and mitigate risks where possible and to continually monitor as other risks or threats emerge or a risk's impact or likelihood changes.

As risk management is an ongoing process, this Insurance & Risk Management Report must be considered a 'snap shot' of relevant risks at one point in time.

Where required, the process of risk identification, assessment and the development of countermeasures will involve consultation with the Executive Committee of Narara Ecovillage Co-Operative Ltd.

### Risk Assessment

#### Identification

Risk identification involves determining which risks or threats are likely to affect the project. It involves the identification of risks or threats that may lead to Property Damage and / or Personal Injury and/or Financial Loss

#### Analysis and Evaluation

Once risks have been identified they must be analysed by determining how they might affect the success of the project and Protection of counterparties.

#### Risk Mitigation

Mitigation of risks involves the identification of actions to reduce the likelihood that a threat will occur (preventative action) and/or reduce the impact of a threat that does occur (contingency action).

Risk mitigation strategies to reduce the chance that a risk will be realised and/or reduce the seriousness of a risk if it is realised have been developed.

#### Risk Monitoring

Risk Management is an iterative process that should be built into the management processes for any project. It must be closely linked with Issues Management, as untreated issues may become significant risks.

## Risk Background

---

### Business

**Description:** Principally Ecovillage Residential Community, Provider of community programs, property owner and maintenance 63 hectares and holder of related permits and licences including WICA Licensing

- Owner of various buildings on site including office, admin buildings, residential, work buildings and infrastructure.
- Co – Operative established for the benefit of members who own and occupy lots on site with residential structures at risk to lot owners.
- Narara Ecovillage Co-Operative Ltd are undertaking site works; scope of works include building construction, renovations and infrastructure construction (including water recycling)
- Regarding Water Plant exposures, Narara Ecovillage Co – Operative intend to continue works under contract with Aquacell Pty Ltd, water treatment specialist.
- There have been no reported losses relating to site or activity of site since purchase of site by Narara Ecovillage Co-operative Ltd.



## Insurance & Risk Details

### Insurance Policies Approved

Policy Type	Summary	Comment
Business Insurance - Property Damage	a. Fire & Perils b. Burglary c. Machinery Breakdown d. Glass  Sum Insured: New Replacement Value	Policy extends to include:  Buildings, Contents and Infrastructure Plant (including water recycle plant)  Cover based on Reinstatement & Replacement Conditions  Policy excess \$2,500
Business Insurance - Public & Products Liability	Legal Liability to third parties as:  Ecovillage Residential Community, Provider of community programs, property owner and maintenance of 63 hectares and holder of related permits and licences including WICA Licensing  Policy Limit \$20m anyone claim (in the aggregate for Products Liability)	This policy extends to include Public & Products Liability based on specified Insured Business Activity.  Policy extensions include: <ol style="list-style-type: none"> <li>1. Pollution Liability for discharge, dispersal, release or escape of pollutants caused by a single accident, is instantaneous, is clearly identified and confined to one specific location</li> <li>2. Liability for use of unregistered vehicles</li> <li>3. Building &amp; Demolition liability relating to buildings owned or occupied by NEV where total costs does not exceed \$500k.</li> <li>4. Vicarious liability for contractors working on</li> </ol>

		site
Workers Compensation	As required Workers Compensation Act (NSW)	Employers Liability
Construction Works Insurance - Material Damage & Liability	Single Contract Works Insurance, principal controlled up to Contract Works Value and \$20m Legal Liability	This policy extends to include scope of works specified including infrastructure works.  Scope of Works pending
Commercial Vehicles	Own Damage Cover & Third Party for Registered Vehicles	Vehicles specified
Association Liability Insurance - Professional Indemnity - Employment Practice - Tax Audit Insurance - Crime insurance. - Statutory Liability	Policy Limit \$2m	Policy designed for Co-operative, community entities.
Voluntary Workers	Group Personal Accident Insurance.  Capital Benefits \$50,000 Weekly Benefits \$500	Age limits – up to 70 years of age

## Uninsured Main Exposures Include:

Item	Comment
Flood	Policy Extension being considered
Cash	No significant cash exposure. Theft insured funds by dishonest act included in Association Liability cover.
Underinsurance	Asset register undertaken, assessment of sum insured adequacy is underway
Business Interruption	Being considered
Cyber-attacks & associated liability insurance	Being considered
Cargo Insurance	Being considered
Corporate Travel Insurance	Being considered
Trade Credit Insurance	Being considered

## Risk Management – Mitigation of Key Exposures:

Item	Comments
Bush Fire	<p>Implementation of 'Farm Fire wise'</p> <p>Fire Trails &amp; Breaks Established</p> <p>Fire Committee established</p> <p>Business Insurance- Property Section</p>
Water Recycling, obligations under WICA Licence	<p>Outsourcing to known &amp; approved specialist AQUACELL Pty Ltd.</p> <p>Evidence of Public, Products and Professional Indemnity Insurance obtained.</p> <p>Effect own General Liability Insurance.</p> <ul style="list-style-type: none"> <li>- pollution extension</li> </ul> <p>Effect own Association Liability Insurance</p> <ul style="list-style-type: none"> <li>- Professional Indemnity Extension</li> <li>- Statutory Liability Extension</li> </ul> <p>No Advice is provided by Narara Co-Operative Ltd to any third parties in respect of Water Recycling</p>
On Site Injuries	<ul style="list-style-type: none"> <li>- Workers Compensation</li> <li>- Public Liability</li> </ul>

## Section 2

# Insurance Broker Certifies

## Commentary

---

I am the Responsible Manager for General Insurance Brokers of Australia Pty Ltd AFSL No 342546.

I am Senior Associate Member of Australian & New Zealand Institute of Insurance and Finance.

- General Insurance Brokers of Australia certifies to IPART that in its opinion, Narara Ecovillage Co-operative Ltd intended general insurance arrangements are appropriate for the size and nature of the activities to be authorised under the Water Industry Competition Act 2006



Tony Sykes  
Director



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## Appendix - 3.3.2.2

### NEV Risk Review Commentary

---

8<sup>th</sup> April 2016

Mr Geoff Cameron  
Director  
Narara Ecovillage Co-operative Ltd  
25 Research Road  
NARARA NSW 2250

Dear Geoff,

**RE: Narara Ecovillage Co-operative Ltd- Insurance & Risk Management**

Further to 2015 Insurance & Risk Management Report prepared for Narara Ecovillage Co-operative Ltd, (NEV) the following subsequent commentary is provided:

- 1. After canvassing insurers for acceptable covers and quotations, NEV has instructed proposed Insurance policies be arranged with effect 3<sup>rd</sup> April 2016.**

New Policies arranged:

POLICT TYPE	POLICY NUMBER	COMMENT
Commercial Combined Insurance Policy	ONE-5143	<p>Insurer: Lloyds of London</p> <p>Expiry Date 3<sup>rd</sup> April 2017</p> <p>Insured Activity:</p> <p>Ecovillage and community program provider, Property Owner- Office &amp; Community Buildings, Staff &amp; Volunteer Accommodation, holder of water license including, but not limited to, all associated activities and any other activity incidental thereto</p> <p>Material Damage Limit of Liability \$8,000,000</p> <p>General &amp; Products Liability \$20,000,000</p> <p>Policy Schedule &amp; Wording attached</p>
Workers Compensation (NSW)	WGB160236390122	<p>As Per Statute.</p> <p>Includes contractors deemed employees</p>

General Insurance Brokers of Australia Pty Ltd

ABN 94 135 132 455

Suite 1105, 109 Pitt Street Sydney NSW 2000 PO Box R1856 Royal Exchange NSW 1225

T + 61 2 9221 7122 F + 61 2 9232 4092 E [info@giba.com.au](mailto:info@giba.com.au)

[www.giba.com.au](http://www.giba.com.au)

AFSL342546



## 2. As per page 11 of the Insurance & Risk Management Report

*I am the Responsible Manager for General Insurance Brokers of Australia Pty Ltd AFSL No 342546.*

*I am Senior Associate Member of Australian & New Zealand Institute of Insurance and Finance.*

I certify that in my opinion, Narara Ecovillage Co-operative Ltd general insurance arrangements provide appropriate cover for the size and nature of the activities to be licensed under the Water Industry Competition Act 2006.

The primary reasons as to why these policies are appropriate are:

- (i) NEV's Insured Business Activity specifically includes 'holder of water license'
- (ii) NEV's Public & Products Liability policy includes cover for sudden pollution events
- (iii) NEV has arranged a Workers Compensation Policy to cover deemed employees.
- (iv) NEV's Risk Management includes outsourcing treatment plant design, specification and maintenance to an established water treatment specialist Aquacell Pty Ltd.
- (v) The potable water and non potable water contracts with Aquacell include the following condition:  
The Contractor must obtain from an insurer acceptable to Narara Ecovillage Cooperative and IPART during the Term of this Agreement and for a period of twelve (12) months after its termination, maintain, and on request from Narara Ecovillage Cooperative provide certificates of currency for, the following insurances:
  - (a) public liability insurance for not less than the amount set out in Schedule 1 Item 7 in respect of a single occurrence;
  - (b) workers compensation insurance in accordance with legislation and awards applicable to the jurisdiction in which the Services are to be performed and in which the Contractor employs persons together with cover for common law liability for not less than the amount set out in Schedule 1 Item 7;
  - (c) professional indemnity insurance for not less than the amount set out in Schedule 1 Item 7 in respect of legal liability arising from a breach of professional duty whether owed in contract or otherwise.
  - (d) Product Liability; and
  - (e) Contract Works Insurance
- (vi) Aquacell's General Liability for at least \$20m is to be held and confirmed to NEV. Policy to include Principal Indemnity Clause
- (vii) Aquacell's Professional Indemnity for at least \$2m is to be held and confirmed to NEV
- (viii) Construction Works tender is underway, once chosen builder approved, Construction Works (Contract Works Value) and Construction Liability \$20m will be obtained, NEV to be noted as Principal and policy approved by NEV's Risk and Audit Committee.
- (ix) NEV has undertaken a review of insured value based on rebuilding calculation guides (resulting in a significant sum insured increase).

## 3. Consider specific events and indemnity responses:

General Insurance Brokers of Australia Pty Ltd

ABN 94 135 132 455

Suite 1105, 109 Pitt Street Sydney NSW 2000 PO Box R1856 Royal Exchange NSW 1225

T + 61 2 9221 7122 F + 61 2 9232 4092 E [info@giba.com.au](mailto:info@giba.com.au)

[www.giba.com.au](http://www.giba.com.au)

AFSL342546

EVENT	RESPONSE
Planning/design activities	<p>Association Liability Policy to be held by NEV include appropriate Professional Indemnity insurance</p> <p>Water and sewer treatment plant construction and operation outsourced to Aquacell Pty Ltd – Confirmation of Aquacell holding appropriate PI &amp; GL cover confirmed to NEV Risk Committee</p>
Construction risks to health and environment	<p>Construction Liability insurance arranged to Scope of Works.</p> <p>Material Damage cover includes removal of debris</p> <p>Appropriate Workers Compensation &amp; Voluntary Workers cover is held</p>
Poor workmanship	<p>Experienced civil construction company to be appointed.</p> <p>Construction Contract to include appropriate warranties and indemnities.</p>
Operational risks to environment, health and safety, accidents	<p>Induction Site training for all site workers</p> <p>Association Liability policy extended to include OH&amp;S defence costs</p>
Other business risks	<p>NE have reviewed the residual risks identified in the potable water, non potable water, retail and NEV business risk assessments and consider the proposed insurance arrangements together with the policies held by Aquacell provide appropriate cover for these risks.</p>
How do the proposed insurance policies appropriately cover the risks of your risk assessment?	

Yours faithfully,



Tony Sykes  
Director

General Insurance Brokers of Australia Pty Ltd

ABN 94 135 132 455

Suite 1105, 109 Pitt Street Sydney NSW 2000 PO Box R1856 Royal Exchange NSW 1225

T + 61 2 9221 7122 F + 61 2 9232 4092 E [info@giba.com.au](mailto:info@giba.com.au)

[www.giba.com.au](http://www.giba.com.au)

AFSL342546



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## Appendix - 3.3.2.3

### Genesis ONE Certificate of Currency

---

# Genesis One Certificate of Currency

Policy Number ONE-5143

11 April 2016

## Insured Details

<b>Insured Name</b>	Narara Ecovillage Co-Operative Ltd
<b>Period of Insurance</b>	From 03 Apr 2016 at 4:00PM to 03 Apr 2017 at 4:00PM
<b>Class of Business</b>	Genesis One
<b>Total Declared Values</b>	Material Damage: \$7,815,000 General & Products Liability: \$20,000,000
<b>Policy Wording</b>	GI Commercial Combined Policy Wording V10615
<b>Insurer</b>	<p>Certain Underwriters at Lloyd's, ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B6991SCO2014S01]</p> <p>Certain Underwriters at Lloyd's, ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B6991SCO2014S01]</p> <p>Certain Underwriters at Lloyd's, ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B1307C013915000 (Prop) and B1307C150090 (Liab)]</p>
<b>Interested Party Occupation</b>	Ecovillage and community programme provider, Property Owner- Office & Community Buildings, Staff & Volunteer Accommodation, holder of water licence including, but not limited to, all associated activities

## Situations Covered

25 Research Rd, NARARA, NSW, 2250

and any other situation/premises in Australia owned or occupied by the Insured for the purposes of the Business or elsewhere in Australia where used by the Insured or where the Insured is undertaking work or has goods or property (including where goods or property are stored, or undergoing processing, repairs, maintenance, overhaul or improvements)

**Place of Issue** Manly, NSW, Australia  
**Date of Issue** 11 Apr 2016



Anthony Jodrell  
for Genesis Underwriting Agency



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## Appendix - 3.3.2.4

### Genesis ONE Schedule

---



## Genesis One New Business Schedule

Policy Number ONE-5143

23 March 2016

### Broker & Underwriter Details

<b>Broker</b>	Tony Sykes <a href="mailto:tonys@giba.com.au">tonys@giba.com.au</a> General Insurance Brokers of Australia Suite 1105, 109 Pitt Street SYDNEY NSW 2000	<b>Underwriter</b>	Jerome Furtado Underwriter 02 8412 3504 <a href="mailto:jfurtado@genesisuw.com.au">jfurtado@genesisuw.com.au</a>
---------------	--	--------------------	---

### Insured Details

<b>Insured Name</b>	Narara Ecovillage Co-Operative Ltd
<b>Period of Insurance</b>	03 Apr 2016 4:00PM to 03 Apr 2017 4:00PM
<b>Business Description</b>	Ecovillage and community programme provider, Property Owner- Office & Community Buildings, Staff & Volunteer Accommodation, holder of water licence including, but not limited to, all associated activities and any other activity incidental thereto

### Situations Covered

25 Research Rd NARARA, NSW, 2250

and any other situation/premises in Australia owned or occupied by the Insured for the purposes of the Business or elsewhere in Australia where used by the Insured or where the Insured is undertaking work or has goods or property (including where goods or property are stored, or undergoing processing, repairs, maintenance, overhaul or improvements)

### Interested Parties

[genesisuw.com.au](http://genesisuw.com.au)  
PO Box 1369, Manly 1655, NSW  
Phone: +61 8412 3500  
ABN: 35 163 862 502

---

### Section One - Material Damage

---

All real and personal property of every kind and description (except as specifically excluded) belonging to the Insured or for which the Insured is responsible or has assumed responsibility to insure prior to the occurrence of any damage, including all such property in which the Insured may acquire an insurable interest during the period of insurance.

<b>Buildings</b>	\$7,365,000
<b>Plant, Machinery, Contents</b>	\$200,000
<b>Stock</b>	\$0
<b>Removal Of Debris</b>	\$250,000
<b>Other</b>	\$0
<b>Total Declared Values</b>	<b>\$7,815,000</b>
<b>Section 1 Rate (inc. Terrorism Levy)</b>	0.1377% plus charges

---

### Section 2 - Business Interruption (NOT COVERED)

---

---

#### Limit(s) of Liability

---

The amounts set out hereunder represent the Insurer(s) Maximum Limit(s) of Liability in respect of any one loss or series of losses arising out of the one event at any one situation subject to any lesser Limit(s) of Liability specified elsewhere in the Policy.

<b>Combined Limit of Liability Section 1 &amp; 2</b>	<b>\$8,000,000</b>
--	--------------------

---

#### Sub Limits of Liability

---

The liability of the Insurer(s) shall be further limited in respect of any one loss or series of losses arising out of any one event at any one situation as set out hereunder and it is understood and agreed that such Sub-limit(s) shall not increase the liability of the Insurer(s) beyond the Limit(s) of Liability expressed above and also the undermentioned deductible(s) will apply in respect of such Sub-limit(s) but shall not be cumulative.

#### Section 1

Accidental Damage (as defined herein)	\$500,000
Accompanied Baggage in Australia - any one person	\$5,000
Accompanied Baggage in Australia - any one event	\$10,000



Boiler and/or Pressure Vessel Explosion	Not Insured
Bullion, precious metals or precious stones	Not Insured
Changes in a temperature and/or humidity controlled environment	Not Insured
Contract Works Exemption	Not Insured
Cost of clearing blocked drains, pipes, filters and pumps	\$100,000
Customers' Property	\$50,000
Data Processing / Media / Computer Breakdown	Not Insured
Decorative birds or fish (fire cover only)	\$10,000
Debris Removal and/or Demolition Costs	\$250,000
Depreciation of Undamaged Stocks	Not Insured
Depreciation of Undamaged Patterns and Designs	Not Insured
Expediting Expenses	\$100,000
Fusion Extension	Not Insured
Glass	Replacement Value
Jewellery, furs, precious metals and/or stones- Limit any one item	Not Insured
Jewellery, furs, precious metals and/or stones - Aggregate limit for all items	Not Insured
Landscaping	\$25,000
Liability to make Enquiries	\$25,000
Loss of Land Value	\$100,000
Damage Diminution Costs & Accidental Discharge Costs	\$25,000
Money – 24 hour cover at all situations, including whilst in transit and whilst in Your personal custody and/or the custody of persons authorized by You whilst contained in their private residences	Not Insured
Personal property of Employees and Others - Limit per person	\$5,000
Personal property of Employees and Others - Limit any one event	\$20,000
Playing Surfaces	\$50,000
Property In Transit (Personal Computers, Ancillary Equipment and Software)	Not Insured
Securities	Not Insured
Statutory Inquiries	\$25,000
Temporary Removal	\$100,000
Theft or attempted theft of property (other than Money)	\$10,000
Theft of property in the open air (other than Money)	\$2,000
Transit of Property Insured (except portable electronic equipment)	Not Insured
Weather Damage to Certain Property	\$25,000
Unpacking Expenses	\$25,000
Works of Art, Antiques and Curios	\$50,000

[genesisuw.com.au](http://genesisuw.com.au)  
 PO Box 1369, Manly 1655, NSW  
 Phone: +61 8412 3500  
 ABN: 35 163 862 502





Additional Extra Cost of Reinstatement	\$500,000
Extra Cost of Reinstatement	\$500,000
Abandoned Undamaged Portion of a Building	\$250,000
Employee Fraud or Dishonesty	Not Insured
Liability for Duty	\$10,000
Exploratory Costs	\$50,000
Rewriting of Records	\$25,000

## **Section 2 (Not Covered)**

### **Combined Section 1 & 2 Limits**

Acquired Companies	\$2,000,000
Acquired Property	\$2,000,000
Flood cover (any one location and in the aggregate)	Not Insured

### **Deductibles**

---

The Insured shall bear the following amount(s) in respect of each claim or series of claims arising out of any one original source or cause:

Earthquake, Volcanic Eruption, Subterranean Fire or Tsunami claims	\$20,000 or amount equal to 1% of the total asset value, whichever is the lesser Each and every other claim
Remote Premises of Utilities	48 Hours Each and every other claim
Prevention of Access	48 Hours Each and every other claim
Closure of Premises arising from Infectious Disease, Vermin, Pests or Defective Sanitary Arrangements, Murder or Suicide, and Food Poisoning	48 Hours Each and every other claim
General Property & Personal Property	\$500 Each and every other claim
Closure of Transport Routes, Ports or Airports	48 Hours Each and every other claim
Unspecified Suppliers' and/or Customers Premises (Australia & New Zealand)	48 Hours Each and every other claim
Unspecified Suppliers' and/or Customers Premises (Worldwide)	48 Hours Each and every other claim
Named Cyclone Excess	\$20,000 Each and every other claim
All Other Losses	\$2,500 Each and every other claim

### **Section 3 - General Products Liability**

---

genesisuw.com.au  
PO Box 1369, Manly 1655, NSW  
Phone: +61 8412 3500  
ABN: 35 163 862 502

Public Liability	\$20,000,000
Products Liability	\$20,000,000
Advertising Liability	\$20,000,000

**Public Liability** - In respect of any one claim or series of claims arising out of any one occurrence

**Products Liability** - In respect of any one claim or series of claims arising out of any one occurrence and in the aggregate during the period of insurance

Annual Turnover/Rentals	\$1,200,000
Wages	\$50,000

### Deductibles

The Insured shall bear the following amount(s) in respect of each claim or series of claims arising out of any one original source or cause for this section of the policy:

Personal injury to Volunteers	\$10,000 Each and every other claim
All others Excess	\$2,500 Each and every other claim

	Premium
<b>Total Base Premium (Inc. Terrorism Levy)</b>	<b>\$12,886.26</b>
<b>FSL (if applicable)</b>	<b>\$3,120.77</b>
<b>GST</b>	<b>\$1,600.71</b>
<b>Stamp Duty</b>	<b>\$1,584.70</b>
<b>Underwriter Fee</b>	<b>\$300.00</b>
<b>Underwriter Fee GST</b>	<b>\$30.00</b>
<b>Total Gross Premium Payable</b>	<b>\$19,522.44</b>
<b>Total Net Premium Payable</b>	<b>\$19,522.44</b>

### Endorsements

#### ENDORSEMENTS ATTACHING TO AND FORMING PART OF THE MATERIAL DAMAGE AND BUSINESS INTERRUPTION SECTION

Please refer to the Wording



## **ENDORSEMENTS ATTACHING TO AND FORMING PART OF THE GENERAL AND PRODUCTS LIABILITY SECTION**

### **GE030 ESCAPE OF FIRE CONDITION**

The General & Products Liability Section of this Policy does not cover liability in respect of Personal Injury or Property Damage arising out of or caused by or in connection with the escape of fire lit by you or by any persons acting on Your behalf in contravention of the provisions of any statute or of any by-laws or regulations imposed by any public authority.

### **GE036 FAILURE TO SUPPLY EXCLUSION**

The General & Products Liability Section of this Policy does not cover liability for Personal Injury or Property Damage arising out of or caused by or in connection with any variation in the supply of, or any complete or partial failure to supply electricity, gas, petroleum, petroleum based products, liquid petroleum gas (LPG) and/or water.

## **Conditions**

---

### **INSURER**

Certain Underwriters at Lloyd's ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B6991SCO2014S01 – 80%]

Certain Underwriters at Lloyd's ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B1307C013915000 – 20%]

Certain Underwriters at Lloyd's ABN 0, AFS 0 Policy is underwritten 100% by Certain Underwriters at Lloyd's and is issued by Genesis Underwriting Agency Pty Ltd under authority given to it by Lloyd's. [UMR No. B6991SCO2014S01 - Liability]

### **STANDARD CONDITIONS:**

- 1) Quotation is valid for 30 days or inception, whichever occurs first.
- 2) Genesis reserves the right to amend or vary terms in event of any material change.
- 4) Proposal & Payment within 30 days from inception.
- 5) Implementation of any reasonable risk improvements following survey.
- 6) A charge of 20% of annual premium applies if policy cancelled within 30 days of inception otherwise a 10% of return premium fee shall apply.
- 7) Annual servicing of fire equipment (at minimum) or as per regulations
- 8) The following exclusion shall apply:

### **WAR, TERRORISM, RADIOACTIVITY**

genesisuw.com.au  
PO Box 1369, Manly 1655, NSW  
Phone: +61 8412 3500  
ABN: 35 163 862 502

(a) War

1. Any loss or damage occasioned by or through or in consequence directly or indirectly of any of the following occurrences namely:

- a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war;
- b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.

(b) Terrorism

2. Notwithstanding any provision to the contrary within this insurance contract or any endorsement thereto, it is agreed that this insurance contract excludes death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation 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) de jure or de facto, and which:

- i) involves violence against one or more persons; or
- ii) involves damage to property; or
- iii) endangers life other than that of the person committing the action; or
- iv) creates a risk to health or safety of the public or a section of the public; or
- v) is designed to interfere with or to disrupt an electronic system.

This Insurance contract also excludes death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

(c) Radioactivity

Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

Provided that this Exclusion shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the

above.

### **SPECIAL CONDITIONS**

Survey may be required within 30 days, Genesis will advise if this is the case. An Electrical report may be required within 30 days

Policy Excludes unless covered under the schedule:

- Machinery Breakdown
- Deterioration of Stock
- Boiler and Pressure vessel Explosion
- Transit
- Electronic Equipment Breakdown
- General Property
- Flood

### **Cancelling the policy**

You may cancel this Policy at any time by tendering notice in writing to Us to that effect, in which event the cancellation will become effective from the date the notice is received by Us or the date on which You arranged alternative insurance protection. In certain circumstances We may also cancel this Policy in accordance with the relevant sections of the Insurance Contracts Act 1984 (as amended).


In the event of cancellation of this Policy by either party, You shall be entitled to a pro rata refund of the premium subject to any minimum and deposit premium that may apply. If the premium is subject to adjustment, cancellation will not affect Your obligation to supply Us with such information as is necessary to permit the premium adjustment to be calculated.

Genesis Underwriting will also charge an administration fee of \$100 GST to cover the costs incurred in the processing of cancellation of this Policy

---

### Wording

GI Commercial Combined Policy Wording V10615



Anthony Jodrell  
for Genesis Underwriting Agency

genesisuw.com.au  
PO Box 1369, Manly 1655, NSW  
Phone: +61 8412 3500  
ABN: 35 163 862 502



Narara Ecovillage Co-operative Ltd  
25 Research Road Narara NSW 2250  
ABN 86 789 868 574

## **Appendix - 3.3.2.5**

### **Genesis Commercial Combined Policy Wording**

---

# GI COMMERCIAL COMBINED POLICY WORDING



LLOYD'S

Coverholder at LLOYD'S

# THE INSURER

---

This Policy is underwritten by certain underwriters at Lloyds, effected through Genesis Underwriting Pty Ltd as the coverholder.

## COMPLAINTS HANDLING & GENERAL INSURANCE CODE OF PRACTICE

---

Lloyd's is a signatory to the General Insurance Code of Practice. Lloyd's and Genesis strive to comply with the requirements of the Code. More information about the Code can be found at [www.codeofpractice.com.au](http://www.codeofpractice.com.au)

The Code of Practice informs the customers of the standards of service to be expected from the Insurance Industry. The objectives of the Code of Practice are to :

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers;
- commit insurers and the professionals they rely upon to higher standards of customer service..

### **Complaint Procedure**

We are committed to providing an efficient and fair dispute resolution process. We offer an Internal Dispute Resolution (IDR) process in the event that a customer is not satisfied with the outcome or any aspect of Our products or services, whether that is Your Policy, or a Claim.

To start the process, just call Us or send a letter to the Compliance Manager. All matters will be treated in strict confidence.

### **What Is A Complaint?**

A complaint is when there has been an expression of dissatisfaction in a product or service provided by Us or by Our Service Providers that has not been resolved after initial contact, and there has been a request that the complaint be remedied by Us.

### **What to do if you have a Complaint?**

We will do everything possible to provide a quality service to you. However, we recognize that occasionally there may be some aspect of Our service or a decision We have made that You wish to query or draw to Our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to Your complaint within fifteen (15) working days.

This Insurance complies with the Insurance Council of Australia's General Insurance Code of Practice. Any enquiry or complaint relating to this insurance should be referred in the first instance to Genesis. If this does not resolve the matter or You are not satisfied with the way the complaint has been dealt with, You should contact:



## **Lloyd's Underwriters General Representative in Australia**

Suite2, Level 21 Angel Place 123 Pitt St Sydney NSW 2000

Telephone (02) 9223 1433

Facsimile (02) 9223 1466

Email: [ldraustralia@lloyds.com](mailto:ldraustralia@lloyds.com)

If your dispute remains unresolved You may be referred to the Financial Ombudsman Service Limited (FOS) under the terms of the General Insurance Code of Practice. FOS may be contacted at 1300 780 808, [www.fos.org.au](http://www.fos.org.au) or GPO Box 3, Melbourne Vic 3001 For other disputes you will be referred to other proceedings for resolution. Details are available from Lloyd's Underwriters' General Representative in Australia at the address above.

## **DUTY OF DISCLOSURE – What you must tell us**

---

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. You are required before you enter into, renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

You do not have to tell us about any matter

- that diminishes the risk
- that is of common knowledge
- that we know or should know in the ordinary course of our business as an Insurer, or
- which we indicate we do not want to know.

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

# PRIVACY POLICY

---

## Your Privacy And The Law

---

Genesis Underwriting Pty Ltd (Genesis) is dedicated to upholding your privacy and protecting your personal information. We are bound in Australia by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles, along with any other applicable privacy laws and codes, when collecting, using, disclosing, holding, handling and transferring any personal information. Where practical and legally permissible to do so, you have the option of providing information to us and dealing with us anonymously or by using a pseudonym.

Genesis has ongoing practices, procedures and systems in place to ensure that we manage personal information in an open and transparent way.

Further information about these practices, procedures and systems are contained in our Privacy Policy set out below.

We may update this Privacy Policy from time to time. Any updates can be accessed via our website or by contacting our office to request a hard copy be sent to you (which will be provided at no cost). We encourage you to periodically review this Privacy Policy so that you will be aware of our privacy practices. This Privacy Policy was last updated on 12 March 2014.

## Collecting Your Personal Information

---

### — *What is personal information?*

Information or opinion that allows others to identify you is generally considered personal information. This may include your name, contact details, gender, as well as your health and risk profile information.

### — *Under which circumstances do we collect your personal information?*

We will generally collect personal information which is reasonably necessary to offer and maintain our products and services and those offered by Genesis including provision of insurance (involving underwriting of insurance products) and claims management, and other forms of insurance related services.

We may also collect personal information to enable development and identification of products and services that may interest you, to conduct market or customer satisfaction

research or to develop, establish and manage alliances or

arrangements with other organisations in relation to the promotion, administration and use of our respective products and services.

### — *What information can we collect from you?*

The type of product or service you request from Genesis will inform the type of information we collect from you. Generally, however, we may collect information such as your name, contact details, date of birth, gender, financial and employment details and information pertaining to risk coverage.

We may also need to collect sensitive information about you for some of our products and services. We will generally only collect and hold such sensitive information where reasonably necessary to perform our engagement and with your consent.

### — *What if you don't provide us with your information, or provide us with inaccurate or incomplete information?*

If the information we request is not provided accurately or at all, we or those involved with the provision of the service or product may not be able to provide the appropriate type or level of service or product.

### — *How do we collect this information?*

Unless it is not reasonable or practicable under the circumstances, we will collect information directly from you. This may occur, for instance, when you use our website, or when you contact us through telephone, facsimile, email, online or hard copy communication in order to complete a product or service application or any other kind of administrative form.

Otherwise, we may also collect your information from other, third parties such as Authorised Representatives or other third parties such as additional insurance companies, insurance brokers or agents, credit organisations, motor vehicle and driver licensing authorities, financial institutions, medical professionals, third parties who may be arranging insurance cover for a group that you are a part of, law enforcement or investigative intermediaries, dispute resolution, statutory and regulatory bodies, marketing lists and industry databases

or publicly available sources. Upon your request, we will take reasonable steps to let you know how we have sourced your personal information unless it is obvious from the circumstances that you would know or would reasonably expect us to have the information (such as where we are dealing with your advisors).

- *Are there any other ways we can collect your personal information?*

We may also collect information by online means when you visit the Genesis website

Genesis may collect information during your visit to a Genesis or affiliated website through the use of cookie technology.

## Using And Disclosing Your Personal Information

---

- *How can your personal information be used?*

We will generally only use and disclose your personal information for the purpose that it was collected, any related purpose that you would reasonably expect us to use or disclose it for, or as permitted under this Privacy Policy or under law. Genesis otherwise has a duty to maintain the confidentiality of its client's information unless disclosure is permitted with your consent or compelled under law.

Your information may be used for the following purposes:

- to provide information, products or services you requested; to determine your eligibility and process applications for
- products and services that you have requested;
- to provide information and services as requested by clients; to understand and assess your ongoing needs and offer
- products and services to meet those needs;
- to carry out client communication, service, billing and administration;
- to administer claims;
- to conduct data analysis;
- to obtain and update credit information with appropriate third parties, such as credit reporting agencies, where transactions are made on credit;
- to execute monitoring and training; to develop new services;
- to market products and services; and
- to conduct processing necessary to fulfil other contractual obligations for the individual.

We will only use and disclose your sensitive information for the purpose it was collected or for any other directly related purpose that you would reasonably expect us to use it for.

With your consent, we may use or disclose your information for additional purposes from time to time.

- *Who can access your personal information?*

We may disclose your information to other companies who provide capacity or services to Genesis and the

following affiliates or third party service providers to assist us in providing, managing and administering our services and products:

- insurance services and insurance products - business partners, including insurers, reinsurers, insurance agents, insurance brokers, other insurance intermediaries, insurance reference bureaus, medical service providers, fraud detection agencies, other advisers such as loss adjusters, lawyers, auditors and accountants and others involved in the claim handling process;
- banking and finance products - business partners, including credit and fraud reporting agencies, debt collection agencies, insurers and reinsurers,
- any Authorised Representatives; authorised service providers;
- external IT service providers, infrastructure and other third parties where required by law; and

- *Can your information be used for direct marketing?*

As indicated above, unless you notify us otherwise, we may use your personal information to let you know about products and services from Genesis or our affiliates and business partners that we think may be of interest to you. You can choose not to receive this information from us (including product or service offerings from us on behalf of our affiliates and business partners) or related bodies by contacting our Privacy Officer through the details contained at the end of this Privacy Policy or your Genesis representative.

## Resolving Your Privacy Issues

---

- *Privacy complaints*

If you wish to speak with someone or raise a complaint about a breach of the Act or this Privacy Policy, you may contact your Genesis representative or contact our Privacy Officer directly on the contact details below.

You may also contact the Privacy Officer should you have any other questions or would like further information about our privacy and information handling practices.

We will respond to you as soon as reasonably possible.

- *Genesis Privacy Officer Contact Details Anthony Jodrell:*

### Privacy Officer

Genesis Underwriting Pty Ltd

Po Box 1369

Manly NSW 1655

Phone: 02 8412 3500

Fax - 02 8412 3599

# Lloyd's Certificate of Insurance

Effected through Genesis Underwriting Pty Ltd (the Coverholder)

**The certificate** is issued by the Coverholder in accordance with the authority granted to them by certain Underwriters at Lloyd's under the agreement noted to in the certificate.

This certificate confirms that on receipt of payment of the premium noted as payable in the schedule, certain Underwriters at Lloyd's have agreed to insure You, in accordance with wording attached to this certificate.

You or Your representative can obtain further details of the syndicate numbers and the proportions of this insurance for which each of the Underwriters at Lloyd's is liable by requesting them from the coverholder. In the event of loss, each Underwriter (and their executors and administrators) is only liable for their own share of the loss.

In accepting this insurance, the Underwriters have relied on the information and statements that you have provided in the proposal form or quotation slip. You should read this Certificate, Schedule and policy wording carefully and if it is not correct contact Genesis Underwriting Pty Ltd.

This policy is Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia. Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards and service in the general insurance industry. Any enquiry or complaint relating to this insurance should be referred in the first instance to Genesis. If this does not resolve the matter or You are not satisfied with the way the complaint has been dealt with, You should contact:

**Lloyd's Underwriters General Representative in Australia**

Suite2, Level 21 Angel Place 123 Pitt St Sydney NSW 2000

Telephone (02) 9223 1433

Facsimile (02) 9223 1466

Email: idraustralia@lloyds.com

If your dispute remains unresolved You may be referred to the Financial Ombudsman Service Limited (FOS) under the terms of the General Insurance Code of Practice. FOS may be contacted at 1300 780 808, [www.fos.org.au](http://www.fos.org.au) or GPO Box 3, Melbourne Vic 3001 For other disputes you will be referred to other proceedings for resolution. Details are available from Lloyd's Underwriters' General Representative in Australia at the address above.

The Underwriters accepting this insurance agree that:

- (i) if a dispute arises under this insurance it will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent court in the Commonwealth of Australia;
- (ii) any summons notice or process to be served upon the Underwriters may be served upon;

**Lloyd's Underwriters General Representative in Australia**

Suite 2 , Level 21 Angel Place

123 Pitt Street

Sydney NSW 2000

who has authority to accept service and to appear on the Underwriters' behalf;

- (iii) if a suit is instituted against any of the Underwriters all Underwriters participating in this insurance will abide by the final decision of such Court or any competent Appellate Court.

In the event of a claim arising under this insurance IMMEDIATE NOTICE should be given to Genesis Underwriting Pty Ltd

# TABLE OF CONTENTS

---

<b>Section 1 – Material Loss or Damage</b>	<b>9</b>
1. The Indemnity	9
2. “The Property” Insured	10
3. Basis of Settlement Application to Section 1	10
4. Memoranda Applicable to Section 1	11
<b>Section 2 – Business Interruption</b>	<b>15</b>
5. The Indemnity	15
6. Basis of Settlement Application to Section 2	15
7. Definitions Applicable to Section 2	16
8. Memoranda Applicable to Section 2	17
<b>Exclusions Applicable to Sections 1 and 2</b>	<b>20</b>
9. Property Exclusions	20
10. Perils Exclusions	22
<b>Memoranda Applicable to Sections 1 and 2</b>	<b>24</b>
<b>Conditions – Applicable to Sections 1 and 2</b>	<b>25</b>
<b>Section 3 – General and Products Liability</b>	<b>29</b>
13. Insuring Clauses	29
13.1 The Indemnity	29
13.2 Defence Costs and Supplementary Payments	29
13.3 Limits of Liability and Excess	30
14. Optional Extension - Products Exported to North America with Your Knowledge	31
15. Exclusions Applicable to Section 3	31
16. Conditions Applicable to Section 3	36
17. Definitions Applicable to Section 3	39

<b>General Definitions</b>	<b>45</b>
<b>General Exclusions</b>	<b>45</b>
<b>General Conditions</b>	<b>47</b>
<b>Endorsements Applicable to Section 1 and 2 of this Policy</b>	<b>50</b>
The Schedule	50
<b>Section 1 – Material Loss Or Damage</b>	<b>50</b>
The Indemnity	50
The Property Insured	54
Basis of Settlement Applicable to Section 1	55
Memoranda Applicable to Section 1	59
<b>Section 2 – Business Interruption Insurance</b>	<b>68</b>
Exclusions Applicable to Sections 1 and 2	84
Memoranda Applicable to Sections 1 and 2	96
Conditions Applicable to Sections 1 and 2	98

## Section 1 – Material Loss or Damage

### 1. The Indemnity

**1.1** In the event of any physical loss, destruction or damage (hereinafter in Section 1 referred to as 'Damage' with 'Damaged' having a corresponding meaning) not otherwise excluded happening at the Situation to the Property Insured described in Section 1, We will, subject to the provisions of this Policy including the limitation on Our liability, indemnify You in accordance with the applicable Basis of Settlement.

**1.2** Subject to Our liability not being increased beyond the Limit(s) of Liability already stated herein, We will also indemnify You for:-

- (a) architects', surveyors', consulting engineers', legal and other fees and clerks of works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement consequent upon Damage to property hereby insured but not such costs, fees and salary for preparing any claim hereunder.
- (b) any fee, contribution or other impost payable to any Government, Local Government or other Statutory Authority; where payment of such fee, contribution or impost is a condition precedent to the obtaining of consent to reinstate any building(s) insured hereunder; provided that We shall not be liable for payment of any fines and/or penalties imposed upon You by any such Authorities.
- (c) costs and expenses necessarily and reasonably incurred for the purpose of extinguishing fire at or in the vicinity of Property Insured or threatening to involve such property or for the purpose of preventing or diminishing imminent Damage to property hereby insured by any other peril insured against by this Policy, including Damage to gain access and the cost of replenishment of firefighting appliances and charges incurred for the purpose of shutting off the supply of water or other substance following accidental discharge from any fire protective equipment or otherwise escaping from intended confines.
- (d) costs and expenses necessarily and reasonably incurred for the temporary protection and safety of property hereby insured pending repair or replacement consequent upon Damage recoverable hereunder.
- (e) costs of replacing locks and/or keys and/or combinations where if as a result of burglary, theft or any attempt thereat the keys and/or combinations are stolen or if there are reasonable grounds to believe the keys may have been duplicated also the cost of opening safes and/or strongrooms as a result of theft of keys and/or combinations.
- (f) costs and expenses necessarily and reasonably incurred in respect of:
  - (i) the removal, storage and/or disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs consequent upon Damage to property insured by this Policy and occasioned by a peril insured against;
  - (ii) Your legal liability in respect of removal, storage and/or disposal of debris, notwithstanding Excluded Peril 10.6, in relation to premises, roadways, services, railways or waterways of others, consequent upon Damage to the Property Insured by a peril hereby insured against, for such costs together with the cost of cleaning; provided that such liability was not assumed by You under an agreement entered into after the commencement of the Period of Insurance or any renewal thereof unless liability would have attached in the absence of such agreement.

Provided that the insurance under this section does not extend to any liability that You may incur as a consequence of pollution of any kind.

- (iii) the demolition and removal of any property belonging to You which is no longer useful for the purpose it was intended, providing such demolition and removal is necessary for the purpose of the reinstatement or replacement of Property Insured under this section and is consequent upon Damage to the Property Insured by a peril hereby insured against.

- (g) Damage to clothing and tools of trade belonging to Your directors and employees whilst on the Premises.

Provided that the insurance under Clauses 1.2 (b) to 1.2 (g) inclusive above shall not be subject to application of any Co-Insurance clause or memorandum contained in this Policy.

**2. “The Property Insured” means:**

All real and personal property of every kind and description (except as hereinafter excluded) belonging to You or for which You are responsible, or have assumed responsibility to insure prior to the occurrence of any Damage, including all such property in which You may acquire an insurable interest during the Period of Insurance.

It is understood and agreed that the term ‘personal property’ shall include Money (which shall mean current coin, bank notes, currency notes, cheques, credit card sales and/or discount house vouchers, postal orders, money orders, unused postage and revenue stamps and including the value of stamps contained in franking machines) whilst contained in the Situation and whilst in transit to and from the Situation anywhere in Australia, including whilst contained in the night safe of any bank or financial institution where You transact business, and in Your personal custody and/or the custody of persons authorised by You whilst contained in their private residences.

**3. Basis of Settlement Applicable to Section 1**

**3.1. On buildings, machinery, plant and all other property and contents (other than those specified below):**

The cost of reinstatement, replacement or repair in accordance with the provisions of the Reinstatement or Replacement and Extra Cost of Reinstatement Memoranda as set out herein.

Provided that if You elect to claim the indemnity value of any Damaged property, We will pay to You the value of such property at the time of the happening of the Damage or at Our option reinstate, replace or repair such property or any part thereof. In any event We will pay costs incurred by You in accordance with the provisions of the Extra Cost of Reinstatement Memorandum.

**3.2. On raw materials, supplies and other merchandise not manufactured by You:**

The replacement cost at the time and the place of replacement or, if such property is not replaced, the value thereof at the time and place of the Damage.

**3.3. On material in process of manufacture:**

The replacement value of the raw materials and the value of labour and other overhead charges expended thereon at the time and the place of the Damage.

**3.4. On finished goods:**

The replacement value of the raw materials and the value of labour and other overhead charges expended thereon before any allowance for profit or the cost of re-stocking such goods, whichever is the lesser.

**3.5. On computer systems records including computer software, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description:**

The cost of reinstating, replacing, reproducing or restoring same, including information contained therein or thereon but excluding the value to You of the said information; or, if such is not required, the replacement cost of materials as blank stationery at the time and place of the Damage.

**3.6. On patterns, models, moulds, dies or casts:**

The cost of repair or replacement (if actually replaced) otherwise the indemnity value to You of such property.



**3.7. On glass;**

the cost of repairing or replacing the broken glass including: temporary shuttering and/or hiring of security service pending replacement of broken glass, signwriting or ornamentation on glass, replacement burglar alarm tapes on glass, removing and refixing of window and show case frames and fittings and heat reflecting material or process on glass.

**3.8. On Your directors' and employees' clothing and tools of trade;**

the replacement cost at the time of replacement subject to due allowance for wear and tear, depreciation and betterment.

**3.9. On empty premises awaiting demolition;**

the salvage value of the building materials and/or landlords fixtures and fittings.

**4. Memoranda Applicable to Section 1**

Except to the extent that this Policy is hereby modified under the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

**4.1. Interests of Other Parties**

The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties specifically noted in Your records shall be automatically included without notification or specification; the nature and extent of such interest to be disclosed in the event of Damage.

Where the insurance covers the interest of more than one party, any act or neglect of an individual party will not prejudice the rights of the remaining party/parties; provided the remaining party/parties shall, immediately on becoming aware of any act or neglect whereby the risk of Damage has increased, give notice in writing to Us and on demand pay such reasonable additional premium as We may require.

Notwithstanding the foregoing paragraph it is understood and agreed that in the event of any of the parties referred to herein being entitled to the benefits of any 'Concessions Agreement', which it may have entered into with Us, the said 'Concessions Agreement' will take precedence over the foregoing paragraph.

**4.2. Branded Goods**

Any salvage of branded goods and/or merchandise, Your own or held by You in trust or on commission, and/or goods sold but not delivered, shall not be disposed of by sale without Your consent. If such salvage is not disposed of by sale then the Damage will be assessed at the value agreed between You and Us after brands, labels or names have been removed by You or on Your behalf.

**4.3. Declared Values**

The Schedule of Declared Values at each Situation (in accordance with the applicable Basis of Settlement) attaches to and forms part of this Policy for the purpose of the application of Co-Insurance.

**4.4. Reinstatement or Replacement**

(Unless otherwise specifically mentioned herein, this memorandum is applicable to buildings, machinery, plant and all other property and contents as specified in item 3.1 of the Basis of Settlement)

The basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the Damaged property insured at the time of its reinstatement; subject to the following Provisions and subject also to the terms, Conditions and Limit(s) or Sub Limit(s) of Liability of this Policy.

For the purpose of the insurance under this memorandum 'reinstatement' shall mean:-

- (a) Where property is lost or destroyed: in the case of a building, the rebuilding thereof or in the case of property other than a building, the replacement thereof by similar property; in either case in a condition equal to, but not better or more extensive than, its condition when new.

- (b) Where property is Damaged: the repair of the Damage and the restoration of the Damaged portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

#### **Provisions**

- (i) The work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in any manner suitable to Your requirements, but subject to Our liability not being thereby increased), must be commenced and carried out with reasonable despatch, failing which We shall not be liable to make any payment greater than the indemnity value of the Damaged property at the time of the happening of the Damage.
- (ii) When any property insured to which this memorandum applies is Damaged in part only, Our liability shall not exceed the sum representing the cost which We could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- (iii) Property insured under this memorandum is separately subject to the following Co-Insurance Clause:-

In the event of Damage to any property insured hereunder at any situation caused by any peril or event hereby insured against, We shall be liable for no greater proportion of such Damage than the amount that Your declaration of value of property insured at such situation on the day of the commencement of the Period of Insurance bears to the sum representing eighty-five percent (85%) of the cost which would have been incurred in reinstatement if the whole of such property had been destroyed on that day, but not exceeding the Limit of Liability expressed in the Schedule; provided that if the sum actually incurred or expended in rebuilding or replacing the Damaged property, within the meaning of clause (a) of the above mentioned definition of "reinstatement", exceeds the amount which would have been payable under this Policy if this memorandum had not been incorporated herein, but is less than the cost of reinstatement as above defined, then the sum so actually incurred or expended shall, for all purposes of this memorandum, be deemed to be the cost of reinstatement of the property.

Provided further that the above clause shall not apply if the amount of the Damage does not exceed five percent (5%) of the amount of Your declaration as mentioned above.

- (iv) No payment beyond the amount which would have been payable under this Policy if this memorandum had not been incorporated herein shall be made until a sum equal to the cost of reinstatement shall have been actually incurred; provided that where You reinstate or replace any lost or destroyed property at a cost which is less than the cost of reinstatement (as defined) but greater than the value of such property at the time of the happening of its loss or destruction, then the cost so incurred shall be deemed to be the cost of reinstatement.
- (v) All other Industrial Special Risks and/or Fire and Named Perils insurances covering the property effected by You or on Your behalf shall be on a similar reinstatement basis.

#### **4.5. Extra Cost Of Reinstatement**

(Unless otherwise specifically mentioned herein, this memorandum is applicable to buildings, machinery, plant and all other property and contents as specified in item 3.1 of the Basis of Settlement)

This Policy extends to include the extra cost of reinstatement (including demolition or dismantling) of Damaged property necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law or Regulation of any Municipal or other Statutory Authority; subject to the following Provisions and subject also to the terms, Conditions and Limit(s) or Sub Limit(s) of Liability of this Policy.

## **Provisions**

- (i) The work of reinstatement (which may be carried out wholly or partially upon any other site(s), if the requirements of the aforesaid Act, Regulation or By-Law so necessitate, subject to Our liability not being thereby increased), must be commenced and carried out with reasonable despatch, failing which We shall not be liable to make any payment beyond the amount which would have been payable under this Policy if this memorandum had not been incorporated herein.
- (ii) The amount recoverable shall not include the additional cost incurred in complying with any such Act, Regulation, By-Law or requirement with which You had been required to comply prior to the happening of the Damage.
- (iii) Co-Insurance shall not be applied to the amount recoverable under this memorandum and any amount specified shall not be taken into account for Co-Insurance purposes in terms set out in any clause contained in this Policy.
- (iv) All other Industrial Special Risks and/or Fire and Named Perils insurances covering the property effected by You or on Your behalf shall be on a similar basis.
- (v) If the cost of reinstatement of Damaged property insured is less than fifty percent (50%) of that which would have been the cost of reinstatement if such property had been destroyed, the amount recoverable hereunder shall be limited to:-
  - I. the extra cost necessarily incurred in reinstating only that portion Damaged; or
  - II. whilst applying to such property insured, the sub limit stated herein;whichever is the greater. In the event of a Sub Limit not being stated in this Policy, Our liability shall be limited to the amount as described in sub paragraph (1) of this Provision (v).

### **4.6. Floor Space Ratio Index (Plot Ratio)**

Subject to the terms, Conditions and Limit(s) or Sub Limit(s) of Liability of this Policy, in the event of any building(s) being Damaged so as to constitute total loss or constructive total loss and, as a result of the exercise of Statutory powers and/or authority by any Government Departments, Local Government or any other Statutory Authorities, reinstatement is only permissible subject to a reduced floor space ratio index:-

We agree to pay in addition to any amount payable on reinstatement of such building(s) the difference between:-

- (a) the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index; and
- (b) the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under 4.6 (a) and 4.6 (b) above any payments made by Us shall include the extra cost of reinstatement, including demolition or dismantling of the insured property, necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law or Regulation of any Municipal or other Statutory Authority.

Any payment made for the difference between 4.6 (a) and 4.6 (b) above shall be made as soon as the said difference is ascertained upon completion of the rebuilding works and certified by the architect acting on Your behalf in the reinstatement of the building(s).

### **4.7. Acquired Companies**

This Policy extends to include property located in Australia belonging to companies and other organisations in which You acquire a controlling interest during the currency of this Policy; subject to You declaring details of such acquisition within a reasonable period following the date of acquisition. Provided the business of the new acquisition shall be similar to the Business as stated in the Schedule.

For the purposes of this memorandum a controlling interest shall, in the case of a company, mean the acquisition of shares carrying more than fifty per cent (50%) of votes capable of being cast at a general meeting of ordinary shareholders in such company.

#### 4.8. **Co-Insurance**

Unless otherwise stated herein to the contrary, this Policy is subject to the following Co-Insurance Memorandum:

- (a) In the event of Damage to property insured hereunder at any situation caused by any event hereby insured against, We shall be liable for no greater proportion of such Damage than the amount of Your declaration of value of such property on the day of the commencement of the Period of Insurance bears to the sum representing eighty-five percent (85%) of the actual value of property insured at such situation on the day of commencement of the Period of Insurance but not exceeding the Limit of Liability expressed in the Schedule.
- (b) Provided that clause 4.8 (a) above shall not apply if the amount of the Damage does not exceed five percent (5%) of the amount of Your declaration as mentioned above.
- (c) It is expressly understood and agreed that the provisions of this Co-Insurance Memorandum shall not apply in respect of that part of any claim which is made under the provisions of the Reinstatement or Replacement Memorandum.

## Section 2 – Business Interruption

### 5. The Indemnity

- 5.1. In the event of any building or any other property or any part thereof used by You at the Premises for the purpose of the Business being physically lost, destroyed or damaged by any cause or event not hereinafter excluded (loss, destruction or damage so caused being hereinafter termed 'Damage') and the Business carried on by You being in consequence thereof interrupted or interfered with, We will, subject to the provisions of this Policy including the limitation on Our liability, pay to You the amount of loss resulting from such interruption or interference in accordance with the applicable Basis of Settlement.
- 5.2. Provided that We will not be liable for any loss under this section unless Your property lost, destroyed or damaged is insured against such Damage (loss arising out of destruction or damage by explosion of Boilers and/or Economisers excepted) and the insurer or insurers by which such property is insured shall have paid for, or admitted liability in respect of, such Damage unless no such payment shall have been made or liability shall not have been admitted therefor solely owing to the operation of a provision in such insurance excluding liability for loss below a specified amount.

### 6. Basis of Settlement Applicable to Section 2

#### 6.1. Item No. 1 – Gross Profit

The insurance under this item is limited to loss of Gross Profit due to: (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

(a) **In respect of Reduction in Turnover:**

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover,

(b) **In respect of Increase in Cost of Working:**

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

Provided that if the Declared Value of Gross Profit at the commencement of each Period of Insurance is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or its proportionately increased multiple where the Indemnity Period exceeds twelve (12) months), the amount payable hereunder shall be proportionately reduced.

#### 6.2. Item No. 2 – Claims Preparation Costs and Professional Fees

The insurance under this item is to cover such reasonable professional fees as may be payable by You, and such other reasonable expenses necessarily incurred by You and not otherwise recoverable, for preparation of claims under the Your Material Damage and Consequential Loss insurance policies and We shall indemnify You for such reasonable fees and expenses.

### 6.3. **Item No. 3 – Pay-Roll (Dual Basis)**

The insurance under this item is limited to loss in respect of Pay-Roll and the amount payable as indemnity thereunder shall be:-

(a) **In respect of Reduction in Turnover:**

- (i) during the portion of the Indemnity Period beginning with the occurrence of the Damage and ending not later than the number of weeks thereafter specified in the Schedule: the sum produced by applying the Rate of Pay-Roll to the Shortage in Turnover during the said portion of the Indemnity Period less any saving during the said portion of the Indemnity Period, through reduction in consequence of the Damage, in the amount of Pay-Roll paid;
- (ii) during the remaining portion of the Indemnity Period: the sum produced by applying the Rate of Pay-Roll to the Shortage in Turnover during the said remaining portion of the Indemnity Period less any saving during the said remaining portion of the Indemnity Period, through reduction in consequence of the Damage, in the amount of Pay-Roll paid; but not exceeding the sum produced by applying the percentage of the Rate of Pay-Roll specified in the Schedule to the Shortage in Turnover during the said remaining portion of the Indemnity Period, increased by such amount as is deducted for savings under the terms of Clause 6.3 (a)(i);

**Note:**

At Your option the number of weeks referred to in Clause 6.3 (a)(i) above may be increased to the number of weeks specified in the Schedule under the heading 'Consolidated Period'; provided that the amount arrived at under the provisions of Clause 6.3 (a)(ii) shall not exceed such amount as is deducted under Clause 6.3 (a)(i) for savings effected during the said increased number of weeks.

(b) **In respect of Increase in Cost of Working:**

So much of the additional expenditure described in Clause 6.1 (b) of Item No. 1 as exceeds the amount payable thereunder, but not more than the additional amount which would have been payable in respect of Reduction in Turnover under the provisions of Clauses 6.3 (a)(i) and 6.3(a)(ii) of this item had such expenditure not been incurred;

Provided that if the Declared Value of Insured Pay-Roll at the commencement of each Period of Insurance be less than the sum produced by applying the Pay-Roll Limits to the sum produced by applying the Rate of Pay-Roll to the Annual Turnover (or a proportionately increased multiple thereof, where the Indemnity Period exceeds twelve (12) months) the amount payable shall be proportionately reduced.

### 6.4. **Item No. 4 – Additional / Increase in Cost of Working**

The insurance under this item is limited to increase in cost of working (not otherwise recoverable hereunder) necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing reduction in Turnover and/or resuming and/or maintaining normal business operations and/or services.

## 7. **Definitions Applicable to Section 2**

### 7.1 **Gross Profit:**

The amount by which:-

- (a) the sum of the Turnover and the amount of the Closing Stock and Work in Progress shall exceed
- (b) the sum of the amount of the Opening Stock and Work in Progress and the amount of the Uninsured Working Expenses as set out in the Schedule.

**Note:** The amounts of the Opening and Closing Stocks and Work in Progress shall be arrived at in accordance with Your normal accountancy methods, due provision being made for depreciation.

## 7.2 Turnover:

The money (less discounts, if any, allowed) paid or payable to You for goods sold and delivered and for services rendered in course of the Business at the Premises.

## 7.3 Indemnity Period:

The period beginning with the occurrence of the Damage and ending not later than the number of months specified in the Schedule thereafter during which the results of the Business shall be affected in consequence of the Damage.

## 7.4 Pay-Roll:

The remuneration (including but not limited to Pay-Roll tax, bonuses, holiday pay, workers' compensation insurance premiums and/or accident compensation levies, superannuation and pension fund contributions and the like) of all employees.

## 7.5 Shortage in Turnover:

The amount by which the Turnover during a period shall, in consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period.

## 7.6 Rate of Gross Profit

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

)  
)  
) to which such adjustments shall be made  
) as may be necessary to provide for the  
) trend of the Business and for variations in

## 7.7 Annual Turnover

The Turnover during the twelve (12) months immediately before the date of the Damage

)  
) or other circumstances affecting the  
) Business either before or after the date of  
) the Damage or which would have  
) affected the Business had the Damage

## 7.8 Standard Turnover

The Turnover during that period in the twelve (12) months immediately before the date of the Damage which corresponds with the Indemnity Period

)  
) not occurred so that the figures thus  
) adjusted shall represent as nearly as may  
) be reasonably practicable the results  
) which but for the Damage would have  
) been obtained during the relative period

## 7.9 Rate of Pay-Roll

The rate of Pay-Roll to Turnover during the financial year immediately before the date of the Damage

)  
) after the Damage

## 7.10 Uninsured Working Expenses

The working expenses of Your Business which You have elected not to insure under this Section, and which are listed in the Schedule.

# 8. Memoranda Applicable to Section 2

Except to the extent that this Policy is hereby modified under the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

## 8.1 Turnover Elsewhere After Damage

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

## 8.2 Departmental Clause

If the Business be conducted in departments the independent trading results of which are ascertainable, the provisions of Clauses (a) and (b) of Item Nos. 1 and 3 shall apply separately to each department affected by the Damage.

### 8.3 New Business

In the event of Damage occurring at the Premises before the completion of the first year's trading of the Business, the terms 'Rate of Gross Profit', 'Annual Turnover', 'Standard Turnover' and 'Rate of Pay-Roll' shall bear the following meanings and not as within stated.

### 8.4 Rate of Gross Profit

The rate of Gross Profit earned on the Turnover during the period between the date of the commencement of the Business and the date of the Damage

to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the date of the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage

### 8.5 Annual Turnover

The proportional equivalent, for a period of twelve (12) months, of the Turnover realised between the date of the commencement of the Business and the date of the Damage )

## 8.6 Standard Turnover

The proportional equivalent, for a period equal to the Indemnity Period, for the Turnover realised during the period between the date of the commencement of the Business and the date of the Damage

### 8.7 Rate of Pay-Roll

The rate of Pay-Roll to Turnover during the period between the date of the commencement of the Business and the date of the Damage



## **8.8 Accumulated Stocks**

In adjusting any loss, account shall be taken and equitable allowance made if any Shortage in Turnover due to the Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods.

## **8.9 Books Of Account**

Any particulars or details contained in Your books of account or other business books or documents which may be required by Us for the purpose of investigating or verifying any claim hereunder may be produced and certified by Your auditors and their certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

The words and expressions used herein shall have the meanings usually attached to them in Your books and accounts unless otherwise defined in this Policy.

## **8.10 Public Utilities Extension**

Any loss resulting from interruption of or interference with the Business in consequence of damage to property, caused by a peril damage as a result of which is insured hereunder, at any electricity station or sub-station, gas works or water works of a public supply undertaking which is situated on or immediately adjacent to the Premises shall be deemed to be loss resulting from Damage to property used by You at the Premises.

## **8.11 Turnover/Output Alternative**

At Your option the term 'Output' may be substituted for the term 'Turnover' and, for the purpose of this Policy, 'Output' shall mean the sale and/or invoice value of goods manufactured and/or processed by You in course of the Business at the Premises. Provided that only one such meaning shall be operative in connection with any one event involving Damage.

If the meaning set out above be used, the memorandum 'Turnover Elsewhere After Damage' shall be altered to read as follows:-

'If during the Indemnity Period goods shall be manufactured and/or processed other than at the Premises for the benefit of the Business either by You or by others on Your behalf, the sale and/or invoice value of the goods so manufactured and/or processed shall be brought into account in arriving at the Output during the Indemnity Period.'

## **8.12 Computer**

This Policy extends to include loss (not otherwise recoverable) resulting from interruption of or interference with the Business occasioned by Damage to computer installations, including ancillary equipment and data processing media utilised by You anywhere in Australia.

## **8.13 Salvage Sale**

If, following Damage giving rise to a claim under this Policy, You shall hold a salvage sale during the Indemnity Period:

(a) Clause 6.1 (a) of Item No. 1 of this Section shall, for the purpose of such claim, read as follows:

(a) **In respect of Reduction in Turnover:**

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which shall be deducted the Gross Profit actually earned during the period of the salvage sale.

(b) Definition 7.5 – "Shortage in Turnover" shall, for the purpose of such claim, read as follows:

**7.5 Shortage in Turnover:**

The amount by which the Turnover during a period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period, from which shall be deducted the Pay-Roll paid out of the proceeds of the salvage sale.

#### **8.14 Premises In The Vicinity (Prevention Of Access)**

Loss as insured by this Policy resulting from interruption of or interference with the Business in consequence of damage to property in the vicinity of the Premises caused by a peril, damage as a result of which is insured hereunder, which shall prevent or hinder the use thereof or access thereto, whether Your Premises or Your property therein shall be damaged or not, shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Loss as insured by this Policy resulting from interruption of or interference with the Business in consequence of damage to property in the vicinity of and forming part of or contained in the complex of which the Premises forms part caused by a peril, damage as a result of which is insured hereunder, which results in a cessation or diminution of trade due to temporary falling away of potential custom, whether Your Premises or Your property therein shall be damaged or not, shall be deemed to be loss resulting from Damage to property used by You at the Premises.

#### **8.15 Registered Vehicles and/or Trailers**

Notwithstanding the provisions of Property Exclusion 9.5, this Policy extends to include loss resulting from interruption of or interference with the Business occasioned by Damage to registered vehicles and/or trailers whilst such vehicles or trailers are at the Premises owned or occupied by You; provided always that this Policy does not cover loss resulting from physical loss, destruction of or damage to such vehicles and/or trailers whilst they are being used on any public highway or thoroughfare.

## Exclusions Applicable to Sections 1 and 2

### 9. Property Exclusions

This Policy does not cover physical loss, destruction of or damage to the following property or loss under Section 2 resulting therefrom:-

- 9.1** property (except Money) whilst in transit other than during the incidental movement of such property within situations occupied by You. This exclusion shall not apply during temporary removal of property (other than stock and/or merchandise) and unregistered motor vehicles to any situation in Australia but, whilst such property is in transit, cover is limited to physical loss, destruction or damage caused by fire, lightning, explosion, earthquake, aircraft, riot, strikes, malicious damage and storm and/or tempest.
- 9.2** Money:
- (a) whilst being carried by professional money carriers, professional carriers or common carriers which is more specifically insured excepting the excess amount over and above such more specific insurance which excess is held to be covered hereunder;
- Provided that where in the ordinary course of business You enter into an agreement with such carriers and such agreement provides that You shall indemnify and/or hold harmless and/or release from liability such carriers in respect of loss, destruction or damage which may occur as a result of any event hereby insured against, this insurance shall operate as if this Property Exclusion 9.2 (a) had been deleted.
- (b) stolen from an unlocked and unattended vehicle;
  - (c) stolen from a safe or strongroom opened by a key or by use of details of a combination, either of which has been left at the Situation outside business hours, unless such key or combination details have been properly secured;
  - (d) where the loss is not discovered within five (5) working days of the event;
  - (e) where the loss arises out of:
    - (i) kidnapping;
    - (ii) bomb threat;
    - (iii) hoax;
    - (iv) extortion;or any attempt thereat.
- 9.3** jewellery, furs, bullion, precious metals or precious stones other than as stock and/or merchandise of the Business.
- 9.4**
- (a) any locomotive or rolling stock or watercraft other than as stock or merchandise of the Business; provided always that no cover shall apply hereunder whilst any watercraft is on water;
  - (b) any aircraft (including its accessories and/or spare parts) other than as stock or merchandise of the Business; provided always that no cover shall apply hereunder during taxiing, take-off, flight or landing.
- 9.5** vehicles or trailers registered or licensed to travel on a public road; provided that this exclusion shall not apply to mobile plant and equipment (excluding cars, sedans, panel vans and trucks) not otherwise insured whilst on any premises occupied or used by You.
- 9.6** livestock, animals, birds or fish.
- 9.7** standing timber, growing crops and pastures.

- 9.8** land; provided that this exclusion shall not apply to structural improvements on or in the land if such structural improvements are not otherwise excluded in this Policy.
- 9.9** bridges, canals, roadways and tunnels, railway tracks (other than on the premises occupied or used by You), dams and reservoirs (other than tanks) and their contents.
- 9.10** docks, wharves and piers not forming part of any building.
- 9.11** mining property located beneath the surface of the ground unless otherwise expressly stated in this Policy.
- 9.12** property during the course of, and as a result of, its processing.
- 9.13** (a) gates, fences, retaining walls, textile awnings and blinds;
- (b) property in the open air unless such property comprises or forms part of a permanent structure designed to function without the protection of the walls or roof;
- caused by wind, rainwater or hail.
- 9.14** (a) property undergoing construction, erection, alteration or addition when the value of work exceeds ten per cent (10%) of the Limit of Liability or five hundred thousand dollars (\$500,000) whichever is the lesser;
- (b) empty premises undergoing demolition.
- 9.15** oil and gas drilling and/or production rigs whilst offshore.
- 9.16** all Machinery (as defined in this exclusion), electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of whatsoever kind.

Provided that Property Exclusion 9.16 shall not apply to any subsequent loss, destruction of or damage to such Machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any cause or event not otherwise excluded herein which results from any of the events referred to in this exclusion.

For the purpose of Property Exclusion 9.16, 'Machinery' means:

any apparatus whether or not functioning independently or as any component part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power.

- 9.17** any boiler (other than a boiler used for domestic purposes), economiser or other pressure vessel, including pipes, valves and other apparatus thereof in respect of which a certificate is required to be issued under the terms of any statute or regulation occasioned by or arising from explosion, rupture, collapse, bursting, cracking or overheating thereof; provided that this exclusion shall be limited to the aforementioned items immediately affected and shall not extend to other property which may be damaged as a result of such loss, destruction or damage.

This Exclusion 9.17 shall not apply to Section 2 as specifically stated therein.

## **10. Perils Exclusions**

We shall not be liable under Sections 1 and/or 2 in respect of:-

### **10.1** physical loss, destruction or damage occasioned by or happening through:

- (a) flood, which shall mean the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake whether or not altered or modified or of any reservoir, canal or dam;
- (b) water from or action by the sea, tidal wave or high water.

Provided that Perils Exclusions 10.1 (a) and 10.1 (b) shall not apply if loss, destruction or damage is caused by or arises out of an earthquake or seismological disturbance.

### **10.2** physical loss, destruction or damage occasioned by or happening through:

- (a) moths, termites or other insects, vermin, rust or oxidation, mildew, mould, pollution or contamination, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour, texture or finish, smut or smoke from industrial operations (other than sudden and unforeseen damage resulting therefrom).
- (b) wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good.
- (c) error or omission in design, plan or specification or failure of design.
- (d) normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration.
- (e) faulty materials or faulty workmanship.

Provided that this Perils Exclusions 10.2 (a) to 10.2 (e) shall not apply to subsequent loss, destruction of or damage to the Property Insured occasioned by a peril (not otherwise excluded) resulting from any event or peril referred to in this exclusion.

### **10.3** physical loss, destruction or damage occasioned by or happening through:

- (a) incorrect siting of buildings consequent upon:
  - (i) error in architectural design or specification;
  - (ii) faulty workmanship;
  - (iii) non-compliance by You (or by anyone acting on Your behalf) with the necessary permits issued by Government, Public or Local Authorities.
- (b) demolitions ordered by Government or Public or Local Authorities due to failure on the part of You or Your agents to obtain the necessary permits required.

### **10.4** physical loss, destruction or damage occasioned by or happening through:

- (a) theft of property (other than Money in transit) in the open air.
- (b) unexplained or inventory shortage, disappearance resulting from clerical or accounting errors, shortages in the supply or delivery of materials to or from You.
- (c) spontaneous combustion.
- (d) spontaneous fermentation or heating or any process involving the direct application of heat.

Provided that Perils Exclusions 10.4 (c) and 10.4 (d) shall be limited to the item or items immediately affected and shall not extend to other property damaged as a result of such spontaneous combustion, fermentation or heating or process involving the direct application of heat.

**10.5** physical loss, destruction or damage occasioned by or happening through:

- (a) (i) fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting, data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means involving the Property Insured by You or any of Your employees acting alone or in collusion with any other person(s).
- (ii) access by any person(s) other than You or Your employee(s) to Your computer system via data communication media that terminate in Your computer system.

Provided that Perils Exclusions 10.5 (a)(i) and 10.5 (a)(ii) shall not apply to theft consequent upon forcible and violent entry upon premises or felonious concealment upon premises committed by any of Your employees or theft of Money whilst in transit.

- (b) (i) the cessation of work whether total or partial;
  - (ii) the cessation, interruption or retarding of any process or operation;
- as a result of strikes, labour disturbances or locked out workers.

Provided that Perils Exclusions 10.5 (b)(i) and 10.5 (b)(ii) shall not apply in respect of physical loss, destruction or damage directly caused by strikers, locked out workers or similar persons.

- (c) erosion, subsidence, earth movement or collapse resulting therefrom.
- (d) kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt thereat.

Provided that Perils Exclusions 10.5 (a) to 10.5 (d) shall not apply to subsequent loss, destruction of or damage to the Property Insured occasioned by a peril (not otherwise excluded) resulting from any event or peril referred to in this exclusion.

**10.6** any legal liability of whatsoever nature other than as herein provided.

**10.7** consequential loss of any kind including consequential loss due to delay, lack of performance, loss of contract or depreciation in the value of land or stock, except as herein provided in Section 2.

## Memoranda Applicable to Sections 1 and 2

11. Except to the extent that this Policy is hereby modified under the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

### 11.1 Amount of Policy not reduced by Loss

The insurance under:

- (a) Section 1; and
- (b) Section 2 and/or each item of Section 2 of this Policy and the Indemnity Period;

shall be automatically reinstated in the event of any loss in consideration of Your payment of a pro rata additional premium calculated on the amount of the loss settlement at the rate(s) agreed for the Period of Insurance.

### 11.2 Event

Only for the purpose of the application of any Deductible: all loss, destruction or damage resulting from earthquake occurring during each period of seventy two (72) consecutive hours shall be considered as one event whether such earthquake is continuous or sporadic in its sweep and/or scope and the loss, destruction or damage was due to the same seismological conditions. Each event shall be deemed to have commenced on the first happening of any such loss, destruction or damage not within the period of any previous event.

### 11.3 Subrogation Waiver

We agree to waive any rights and remedies or relief to which We may become entitled by subrogation against:

- (a) any corporation or organisation (including its directors, officers or employees) owned or controlled by You or any Insured named herein or subsidiary to You or any Insured named herein or any co-owner of property insured hereunder;
- (b) any Insured named or described by this Policy (including its directors, officers or employees).

### 11.4 Adjustment of Premium

- (a) The Premium shown is provisional and is calculated on the Declared Values of:
  - (i) Property Insured,
  - (ii) Gross Profit and Insured Pay-Roll;on the day of commencement of each Period of Insurance.
- (b) You undertake to declare to Us within a reasonable time after the day of expiry of the Period of Insurance:
  - (i) the value of Property Insured on the day of expiry of the Period of Insurance. For the purpose of this declaration, stock-in-trade and/or merchandise shall be taken at its average value during the Period of Insurance;
  - (ii) the amount of the Gross Profit earned and Pay-Roll paid, in accordance with the cover afforded in the respective items of Section 2, in the course of the Business during the accounting period of twelve (12) months most nearly concurrent with the Period of Insurance.

- (c) The provisional premium shall be adjusted by payment to Us of an additional premium or by allowance to You of a return premium, as the case may be, calculated at the agreed rate on:
  - (i) fifty percent (50%) of the difference between property declared in accordance with Clauses 11.4 (a)(i) and 11.4 (b)(i);
  - (ii) the full agreed rate hereunder on the difference between the amounts declared under Clauses 11.4 (a)(ii) and 11.4 (b)(ii).
- (d) It is agreed to make allowance for any abnormal fluctuation in values and to charge a premium commensurate with the risk; such premium to be agreed between the parties to this agreement.
- (e) The Declaration of Values at the expiry of the Period of Insurance declared in accordance with this memorandum shall not be reduced as the result of loss, destruction or damage in respect of which a claim has been paid or is payable under this Policy.

## **Conditions - Applicable to Sections 1 and 2**

**12.** The following Conditions apply to Sections 1 and 2 of this Policy.

### **12.1 Misrepresentation and Non-Disclosure**

If You:

- (a) failed to disclose any matter which You were under a duty to disclose to Us; or
- (b) made a misrepresentation to Us before this Policy was entered into;

and if We would not have entered into this Policy for the same premium and on the same terms and Conditions expressed in this Policy but for the failure to disclose or the misrepresentation, then:

- (c) Our liability in respect of any claim will be reduced to an amount to place Us in the same position in which the We would have been placed if such non-disclosure had not occurred or such misrepresentation had not been made; or
- (d) if the non-disclosure or misrepresentation was fraudulent, We may avoid this Policy.

### **12.2 Alteration**

We shall not be liable for loss, destruction of or damage to any property insured hereunder caused or contributed to by any alteration after the commencement of this Policy:

- (a) by removal of such Property from the Premises other than as provided under the terms of Property Exclusion 9.1;
- (b) in the trade or processes of manufacture carried on at the Premises or whereby the nature of the occupation or other circumstances affecting the Premises and/or Your property therein contained shall be changed in such a way as to increase the risk of loss, destruction or damage;
- (c) whereby any premises containing any property insured hereunder shall become unoccupied, and so remain for a period of more than thirty days; or
- (d) whereby Your interest ceases except by will or the operation of law.

Provided that any such alteration, upon coming to the knowledge of Your officer responsible for insurance, shall be immediately notified to Us and, if agreed to by Us in writing, an appropriate additional premium paid if required.



### **12.3 Sprinkler Installations**

Applicable to owned premises or installations for which You are responsible.

You warrant that in such of the Premises as are protected or as are required by law to be protected by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station, in or on the Premises, due diligence shall be used so that the same shall at all times be maintained in good working order.

You further warrant that provision will be made for the regular maintenance of the installation in accordance with Australian Standard AS 1851 (Part 3 – Automatic Sprinkler Installation) by the installing engineers or firm or, failing this, by a person or organisation who must be approved by Us to carry out such maintenance.

Notice of all alterations and additions to the automatic sprinkler installation shall be given by You to Us as soon as reasonably practicable.

### **12.4 Other Insurance**

You shall give written notice as soon as practicable to Us of any other insurance or insurances effected covering the Property Insured.

### **12.5 Notification of Claims**

- (a) On the happening of any loss, destruction or damage, You shall forthwith give notice thereof in writing to Us and shall (within thirty (30) days after such loss, destruction or damage or such further time as We may in writing allow), at Your own expense, deliver to Us a claim, in writing containing as particular an account as may be reasonably practicable of the several articles or portions of property lost, destroyed or damaged and of the amount of loss, destruction or damage thereto, having regard to their value at the time of the loss, destruction or damage, together with details of any other insurances on any property hereby insured.
- (b) You shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption of or interference with the Business or to avoid or diminish the loss and shall also deliver to Us a statement in writing of any claim certified by Your auditor, with all particulars and details reasonably practicable of the loss and shall produce and furnish all books of accounts and other business books, invoices, vouchers and all other documents, proofs, information, explanations and other evidence and facilities as may reasonably be required for investigation and verification of the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith.
- (c) No claim under this Policy shall be payable unless You have complied with the terms of this condition.

### **12.5 Fraud**

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by You or anyone acting on Your behalf to obtain any benefit under this Policy, or if any destruction or damage be occasioned by the wilful act or with Your connivance, We, without prejudice to any other right(s) We might have under this Policy, shall be entitled to refuse to pay such claim.

### **12.6 Reinstatement**

If We elect or become bound to reinstate or replace any property, You shall at Your own expense, produce and deliver to Us all such plans, documents and information as We may reasonably require. We shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend more than the applicable Limit of Liability.

## **12.7 Our Rights**

On the happening of any loss, destruction or damage in respect of which a claim is or may be made under this Policy We and every person authorised by Us may, without thereby incurring any liability, and without diminishing Our right to rely upon any Conditions of this Policy, enter, take or keep possession of any building or premises where the loss, destruction or damage has happened and may take possession of or require to be delivered to Us any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner.

This condition shall be evidence of the leave and licence of You to Us so to do. If You or anyone acting on Your behalf shall not comply with Our requirements or shall hinder or obstruct Us in doing any of the abovementioned acts, then all benefits under this Policy shall be forfeited. You shall not in any case be entitled to abandon any property to Us whether taken possession of by Us or not.

## **12.8 Subrogation**

- (a) Any person claiming under this Policy shall, at Our request and at Our expense, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Us for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which We shall be or would become entitled or subrogated upon Us paying for or making good any destruction or damage under this Policy or paying any moneys under Section 2 of this Policy.
- (b) If We make any recovery as a result of such action, You may only recover from Us any amount by which the amount recovered by Us exceeded the amount paid to You by Us in relation to the loss.

## **12.9 Precautions to Prevent Loss**

You shall take all reasonable precautions to prevent loss, destruction or damage to the property insured by this Policy.

## **12.10 Your Action after Theft or Damage**

You shall, upon becoming aware of any loss by theft or of any wilful or malicious damage which may give rise to a claim under this Policy, take all practicable steps to trace and recover any missing property and to discover by whom the property was stolen or damaged, including reporting the matter to the police and any other responsible authority.

## **12.11 Termination of Cover under Section 2**

- (a) Notwithstanding anything contained herein to the contrary, if during any period in respect of which this Policy is in force:
  - (i) You cease to carry on the Business or any part of the Business is disposed of, permanently discontinued or Your interest in the Business or such part thereof ceases otherwise than by death; or
  - (ii) You (being a corporation) is placed in liquidation (or provisional liquidation), are placed under Official Management, enter into a Scheme of Arrangement, have Receivers and/or Managers appointed over Your assets or undertaking(s); or
  - (iii) You (being a natural person) become bankrupt or enter into a scheme of arrangement or compromise or composition with creditors;then the insurance cover provided under Section 2 of this Policy in respect of such Business or part of such Business shall automatically and forthwith cease.
- (b) In the event of the Indemnity Period having begun to run in respect of any claim relating to such Business or part thereof, the Indemnity Period shall thereupon be at an end, unless its continuance be admitted by memorandum signed by Us or on Our behalf.

#### **12.12 Observance of Terms and Conditions**

The due observance and fulfilment of these Conditions and the other terms of this Policy by You, insofar as the same are capable of being construed as such, are conditions precedent to any liability of Us to make any payment under this Policy.

#### **12.13 Progress Payments**

Provided that liability has been admitted, progress payments on account of any claim may be made to You at such intervals and for such amounts as may be agreed upon production of a report by the Loss Adjuster (if appointed) provided such payment(s) shall be deducted from the amount finally determined upon adjustment of the claim.

## Section 3 – General and Products Liability

### 13. Insuring Clauses

#### 13.1. The Indemnity

We agree (subject to the terms, Conditions, Exclusions, Definitions and Limits of Liability applicable to this Section and the General Definitions, General Exclusions and General Conditions of this Policy) to pay to You or on Your behalf all amounts which You shall become legally liable to pay as Compensation in respect of:

- (a) Personal Injury; and/or
- (b) Property Damage; and/or
- (c) Advertising Injury;

happening during the Period of Insurance in connection with the Business or in connection with Your Products and/or work performed by You or on Your behalf within the Territorial Limits and caused by or resulting from an Occurrence.

#### 13.2. Defence Costs and Supplementary Payments

With respect to the indemnity provided by this section of this Policy, We will:

- (a) defend, in Your name and on Your behalf, any claim or suit against You alleging such Personal Injury, Property Damage or Advertising Injury and seeking damages on account thereof even if any of the allegations of such claim or suit is groundless, false or fraudulent.
- (b) pay all charges, expenses and legal costs incurred by Us and/or by You at Our written request or with Our written consent (which consent shall not be unreasonably delayed or withheld):
  - (i) in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of Your attendance at hearings or trials at Our request; or
  - (ii) in bringing or defending appeals in connection with such claim or suit.
- (c) pay:
  - (i) all charges, expenses and legal costs recoverable from or awarded against You in any such claim or suit; and
  - (ii) pre-judgment interest awarded against You on that part of the judgment payable by Us; and
  - (iii) all interest accruing on Our portion of any judgment until We have paid, tendered or deposited in court that part of such judgment which does not exceed the limit of Our liability thereon.
- (d) pay premiums on:
  - (i) bonds to release attachments for amounts not exceeding the applicable Limit of Liability which applies to this section of this Policy but We shall have no obligation to apply for or furnish any such bond.
  - (ii) appeal bonds and/or security for costs required in any suit but We shall have no obligation to apply for or furnish any such bonds and/or security for costs.

- (e) pay expenses incurred by You for:
- (i) rendering first aid and/or surgical and/or medical and/or therapeutic relief to others at the time of any Personal Injury (other than any medical expenses which we are prevented from paying by any law).
  - (ii) temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or underpinning thereof.
  - (iii) purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which You must provide in compliance with the requirements of any Government, Local Government or other Statutory Authority.
- (f) pay all legal costs incurred by You with Our consent (which consent shall not be unreasonably delayed or withheld) for representation of You at:
- (i) any Coronial Inquest or Inquiry.
  - (ii) any proceedings in any court or tribunal in connection with liability insured against by this section of this Policy.
  - (iii) any Royal Commission or Government Enquiry arising out of any alleged breach of statutory duty, or other similar judicial enquiry into circumstances relating to any Occurrence, claim or potential claim which would be the subject of indemnity under this section of this Policy.
  - (iv) any enquiry, prosecution or hearing of a disciplinary nature held before a legally constituted enquiry board, committee, licensing authority or the like.

Provided that Our liability under clauses 13.2 (f) (iii) and 13.2 (f) (iv) shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one Occurrence.

The amounts of such Defence Costs and Supplementary Payments incurred, except payments in settlement of claims and suits, are payable by Us in addition to the applicable Limit of Liability which applies to this section of this Policy.

However, in respect of any claims or suits originating in any court in North America, the applicable Limit of Liability shown in the Schedule shall be inclusive of all Defence Costs and Supplementary Payments.

Where We are prevented by law or otherwise from making payments on Your behalf, We will indemnify You for legal liability incurred to the extent that such liability is covered by this section of this Policy.

In jurisdictions where We may not legally be permitted to, or cannot for any other reason, defend any claim or suit against You, We will reimburse You for the expense of such defence incurred with Our written consent (which consent shall not be unreasonably delayed or withheld).

### **13.3. Limits of Liability and Excess**

Subject to:

- (a) General Condition 20.3 - Claims Preparation Expenses;
- (b) Clause 13.2 - Defence Costs and Supplementary Payments; and
- (c) Exclusion Clause 15.19 (e) below;

for General Liability - the Limit of Liability specified in the Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims arising out of any one Occurrence.

For Products Liability - the Limit of Liability specified in the Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims, and in the aggregate during any one Period of Insurance.

The applicable Limit of Liability will not be reduced by the amount of any Excess payable by You.

#### **14. Optional Extension - Products Exported to North America with Your Knowledge**

(Applicable only where this Optional Extension is shown as covered in the Schedule)

The cover provided by this section of this Policy is extended to include any judgment, award or settlement made within North America or any order made anywhere in the World to enforce such judgment, award or settlement either in whole or in part, subject to the following additional terms and exclusions in respect of any such judgment, award or settlement:

- (a) cover only applies in respect of Your legal liability in respect of Personal Injury and/or Property Damage that arises out of any Products exported to North America.
- (b) cover is not provided for:
  - (i) Personal Injury and/or Property Damage arising out of the discharge, dispersal, emission, release or escape of Pollutants;
  - (ii) the cost of removing, nullifying or clean-up of Pollutants;
  - (iii) the cost of preventing the escape of Pollutants;
  - (iv) Personal Injury and/or Property Damage arising directly or indirectly from the existence of asbestos;
- (c) any claim for Compensation if in North America You have:
  - (i) any assets other than Products;
  - (ii) a related or subsidiary company;
  - (iii) any person or entity with power of attorney;
  - (iv) any franchisor.

#### **15. Exclusions Applicable to Section 3**

We do not cover any liability:

##### **15.1 Advertising Injury**

for Advertising Injury:

- (a) resulting from statements made at Your direction with knowledge that such statements are false.
- (b) resulting from failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract.
- (c) resulting from any incorrect description of the price of Your Products or services.
- (d) failure of Your Products or services to conform with advertised performance, quality, fitness or durability.
- (e) incurred by any Insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

## **15.2 Aircraft, Hovercraft or Watercraft**

for Personal Injury and/or Property Damage arising from:

- (a) the ownership, maintenance, operation or use by You of any Aircraft.
- (b) the ownership, operation or use by You of any Watercraft or Hovercraft exceeding ten (10) metres in length, whilst such Watercraft or Hovercraft is on, in or under water.

Provided that Exclusion 15.2 (b) shall not apply with regard to claims arising out of:

- (i) Watercraft used in operations carried out by any independent contractors for whose conduct You may be held liable.
- (ii) Hovercraft owned or operated by others and used by You for business entertainment.
- (iii) Watercraft owned by others and used by You for business entertainment.
- (iv) hand propelled or sailing craft exceeding eight (10) metres in length, whilst such craft is in territorial waters.

## **15.3 Aircraft Products**

arising out of any Products which, with Your knowledge, are intended for incorporation into the structure, machinery or controls of any Aircraft.

## **15.4 Asbestos**

directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

## **15.5 Breach of Professional Duty**

arising out of any breach of duty owed in a professional capacity by You and/or any person(s) for whose breaches You may be held legally liable, but this Exclusion 15.5 shall not apply to claims:

- (a) for Personal Injury and/or Property Damage arising from such breach of duty.
- (b) arising out of the rendering of or failure to render professional medical advice by Medical Persons employed by You to provide first aid and other medical services on Your premises.
- (c) arising out of advice or service given gratuitously.
- (d) arising out of advice given in respect to the use or storage of Your Products.

## **15.6 Contractual Liability**

which has been assumed by You under any contract or agreement that requires You to:

- (a) effect insurance over property; either real or personal.
- (b) assume liability for Personal Injury and/or Property Damage regardless of fault; provided that this Exclusion 15.6 (b) will not apply with regard to:
  - (i) liabilities which would be implied by law in the absence of such contract or agreement; or
  - (ii) liabilities assumed by You any written rental and/or lease and/or hiring agreement of real and/or personal property, other than with respect to any term or condition contained in such rental, lease and/or hiring agreement that requires You to insure such property; or

- (iii) liabilities assumed by You under any written contract made or entered into with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities; or
- (iv) liabilities assumed by You under any written contract with any railway authority for the loading, unloading and/or transport of Your Products, including contracts relating to the operation of railway sidings; or
- (v) terms regarding merchantability, quality, fitness or care of Your Products which are implied by law or statute; or
- (vi) liabilities assumed under the contracts specifically designated in the Schedule or in any endorsement(s) to this Policy.

### **15.7 Damage to Products**

for Property Damage to any Products where such damage is directly caused by a fault or defect in such Products; but this exclusion shall be interpreted to apply with respect to damage to the specific part and only that part of such product to which the damage is directly attributable.

### **15.8 Electronic Data**

arising out of:

- (a) the communication, display, distribution or publication of Electronic Data; provided that this Exclusion 15.8 (a) does not apply to Personal Injury and/or Advertising Injury arising therefrom;
- (b) the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of Electronic Data;
- (c) error in creating, amending, entering, deleting or using Electronic Data;
- (d) the total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all;

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

### **15.9 Employers Liability**

- (a) for Bodily Injury to any Worker in respect of which You are or would be entitled to indemnity under any policy of insurance, fund, scheme or self-insurance pursuant to or required by any legislation relating to Workers' Compensation or Accident Compensation whether or not such policy, fund, scheme or self-insurance has been effected.

Provided that this section of this Policy will respond to the extent that Your liability would not be covered under any such policy, fund, scheme or self-insurance arrangement had You complied with its obligations pursuant to such law.

- (b) imposed by:
  - (i) the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement.
  - (ii) any law relating to Employment Practices.

Notwithstanding Exclusion clause 15.6 – 'Contractual Liability', Exclusions 15.9 (a) and 15.9 (b) shall not apply with respect to liability of others assumed by the Named Insured under a written contract or agreement.



For the purpose of Exclusions 15.9 (a) and 15.9 (b):

- (1) the term 'Worker' means any person deemed to be employed by You pursuant to any Workers' Compensation Law. Voluntary workers, secondees and work experience students (if any) shall not be deemed to be Workers.
- (2) the term 'Bodily Injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.

**15.10 Faulty Workmanship**

for the cost of performing, completing, correcting or improving any work undertaken by You.

**15.11 Fines, Penalties, Punitive, Exemplary or Aggravated Damages**

for any fines, penalties, punitive, exemplary or aggravated damages.

**15.12 Libel, Slander or Defamation of Character**

for libel, slander or defamation of character:

- (a) resulting from statements made prior to the commencement of the Period of Insurance.
- (b) resulting from statements made at Your direction with knowledge that such statements are false.
- (c) incurred by any Insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

**15.13 Liquidated Damages**

arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that such liability would have attached in the absence of such clauses or warranties.

**15.14 Loss of Use**

for loss of use of tangible property, which has not been physically lost, destroyed or damaged, directly arising out of:

- (a) a delay in or lack of performance by You or on Your behalf of any contract or agreement; or
- (b) failure of any Products or work performed by You or on Your behalf to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You; but this Exclusion 15.14 (b) shall not apply to Your liability for loss of use of other tangible property resulting from sudden and accidental physical loss, destruction of or damage to any Products or work performed by You or on Your behalf after such products or work have been put to use by any person or organisation other than You.

**15.15 Pollution**

- (a) for Personal Injury and/or Property Damage directly or indirectly caused by or arising out of the discharge, dispersal, release, seepage, migration or escape of any Pollutants into or upon land, the atmosphere or any water course or body of water.
- (b) for any costs and expenses incurred in preventing the discharge, dispersal, release, seepage or escape of, or testing and monitoring for, containing, removing, nullifying, or cleaning up of, any Pollutants.

Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 15.15 (a) and 15.15 (b) shall not apply where such discharge, dispersal, release, seepage, migration or escape is caused by a sudden, identifiable, unintended and unexpected event from Your standpoint which takes place in its entirety at a specific time and place.

#### **15.16 Product Guarantee**

for any Products warranty or guarantee given by You or on Your behalf, but this exclusion shall not apply to the requirements of any Federal or State legislation as to product safety and information.

#### **15.17 Product Recall**

for damages, costs or expenses arising out of the withdrawal, recall, inspection, repair, reconditioning, modification, reinstallation, replacement or loss of use of any Products where such Products are withdrawn or recalled from the market or from use by the Named Insured because of any known, alleged or suspected defect or deficiency in such Products.

#### **15.18 Property Owned by You**

for Property Damage to property owned by You.

#### **15.19 Property in Your Care, Custody or Control**

for Property Damage to property in Your physical or legal care, custody or control; but this exclusion shall not apply with regard to:

- (a) the personal property, tools and effects of any of Your directors, partners, proprietors, officers, executives or employees, or the clothing and personal effects of any of Your visitors.
- (b) premises or part(s) of premises (including their contents) leased or rented to, or temporarily occupied by, You for the purpose of Your Business, provided that the liability does not arise from Your failure to insure such premises or property as required by any lease or rental agreement.
- (c)
  - (i) premises (and/or their contents) temporarily occupied by You for the purpose of carrying out work in connection with the Business; or
  - (ii) any other property temporarily in Your possession for the purpose of being worked upon;

but no indemnity is granted for damage to that part of any property upon which You are or have been working if the damage arises solely out of such work.

- (d) any Vehicle (including its contents, spare parts and accessories while they are in or on such Vehicle) not belonging to or used by You, whilst any such Vehicle is in a car park owned or operated by You; provided that You do not operate the car park for reward, as a principal part of Your Business.
- (e) Notwithstanding Exclusion clause 15.6 – ‘Contractual Liability’, any property (except property that You own) not mentioned in clauses 15.19 (a) to 15.19 (d) above whilst in Your physical or legal care, custody or control whether or not You have accepted or assumed legal liability for such property. Provided that Our liability under this clause 15.19 (e) shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one Occurrence.

#### **15.20 Vehicles**

for Personal Injury and/or Property Damage arising out of the ownership, possession or use by You of any Vehicle:

- (a) which is registered or which is required under any legislation to be registered, or
- (b) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of legislation (whether or not that insurance is effected);

But Exclusions 15.20 (a) and 15.20 (b) shall not apply to:

- (c) Personal Injury where:
  - (i) that compulsory liability insurance or statutory indemnity does not provide indemnity, and

- (ii) the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by You of legislation relating to Vehicles.
- (d) any Vehicle (including any tool or plant forming part of or attached to or used in connection with such vehicle) whilst being operated or used by You or on Your behalf as a Tool of Trade at Your premises or on any Worksite.
- (e) the delivery or collection of goods to or from any Vehicle.
- (f) the loading or unloading of any Vehicle.
- (g) damage to any bridge, weighbridge or road, or anything beneath such bridge, weighbridge or road, caused by the weight of such Vehicle or of the load carried thereon or therein.
- (h) any Vehicle temporarily in Your custody for the purpose of parking.
- (i) Property Damage caused by or arising out of the movement of any Vehicle (which is required to be Conditionally Registered in accordance with the law of any State or Territory in Australia) in the event of Your inadvertent and unintentional failure to effect Conditional Registration.

## **16. Conditions Applicable to Section 3**

### **16.1 Notification of Occurrence, Claim or Suit**

You shall give:

- (a) written notice to Us, as soon as reasonably practicable, of any claim made against You or any Occurrence that may give rise to a claim being made against You and which is covered by this section of this Policy.
- (b) all such additional information that We may reasonably require and every demand, writ, summons, proceedings, impending prosecution or inquest and all documents relating to the claim or Occurrence shall be forwarded to Us as soon as practicable after they are received by You.
- (c) written notice (including facsimile transmission) must be given to Us via Your insurance intermediary.

### **16.2 Your Duties in the event of an Occurrence, Claim or Suit**

- (a) You shall not, without Our written consent (which consent shall not be unreasonably delayed or withheld), make any admission, offer, promise or payment in connection with any Occurrence or claim.
- (b) You shall use the best endeavours to preserve all property, products, appliances, plant, and all other things which may assist in the investigation or defence of a claim or suit or in the exercise of rights of subrogation and, so far as may be reasonably practicable, no alteration or repair shall be effected without Our consent until We have had an opportunity of inspection.
- (c) You shall, when so requested, provide Us with details of any other insurances current at the time of any Occurrence, and/or Personal Injury and/or Property Damage and/or Advertising Injury and covering any of the liability insured by this Policy.

### **16.3 Our Rights Regarding Claims**

- (a) Following the happening of any Occurrence in respect of which a claim is, or may be, made under this section of this Policy, We shall have full discretion in the conduct of any proceedings in connection with any claim. You shall give such information and assistance that We may reasonably require in the prosecution, defence or settlement of any claim.
- (b) We may at any time pay to You, in respect of all claims against You arising directly or indirectly from one source or original cause:

- (i) the amount of the Limit of Liability or such other amount specified in respect thereof (after deduction of any sum(s) already paid by Us, which sum(s) would reduce the amount of Our unfulfilled liability in respect thereof); or
  - (ii) any lesser sum for which the claim(s) can be settled.
- (c) Upon making such payment, We shall relinquish conduct and control of, and be under no further liability under this Policy in connection with, such claim(s) except for Defence Costs and Supplementary Payments:
- (i) recoverable from You in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently); or
  - (ii) incurred by Us, or by You with Our written consent, prior to the date of such payment.

#### **16.4 ForeignCurrency**

If You incur liability to settle any claim for an amount stated in the local currency of any country or territory outside Australia, where an award is made or a settlement is agreed upon, then, the amount payable by Us shall be the value of such award or settlement together with costs awarded or payable to any claimant converted to Australian Dollars at the cash rate of exchange published in the Australian Financial Review on the date the award was made or settlement was agreed upon; subject always to the applicable Limit of Liability.

#### **16.5 AdjustmentOfPremium**

If the first premium or any renewal premium for this section of this Policy or any part thereof shall have been calculated on estimates provided by You, You shall keep an accurate record containing all particulars relative thereto and shall at all reasonable times allow Us to inspect such record.

You shall, where requested by Us after the expiry of each Period of Insurance, provide to Us such particulars and information as We may require as soon as reasonably practicable. The premium for such period shall thereupon be adjusted and any difference paid by or allowed to You, as the case may be, subject to retention by Us of any minimum premium that may have been agreed upon between Us and You at inception or the last renewal date of this section of this Policy.

#### **16.6 Alteration Of Risk**

Every change which substantially varies any of the material facts or circumstances existing at the commencement of each Period of Insurance, that shall come to the knowledge of Your officer responsible for insurance matters, shall be notified to Us as soon as reasonably practicable thereafter and You shall (if so requested) pay such reasonable additional premium as We may require.

#### **16.7 BankruptcyorInsolvency**

In the event that You should become bankrupt or insolvent, We shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency.

#### **16.8 Breach of Condition or Warranty**

Your rights under this section of this Policy shall not be prejudiced by any unintentional and/or inadvertent:

- (a) breach of a condition or warranty without Your knowledge or consent; or
- (b) error in the name or title of any person(s), corporation and/or other organisation which forms part of the definition of "You, Your, Insured"; or
- (c) error in name, description or situation of property; or
- (d) failure to report any property and/or entity and/or insurable exposure in which You have an interest.

Provided always that, upon discovery of any such fact or circumstances referred to above, Your officer responsible for insurance matters shall give written notice thereof to Us as soon as reasonably practicable thereafter and You shall (if so requested) pay such reasonable additional premium that We may require.

#### **16.9 Inspection and Audit**

We shall be permitted, but not obligated, to inspect Your premises and operations at any reasonable time.

Neither Our right to make inspections, nor Our failure to make inspections, nor the making of inspections, nor any report of an inspection shall constitute an undertaking, on behalf of or for the benefit of You or others, to determine or warrant that such premises or operations are safe or healthful or are in compliance with any law, rule or regulation.

We may examine and audit Your books and records at any time during the currency of this section of this Policy and within three (3) years after the final termination of this section of this Policy but only with regard to matters which in Our opinion are relevant to this section of this Policy.

#### **16.10 Reasonable Precautions**

You must:

- (a) exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all premises, fittings and plant in sound condition.
- (b) take reasonable precautions:
  - (i) to prevent Personal Injury and/or Property Damage or Advertising Injury.
  - (ii) to prevent the manufacture, sale or supply of defective Products.
- (c) to comply with all statutory obligations, by-laws or regulations imposed by any public authority for the safety of persons or property.
- (d) at Your own expense take reasonable action to trace, recall or modify any Products containing any defect or deficiency which defect or deficiency You have knowledge of or have reason to suspect.

#### **16.11 Release**

Where You are required by contractual agreement to release any Government or Public or Local Authority or other Statutory Authority or any landlord or any other persons or parties from liability for loss, destruction or damage or legal liability insured against under this section of this Policy, such release is allowed without prejudice to this insurance.

We agree to waive all Our rights of subrogation against any such Authority or persons or parties in the event of any Occurrence for which a claim for indemnity may be made under this section of this Policy.

#### **16.12 Severability and Cross Liability**

This section of this Policy, including any amendment, renewal or variation or Endorsement to or of it, shall be construed as if each person, corporation, entity or other organisation entitled to claim on it, whether a party to the contract of insurance or not, had made a proposal, application or request for this section of this Policy, or amendment, or renewal, or variation or Endorsement, in respect of their interest only. Further any information or knowledge possessed by a person, corporation, entity or other organisation entitled to claim on this section of this Policy, whether possessed before or after the contract was entered into, shall not be imputed to any other person, corporation, entity or other organisation.

We will not seek any relief whatsoever (including cancellation of this section of this Policy) for non-disclosure or misrepresentation or both against a person, corporation, entity or other organisation entitled to claim under this section of this Policy unless We would have been entitled to that relief had the person claiming been the only person covered by this section of this Policy.

Further neither the inclusion of more than one Insured under this section of this Policy nor any act, omission, breach or default by an Insured shall in any way affect the rights of any other Insured, it being intended that this section of this Policy should be construed as if a separate contract of insurance had been entered into by each Insured; but not so as to increase Our liability under this section of this Policy.

#### **16.13 Subrogation and Allocation of the Proceeds of Recoveries**

Subject to Condition 16.14 'Subrogation Waiver', any corporation, entity, organisation or person claiming under this insurance shall, at Our request and at Our expense, do and concur in doing and permit to be done all such acts and things that may be necessary or may reasonably be required by Us for the purpose of enforcing any rights and remedies, or for obtaining relief or indemnity from any other organisation(s) or person(s), to which We shall be or would become entitled upon Us paying for or indemnifying You in respect of legal liability under this insurance.

Should You incur any legal liability which is not covered by this insurance:

- (a) due to the application of an Excess; and/or
- (b) where the amounts of any judgments or settlements exceed the applicable Limit of Liability;

You will be entitled to the first call on the proceeds of all recoveries made, by either You or Us, on account of such legal liability until fully reimbursed for such uninsured amount or amounts (less the actual costs of making such recoveries where those costs are incurred by Us) and any remaining amount(s) will be applied to reimburse Us.

#### **16.14 Subrogation Waiver**

Notwithstanding Condition 16.13, We hereby agree to waive all Our rights of subrogation under this section of this Policy against:

- (a) each of the parties described under Definition 17.24 ("You, Your, Insured").
- (b) any corporation, organisation or person which or who owns or controls the majority of the capital stock of any corporation or organisation to which or to whom protection is afforded under this section of this Policy. Where such corporation, organisation or person is protected from liability insured against hereunder by any other policy of indemnity or insurance, Our right of subrogation is not waived to the extent and up to the amount of such other policy.

### **17. Definitions Applicable to Section 3**

For the purpose of determining the cover provided by this section of this Policy:

#### **17.1 "Advertising Injury" means:**

Injury arising out of:

- (a) libel, slander or defamation of character; or
- (b) any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010 (Commonwealth) or Schedule 2 to the Competition and Consumer Act 2010 (The Australian Consumer Law) or any Fair Trading or similar legislation of any country, state or territory; or
- (c) any infringement of copyright or passing off of title or slogan; or
- (d) unfair competition, piracy, misappropriation of advertising ideas or style of doing business; or
- (e) invasion of privacy;

committed or alleged to have been committed during the Period of Insurance in any advertisement, publicity article, broadcast or telecast and caused by or arising out of Your advertising activities.

**17.2 “Aircraft” means:**

any craft or object designed to travel through air or space, other than model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.

**17.3 “Business” means:**

the business as described in the Schedule and/or as further described in any more specific underwriting information provided to Us, at the time when this insurance was proposed to Us or at the time of any renewal of this section of this Policy, and shall also include:

- (a) any prior operations or activities which have ceased or have been disposed of but for which You may retain a legal liability.
- (b) the ownership of premises and/or the tenancy thereof by You.
- (c) the maintenance or repair of Your premises or facilities or property for which such responsibility exists.
- (d) participation in any exhibition by You or on Your behalf.
- (e) the hire or loan of plant and/or equipment to other parties.
- (f) conducted tours of Your premises.
- (g) the provision of any sponsorships, charities, galas, security, first aid, medical, ambulance or firefighting services by You or on Your behalf.
- (h) private work undertaken by Your employees for any of Your directors, partners, proprietors, officers or executives.
- (i) the provision and/or management of any canteen, social and/or sporting clubs or educational, welfare and/or child care facilities by You or on Your behalf, which are primarily for the benefit of Your employees.

**17.4 “Compensation” means:**

monies paid or agreed to be paid by judgment, award or settlement in respect of:

- (a) Personal Injury; or
- (b) Property Damage; or
- (c) Advertising Injury.

Provided that such Compensation is only payable in respect of an Occurrence to which this insurance applies.

**17.5 “Electronic Data” means:**

facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instruction for such equipment.

**17.6 “Employment Practices” means:**

any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination directly related to employment by the Insured.

**17.7 “Excess” means:**

the first amount of each claim or series of claims arising out of any one Occurrence for which You are responsible.

The Excess(es) applicable to this section of this Policy appear in the Schedule.

The Excess(es) applies to all amounts for which We will be liable, including the indemnity provided by Insuring Clause 13.2 - Defence Costs and Supplementary Payments.

**17.8 “General Liability” means:**

Your legal liability in respect of Personal Injury and/or Property Damage or Advertising Injury caused by or arising out of an Occurrence happening in connection with the Business other than Products Liability.

**17.9 “Hovercraft” means:**

any vessel, craft or thing made or intended to transport persons or property over land or water supported on a cushion of air provided by a downward blast.

**17.10 “Medical Persons” includes but is not limited to:**

medical practitioners, medical nurses, dentists and first aid attendants.

**17.11 “Named Insured” means:**

- (a) the person(s), corporations and/or other organisations specified in the Schedule as “The Named Insured”;
- (b) all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of The Named Insured incorporated in Australia and/or any other organisations under the control of The Named Insured;
- (c) all subsidiary and/or controlled corporations (including subsidiaries thereof) of The Named Insured and/or any other organisations under the control of The Named Insured incorporated in Australia and which are constituted or acquired by The Named Insured during the Period of Insurance.
- (d) every subsidiary and/or controlled corporation and/or other organisation of The Named Insured which is divested during the Period of Insurance, but only in respect of claims made against such divested subsidiary or controlled corporation or organisation caused by or arising out of Occurrences insured against by this section of this Policy, which occurred prior to the date of divestment.

**17.12 “North America” means:**

- (a) the United States of America and the Dominion of Canada;
- (b) any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and
- (c) any country or territory subject to the laws of the United States of America or the Dominion of Canada.

**17.13 “Occurrence” means:**

an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury and/or Property Damage or Advertising Injury that is neither expected nor intended (except for the matters set out in clause 17.14 (e)) from Your standpoint.

With respect to Personal Injury and/or Property Damage, all events of a series consequent upon or attributable to one source or original cause shall be deemed to be one Occurrence.



All Advertising Injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one Occurrence.

**17.14 “Personal Injury” means:**

- (a) bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom;
- (b) false arrest, false imprisonment, wrongful detention, wrongful entry, wrongful eviction, malicious prosecution or humiliation;
- (c) libel, slander, defamation of character or invasion of privacy, unless arising out of Advertising Injury;
- (d) discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or otherwise (unless insurance thereof is prohibited by law) not committed by You or at Your direction, but only with respect to liability other than fines and penalties imposed by law;
- (e) assault and battery not committed by You or at Your direction, unless committed for the purpose of preventing or eliminating danger to persons or property.

In the event of Personal Injury claims arising from latent injury, latent sickness, latent disease, latent illness or latent disability: such injury, sickness, disease, illness or disability in respect of each claim shall be deemed to have occurred on the day such injury, sickness, disease, illness or disability was first medically diagnosed.

**17.15 “Pollutants” means:**

any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste material. ‘Waste material’ includes materials that are intended to be recycled, reconditioned or reclaimed.

**17.16 “Products” means:**

anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, re-supplied or distributed, imported or exported, by You or on Your behalf (including Your predecessors in the Business), including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, You are deemed to have manufactured in the course of the Business including discontinued products.

Provided always that for the purpose of this insurance the term “Products” shall not be deemed to include:

- (a) food and beverages supplied by You or on Your behalf primarily to Your employees as a staff benefit;
- (b) any vending machine or any other property rented to or located for use of others but not sold by You;

and any claims made against You in respect of Personal Injury and/or Property Damage arising out of any Occurrence in connection therewith shall be regarded as General Liability claims hereunder.

**17.17 “Products Liability” means:**

Your legal liability in respect of Personal Injury and/or Property Damage caused by or arising out of any Products or the reliance upon a representation or warranty made at any time with respect to such products; but only where such Personal Injury and/or Property Damage occurs away from premises owned or leased by or rented to You and after physical possession of such products has been relinquished to others.

**17.18 “Property Damage” means:**

- (a) physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or
- (b) loss of use of tangible property which has not been physically lost, destroyed or damaged; provided that such loss of use is caused by or arises out of an Occurrence.

**17.19 “Territorial Limits” means:**

- (a) anywhere in the World except North America.
- (b) North America, but only with respect to:
  - (i) overseas business visits by any of Your directors, partners, officers, executives or employees, who are non-resident in North America, but not where they perform manual work in North America.
  - (ii) Products exported to North America without Your knowledge.

**17.20 “Tool of Trade” means:**

a Vehicle that has tools, implements, machinery or plant attached to or towed by the Vehicle and is being used by You at Your premises or on any Worksite. Tool of Trade does not include any Vehicle whilst travelling to or from a Worksite or Vehicles that are used to carry goods to or from any premises.

**17.21 “Vehicle” means:**

any type of machine on wheels or on self-laid tracks made or intended to be propelled by other than manual or animal power, and any trailer or other attachment to be utilised in conjunction with or drawn by any such machine.

**17.22 “Watercraft” means:**

any vessel, craft or thing made or intended to float on or in or travel on or through water, other than model boats.

**17.23 “Worksite” means:**

any premises or site where any work is performed for and/or in connection with the Business together with all areas surrounding such premises or site and/or all areas in between such premises or site that You shall use in connection with such work.

**17.24 “You, Your, Insured”**

Each of the following is an Insured to the extent specified below:

- (a) the Named Insured.
- (b) every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive, employee or volunteer of the Named Insured (including the spouse or any family member of any such person while accompanying such person on any commercial trip or function in connection with the Business) while such persons are acting for or on behalf of the Named Insured and/or within the scope of their duties in such capacities.
- (c) any employee superannuation fund or pension scheme managed by or on behalf of the Named Insured, and the trustees and the directors of the trustee of any such employee superannuation fund or pension scheme which is not administered by corporate fund managers.

- (d) every principal in respect of the principal's liability arising out of:
  - (i) the performance by or on behalf of the Named Insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and Limits of Liability as are provided by this section of this Policy.
  - (ii) any Products sold or supplied by the Named Insured, but only in respect of the Named Insured's own acts or omissions in connection with such products and in any event only for such coverage and Limits of Liability as are provided by this section of this Policy.
- (e) every person, corporation, organisation, trustee or estate to whom or to which the Named Insured is obligated by reason of any law, agreement or permit (whether written or implied) to provide insurance such as is afforded by this Policy, but only to the extent required by such law, agreement or permit and in any event only for such coverage and Limits of Liability as are provided by this section of this Policy.
- (f) every officer, member, employee or voluntary helper of the Named Insured's canteen, social and/or sporting clubs, security, first aid, medical, ambulance or firefighting services, charities, educational, welfare and/or child care facilities, while acting in their respective capacities as such.
- (g) any director, partner, proprietor, officer or executive of the Named Insured in respect of private work undertaken by the Named Insured's employees for such person and any employee whilst actually undertaking such work.
- (h) the estates, legal representatives, heirs or assigns of:
  - (i) any deceased or insolvent persons, or
  - (ii) persons who are unable to manage their own affairs by reason of mental disorder or incapacity,

who would otherwise be indemnified by this section of this Policy, but only in respect of liability incurred by such persons as described in clauses 17.24 (h) (i) and 17.24 (h) (ii) above.
- (i) any joint venture companies and partnerships to whom the Named Insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this section of this Policy; but only to the extent required by such contract or agreement and in any event only for such coverage and Limits of Liability as are provided by this section of this Policy.

## General Definitions

- 18.** The following General Definitions apply to all Sections of this Policy unless they are defined differently in any individual section.
- 18.1** “**Australia**” means:
- the Commonwealth of Australia including any of its dependencies and Territories.
- 18.2** “**Period of Insurance**” means:
- the period set forth in the Schedule, or any shorter period arising as a result of cancellation of this Policy, and any extension thereof which may be agreed in writing between You and Us.
- 18.3** “**Policy**” means:
- includes this document, the Schedule and any endorsement or memoranda affixed and any future documents issued (either at inception or during the Period of Insurance) to You which amends this Policy wording or Schedule; and the Proposal.
- 18.4** “**Schedule**” means:
- the most current Schedule of Insurance or any future renewal Schedule, including any endorsements issued by us in connection with this Policy.
- 18.5** “**Security**” means:
- various Underwriters at Lloyd’s, each of whom (including their executors and administrators) is only liable for their share of any Claim, loss, liability or expense payable under this Policy.
- 18.6** “**We/Us/Our**” means:
- Genesis Underwriting Pty Ltd acting under a binder as an agent of the Security.

## General Exclusions

- 19.** The following exclusions apply to all sections of this Policy unless expressly stated otherwise in any section.
- 19.1 War, terrorism, radioactivity**
- This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
- (a) **War**
- War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
- (b) **Any act(s) of Terrorism**
- For the purpose of this Exclusion 19.1 (b), an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation 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) de jure or de facto, and which:

- involves violence against one or more persons, or
- involves damage to property, or
- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or to disrupt an electronic system.

(c) **Radioactivity**

Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

Provided that this Exclusion 19.1 (c) shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above.

19.2 **Biological or Chemical Materials**

It is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use to pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

19.3 **Asbestos**

Liability for any loss cost or expense directly or indirectly arising out of or resulting as a consequence of or related to the manufacture mining processing ownership distribution testing remediation removal storage disposal sale transportation use of or exposure to asbestos or silica or polychlorinated biphenyls or materials or products containing such substances (or any other component building material hazardous to health) whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

19.4 **Electronic cyber liabilities**

We will not cover Loss, Destruction or Damage associated with or caused by a System Failure if a System Failure forms an identifiable element in the chain of events from which the liability arises whether or not it is the proximate cause of the liability.

System Failure shall mean malfunction or non-function of any mechanical and/or electronic system (whether or not the property of the Insured) caused by:-

- (a) the response of a computer to any date or date change or;
- (b) the failure of a computer to respond to any date or date change or;
- © the loss of or denial of access to any data either your own or third party or;
- (d) any Loss of or Damage to or change or corruption in data or software on a computer or computer system or;
- (e) any Computer virus or hacking into or degradation of or breach of security in or denial of access to a computer or computer system or website.

**COMPUTER VIRUS** means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. **COMPUTER VIRUS** includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

Computer includes computer hardware computer software microchip microprocessor any electronic equipment and any device which gives or processes or receives or stores electronic instructions or information.

Provided that this Exclusion shall not apply to any subsequent loss, destruction of or damage to such computer, mechanical and/or electronic system occasioned by or happening through any cause or event not otherwise excluded herein which results from any of the events referred to in this exclusion.

## **General Conditions**

- 20.** The following General Conditions apply to all Sections of this Policy. You should also refer to each section to see whether any additional conditions apply.

**20.1 Assignment**

This Policy and any rights hereunder cannot be assigned without Our prior written consent.

**20.2 Cancelling Your Policy**

**(a) How You may cancel this Policy**

- (i) You may cancel this Policy at any time by telling Us in writing that You want to cancel it. You can do this by giving the notice to Your insurance intermediary.
- (ii) Where 'You' involves more than one person, We will only cancel this Policy when a written agreement to cancel this Policy is received from all persons named as the Insured.

**(b) How We may cancel this Policy**

- (i) We may cancel this Policy in any of the circumstances permitted by law by informing You in writing, in which case cancellation takes place at the time You enter into another contract of insurance intended to replace this Policy, or at 4.00 pm on the 30th day after delivery of the notice to You, whichever is the earlier.
- (ii) We will give You this notice in person or send it to Your address last known to us.

**(c) The premium**

We will refund to You the proportion of the premium for the remaining Period of Insurance.

**(d) Premium funders**

If the premium has been funded by a premium funding company which holds a legal right over this Policy by virtue of a notice of assignment and irrevocable power of attorney, a refund will be made to the premium funding company of the proportionate part of the premium applicable to the unexpired Period of Insurance.

**20.3 Claims Preparation Expenses**

We will pay for costs necessarily and reasonably incurred for the preparation of a claim for which we agree to indemnify You under this Policy. The most we will pay is \$25,000 in total, unless a specific amount is included in the particular section of this Policy. Provided that before You incur these claim preparation costs You obtain our written approval to incur these costs. This benefit is in addition to any applicable Limit or Sub Limit of Liability.

**20.4 Currency**

All amounts under this Policy are expressed and payable in Australian dollars.

## **20.5 How Goods and Services Tax (GST) affects any payments We make**

The amount of premium payable by You for this Policy includes an amount on account of the GST on the premium.

When We pay a claim, Your GST status will determine the amount We pay.

When You are:

- (a) not registered for GST, the amount We pay is the applicable Limit(s) or Sub Limit(s) of Liability including GST.
- (b) registered for GST, We will pay the applicable Limit(s) or Sub Limit(s) of Liability and where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a Damaged item insured under the Policy) We will pay for the GST amount.

We will reduce the GST amount We pay for by the amount of any input tax credits to which You are or would be entitled if You made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through Your Business Activity Statement (BAS).

You must advise Us of Your correct Australian Business Number and Taxable Percentage.

Any GST liability arising from Your incorrect advice is payable by You.

Where the amount of Your claim is greater than the applicable Limit(s) or Sub Limit(s) of Liability, We will only pay an amount for GST (less Your entitlement for Input Tax Credit) applicable to the amount of the loss settlement. This means that if these amounts are not sufficient to cover Your loss, We will only pay the GST relating to Our settlement of the claim.

We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by any business of Yours which is relevant to Your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is Your entitlement to an Input Tax Credit on Your premium as a percentage of the total GST on that premium.

## **20.6 Interpretation of words**

Some of the words used in this Policy have special defined meanings. These words commence with capital letters and are listed under either the "General Definitions" section on page 47 or in the definitions section in the applicable section of this Policy.

The headings in each section are not part of this Policy. Their purpose is to provide You with a general guide about the context of the text.

In this Policy, words importing the singular include the plural and the plural the singular, and any gender includes reference to all other genders unless the context requires an alternative construction.

## **20.7 Jurisdiction**

This contract of insurance shall be governed by and construed in accordance with the laws of Australia and the States and Territories thereof. Each party agrees to submit to the jurisdiction of any Court of competent jurisdiction in a State or Territory of Australia and to comply with all requirements necessary to give such Court jurisdiction. All disputes arising under this Policy shall be determined in accordance with the law and practice of such Court.

## **20.8 Sanctions clause**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of

such benefit would expose that (re)insurer to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, Australia, United Kingdom or United States of America.

## **20.9 Several Liability**

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part its obligations.

## **20.10 Complaints Handling & General Insurance Code of Practice**

This Certificate is Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia. Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry. Any enquiry or complaint relating to this Insurance should be referred to the Cover holder shown above in the first instance. If this does not resolve the matter or you are not satisfied with the way a complaint has been dealt with, you should write to:

**Lloyd's Underwriters' General Representative in Australia  
Suite 2, Level 21  
Angel Place  
123 Pitt Street  
Sydney NSW 2000**

**Telephone Number: (02) 9223 1433  
Facsimile Number: (02) 9223 1466**

who will refer your dispute to the Complaints Department at Lloyd's.

Complaints that cannot be resolved by the Complaints Department may be referred to the Financial Ombudsman Service (UK). Further details will be provided at the appropriate stage of the complaints process.

The Underwriters hereon agree that:

In the event of a dispute arising under this Insurance, the Underwriters at the request of the Assured will submit to the jurisdiction of any competent Court in Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.

Any summons notice or process to be served upon the Underwriters may be served upon the Lloyd's Underwriters' General Representative in Australia as referenced above who has authority to accept service and to enter an appearance on the Underwriters' behalf, and who is directed at the request of the Assured to give a written undertaking to the Assured that he will enter an appearance on the Underwriters' behalf.

If a suit is instituted against any one of the Underwriters, all Underwriters hereon will abide by the final decision of such Court or any competent Appellate Court.



# Endorsements Applicable to Sections 1 and 2 of this Policy

Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that the following Endorsements are made to Sections 1 and 2 of this Policy.

## The Schedule

The Schedule Applicable to Sections 1 and 2 is hereby extended to include the following Definitions:

### 1. Definition of “Accidental Damage”

“Accidental Damage” means Damage caused by any peril or circumstance not specifically insured or excluded by this Policy. Without limiting the generality of the foregoing, for the purpose of any Limit or Sub-Limit of Liability or Deductible as shown in the Schedule, the term Accidental Damage excludes fire, lightning, thunderbolt, meteorite, earthquake, subterranean fire, volcanic eruption and/or hydrothermal activity; impact, aircraft and/or other aerial devices and/or articles dropped or falling therefrom and/or impact by space debris and/or sonic boom; explosion, implosion or collapse; smoke and/or soot and/or smut and/or steam; spontaneous fermentation and/or overheating, spontaneous combustion; erosion, subsidence, earth movement or collapse resulting therefrom or landslip; flood, water from or action by the sea, tsunami, tidal wave or high water; storm, tempest, wind, hurricane, typhoon, tornado, cyclone, storm surge, rainwater, hail, sleet, snow and/or ice; water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes, tanks, sprinkler and/or any other systems at the premises or elsewhere; the acts of persons taking part in any riots or civil commotions or of strikers or locked out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe; burglary, theft, loss of Money, fraudulent or dishonest act(s), breakage of glass, mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of whatsoever kind, or any other event specifically mentioned under any other of the Sub-Limits of Liability in this Policy.

### 2. Definition of “Debris”

For the purpose of:

- a. Clauses 1.2 (f)(i) and 1.2 (f)(ii) of The Indemnity - Section 1; and
- b. Endorsement 57 – ‘Decontamination Costs’;

“Debris” or “debris” means the residue of Damaged Property Insured excluding any material which is itself a Pollutant and which is deposited beyond the boundaries of the Situation.

### 3. Definition of “Indemnity Value”

“Indemnity Value” means the cost necessary to rebuild, replace, repair or restore (as the case may be) Property Insured to a condition substantially the same as its condition at the time of the Damage, but not better or more extensive than that condition, taking into consideration its age, wear and tear and remaining useful life having regard to the nature and location of such property and the purposes for which it is owned, maintained or used by You.

## Section 1 – Material Loss Or Damage

### The Indemnity

#### 4. Statutory Liability to pay fire brigade attendance charges

Clause 1.2 (c) of The Indemnity – Section 1 is extended to include statutory charges payable by You to a fire brigade or firefighting authority for attendance at a fire or chemical emergency involving the Premises. No Deductible shall apply in respect of any claim made under this endorsement.

#### 5. Exploratory Costs

Clause 1.2 (c) of The Indemnity – Section 1 is extended to include exploratory costs necessarily and reasonably incurred by You to prevent imminent damage or diminish damage to Property Insured by any peril insured against by this Policy. No Deductible shall apply in respect of any claim made under this

endorsement.

## **6. Damage Diminution And Accidental Discharge Costs**

- 6.1 In Clause 1.2 (c) of The Indemnity – Section 1, the words “for the purpose of preventing or diminishing imminent Damage to property hereby insured” are amended to read “for the purpose preventing imminent Damage or minimising Damage to Property Insured”.
- 6.2 Clause 1.2 (c) of The Indemnity – Section 1 is extended to include costs and expenses incurred by You to switch off and re-set alarms following an occurrence caused by any insured peril or event.
- 6.3 The Indemnity under Clause 1.2 (c) of The Indemnity – Section 1 shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy.
- 6.4 Clause 1.2 (c) of The Indemnity – Section 1 is extended to include such reasonable costs, including travelling expenses, incurred by You to avert or minimise losses by perils insured by this Policy, including the protection, safeguard or recovery of Property Insured.

No Deductible shall apply in respect of any claim made under this endorsement.

## **7. Locks and Keys**

Clause 1.2 (e) of The Indemnity – Section 1 is hereby amended to read as follows:

- 1.2 (e) cost of replacing locks, keys and/or magnetic keys and/or electronic access cards and/or combinations where (if as a result of theft or any attempted theft) the keys, magnetic keys and/or electronic access cards are stolen and/or details of combinations have become known, or if there are reasonable grounds to believe the keys, magnetic keys and/or electronic access cards may have been duplicated. We will also pay costs and expenses necessarily and reasonably incurred for opening safes and/or strongrooms as a result of the theft of keys and/or magnetic keys and/or combinations becoming known.

## **8. Demolition and Removal of Owned Property**

The words “which is no longer useful for the purpose it was intended” are deleted from Clause 1.2 (f)(iii) of The Indemnity – Section 1.

## **9. Reinstatement of Undamaged Property**

Clause 1.2 (f)(iii) of The Indemnity – Section 1 is extended to include the cost of reinstating any property belonging to You which has been necessarily demolished and removed for the purpose of the reinstatement or replacement of Property Insured Damaged by any peril or event insured against by this Policy.

## **10. Personal Property of Employees And Others**

The wording of Clause 1.2 (g) of The Indemnity – Section 1 is amended to read:

- 1.2 (g) Damage to personal property, tools and effects (excluding Money) of Your directors, partners, proprietors and employees whilst on Your Premises; personal property (excluding Money) of Your welfare, sport and social clubs whilst at the Situation; and damage to visitors' personal property and effects (excluding Money) whilst on Your premises, but only to the extent that such property is not otherwise insured. Provided that Our liability shall not exceed the sub-limit stated in the Schedule against “Personal Property of Employees and Others”.

Provided further that the indemnity provided by this clause 1.2 (g) shall not be subject to:

- (i) Clause 4.8 – “Co-insurance” or Provision (iii) of Clause 4.4 – “Reinstatement or Replacement” in Section 1 of this Policy.
- (ii) any Deductible referred to in the Schedule.

#### **11. Accompanied Baggage In Australia**

The following clause is added to The Indemnity - Section 1:

Damage occurring anywhere in Australia, other than on Your premises or the premises of Your directors or employees, to personal property, tools and effects (excluding Money) belonging to Your directors and employees whilst they are engaged on Your business to the extent that such property is not otherwise insured.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against "Accompanied Baggage in Australia"; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

#### **12. Award Liability for Employees Clothing and/or Tools**

The following clause is added to The Indemnity - Section 1:

Your legal liability to indemnify employees, under the terms of any Federal or State Award or Determination, for Damage to employees' clothing and/or tools, notwithstanding Perils Exclusion Clause 10.6, to the extent that such property is not otherwise insured. No Deductible shall apply to the cover afforded by this endorsement.

#### **13. Cost of Clearing Blocked Drains, Pipes, Filters and Pumps**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include costs necessarily and reasonably incurred by You in the clearance of blocked pipes, drains, gutters, sewers, filters, pumping equipment and the like during the Period of Insurance, including exploratory costs, at or in the vicinity of Your Premises, whether or not there has been Damage, provided that this extension shall not cover normal maintenance costs.

Provided that the indemnity afforded by this endorsement:

- (i) shall not be subject to Provision (iii) of Clause 4.4 – "Reinstatement or Replacement" or Clause 4.8 – "Co-insurance" in Section 1 of this Policy;
- (ii) shall be limited to the sub-limit stated in the Schedule against "Cost clearing blocked drains, pipes, filters and pumps"; and
- (iii) shall not be subject to any Deductible referred to in the Schedule.

#### **14. Liability to make Enquiries**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include costs and expenses incurred by You in respect of any legal liability to make enquiries consequent upon Damage to Property Insured.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against "Liability to make Enquiries"; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

## **15. Statutory Inquiries**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include costs and expenses incurred by You in connection with Statutory Inquiries following Damage to Property Insured.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against “Statutory Inquiries”; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

The term "Statutory Inquiries" shall mean any judicial, coronial or other form of inquiry or hearing established by or at the direction of any government, semi-government, local or planning authority as a direct result of Damage to Property Insured.

## **16. Unpacking Expenses**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include costs and expenses incurred by You in taking inventory (including unpacking, repacking and restocking) to identify, quantify and value any Property Insured consequent upon Damage by any peril or event insured against by this Policy, including examination of property not belonging to You but in Your care, custody or control.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against “Unpacking Expenses”; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

## **17. Liability for Duty**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include Your liability for customs, excise and other duties which You may become liable to pay in the event of Damage to the Property Insured and/or Your liability to compensate others who may become liable for such customs, excise or other duties.

## **18. Landscaping**

The following clause is added to The Indemnity - Section 1:

Notwithstanding Property Exclusion Clauses 9.7, 9.8 and 9.13 (b), this Policy extends to include Damage to landscaping; which term shall mean lawns and gardens, plots including rockwork, paving and ornamentation pertaining thereto, ornamental plants, shrubs and trees.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against “Landscaping”; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

## **19. Expediting Expenses**

The following clause is added to The Indemnity - Section 1:

The Indemnity – Section 1 is extended to include costs and expenses incurred by You for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with expediting the repair or reinstatement of the Property Insured directly or indirectly arising from

Damage caused by any peril or event insured against by this Policy other than Damage caused by the circumstances described in Endorsement 112 – Boiler and/or Pressure Vessel Explosion, Endorsement 113 – “Fusion Extension”, Endorsement 114 - “Changes in temperature or humidity controlled environment” and Endorsement 115 – “EDP Breakdown”.

Provided that the indemnity afforded by this endorsement:

- (i) shall be limited to the sub-limit stated in the Schedule against “Expediting Expenses”; and
- (ii) shall not be subject to any Deductible referred to in the Schedule.

## **20. Amended Proviso**

The proviso to The Indemnity – Section 1 is amended to read:

Provided that only Clause 1.2 (a) above shall be subject to any Co-insurance clause or memorandum contained in this Policy.

## **The Property Insured**

### **21. Property Insured**

The first paragraph of Clause 2 - “The Property Insured” is amended to read:

All real and personal property of every kind and description (except as hereinafter excluded) belonging to You or for which You are responsible, or have assumed responsibility to insure prior to the occurrence of any Damage, including all such property in which You may acquire a pecuniary or economic interest or for Damage to which You become responsible or assume responsibility to insure, after the commencement of the Period of Insurance.

### **22. Classification of Property Insured**

For the purpose of ascertaining the classification under which any property is insured, We agree to accept the designation assigned to such property by You in Your records; provided that such property is not specifically excluded by this Policy.

### **23. Money - Extended Definition**

The second paragraph of Clause 2 – “The Property Insured” is amended to read:

It is understood and agreed that the term ‘personal property’ shall include Money (which shall mean current coin, bank notes, currency notes, cheques, travellers cheques, securities, negotiable and non-negotiable instruments of every kind and description, credit card sales and/or discount house vouchers, postal orders, money orders, unused postage and revenue stamps, including the value of stamps contained in franking machines, public transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, cash boxes, alarm bags and any other portable containers used to convey money) whilst contained in the Situation and whilst in transit to and from the Situation anywhere in Australia, including whilst contained in the night safe, safe, strongroom or any safety deposit of any bank or financial institution where You transact business, or within the residence of You or any person authorised by You to have personal custody of the Money or whilst in transit between any of these places.

### **24. Inclusion of Customers' Property**

Subject to the Exclusions Applicable to Sections 1 and 2 and the Exclusions Applicable to All Sections of this Policy, this Policy extends to insure property belonging to Your customers at the Premises, to the extent that such goods are not otherwise insured.

Provided that the indemnity afforded by this endorsement shall be limited to the sub-limit stated in the Schedule against “Customers’ Property”.

## 25. Definition of “Constructive Total Loss”

For the purposes of Section 1 of this Policy, there shall be deemed to be a constructive total loss when the Property Insured specified herein or any part thereof is reasonably abandoned:

- (a) because its actual total loss seems unavoidable, or
- (b) because it could not be preserved from actual total loss without an expenditure which would exceed its repaired and/or recovered value.
- (c) due to the compliance with the requirement of any Act of Parliament or Regulation made thereunder or any by-law or regulation or ruling by any competent authority

It is understood and agreed that the words "actual total loss" shall mean loss, destruction or damage (and not merely physical loss, destruction or damage) of or to the Property Insured specified herein or any part thereof.

## Basis of Settlement Applicable to Section 1

### 26. Buildings with Heritage Protection

The Section 1 – Material Loss or Damage Basis of Settlement is extended to include the following clause, notwithstanding clause 3.1:

**On any building or group of buildings with architectural features and/or structural materials possessing an ornamental or historical character and subject to a Heritage listing or conservation:** the cost or reinstatement, replacement or repair in accordance with the provisions of the Reinstatement or Replacement and Extra Cost of Reinstatement Memoranda as set out herein, but where the original materials are not available, the basis of settlement shall be the cost necessary to replace, repair, rebuild or restore the building or group of buildings to a reasonably equivalent appearance and capacity, using the original design and suitably equivalent materials.

Where the cost of reinstating the Damage to such building or group of buildings is less than the declared value thereof, then, the basis of settlement shall be the cost of reinstatement as defined in clause (a) of the Reinstatement or Replacement Memorandum.

In no case shall Our liability under this endorsement exceed the Limit of Liability or the amount which would have been payable in erecting a new building or group of buildings of the same size and style as the destroyed or Damaged building or group of buildings when new, whichever is the lesser.

The cover provided under this endorsement shall not be subject to any Co-Insurance Clause or Co-Insurance Memorandum contained in Section 1 of this Policy.

### 27. Notable Old Buildings Without Legal Protection

The Section 1 – Material Loss or Damage Basis of Settlement is extended to include the following clause, notwithstanding clause 3.1:

**On any building or group of buildings with architectural features and/or structural materials possessing an ornamental or historical character and which is not legally protected for preservation by national, state or local legislation or regulation:** the cost of reinstatement, replacement or repair in accordance with the provisions of the Reinstatement or Replacement and Extra Cost of Reinstatement Memoranda, but not exceeding the cost of repairing or erecting a similar type of building or group of buildings of current design techniques and modern materials within the terms of this Policy.

If the cost of the repairing the Damage and restoring a partially damaged building or group of buildings exceeds the reinstatement value of the building or group of buildings if destroyed, the building or group of buildings may, at Your option be deemed to be destroyed.

If the building or group of buildings is destroyed or deemed to be destroyed, the basis of settlement shall be the cost necessary to replace the building or group of buildings with another building or group of buildings that is no more expensive but of equivalent or improved utility, using current design techniques and modern materials.

This Endorsement shall not be subject to any Co-Insurance Clause or Co-Insurance Memorandum contained in Section 1 of this Policy.

**28. Leased Equipment (Residual Value)**

The Section 1 - Material Loss or Damage Basis of Settlement is extended to include the following clause, notwithstanding clause 3.1:

**On machinery, plant and equipment leased on a Residual Value basis;** in the event of actual or constructive total loss, the amount for which the lessee is contractually liable to the lessor, but not exceeding the sum represented by rent payable under such lease(s) for the period commencing on the date of the Damage and ending on the retirement date(s) of such lease(s), plus the current market value of the property immediately before the Damage or the Residual Value, whichever is the greater, less any salvage value. In the event of Damage which does not amount to a constructive total loss, the cost of repair in accordance with the provisions of Clause 4.4 – “Reinstatement or Replacement” and Clause 4.5 – “Extra Cost of Reinstatement” as set out herein.

For the purpose of this Basis of Settlement, the term “Residual Value” shall mean the minimum amount which the lessee has guaranteed that the leased property will realise, being the same amount which the lessee has agreed would be payable to acquire such property upon the retirement date(s) of the lease(s).

**29. Election to Claim Indemnity Value**

In Section 1, Basis of Settlement Clause 3.1 is extended to include the following extra provision:

Provided further that if You elect to claim the Indemnity Value of any Damaged property, We shall be liable for no greater proportion of the loss of such property than the amount that Your declaration, made at the time of commencement of the Period of Insurance, of the value of such property bears to eighty percent (80%) of the actual value of such property at the time of commencement of the Period of Insurance but not exceeding the Limit of Liability expressed in the Schedule.

Any amount recoverable under the Extra Cost of Reinstatement Memorandum shall not be taken into account in determining Our proportion of the loss of such property.

**30. Election to Insure for Indemnity Value**

Notwithstanding the provisions of Basis of Settlement Clause 3.1, You may elect to insure for the Indemnity Value of any property and, if so, You shall declare the value of such Property Insured accordingly.

We will settle any claim for such Property Insured on that basis or may, at Our option reinstate, replace or repair such Property Insured or any part thereof in accordance with its Indemnity Value.

In any event We will pay costs incurred in accordance with Clause 4.5 – “Extra Cost of Reinstatement”.

If You have elected to insure for the Indemnity Value of any property which would otherwise be insured under Basis of Settlement 3.1, the provisions of Clause 4.8 – “Co-Insurance” shall apply to any claim for such property.



**31. Basis of Settlement Clause 3.2**

In Section 1, Basis of Settlement Clause 3.2 is amended to read:

**3.2 On raw materials, supplies and other merchandise not manufactured by You:**

The replacement cost at the time and the place of replacement, provided that replacement shall have been carried out with reasonable despatch or, if such property is not replaced, the original cost to You of such property or the Indemnity Value, whichever is the lesser. If such property is obsolete, the Basis of Settlement (whether or not such property is replaced) shall be the original cost to You of such property or the Indemnity Value, whichever is the lesser.

**32. Basis of Settlement Clause 3.3**

In Section 1 - Basis of Settlement clause 3.3 is amended to read:

**3.3 On material in process of manufacture:**

The replacement cost of the raw materials and the cost of labour and other manufacturing costs expended thereon at the time and the place of the Damage.

**33. Basis of Settlement Clause 3.4**

In Section 1, Basis of Settlement 3.4 is amended to read:

**3.4 On finished goods manufactured by You:**

The replacement cost of the raw materials and the cost of labour and other manufacturing costs expended thereon before any allowance for profit, calculated at the time and place of the Damage, or the cost of re-stocking such goods within a reasonable time, whichever is the lesser. If such goods are obsolete, the Basis of Settlement (whether or not such goods are replaced) shall be the original cost to You of such goods or the Indemnity Value, whichever is the lesser.

**34. Goods sold but not delivered**

In Section 1, Basis of Settlement Clause 3.4 is hereby extended to include the following clause:

**On goods sold but not delivered for which You are responsible and with regard to which, under the conditions of sale or any statute or at common law, the contract of sale is cancelled either wholly in part by reason of the Damage:**

The contract price or, in the case of a partial cancellation of the contract of sale, that part of the contract price which shall have been lost to You because of the partial cancellation.

**35. Basis of Settlement Clause 3.5**

In Section 1, Basis of Settlement Clause 3.5 is hereby amended to read:

**3.5 On computer systems records including computer software, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description:**

The cost of reinstating, replacing, reproducing or restoring them, including the information contained on or in them but excluding the value to You of that information. If such reinstatement, replacement, reproduction or restoration is not required, the Basis of Settlement shall be the replacement cost of materials as blank stationery calculated at the time and place of the Damage.

**36. Basis of Settlement Clause 3.7**

In Section 1, Basis of Settlement Clause 3.7 is hereby extended to include the following additional words:

“the extra cost of compliance with regulations, e.g., Australian Standard AS 1288-1989.”

**37. Basis of Settlement Clause 3.8**

In Section 1, Basis of Settlement Clause 3.8 is hereby amended to read:

**On personal property, tools and effects of Your directors, employees and of visitors to Your premises:**

The replacement cost at the time and place of replacement.

**38. Jewellery and Furs of Employees and Others**

The words “jewellery, furs” in Property Exclusion Clause 9.3 shall not apply to personal property belonging to Your employees and directors, not otherwise insured, whilst at Your premises.

**39. Amendment To Property Exclusion 9.3 - Inclusion of Bullion, Precious Metals or Precious Stones**

(This Endorsement is inoperative unless a sub limit is stated in the Schedule against “Bullion, precious metals or precious stones”)

Property Exclusion 9.3 is hereby deleted from this Policy and replaced by the following:-

9.3. jewellery and furs other than as stock and/or merchandise of the Business.

**40. Works of Art, Antiques and Curios**

In Section 1, Clause 3 – “Basis of Settlement” is extended to include the following additional clause:

**On works of art, antiques and curios, none of which form part of the stock in trade or merchandise of the Business:**

Notwithstanding the first paragraph of Basis of Settlement Clause 3.1, the cost of restoring and repairing to a condition substantially the same as before the damage plus any reduction in market value caused by the Damage. If restoration or repair is not possible: the market value immediately before the Damage or the value evidenced by the latest valuation(s) held by You Our liability shall not exceed the amount of the sub limit stated in the Schedule against “Works of Art, Antiques and Curios”.

**41. Pairs and Sets**

In Section 1, Clause 3 – “Basis of Settlement” is extended to include the following additional clause:

**On personal property comprising a pair or set:**

Notwithstanding the first paragraph of Basis of Settlement Clause 3.1, the difference between the market or replacement value (whichever is greater) before the loss and the market or replacement value (whichever is greater) after the loss.

## 42. Securities

*(This endorsement is only operative when a sub-limit is stated in the Schedule against "Securities")*

In Section 1, Basis of Settlement Clause 3.5 is amended by deleting the word "securities".

**In the case of Securities (which shall mean certificates of stock, bonds, coupons and all other types of securities) the basis of valuation shall be:**

- (a) if the Securities can, with Our approval, be replaced, the cost of replacement paid or payable by You; or
- (b) if the Securities cannot or are not to be replaced by You, the greater of:
  - (i) the price for which You purchased them; and
  - (ii) the closing market value on the last business day prior to the date of discovery by You of the loss or destruction of the Securities, or if the time of discovery by You is after the close of the market, their closing market value on the day of discovery by You of the loss or destruction of the Securities;
- (c) in the case of a loss of subscription, conversion or redemption privileges through the loss of any Security, the value of such privileges immediately preceding the expiration thereof;

such valuation being in the currency in which the loss was sustained. Losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss or such other rates as may be expressly agreed with Us.

If there is no market price or value on the relevant day stated herein, then the value shall be agreed between You and Us, or in default thereof, You and Us shall submit to arbitration and be bound by the decision of the Umpire.

## Memoranda Applicable to Section 1

### 43. Amendment to Clause 4.1 - Interests of Other Parties

Clause 4.1 - Interests of Other Parties is amended to read:

- 4.1 We will indemnify any other persons or entities having any pecuniary or economic interest in the Property Insured by virtue of any financial or other agreement entered into between such persons or entities and You. We shall waive all rights of subrogation which may otherwise have existed against such other persons or entities.

The written receipts of any such other persons or entities in respect of any claims settlements under this section made in relation to their respective interests shall be a full and sufficient discharge to Us with respect thereto and shall not increase Our overall liability beyond the Limit(s) or applicable Sub Limit(s) of Liability as stated in the Schedule.

Where the insurance covers the interest of more than one person or entity, any act or neglect of an individual person or entity will not prejudice the rights of the remaining persons or entities; provided that the remaining persons or entities shall, immediately on becoming aware of any act or neglect whereby the risk of Damage has increased, give notice in writing to Us and, if so requested, pay such reasonable additional premium as We may require.

**44. Amendment to Clause 4.2 - Branded Goods**

Clause 4.2 – Branded Goods is extended to include the following additional paragraph:

By mutual agreement between You and Us, You can elect to have any salvaged goods and/or merchandise destroyed under supervision and such goods and/or merchandise will then be deemed to be of no salvaged value in the assessment of the claim. Salvaged goods and/or merchandise in such circumstances shall be deemed to have been destroyed by the operation of an insured peril or event.

**45. Labels, Containers and Wrappings**

Section 1 of this Policy is extended to include the following additional memorandum:

In the event of Damage affecting labels, containers or wrappings, We shall not be liable for more than an amount sufficient to pay the cost of new labels, containers or wrappings, and the cost of reconditioning the goods and/or merchandise, but in no case shall We be liable for more than the insured value of the Damaged goods and/or merchandise.

**46. Amendment to Clause 4.3 - Declared Values**

Clause 4.3 – Declared Values is extended to include the following paragraphs:

If asset movements between Situations used by You have resulted in an under declaration of value(s) at any Situation(s) and an offsetting over declaration of equivalent value(s) at any other Situation(s), then, such factors shall form part of the calculation to test the application of Co-insurance/Under-insurance.

Declared values shall not include any allowance for Extra Cost or Reinstatement and/or any costs and expenses referred to under Clause 1.2 of "The Indemnity" other than Clause 1.2 (a).

**47. Amendments to Clause 4.4 - Reinstatement or Replacement**

Clause 4.4 – Provision (i) is amended to read:

- (i) The work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out wholly or partially upon any other site(s) and in any manner suitable to Your requirements, but subject to Our liability not being thereby increased), must be commenced and carried out with reasonable despatch, after indemnity has been confirmed by Us, failing which We shall not be liable to make any payment greater than the amount which would have been payable under this Policy if the work of rebuilding, replacing, repairing or restoring had been commenced and carried out with reasonable despatch.

Clause 4.4 – Provision (iii) is amended to read:

- (iii) Property insured under this memorandum is separately subject to the following Co-Insurance Clause:-

In the event of Damage to any property insured hereunder at any situation caused by any peril or event hereby insured against, We shall be liable for no greater proportion of such Damage than the amount that Your declaration of value of property insured at such situation on the day of the commencement of the Period of Insurance bears to the sum representing eighty percent (80%) of the cost which would have been incurred in reinstatement if the whole of such property had been destroyed on that day, but not exceeding the Limit of Liability expressed in the Schedule; provided that if the sum actually incurred or expended in rebuilding or replacing the Damaged property, within the meaning of clause (a) of the above mentioned definition of "reinstatement", exceeds the amount which would have been payable under this Policy if this memorandum had not been incorporated herein, but is less than the cost of reinstatement as above defined, then the sum so actually incurred or expended shall, for all purposes of this memorandum, be deemed to be the cost of reinstatement of the property.

Provided further that the above clause shall not apply if the amount of the Damage does not exceed ten percent (10%) of the amount of Your declaration as mentioned above.

#### **48. Further Amendments to Clause 4.4 - Reinstatement or Replacement**

Clause 4.4 - Reinstatement or Replacement is extended to include the following additional Provisions:

- (vi) Where any lost or destroyed property is replaced by smaller and/or cheaper property, We shall pay to You (in addition to the cost of such replacement property) the difference between the cost which would have been incurred, if the lost or destroyed property had been reinstated (in accordance with clause (a) of the definition of "reinstatement") and the cost of the said smaller and/or cheaper property.
- (vii) Where any lost or destroyed property is reinstated or replaced with dissimilar property, whether or not such property is to be used for a similar purpose to the lost or destroyed property, We shall pay to You the cost of such dissimilar property; provided that Our liability is not thereby increased beyond the amount which would have been payable under this Policy if such lost or destroyed property had been reinstated in accordance with clause (a) of the definition of 'reinstatement'.

Provided that, where the cost of such dissimilar property is less than the cost which would have been incurred if the lost or destroyed property had been reinstated in accordance with clause (a) of the definition of 'reinstatement', We shall also pay to You the difference between the cost of such dissimilar property and the cost of reinstatement which would otherwise have been incurred.
- (viii) Where Property Insured is Damaged but not destroyed, Our liability will not exceed the amount We could have been called upon to pay for reinstatement of such property if it had been destroyed.
- (ix) If You elect not to rebuild, replace, restore or repair the Damaged Property Insured, We will pay You the Indemnity Value or the cost that would have been incurred if such property could have been repaired, whichever is the lesser amount.
- (x) You shall not be bound to reinstate any destroyed building(s) (together with machinery, plant and all other contents, other than stock, therein) but may, at Your option purchase an alternative building(s) (including or excluding machinery, plant and all other contents, other than stock, therein) to replace the destroyed property insured; provided that Our liability is not thereby increased beyond the amount which would have been payable under this Policy if the destroyed property had been reinstated in accordance with the provisions of clause (a) of the definition of "reinstatement".

In the event that both the total replacement value and the total volume (measured over the roof and external walls) of the building or buildings purchased are less than both the total replacement value and the total volume (measured over the roof and external walls) of the building or buildings destroyed, then, the total amount recoverable hereunder shall include (in respect of that portion of the building volume which is not replaced) an additional amount equal to but not exceeding the equivalent proportion of the Indemnity Value of the destroyed building(s).

If both the total replacement value and the total quantity of machinery, plant and all other contents (other than stock) purchased are less than both the total replacement value and the total quantity of machinery, plant and all other contents (other than stock) destroyed, then, the total amount recoverable hereunder shall also include (in respect of that proportion of the total quantity of machinery, plant and equipment (excluding stocks) which is not replaced) an additional amount equal to but not exceeding the equivalent proportion of the Indemnity Value of the destroyed machinery, plant and all other contents (other than stock).

#### **49. Reinstatement of Damage by You**

If You reinstate any Damaged Property Insured, after obtaining Our consent, We shall pay the cost of such reinstatement including the value of labour and other overhead charges expended thereon together with a reasonable margin for profit. Our liability shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside contractors.

## **50. Amendments to Clause 4.5 - Extra Cost of Reinstatement**

The first paragraph of Clause 4.5 – Extra Cost of Reinstatement is amended to read as follows:

This Policy extends to include the extra cost of reinstatement (including demolition or dismantling) of Damaged and/or undamaged property necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law or Regulation of any Municipal or other Statutory Authority; subject to the following Provisions and subject also to the terms, Conditions and Limit(s) or Sub Limit(s) of Liability of this Policy.

Clause 4.5 – Provision (i) is amended to read:

- (i) The work of reinstatement (which may be carried out wholly or partially upon any other site(s) and in any manner suitable to Your requirements, but subject to Our liability not being thereby increased), must be commenced and carried out with reasonable despatch, after indemnity has been confirmed by Us, failing which We shall not be liable to make any payment greater than the amount which would have been payable under this Policy if the work of reinstatement had been commenced and carried out with reasonable despatch.

Clause 4.5 – Provision (v) is hereby deleted.

## **51. Additional Extra Cost of Reinstatement**

(Applicable to buildings, machinery, plant and all other property and contents specified in Clause 3.1 under Basis of Settlement).

Section 1 of this Policy is hereby extended to include the following Additional Memorandum:-

We will also pay the additional extra cost of reinstatement (including demolition, dismantling, decommissioning, recommissioning and maintenance) of Damaged Property Insured necessarily incurred by You to comply with the requirements of any statute, regulation or by-law of any municipal or statutory authority and not otherwise recoverable under the terms and conditions of this Policy.

Such expenditure shall include, but is not limited to, costs, fees and expenses incurred by You for:

- (a) the work of demolishing or dismantling any Damaged or undamaged Property Insured and the removal, storage and/or disposal of debris as a result of such work;
- (b) the making of structural modifications or alterations to any Damaged or undamaged Property Insured;
- (c) constructing and/or erecting and fitting out of any additional structure(s) and/or providing any additional facilities (at, on, or in the vicinity of, Your premises) for the benefit of staff and/or customers and/or visitors.

Provided that the indemnity afforded by this memorandum:

- (i) shall be limited in respect of each loss or series of losses arising out of any one event to \$500,000, which amount shall be separate from and additional to the Limit of Liability stated in the Schedule in respect of buildings, machinery, plant and all other property and contents specified in Clause 3.1 under Basis of Settlement.
- (ii) shall not include the additional cost incurred in complying with any statute, regulation, by-law or requirement of any municipal or statutory authority with which You had been required to comply prior to the happening of the Damage;
- (iii) shall not be subject to any Co-Insurance provision or memorandum which may be contained in Section 1 of this Policy.

Provided further that the work of reinstatement (which may be carried out wholly or partially upon any other site(s) and in any manner suitable to Your requirements, subject to Our liability not being thereby increased) must be commenced and carried out with reasonable despatch, after indemnity has been confirmed by Us, failing which We shall not be liable to make any payment beyond the amount which would have been payable under this memorandum if such work had been carried out with reasonable despatch.

**52. Amendments to Clause 4.6 - Floor Space Ratio Index (Plot Ratio)**

Clause 4.6 – “Floor Space Ratio Index (Plot Ratio)” hereby amended to read:

Subject to the terms, Conditions and Limit(s) or Sub Limit(s) of Liability of this Policy, if a building being Property Insured is Damaged and reinstatement is only permissible by reason of any requirement of any law or local government or other statutory authority subject to a reduced floor space ratio index, We will pay in addition to any other amount payable on reinstatement of the building the difference between the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index and the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable. In calculating the amount payable under this memorandum, any payment made by Us shall include the extra cost payable under the Extra Cost of Reinstatement Memorandum.

Any amount payable under this memorandum shall be paid upon completion of the rebuilding works as certified by the architect acting on Your behalf in the reinstatement of the building.

**53. Inclusion of Output Replacement Memorandum**

Section 1 of this Policy is extended to include the following additional memorandum:

Notwithstanding anything contained to the contrary in Clause 4.4 – “Reinstatement or Replacement”, where any Damaged Property Insured consists of equipment, machinery or plant having a measurable function, capability or output and it is necessary to replace such property with a new item or items which perform a similar function or functions, then the Basis of Settlement for such property shall be as follows:

- (a) Where any property is to be replaced by an item or items which have the same or a lesser total function, capability or output, then the Basis of Settlement is the new installed cost of such replacement item or items that would give the same total function, capability or output as the property being replaced.
- (b) Where any property is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement item or items is no greater than the replacement value of the property being replaced, then the Basis of Settlement is the new installed cost of the replacement item or items.
- (c) Where any property is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the property being replaced, then the Basis of Settlement shall be that proportion of the new installed cost of the replacement item or items which the output of the property being replaced bears to the output of the replacement item or items. If the reinstatement value of the Damaged property is not ascertainable, then, the basis of settlement is the new installed cost of the replacement item or items.

Provided always that where any Damaged property may be properly repaired, We shall pay the cost of restoration of such Damaged property to a condition substantially the same as (but not better or more extensive than) its condition when new and Our liability shall not exceed the sum representing the cost which We could have been called upon to pay if such property had been totally destroyed.

**54. Abandoned Undamaged Portion of a Building**

If any building insured hereunder is Damaged and (due to the exercise of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority) reinstatement of such building is carried out upon another site, then the abandoned undamaged portion of such building shall be deemed to have been destroyed.

Provided that if the presence of such abandoned undamaged portion of the building increases the sale value of the original site, the increase in sale value shall be regarded as salvage and the amount thereof shall be payable to Us by You upon completion of any sale of the site or shall be deducted from the total amount otherwise payable by Us under this Policy, whichever shall occur later.

All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this Policy. If the two valuers do not agree, their differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Property Institute as an expert, whose decision shall be binding.

#### **55. Undamaged Foundations**

When Property Insured is Damaged but its foundations are not destroyed and (due to the exercising of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority) reinstatement of the Property Insured is carried out upon another site or sites, then the abandoned foundations shall be deemed to have been destroyed.

Provided that if the presence of the abandoned foundations increases the sale value of the original site, then such increase shall be regarded as salvage and shall be payable to Us by You upon completion of the sale or shall be deducted from the total amount otherwise payable by Us under this Policy, whichever shall occur later.

All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this Policy. If the two valuers fail to agree, such differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Property Institute as an expert, whose decision shall be binding.

#### **Note:**

The term “foundations” shall be deemed to include services such as, but not limited to, conduits, pipes, cables and wiring, which are built into footings, foundations or concrete floor slabs.

#### **56. Undamaged Ancillary and/or Peripheral Equipment**

Section 1 of this Policy is hereby extended to include the following Additional Memorandum:-

Where any Property Insured being machinery, plant or equipment is destroyed but ancillary and/or peripheral equipment, utilised in conjunction therewith, is either undamaged or not destroyed but is nevertheless rendered superfluous upon replacement of the destroyed Property Insured, then such ancillary and/or peripheral equipment will be considered as being destroyed and its salvage value (if any) shall be payable to Us upon completion of any sale or shall be deducted from the total amount otherwise payable by Us under this Policy, whichever shall occur later.

#### **57. Decontamination Costs**

This Policy is hereby extended to cover costs and expenses necessarily and reasonably incurred in respect of the cost of decontamination and/or removal of contaminated Property Insured and/or Debris, which is incurred in compliance with any law, regulation or ordinance regulating pollution or contamination, due to the actual (not suspected) presence of any pollutants or contaminants as a direct result of the Damage.

#### **58. Depreciation of Undamaged Stocks**

*(This endorsement is only operative when a sub-limit is stated in the Schedule against “Depreciation of Undamaged Stocks”)*

Notwithstanding Property Exclusion 9.12 and Perils Exclusion 10.7, this Policy extends to include loss sustained by You resulting from depreciation in value of undamaged raw materials, work in progress or finished goods, due solely to Your inability to process raw materials and/or work in progress or to transport finished goods following Damage to Property Insured.



The amount payable as indemnity hereunder shall be the amount by which the price at which You would have sold the finished goods exceeds the proceeds of any sale of raw materials and/or work in progress and/or finished goods as scrap, less production costs saved. Provided that Our liability shall be limited to the amount of the sub-limit stated in the Schedule against "Depreciation of Undamaged Stocks" for any one loss or series of losses arising out of any one event at any one Situation.

**59. Depreciation of Undamaged Patterns and Designs**

*(This endorsement is only operative when a sub-limit is stated in the Schedule against "Depreciation of Undamaged Patterns and Designs")*

Section 1 of this Policy is hereby extended to include the following Additional Memorandum:-

Notwithstanding Perils Exclusions 10.6 and 10.7, in the event of Damage to any Property Insured caused by any peril or event insured against by this Policy, We will indemnify You for loss resulting from depreciation in the value of patterns and designs and the amount payable as indemnity hereunder shall be the cost incurred by You in creating new patterns and designs appropriate to Your needs after the aforementioned Damage. Provided that Our liability shall be limited to the amount of the sub-limit stated in the Schedule against "Depreciation of Undamaged Patterns and Designs".

**60. Loss of Land Value**

Notwithstanding the provisions of Property Exclusion 9.8 and Perils Exclusion 10.7:

- (a) In the event of the absolute refusal by any Government or Local or other Statutory Authority to allow the reinstatement of any insured premises following Damage insured against by Section 1 of this Policy, We will indemnify You for the difference between the Land Value before and after such Damage.
- (b) In the event of such Government or Local or other Statutory Authority allowing only partial reinstatement of such premises after Damage, We will indemnify You for the difference between the Land Value after such partial reinstatement and the Land Value immediately before the Damage.

In the case of the circumstances described in clause (a) or clause (b) above there shall be deducted, from the settlement payable by us, the amount of any compensation paid by such Government or Local or other Statutory Authority arising from the action referred to in clause (a) or (b) above.

**Definition of "Land Value"**

"Land Value" means the sum certified by the Valuer General as being the value of the land so described in this Policy after due allowance has been made for variations in or other circumstances affecting such value either before or after the Damage or which would have affected the value had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the true Land Values pertaining both before and after the Damage.

**Special Conditions**

- 1. Settlement of any claim hereunder shall be made following the ruling of the Government or Local Government or other Statutory Authority resulting in the loss of Land Value. Should settlement have been made, however, and subsequently the ruling of such Government or Local Government or other Statutory Authority be changed prior to completion of the reinstatement, resulting in an increase in the Land Value, then, that part of the claim paid in excess of such revised Land Value shall be refunded to Us by You.
- 2. The indemnity under this endorsement shall not be subject to any Co-insurance provision or memorandum which may be contained in Section 1 of this Policy.
- 3. All differences relating to the Land Value arising out of this Policy shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this contract of insurance. In the event that the two registered valuers do not agree, then, such differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Property Institute, who shall act as an expert and not an arbitrator, whose determination shall be final and binding upon You and Us.

4. Our liability shall be limited to the sub-limit stated in the Schedule against "Loss of Land Value".

**61. Playingsurfaces**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Playing Surfaces")*

We will pay for the cost of repairing Damage to outdoor playing surfaces at the Situation, caused by:

- (a) vandals or malicious persons, other than You or Your guests, directors, partners, officers, employees or members, or their guests,
- (b) fire occurring to Property Insured at the Situation for which we have admitted liability under Section 1 of this Policy; or
- (c) the action of the firefighting services, police or other emergency services in attending to their duties at the Situation.

Our liability shall be limited to the sub-limit stated in the Schedule against "Playing Surfaces".

**62. Delayed Unpacking of Raw Materials, Supplies, Goods and/or Merchandise**

Section 1 of this Policy is hereby extended to include the following Additional Memorandum:-

Notwithstanding Property Exclusion 9.1, where consignments and/or packages of raw materials, supplies, goods and/or merchandise are not opened for inspection on arrival at Your store and/or premises, then, any concealed Damage that may have occurred in course of transit, occasioned by any peril or event not excluded by this Policy, which shall come to light when the consignments and/or packages are unpacked shall be considered as Damage recoverable under this Policy.

The amount payable as indemnity hereunder shall be determined in accordance with clause 3.2 of the Basis of Settlement.

Provided always that:

- (a) the Damage shall be discovered not later than ninety (90) days after receipt of the consignments and/or packages by You;
- (b) consignments and/or packages bearing visible signs of damage at the time of their arrival shall be inspected as soon as practicable, appropriate claim(s) shall be made against the carriers and You shall forward to Us copies of such claim(s) and any replies thereto received from carriers as soon as practicable.

**63. Purchaser Clause**

If at the time of Damage to any Property Insured You have contracted to sell Your interest in such property and the sale has not been completed, the purchaser on completion of the purchase, if and to the extent that the Property Insured is not otherwise insured by or on behalf of the purchaser against such Damage, shall be entitled to the benefit of this Section so far as it relates to such Damage without prejudice to Your or Our rights and liabilities under this Section up to the date of completion of the purchase.

**64. Acquired Companies**

In Section 1, Clause 4.7 - "Acquired Companies" is deleted and the following memorandum substituted for it:

This Policy extends to include:

- (a) property located in Australia belonging to companies and other organisations; a controlling interest in which is acquired by You during the Period of Insurance;
- (b) property located in Australia for Damage to which such companies or other organisations are legally responsible or for which they have assumed responsibility to insure prior to the occurrence of any Damage; and
- (c) any loss suffered by any such companies or organisations which is the subject of indemnity under Section 2 of this Policy.

You must, within one (1) month of acquisition, declare in writing to Us;

- (i) the name of the company or other organisation and the nature of its business;
- (ii) the nature and extent of the property to be insured;
- (iii) the value of the indemnity provided, calculated in accordance with the relevant Basis of Settlement clauses;

and must pay any additional premium required and comply with any reasonable directions We may make with respect to the security or safety of that property.

The business of the acquired company or other organisation must be similar to the Business stated in the Schedule.

For the purpose of this Memorandum, a controlling interest shall, in the case of a company, mean the acquisition of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders in the company.

All such property shall be Property Insured for the purpose of the Adjustment of Premium Memorandum and You shall make declarations with respect to it accordingly and with respect to the indemnity provided under Section 2.

**65. Amendments to Clause 4.8 – Co-insurance**

The following amendments are made to Clause 4.8 – Co-insurance:

In Clause 4.8(a), the words “eighty-five percent (85%)” are deleted and replaced by the words “eighty percent (80%)”.

In clause 4.8(b), the words “five percent (5%)” are deleted and replaced by the words “ten percent (10%)”.

**66. Property Valued by an Authorised Valuer**

Provision (iii) of Clause 4.4 – Reinstatement or Replacement and Clause 4.8 - Co-insurance shall not apply to property, forming part of the Property Insured, which You have insured under this Policy for its full value as stated in a Valuation; provided that a copy of such Valuation is given to Us as soon as reasonably practicable after the notification of a claim under this Policy.

**67. Application of Deductibles**

Deductibles shall apply to the Limits and Sub Limits of Liability in accordance with the Schedule but the Limits and Sub Limits of Liability shall only be applied in excess of the relevant deductible.

**68. First Loss Insurance – Theft and Money**

The Co-insurance provisions expressed in:

- (a) Proviso (iii) of Clause 4.4 of the Reinstatement or Replacement Memorandum; and
- (b) Clause 4.8 – Co-insurance;

shall not apply to any claim for theft or Money to which a Sub Limit or Sub Limits of Liability apply as stated in the Schedule.

## **Section 2 – Business Interruption Insurance**

### **The Indemnity**

**69. Property at Outside Stores and Outworkers Premises**

Clause 5.1 of The Indemnity in Section 2 is hereby extended to include the following additional statement:

Loss as insured by this Policy arising from an interruption of or interference with the Business in consequence of Damage to any property belonging to You or for Damage to which You are responsible, while such property is at any storage premises within Australia or at any situation within Australia where You have any work or process carried out by contractors, shall be deemed to be loss arising from Damage to property used by You at the Premises for the purpose of the Business.

**70. Pressure Vessel Perils**

Clause 5.2 of The Indemnity in Section 2 is deleted and the following paragraph is included in lieu thereof:

Provided that We will not be liable for any loss under this Section unless Your property lost, destroyed or damaged is insured against such Damage (loss arising out of destruction or damage occasioned by or arising out of explosion, rupture, collapse, bursting, cracking or overheating of any boiler, economiser or other pressure vessel, including pipes, valves and other apparatus thereof excepted) and the insurer(s) by which such property is insured shall have paid for or admitted liability in respect of such Damage unless no payment shall have been made or liability shall not have been admitted solely owing to the operation of a provision in such insurance excluding liability for loss below a specified amount.

## Basis of Settlement

### 71. Item No. 1 - Gross Profit – 80% Average / Under-insurance

The final paragraph of Clause 6.1 is amended to read:

Provided that if the Declared Value of Gross Profit at the commencement of each Period of Insurance is less than eighty per cent (80%) of the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or its proportionately increased multiple where the Indemnity Period exceeds twelve months), the amount payable will be proportionately reduced.

This provision will not apply if Your claim is for less than ten per cent (10%) of the Declared Value of Gross Profit.

**“Rate of Gross Profit”** means the proportion that the Gross Profit bears to the Turnover during the financial year immediately before the day of commencement of the Period of Insurance.

**“Annual Turnover”** means the Turnover during the twelve (12) months immediately before the day of commencement of the Period of Insurance.

### 72. Reduced Margin

If, in consequence of Damage giving rise to a claim under this Policy, Turnover is maintained at a reduced Rate of Gross Profit, an equitable allowance shall be made for the loss of Gross Profit resulting from an increase in the ratio to Turnover of stock usage or purchases (adjusted for stock variations). No allowance shall be made for an increase in the ratio to Turnover of any other Uninsured Working Expenses stated in the Schedule.

### 73. Item No. 2 - Claim Preparation Costs and Professional Fees

Clause 6.2 – “Claims Preparation Costs and Professional Fees” is amended to read:

We shall indemnify You for all reasonable professional fees as may be payable by You to financial advisers, accountants, loss assessors and/or business interruption claims consultants and/or valuers, and such other reasonable expenses necessarily incurred by You and not otherwise recoverable, for the preparation and negotiation of progress claims and/or final claims under Your Material Damage and Business Interruption insurance policies and, provided that any loss is claimable under Section 2 of this Policy, including such fees and expenses for preparation and proving any claim under any suppliers guarantee or maintenance contract.

### 74. Item No. 3 - Pay-Roll – 80% Average / Under-insurance

The final paragraph of Item No. 3 is amended to read:

Provided that if the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance is less than eighty per cent (80%) of the amount produced by applying the Pay-Roll Limits set out in the Schedule to the amount produced by applying the Rate of Pay-Roll to the Annual Turnover (or its proportionately increased multiple if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of the Period of Insurance, the amount payable hereunder shall be proportionately reduced.

This provision shall not apply if the amount of the loss does not exceed ten per cent (10%) of the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance.

For the purposes of this Endorsement, the terms "Rate of Pay-Roll" and "Annual Turnover" shall bear the following meanings and not as otherwise defined in the Policy:

**“Rate of Pay-Roll”** means the proportion which the Pay-Roll bears to the Turnover during the financial year immediately before the day of commencement of the Period of Insurance.

**“Annual Turnover”** means the Turnover during the twelve months immediately before the day of commencement of the Period of Insurance.

## **75. Unproductive Employees and/or Severance Payments**

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Subject to the provisions of Clauses 6.3 (a) and 6.3 (b) of Section 2:

- (a) the Pay-Roll of any employees whose services cannot be utilised in full or in part in consequence of the Damage shall be regarded as a fixed cost, the continuation or discontinuation of which shall be at Your sole discretion.
- (b) We shall indemnify You in respect of: any amounts which You may agree or shall become obliged to pay under any industrial awards or determinations or decisions reached under arbitration for severance payments and/or in lieu of notice to those employees whose services are terminated as a result of the Damage.

## **76. Deletion of Item No. 3 – Pay-Roll (Dual Basis)**

Item No. 3 is hereby deleted from Section 2 of this Policy.

I.e., Item No. 1 – Gross Profit is extended to include 100% of Pay-Roll.

## **77. Amendment to Item No. 1 – Gross Revenue basis**

*(This endorsement is only operative when a Declared Value is shown in the Schedule against "Gross Revenue".)*

The following amendments are made to Section 2 of this Policy:

The following Basis of Settlement clauses are hereby deleted:

- Clause 6.1 - Item 1 - Gross Profit
- Clause 6.3 - Item 3 – Pay-Roll (Dual Basis)
- Clause 6.4 - Item 4 Additional Increased Cost of Working

The following Definitions are hereby deleted.

- Clause 7.1 - Gross Profit
- Clause 7.2 - Turnover
- Clause 7.4 - Payroll
- Clause 7.5 - Shortage in Turnover
- Clauses 7.6 and 8.4 - Rate of Gross Profit
- Clauses 7.7 and 8.5 - Annual Turnover
- Clauses 7.8 and 8.6 - Standard Turnover
- Clauses 7.9 and 8.7 - Rate of Pay-Roll

The following Memoranda are hereby deleted.

- Clause 8.1 - Turnover Elsewhere After Damage
- Clause 8.2 - Departmental Clause
- Clause 8.3 - New Business
- Clause 8.8 - Accumulated Stocks
- Clause 8.11 - Turnover/Output Alternative
- Clause 8.13 – Salvage Sale

The following Basis of Settlement clauses are hereby included:

**6.1 Item No. 1 – Gross Revenue**

The Insurance under this Item is limited to loss of Gross Revenue due to (a) Reduction in Gross Revenue and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

**(a) In respect of reduction in Gross Revenue:**

the amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Revenue,

**(b) In respect of increase in Cost of Working:**

the additional expenditure necessarily and reasonably incurred for the purpose of avoiding or diminishing the loss of Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the loss of Gross Revenue thereby avoided,

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage.

Provided that if the Declared Value of Gross Revenue at the commencement of each Period of Insurance is less than eighty percent (80%) of the Annual Gross Revenue (or a proportionately increased multiple thereof if the Indemnity Period exceeds twelve (12) months) the amount payable hereunder shall be proportionately reduced. This provision will not apply if the amount of the loss does not exceed ten percent (10%) of the estimated value of Gross Revenue declared at the commencement of the Period of Insurance.

**6.3 Item No. 4 – Additional / Increase in Cost of Working**

The Insurance under this item is limited to the additional expenditure (not otherwise recoverable hereunder) necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing reduction in Gross Revenue and/or other operating income and/or resuming and/or maintaining normal business operations and/or services and/or minimising the period of interruption of or interference with the Business.

The following Definitions applicable to Section 2 are hereby included:

**7.1 Gross Revenue**

The money paid or payable to the Insured for services rendered (and goods, if any, sold) in the course of the Business at the Premises.

**7.2 Standard Gross Revenue**

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

**7.3 Annual Gross Revenue**

The Gross Revenue earned during the twelve months immediately before the date of the Damage.

**7.4** Adjustments to the Standard Gross Revenue and Annual Gross Revenue shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the date of the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

The following Memoranda to Section 2 are hereby included

**8.1 Gross Revenue Elsewhere After Damage**

If during the Indemnity Period the Business shall be conducted elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.

**8.2 New Business**

In the event of Damage occurring at the Premises before completion of the first year's trading of the Business, the terms "Standard Gross Revenue" and "Annual Gross Revenue" shall bear the following meanings and not as within stated:

**8.3 Standard Gross Revenue**

The proportional equivalent for a period equal to the Indemnity Period of the Gross Revenue realised during the period between the commencement of the Business and the date of the Damage.

**8.4 Annual Gross Revenue**

The proportional equivalent, for a period of twelve months of the Gross Revenue realised during the period between the commencement of the Business and the date of the Damage

Adjustments to the Standard Gross Revenue and Annual Gross Revenue shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the date of the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

Memoranda Applicable to Sections 1 and 2:

The following amendments are made to Clause 11.4 – 'Adjustment of Premium'.

Clause 11.4 (a)(ii) is amended to read:

- (ii) Gross Revenue;

Clause 11.4 (b)(ii) is amended to read:

- (ii) the amount of Gross Revenue in accordance with the cover afforded in Section 2, in the course of the Business during the accounting period of twelve (12) months most nearly concurrent with the Period of Insurance.

**78. Amendment to Item No. 1 – Gross Rentals basis**

*(This endorsement is only operative when a Declared Value is shown in the Schedule against "Gross Rentals".)*

The following amendments are made to Section 2 of this Policy:

The following Basis of Settlement clauses are hereby deleted:

- Clause 6.1 - Item 1 - Gross Profit
- Clause 6.3 - Item 3 – Pay-Roll (Dual Basis)
- Clause 6.4 - Item 4 Additional Increased Cost of Working



The following Definitions are hereby deleted.

- Clause 7.1 - Gross Profit
- Clause 7.2 - Turnover
- Clause 7.4 – Pay-Roll
- Clause 7.5 - Shortage in Turnover
- Clauses 7.6 and 8.4 - Rate of Gross Profit
- Clauses 7.7 and 8.5 - Annual Turnover
- Clauses 7.8 and 8.6 - Standard Turnover
- Clauses 7.9 and 8.7 - Rate of Pay-Roll

The following Memoranda are hereby deleted.

- Clause 8.1 - Turnover Elsewhere After Damage
- Clause 8.2 - Departmental Clause
- Clause 8.3 - New Business
- Clause 8.8 - Accumulated Stocks
- Clause 8.11 - Turnover/Output Alternative
- Clause 8.13 – Salvage Sale

The following Basis of Settlement clauses are hereby included:

**6.1 Item No. 1 – Gross Rentals**

The Insurance under this Item is limited to loss of Gross Rentals due to (a). Reduction in Gross Rentals and (b). Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

**(a) In respect of reduction in Gross Rentals:**

the amount by which the Gross Rentals during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Rentals,

**(b) In respect of increase in Cost of Working:**

the additional expenditure necessarily and reasonably incurred for the purpose of avoiding or diminishing the loss of Gross Rentals which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the loss of Gross Rentals thereby avoided,

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Gross Rentals as may cease or be reduced in consequence of the Damage.

Provided that if the Declared Value of Gross Rentals at the commencement of each Period of Insurance is less than eighty percent (80%) of the Annual Gross Rentals (or a proportionately increased multiple thereof if the Indemnity Period exceeds twelve (12) months) the amount payable hereunder shall be proportionately reduced. This provision will not apply if the amount of the loss does not exceed ten percent (10%) of the estimated value of Gross Rentals declared at the commencement of the Period of Insurance.

**6.3 Item No. 4 – Additional / Increase in Cost of Working:**

The Insurance under this item is limited to the additional expenditure (not otherwise recoverable hereunder) necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing reduction in Gross Rentals and/or other operating income and/or resuming and/or maintaining normal business operations and/or services and/or minimising the period of interruption of or interference with the Business.

The following Definitions applicable to Section 2 are hereby included:

**7.1 Gross Rentals**

The money paid or payable to You by tenants in respect of rental of the premises and for services rendered by or on Your behalf in the course of the Business

**7.2 Standard Gross Rentals**

The Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

**7.3 Annual Gross Rentals**

The Gross Rentals earned during the twelve months immediately before the date of the Damage.

**7.4** Adjustments to the Standard Gross Rentals and Annual Gross Rentals shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the date of the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

The following Memoranda to Section 2 are included

**8.1 Gross Rentals Elsewhere After Damage**

If during the Indemnity Period the Business shall be conducted elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf, the Gross Rentals derived from such other premises shall be brought into account in arriving at the Gross Rentals during the Indemnity Period.

**8.2 New Business**

In the event of Damage occurring at the Premises before completion of the first year's trading of the Business, the terms "Standard Gross Rentals" and "Annual Gross Rentals" shall bear the following meanings and not as within stated:

**8.3 Standard Gross Rentals**

The proportional equivalent for a period equal to the Indemnity Period of the Gross Rentals realised during the period between the commencement of the Business and the date of the Damage.

**8.4 Annual Gross Rentals**

The proportional equivalent, for a period of twelve months of the Gross Rentals realised during the period between the commencement of the Business and the date of the Damage

- 8.5 Adjustments to the Standard Gross Rentals and Annual Gross Rentals shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the date of the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

Memoranda Applicable to Sections 1 and 2:

The following amendments are made to Clause 11.4 – ‘Adjustment of Premium’.

Clause 11.4 (a)(ii) is amended to read:

- (ii) Gross Rentals;

Clause 11.4 (b)(ii) is amended to read:

- (ii) the amount of Gross Rentals in accordance with the cover afforded in Section 2, in the course of the Business during the accounting period of twelve (12) months most nearly concurrent with the Period of Insurance.

## **79. Accounts Receivable**

*(This endorsement is only operative when a sub limit is shown in the Schedule against “Accounts Receivable”)*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

### **Accounts receivable**

The insurance under this item is limited to the loss sustained by You in respect of all outstanding debit balances if You are unable to effect collection thereof as a direct result of Damage to records of accounts receivable. We will also pay:

- (a) interest charges at ruling bank rates on any loan to offset impaired collections pending repayment of such amounts rendered uncollectible in consequence of the Damage;
- (b) interest lost by You in consequence of such impaired collections;
- (c) additional expenditure necessarily and reasonably incurred in tracing and establishing the amounts of accounts receivable;
- (d) collection expenses in excess of normal collection costs, incurred in consequence of the Damage.

Where there is proof that a loss covered by this Policy has occurred, but You cannot accurately establish the total amount of accounts receivable outstanding at the date of Damage, such amount shall be computed as follows:

- (i) Determine the total amount of accounts receivable outstanding on the last working day of the fiscal month which ended twelve months before the beginning of the month in which the Damage occurs;
- (ii) Calculate the average increase or decrease in the monthly total amounts of accounts receivable outstanding on the last working day of each of the twelve months immediately preceding the month in which Damage occurs;
- (iii) The amount determined under paragraph (a), increased or decreased by the percentage calculated in accordance with paragraph (b) shall be deemed to be the total amount of accounts receivable outstanding at the time and date of the Damage;
- (iv) The amount determined under paragraph (c) shall be adjusted as may be necessary to provide for any demonstrable variance from the amount so determined occurring before but during the month in which the Damage occurs; due consideration also being given to normal monthly trends in receipts.

- (v) There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by You, and an equitable amount to provide for doubtful debts.

The cover hereby granted shall be subject to the sub limit stated in the Schedule against "Accounts Receivable".

**80. Rent and Other Expenses Receivable**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Rent and Other Expenses Receivable")*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

**Rent and Other Expenses Receivable**

The insurance under this item is limited to loss of rent and other expenses receivable from tenants or sub tenants and the amount payable as indemnity thereunder, in the event of Damage, shall be:

- (a) the actual shortfall of such amounts receivable, during the Indemnity Period in consequence of the Damage, together with
- (b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing such loss;

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business, payable out of rent and other expenses receivable, as may cease or be reduced in consequence of the Damage.

The cover hereby granted shall be subject to the sub limit stated in the Schedule against "Rent and Other Expenses Receivable".

**81. Rent and Other Expenses Payable or Insurable**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Rent and Other Expenses Payable or Insurable")*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

**Rent and Other Expenses Payable or Insurable**

The insurance under this item is in respect of rent and other expenses payable, or insurable, by the Insured (as lessee) in accordance with the terms of any lease agreement and the amount payable as indemnity thereunder, in the event of Damage, shall be:

- (a) such amount(s) as the Insured (as lessee) shall be legally liable to pay and/or insure or the lessor shall be legally entitled to receive, under the terms of the lease; together with
- (b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the amount otherwise payable under this item.

less any sum saved during the Indemnity Period in respect of any overhead charges incurred by the Insured under the terms of the lease for maintaining the Premises in a tenantable condition (such as wages for caretaker, cost of power, lighting and the like) in consequence of the Damage.

The cover hereby granted shall be subject to the sub limit stated in the Schedule against "Rent and Other Expenses Payable or Insurable".

## 82. Contractual Fines and/or Penalties

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Contractual Fines and/or Penalties".)*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

### Contractual Fines and/or Penalties

The insurance under this item is limited to fines and/or damages for breach of contract and the amount payable as indemnity hereunder shall be such sum or sums as You shall be legally liable to pay in discharge of fines and/or damages incurred in consequence of the Damage for non-completion or late completion of orders, inability to meet contract specifications or cancellation of orders.

The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Contractual Fines and/or Penalties".

## 83. Contracted Purchases

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Contracted Purchases".)*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

### Contracted Purchases

The insurance under this item is limited to loss, cancellation charges, or fines or damages for breach of contract and the amount payable as indemnity thereunder shall be such sums as You shall be legally liable to pay and shall pay in discharge of contracts to purchase, cancellation charges or fines or damages for breach of contract, in respect of contracts for the purchase of materials, components, merchandise and/or services which cannot be utilised by You during the Indemnity Period in consequence of the Damage, less the value to You of such materials, components or merchandise or any amounts received for the sale of such property.

The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Contracted Purchases".

## 84. Research Expenditure

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Research Expenditure")*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

### Research Expenditure

The insurance under this Item is limited to the loss sustained by You in consequence of the Damage in respect of (a) Research Establishment Expenditure and (b) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- (a) **In respect of Research Establishment Expenditure:** for each working week in the Indemnity Period during which the activities of the research establishment are, in consequence of the Damage
  - (i) totally interrupted or totally given over to the reworking of projects affected by the Damage, the Insured Amount per Week;
  - (ii) partially interrupted or partially given over to the reworking of projects affected by the Damage, an equitable proportion of the Insured Amount per Week based upon the time rendered ineffective by reason of the Damage;
- (b) **In respect of Increase in Cost of Working:** the additional expenditure necessarily and reasonably incurred in consequence of the Damage to minimise the interruption to the activities of the research establishment. The amount payable under this heading shall not exceed the amount payable under (a) for loss of Research Establishment Expenditure if no such Increase in Cost of Working has been incurred,

less any sum saved during the Indemnity Period in respect of such of the Research Establishment Expenditure as may cease or be reduced in consequence of the Damage.

Provided that cover under this Item shall be proportionately reduced if the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance is less than the Annual Research Expenditure (appropriately increased if the Indemnity Period exceeds twelve months).

This provision shall not apply if the amount of the loss does not exceed ten percent (10%) of the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance.

#### **Definitions**

**‘Research Establishment Expenditure’** means the total expenditure on research by You at the Premises less the relative cost of raw materials consumed.

**‘Insured Amount per Week’** means one fiftieth part of the Research Establishment Expenditure incurred during the financial year immediately before the date of the Damage.

**‘Annual Research Expenditure’** means the aggregate amount of the Research Establishment Expenditure incurred during the twelve months immediately before the date of the Damage.

Adjustments shall be made to the Insured Amount per Week and Annual Research Expenditure as may be necessary to provide for the trend of the research establishment activities and for variations in or other circumstances affecting the research establishment activities either before or after the Damage so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

#### **Premium Adjustment Clause:**

In the event of the Research Establishment Expenditure during the accounting period of twelve months most nearly concurrent with the Period of Insurance being less than the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance, a pro rata return of premium not exceeding fifty percent (50%) of the premium paid on such declared value will be made in respect of the difference. If any Damage shall have occurred, giving rise to a claim under this Item, such return shall be made only in respect of so much of the said difference as is not due to such Damage.

#### **85. Royalties Receivable**

*(This endorsement is only operative when a sub limit is shown in the Schedule against “Royalties receivable”)*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

##### **Royalties Receivable**

The insurance under this item is limited to loss of royalties receivable in consequence of Damage to property at the specified premises anywhere in the world of any company, firm or person identified in the Schedule against “Royalties Receivable” and the amount payable as indemnity thereunder shall be the actual shortfall of royalties receivable, during the Indemnity Period in consequence of Damage (caused by any peril or event, Damage as result of which is insured hereunder) to property at the premises, or in the vicinity of the premises, anywhere in the World of any company or organisation which pays such royalties to You.

The cover hereby granted shall be subject to the sub-limit stated in the Schedule against “Royalties Receivable”.

## **86. Loss of Goodwill**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Loss of Goodwill")*

The Basis of Settlement in Section 2 is extended to include the following additional Item:

### **Loss of Goodwill**

In the event of Damage (other than in circumstances where cover is excluded) occurring during the Period of Insurance to any building or other property or any part thereof used by You at the Premises for the purposes of the Business, which results in one of the following circumstances:

- (a) the rebuilding or reinstatement, whether total or partial, of the Premises at the site being prohibited by, or not being commercially viable because of, any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or statutory authority;
- (b) the lessor's neglect, refusal or inability to rebuild or reinstate the Premises or to renew Your lease or monthly tenancy;
- (c) the refusal of any liquor licensing authority to grant an extension to carry on the Business at the Premises under the licence held by You;

We will compensate You under this Item for the cost expended by You to purchase Goodwill and/or a liquor licence upon acquisition of a similar business, within a reasonable time after the Damage, less that part of any amount(s) recoverable under any other Item or Items of Section 2 of this Policy which represent(s) the actual loss sustained by You resulting directly from the interruption of the Business for such additional time, beyond the period required with the exercise of due diligence and despatch to rebuild or reinstate the Damage, required to restore the Business to the condition that would have existed had no Damage occurred.

**"Goodwill"** means the future benefit from unidentifiable assets.

### **Special Conditions**

- 1. We shall not be liable under this Item unless You shall also have maintained in force an insurance on Gross Profit or Gross Revenue.
- 2. We shall not be liable under circumstance (c) unless You have used due diligence to ensure the observance of all licensing laws.
- 3. The insurance by this endorsement shall not be prejudiced if any of the circumstances stated in Clauses (a)(i), (a)(ii) or (a)(iii) of Condition 12.12 Applicable to Sections 1 and 2 of this Policy arise due to the Damage.

The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Loss of Goodwill".

## **Definitions Applicable to Section 2**

## **87. Current Cost Accounting**

The following statement is inserted immediately before the first of the Definitions included in Section 2 of this Policy:

### **Current Cost Accounting**

For the purpose of the following definitions, any adjustment in current cost accounting shall be disregarded.

**88. Amendment to Clause 7.2 – Turnover**

The definition of “Turnover” is extended to include financial incentives or concessions granted to You by any Australian or State Government Department in recognition of specific performance in the development of market opportunities or the employment of disadvantaged persons.

**89. Amendment to Clause 7.4 - Pay-Roll**

Clause 7.4 – Pay-Roll is amended to read:

The remuneration (including but not limited to Pay-Roll tax, fringe benefits tax, bonuses, overtime, commission, holiday pay, sick pay, long service leave, workers' compensation insurance premiums and/or accident compensation levies, superannuation and pension fund contributions and the like) paid to all of Your employees.

**90. Inclusion of the definition of “Consolidated Period”**

Section 2 of this Policy is extended to include the following additional definition clause:

“**Consolidated Period**” means the sum of the number of weeks specified in the Schedule applicable to Clause 6.3 (a)(i) of Item No. 3 and the percentage specified in the Schedule of the remaining portion of the Indemnity Period applicable to Clause 6.3 (a)(ii) of Item No. 3.

**Memoranda Applicable to Section 2**

**91. Amendment to Clause 8.8 - Accumulated Stocks**

The words “of finished goods” are deleted from Clause 8.8 of this Policy.

**92. Amendment to Clause 8.10 – Remote Premises of Public Utilities**

Clause 8.10 – Public Utilities Extension is amended to read:

Loss as insured by Section 2 resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage anywhere in Australia to land based premises of any communication station, electric power station or sub-station, gasworks, waterworks, sewerage pumping or sewerage treatment works of a supply undertaking from which You obtain communication services, electric current, gas, water or sewerage service shall be deemed to be loss resulting from Damage to property used by You at the Premises.

It shall not be a condition precedent to liability under this endorsement that payment shall be made or liability admitted for Damage under Section 1 of this Policy.

The cover provided by this extension shall be subject to the sub-limit stated in the Schedule against “Remote Premises of Public Utilities”.

**93. Unspecified Suppliers' and/or Customers' Premises (Australia and New Zealand)**

Section 2 of this Policy is extended to include the following memorandum:

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to property at the premises anywhere in Australia or New Zealand of any of Your suppliers or customers shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any of your Suppliers or Customers.

For the purposes of this memorandum:



- (a) a **'Supplier'** means: any person or entity which supplies to You commodities, materials, components, goods, merchandise, machinery, plant and equipment, or services other than those services referred to under the Public Utilities Extension.
- (b) a **'Customer'** means: any person or entity to which You supply or provide commodities, materials, components, goods, merchandise, machinery, plant and equipment or services.

The cover provided by this memorandum shall be subject to the sub-limit stated in the Schedule against "Unspecified Suppliers' and/or Customers' Premises (Australia and New Zealand)".

#### 94. Unspecified Suppliers' and/or Customers' Premises (Worldwide)

*(This endorsement is only operative when a sub limit is stated in the schedule against "Unspecified Suppliers' and/or Customers' Premises (Worldwide).")*

Section 2 of this Policy is extended to include the following memorandum:

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to property at the premises anywhere in the world (excluding Afghanistan, Albania, Angola, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Burma/Myanmar, Democratic Republic of Congo, Cuba, Eritrea, Georgia, Republic of Guinea, Iran, Iraq, Ivory Coast {Republic of Côte d'Ivoire}, Kazakhstan, Kampuchea, Kyrgyzstan, Laos, Lebanon, Liberia, Libya, Macedonia, Montenegro, North Korea, Mongolia, Romania, Rwanda, Serbia, Sierra Leone, Somalia, Sudan (North and South), Syria, Tajikistan, Tibet, Turkmenistan, Ukraine, Uzbekistan, Zaire and/or Zimbabwe) of any of Your suppliers or customers shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that:

- (i) Coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any of your Suppliers or Customers.
- (ii) This memorandum specifically excludes losses arising from:
  - (1) Earthquake, tsunami, volcanic eruption, hydrothermal or geothermal activity or subterranean fire;
  - (2) Flood; or
  - (3) Storm.

For the purposes of this memorandum:

- (a) a **'Supplier'** means: any person or entity which supplies to You commodities, materials, components, goods, merchandise, machinery, plant and equipment, or services other than those services referred to under the Public Utilities Extension.
- (b) a **'Customer'** means: any person or entity to which You supply or provide commodities, materials, components, goods, merchandise, machinery, plant and equipment or services.

The cover provided by this memorandum shall be subject to the sub limit stated in the Schedule against "Unspecified Suppliers' and/or Customers' Premises (Worldwide)".

#### 95. Specified Suppliers' Premises

*(This endorsement is only operative when a sub limit is stated in the Schedule against "Specified Suppliers' Premises.")*

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to property at any of the premises of any of Your Suppliers specified in the Schedule shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any of your Suppliers.

For the purposes of this memorandum a '**Supplier**' means: any person or entity which supplies to You commodities, materials, components, goods, merchandise, machinery, plant and equipment, or services other than those services referred to under the Public Utilities Extension.

The cover provided by this memorandum shall be subject to the sub limit(s) stated in the Schedule against "Specified Suppliers' Premises".

#### **96. Specified Customers' Premises**

*(This endorsement is only operative when a sub limit is stated in the Schedule against "Specified Customers' Premises.")*

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to property at any of the premises of any of Your Customers specified in the Schedule shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any of your Customers.

For the purposes of this Memorandum a '**Customer**' means: any person or entity to which You supply or provide commodities, materials, components, goods, merchandise, machinery, plant and equipment or services.

The cover provided by this memorandum shall be subject to the sub limit(s) stated in the Schedule against "Specified Customers' Premises".

#### **97. Other Contributing Properties**

Section 2 of this Policy is hereby extended to include the following memorandum:

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to any other property (not more specifically mentioned in this Policy) at any situation in Australia not owned or operated by You, but which wholly or partly prevents delivery of materials, goods or services to You and/or to Your customers shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any of such Other Contributing Properties.

The cover provided by this memorandum shall be subject to the sub-limit stated in the Schedule against "Other Contributing Properties".

#### **98. Interdependency - Australia**

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage to property at or in the vicinity of any situation in Australia (belonging to or used by any parent, subsidiary or related company or organisation), which is not insured by Section 1 of this Policy or by any other insurance policy effected by You, shall be deemed to be loss resulting from Damage to property used by You at the Premises.

The cover provided by this memorandum shall be subject to the sub limit stated in the Schedule against "Interdependency - Australia".

**99. Loss of Special Attraction**

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Loss as insured by Section 2 resulting from interruption of or interference with the Business in consequence of Damage (caused by any peril or event, Damage as a result of which is insured hereunder) to a special attraction, being another business or facility in the immediate vicinity of the Premises that the Business depends upon to attract people to the area, which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential custom, shall be deemed to be loss resulting from Damage to property used by You at the Premises.

Provided that coverage under this memorandum does not apply to loss resulting from Boiler and/or Pressure Vessel Explosion (as described in Endorsement 112), Fusion Extension (as described in Endorsement 113), Changes in temperature or humidity controlled environment (as described in Endorsement 114) and EDP Breakdown (as described in Endorsement 115) which occurs at the premises of any such special attraction.

The cover provided by this memorandum shall be subject to the sub limit stated in the Schedule against "Loss of Special Attraction".

**100. Closure of Transport Routes, Ports or Airports**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Closure of Transport Routes, Ports or Airports")*

Section 2 of this Policy is hereby extended to include the following memorandum:-

Notwithstanding Property Exclusion 9.10, loss as insured by Section 2 resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage to any:

- (a) roads, bridges, tunnels or railway lines;
- (b) airports, local ports or harbours, docks, wharves, jetties and/or piers; and/or
- (c) machinery, plant and equipment associated and/or used in connection therewith for the purpose of loading and unloading of vehicles, railway wagons, aircraft or watercraft;

resulting in closure by order of any authority of any transport route, port or airport anywhere in Australia.

The cover provided by this memorandum shall be subject to the sub limit stated in the Schedule against "Closure of Transport Routes, Ports or Airports".

**101. Closure of Premises arising from Infectious Disease, Vermin, Pests or Defective Sanitary Arrangements, Murder or Suicide, and Food Poisoning**

*(This endorsement is only operative when an aggregate limit is shown in the Schedule against "Closure of Premises arising from Infectious Disease, Vermin, Pests or Defective Sanitary Arrangements, Murder or Suicide, and Food Poisoning.")*

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Notwithstanding Perils Exclusions 10.2 (a) and 10.5 (d), loss as insured by this section resulting from interruption of or interference with the Business directly or indirectly arising from closure or evacuation of the whole or part of the Premises by order of a competent public authority consequent upon:

- (a) an outbreak of a notifiable human infectious disease or bacterial infection at the Premises;
- (b) the discovery of vermin or pests or defects in the drains and/or sanitary arrangements at the Premises;
- (c) murder or suicide occurring at the Premises; or
- (d) injury, illness or disease arising from or attributable to or traceable to foreign or injurious matter in food or drink provided from or on the Premises.

The term 'notifiable human infectious disease' specifically excludes loss arising from Acquired Immune Deficiency Syndrome ("AIDS") and any AIDS related condition, Severe Acute Respiratory Syndrome ("SARS"), or Avian Influenza including any Influenza A virus sub-type that arises in birds and subsequently attains the capacity for human transmission.

The cover provided by this memorandum shall be subject to the sub limit stated in the Schedule against "Infectious Disease, Vermin, Pests or Defective Sanitary Arrangements, Murder or Suicide and Food Poisoning".

**102. TradeExhibitions**

*(This endorsement is only operative when a sub limit is shown in the Schedule against "Trade Exhibitions")*

Section 2 of this Policy is hereby extended to include the following additional memorandum:-

Loss as insured by Section 2 resulting from interruption of or interference with the Business due to curtailment of any trade exhibition anywhere in the world in consequence of Damage thereat and/or to property exhibited therein by You shall be deemed to be loss resulting from Damage to property used by You at the Premises.

The cover provided by this memorandum shall be subject to the sub-limit stated in the Schedule against "TradeExhibitions".

## **Exclusions Applicable to Sections 1 and 2**

### **Property Exclusions**

**103. Temporary Removal**

The final sentence of Property Exclusion 9.1 is amended to read:

This Exclusion shall not apply during temporary removal of property (other than stock and/or merchandise), including unregistered motor vehicles, other than where used as stock and/or merchandise of the Business, to any situation in Australia or New Zealand and whilst at such situation.

Whilst such property is in transit (excluding loading, unloading and storage in transit), cover is limited to physical loss, destruction or damage caused by fire, lightning, explosion, earthquake, aircraft, riot, strikes, malicious damage and storm and/or tempest.

For the purpose of this endorsement, "temporarily removal" means removal for a particular purpose, with the intention that the property be returned to the place from which it has been removed once that purpose has been served.

The cover provided by this endorsement shall be subject to the sub-limit stated in the Schedule against "Temporary Removal".

**104. Transit of Property Insured (except portable electronic equipment)**

This Policy is extended to cover Property Insured (except portable electronic equipment) whilst in transit within Australia. In respect of transit, cover is provided for theft from a securely locked motor vehicle.

Provided always that Our liability shall be limited to the sub-limit stated in the Schedule against "Transit of Property Insured (except portable electronic equipment)" for any one loss or series of losses arising out of any one event or occurrence.

**105. Property In Transit (Personal Computers, Ancillary Equipment And Software)**

*(This endorsement is only operative when a sub limit is stated in the Schedule against "Property in Transit (Personal Computers, Ancillary Equipment and Software)".)*

This Policy is extended to cover personal computers, ancillary equipment and software whilst in transit anywhere within Australia or New Zealand.

For the purpose of this endorsement only, the under noted Exclusions to All Sections shall be deemed to be inoperative:

- (a) Property Exclusions 9.1 and 9.13(b)
- (b) Perils Exclusions 10.1(a), 10.1(b), 10.4(a) and 10.6

Provided always that We shall not be liable:

- (i) to You or to any other person or party for the value of the information contained in any such software; and
- (ii) for theft of any such property from any unattended and unlocked vehicle(s).

The cover provided by this endorsement shall be limited to the sub-limit stated in the Schedule against "Property in Transit (Personal Computers, Ancillary Equipment and Software)".

#### **106. Amendment to Property Exclusion 9.2 - Money**

Property Exclusion 9.2 is hereby deleted from this Policy and replaced by the following:-

##### **9.2. Money:**

- (a) whilst being carried by professional money carriers, professional carriers or common carriers which is more specifically insured, and which insurance responds in the event of a claim to the amount of the claim, excepting the excess amount over and above such more specific insurance which excess is held to be covered hereunder.

Provided that where in the ordinary course of business You enter into an agreement with such carriers and such agreement provides that You shall indemnify and/or hold harmless and/or release from liability such carriers in respect of loss, destruction or damage which may occur as a result of any peril or event hereby insured against, this insurance shall operate as if this Property Exclusion 9.2(a) had been deleted.

- (b) stolen from an unlocked and unattended vehicle.
- (c) stolen from a safe or strongroom opened by a key or by use of details of a combination, either of which has been left at the Situation outside business hours, unless such key or combination details have been properly secured, except where the keys or combinations have been obtained by deception or threat. For the purpose of this Property Exclusion 2(c) 'business hours' shall mean when You or any of Your directors, officers, partners or employees are at Your Premises for the purpose of conducting Your Business.
- (d) where the loss is not discovered within fifteen (15) working days of the event.
- (e) where the loss arises out of a demand made for the payment of Money in connection with any kidnapping, bomb threat, hoax, extortion or an attempt at any of these.

#### **107. Decorative birds or fish**

Property Exclusion 9.6 is hereby deleted from this Policy and replaced by the following:-

- 9.6. livestock, animals, birds or fish (other than birds or fish used solely for decorative purposes and in respect of loss arising from fire only).

The cover provided by this endorsement shall be limited to the sub-limit stated in the Schedule against "Decorative birds or fish (fire cover only)".

**108. Amendment to Property Exclusion 9.9**

Property Exclusion 9.9 is amended to read:

- 9.9 (a) bridges, canals, roadways (other than driveways, vehicle parking or manoeuvring areas and other paved areas at the Premises used or occupied by You for the purpose of the business), and tunnels, dams and reservoirs (other than tanks) and their contents.
- (b) railway tracks other than on the Premises occupied or used by You for the purpose of the Business.

**109. Weather Damage to Certain Property**

Property Exclusions 9.13 (a) and 9.13 (b) are hereby deleted.

The cover provided by this endorsement shall be limited to the sub-limit stated in the Schedule against "Weather Damage to Certain Property".

**110. Amendment to Property Exclusion 9.14(a)**

Property Exclusion 9.14(a) is hereby deleted from this Policy and replaced by the following:-

9.14.

- (a) property undergoing construction, erection, alteration or addition (including the dismantlement or partial dismantlement of any existing structures) when the total contract value of such work to be carried out at any one Situation exceeds ten per cent (10%) of the Limit of Liability or five hundred thousand dollars (\$500,000) whichever is the lesser.

Provided that this exclusion shall:

- (i) only apply in respect of the portion(s) of Your premises and/or the part(s) of any property which are the subject of such works and this exclusion shall not apply with respect to any other property insured hereunder.
- (ii) not apply to any Damage to existing Property Insured caused by any peril or event not otherwise excluded under this Policy.

**111. Contract Works Exemption**

*(This Endorsement is only operative if a sub limit is stated in the Schedule against "Contract Works Exemption".)*

Property Exclusion 9.14(a) shall not apply in respect of the following contract:

(Insert contract details).....

This endorsement extends to include dismantling, movement within the location occupied by You, re-erection, testing and/or commissioning of machinery, plant and equipment.

The undernoted "Exclusions - Applicable to Sections 1 and 2" shall not apply to the cover granted by this endorsement.

Exclusion	Number
Property	9.13 and 9.14 (a)
Perils	10.1(a) and 10.1(b)
Perils	10.2(c) and 10.2(e)
Perils	10.4(a), 10.4(c), 10.4(d) and 10.5(c)

Perils Exclusion 10.4(b) is amended to read:

- (b) unexplained routine inventory shortage unless such loss can reasonably be attributed to burglary and/or theft or any attempt thereat.

The following exclusion shall apply to this endorsement:

This insurance does not cover the cost of rectifying defective workmanship, material or design, or wear and tear. This exclusion shall be limited to the part which is defective and shall not apply to any other part(s) of the Property Insured which may be Damaged in consequence of the circumstances described herein.

The cover provided by this endorsement shall be limited to the sub-limit stated in the Schedule against "Contract Works Exemption".

## 112. Boiler and/or Pressure Vessel Explosion

*(This Endorsement is only operative if a sub limit is stated in the Schedule against "Boiler and/or Pressure Vessel Explosion")*

Notwithstanding Property Exclusion 9.17, this Policy extends to indemnify You against:

- (a) Damage to any boiler, economiser and/or other pressure vessel, including mountings and fittings, feed, circulating, supply or delivery pipes, valves and other apparatus thereof or thereon (hereinafter referred to as the 'Plant'), caused by or arising out of the Explosion, implosion, rupture, Collapse, bursting, cracking, fracturing or overheating of such Plant.
- (b) loss as insured by Section 2 resulting from interruption of or interference with the Business directly or indirectly in consequence such Damage.

For the purpose of this endorsement:-

- (i) The Basis of Settlement in respect of Damaged Plant shall be the cost of repair or replacement of the Plant in accordance with the provisions of the Reinstatement or Replacement, Extra Cost of Reinstatement and Output Replacement Memoranda to Section 1 of this Policy.
- (ii) The Basis of Settlement in respect of loss due to interruption of or interference with the Business consequent upon Damage insured against hereunder shall be in accordance with the cover afforded by Section 2 of this Policy.
- (iii) The insurance provided under this endorsement shall also extend to include:
  - (1) any payments incurred by You in respect of the costs and expenses as described in Section 1 Clause 1 – 'The Indemnity', and
  - (2) the benefits described in the Memoranda to Section 1;to the extent that costs and expenses are incurred by You and/or the circumstances described in the Section 1 Memoranda may apply.
- (iv) '**Explosion**' means the sudden and violent rending of the permanent structure of the Plant by force of internal steam or fluid pressure causing bodily displacement of any part of the structure together with forcible ejection of the contents.
- (v) '**Collapse**' means the sudden and dangerous distortion of any part of the permanent structure of the Plant by bending or crushing caused by force of steam or fluid pressure whether attended by rupture or not.
- (vi) The following Exclusions shall be deemed to be inoperative:-
  - Property Exclusion 9.17;
  - Perils Exclusions 10.2(a), 10.2(b), 10.2(c) and 10.2(e)

- Perils Exclusions 10.4(c), 10.4(d) and 10.5(b)

(vii) We shall not be liable for:-

(1) the cost of repair or replacement necessitated by:

- (A) wearing away or wasting of the material of the Plant, whether by leakage, corrosion, or by the action of the fuel, or otherwise;
- (B) slowly developing deformation or distortion of any part of the Plant;
- (C) cracks, fractures, blisters, laminations, flaws or grooving even when accompanied by leakage or damage to tubes, headers or other parts of the Plant caused by over-heating or leakage at seams, tubes or other parts of the Plant;
- (D) failure of joints;

but damage to or destruction of the Plant caused by its own Explosion, implosion, rupture, Collapse or bursting (which may result from any of the circumstances described in sub clauses (vii)(1)(A) to (vii)(1)(D) above) whilst the Plant is in use, causing stoppage of the functions thereof and necessitating repair or replacement before it can resume working, is insured hereunder.

(2) destruction of or damage to any Plant if at the time of the damage or destruction:

- (A) the load on the safety valve(s) upon the particular item of Plant was in excess of that permitted by the latest certificate issued in accordance with any Statute or Regulation thereunder applicable thereto; or
- (B) any safety valve limiting the pressure is removed or rendered inoperative; or
- (C) such Plant has not been duly certified where certificates of inspection are required by any Statute or Regulation thereunder;

unless You can prove that You did not consent to the Plant being operated in any of the circumstances described in sub clauses (vii)(2)(A) to (vii)(2)(C) above; or

- (D) such Plant was undergoing the application of any hydraulic test and the Damage was occasioned thereby.

The checking of the correct working of Plant or of its safety installations is not considered to be the application of a hydraulic test in the context of this sub clause(vii)(2)(D).

The cover provided by this endorsement in respect of Section 1 shall be limited to the sub limit stated in the Schedule against "Boiler and/or Pressure Vessel Explosion".

### 113. FusionExtension

Notwithstanding Property Exclusion 9.16, this Policy extends to indemnify You against:-

- (a) Damage to any part(s) of the electrical, electro-mechanical and electronic machines, switchboards, installations or apparatus forming part of the Property Insured (excluding rectifiers, radio, television or amplifying equipment of any description) caused by the actual burning out of such part(s) by the electric current therein; and
- (b) loss resulting from interruption of or interference with the Business in consequence of such Damage.

Provided that We shall not be liable under this endorsement for:-

- (i) depreciation, wear and tear;



- (ii) damage to or destruction of:
  - (1) lighting or heating elements, fuses or protective devices;
  - (2) electrical contacts at which sparking or arcing occurs in ordinary working.

The cover provided by this endorsement in respect of Section 1 shall be limited to the sub limit stated in the Schedule against "Fusion Extension".

#### 114. Changes in temperature or humidity controlled environment

Notwithstanding the provisions of Property Exclusions 9.12 and 9.16 or Perils Exclusions 10.2(a), 10.4(c) and 10.4(d), the Policy extends to include loss or destruction of or damage to stocks caused by or arising from changes in temperature and/or humidity in a temperature and/or humidity controlled environment where any such change arises out of mechanical, hydraulic, electrical or electronic breakdown of the temperature and/or humidity controlling equipment for a period of not less than twelve hours.

The liability of the Insurer(s) shall be limited by the Sub-Limit of Liability stated in the Schedule of the Policy against "Changes in a temperature and/or humidity controlled Environment" for anyone loss or series of losses arising out of anyone event or occurrence at any one location.

#### 115. EDP Breakdown

Section One – Material Loss or Damage is extended to cover electronic data processing systems including peripheral and ancillary equipment and media against any sudden and unforeseen loss, destruction or damage whilst such property is within the precincts of the Situation and/or Premises and working or at rest or being dismantled, moved, reassembled or reinstated for the purpose of cleaning, adjustment, inspection, repair, overhaul or relocation but only after successful commissioning at the Situation and/or Premises.

The following "Property Exclusions – Exclusion Applicable to Sections 1 and 2" shall not apply to the cover granted by this endorsement:

Exclusion Number  
 Property 9.16  
 Perils 10.2(a)  
 Perils 10.2(c)  
 Perils 10.2(e)  
 Perils 10.4(c)  
 Perils 10.4(d)

Provided that the liability of the Insurer(s) shall not exceed the amount of the sub-limit stated in the schedule of the policy against "Data Processing/Media/Computer Breakdown" for any one loss or series of losses arising out of any one event or occurrence at any one location.

#### 116. Electronic Data Exclusion

Notwithstanding any provision to the contrary in this Policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure:
  - (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data,
  - (ii) error in creating, amending, entering, deleting or using Electronic Data, or
  - (iii) total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all

resulting from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur

**"Electronic Data"** means: facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

(b) However, in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Policy, subject to all its provisions, will insure:

(i) physical loss of or damage or destruction to Property Insured directly caused by such listed peril, and/or

(ii) consequential loss insured by this Policy

Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) causes any of the matters described in paragraph (a) above.

Fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact by road vehicle or animal, impact by aircraft and/or other aerial device and/or articles dropped or falling therefrom, sonic boom, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or locked out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe, storm and/or tempest and/or rainwater and/or wind and/or hail, flood, water or other liquids or substances discharged, overflowing or leaking from any apparatus, appliances, pipes or systems and theft of Electronic Data where such theft is accompanied by theft of computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.

(c) For the purposes of the Basis of Settlement provision in this Policy, computer systems records includes Electronic Data as defined in paragraph (a) above.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this endorsement.

## Perils Exclusions

### 117. Amendment to General Exclusion 19.1 (c) Applicable to All Sections of this Policy

For the purpose of Sections 1 and 2 of this Policy, the proviso to General Exclusion 19.1 (c) is hereby amended to read as follows:

Provided that this Exclusion 19.1 (c) shall not apply to any radiations emitted by spectrometers, X-ray units, diathermy machines, equipment for radio and television broadcasting, telecommunications equipment, radar installations or industrial and commercial appliances used for sealing plastics or for welding, heating, sterilisation, drying or cooking.

### 118. Deletion of Perils Exclusion 10.1(a)

#### (Inclusion of damage caused by Flood)

Perils Exclusion 10.1(a) is hereby deleted from this Policy.

### 119. Flood – Amended Definition

The definition of "flood" forming part of Perils Exclusion 10.1 (a) is amended to read:

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

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

### 120. Transmission & Distribution Lines Above Ground (1,000 Metres Exclusion)

Notwithstanding any provision to the contrary in this Policy or any endorsement thereto, it is understood and agreed that this insurance excludes loss, Damage, cost or expense of whatsoever nature to all above ground transmission and distribution lines, including wire, cables, poles, pylons, standards, towers, other supporting structures and any equipment of any type which may be attendant to such installations of any description, for the purpose of transmission or distribution of electrical power, telephone or telegraph signals, and all communication signals whether video or visual.

This exclusion applies to all equipment other than that which is on or within 1,000 metres of any insured structure.

This exclusion applies to both Damage to the equipment and all business interruption, consequential loss, and/or other contingent losses related to transmission and distribution lines.

### 121. Amendment to Perils Exclusion 10.2(a)

Clause (a) of Perils Exclusion 10.2 is hereby deleted and replaced by the following:

- (a) (i) the action of moths, termites or other insects, vermin, rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour, texture or finish.
- (ii) Pollution or Contamination of any Property Insured, except where such pollution or contamination results from any cause or event which is not otherwise excluded by this Policy.

**‘Pollution or Contamination’** means the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any water course or body of water (including ground water).

**122. Deletion of Perils Exclusion 10.4(a)**

Perils Exclusion 10.4(a) is hereby deleted from this Policy.

**123. Amendment To Perils Exclusion 10.5(c)**

Perils Exclusion 10.5(c) is hereby amended to read:-

- (c) erosion, subsidence, earth movement or collapse resulting therefrom except if caused by or arises out of an earthquake or seismological disturbance.

**124. Employee Fraud or Dishonesty**

*(This Endorsement is only operative if a Sub Limit is stated in the Schedule against "Employee Fraud or Dishonesty")*

We will (subject to the following terms, Definitions, Provisions, Specific Exclusions, and the Conditions of this Policy) indemnify You for Loss discovered during the Period of Insurance or within twelve (12) months thereafter or within twelve (12) months after the termination of employment of any Employee(s), where evidence submitted reasonably establishes that the Loss was due to the Fraudulent or Dishonest Conduct of such Employee(s), whichever shall first occur.

For the purpose of this endorsement:

1. Perils Exclusion 10.5(a) is hereby deleted.
2. The following Definitions shall apply:

**"You"** shall be deemed to include: the trustees, managers, officers or members of any superannuation, pension, savings or like scheme, welfare, social or sporting club, formed with Your knowledge and consent.

**"Employee"** means:

- (a) any person whilst in Your service in the ordinary course of the Business during the currency of this Policy and whom You compensate by salary, wages or commission and has the right to govern and direct in the performance of such service.
- (b) any ex-employee during a period not exceeding thirty (30) days following the termination of such service.
- (c) any of Your directors or trustees whilst performing acts coming within the scope of the usual duties of an Employee or member of any committee duly elected or appointed to examine or audit or have custody of or access to Your Money or property.
- (d) any person assigned to perform employee duties for You by an agency furnishing personnel.
- (e) any person acting as a fiduciary, trustee, administrator, office bearer or member of any superannuation, pension, savings or like scheme, welfare, social or sporting club formed with Your knowledge and consent.
- (f) any person employed by You as a Consultant, where that person's services are provided primarily or exclusively to You.
- (g) any person undertaking studies, gaining work experience or similar duties with You and whom You have the right to govern and direct in the performance of their work.

**"Consultant"** means:

any person employed under a contract for services and shall include financial, technical or other specialists of whatsoever kind and description.

**“Loss”** means:

Loss of Money, Securities or property of whatsoever kind, being Your own or for which You are legally liable or have assumed responsibility, incurred by You during the Period of Insurance arising out of the Fraudulent or Dishonest Conduct of any Employee(s) acting alone or in collusion with any other person(s).

**“Fraudulent or Dishonest Conduct”** includes:

- (a) fraudulent misappropriation, embezzlement, forgery, counterfeiting, data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means.
- (b) the establishment or operation of or collusion with any company or other organisation, which carries on business in direct competition with You, including the sale of goods or merchandise stolen from You, by any Employee(s) acting alone or in collusion with any other person(s).
- (c) any other dishonest act or omission committed or made, by any Employee(s) with the knowledge that such act or omission is likely to result in financial loss being sustained by You.

3. The following Provisions shall apply to this endorsement:

(1) **Claims Procedure**

Notice in writing must be given to Us as soon as reasonably practicable after:

- (a) any Loss; or
- (b) reasonable cause for suspicion of Loss;

comes to the knowledge of Your officer responsible for insurance.

Within a reasonable time after such notice, You will deliver to Us full details in writing of the Loss and the amount claimed in respect thereof together with all such proof of the correctness of the claim as We may reasonably require.

(2) **Application of Sub Limit of Liability**

The indemnity afforded by this endorsement shall be limited to the amount of the sub limit stated in the Schedule against “Employee Fraud or Dishonesty” in respect of any one Employee and in respect of all Employees during any one Period of Insurance.

All Losses arising directly or indirectly from any one Employee or any number of Employees in collusion in respect of the one event or series of events arising from the one source or original cause, irrespective of whether the act or acts of Fraudulent or Dishonest Conduct were committed during more than one Period of Insurance, shall be deemed one act of Fraudulent or Dishonest Conduct.

(3) **Reimbursement of Investigation Costs**

In addition to the sub limit stated in the Schedule against “Employee Fraud or Dishonesty”, We agree to reimburse You up to an amount not exceeding ten thousand dollars (\$10,000) or five per cent (5%) of the claim actually paid (whichever is the lesser) for fees payable by You to external auditors, consultants, investigators, private enquiry agents and the like, which are necessarily and reasonably incurred to substantiate a valid claim by You under this endorsement.

(4) **Allocation of Recoveries**

Recoveries made after Loss, less the actual cost of recovery to the extent that this is incurred by Us, shall be distributed as follows:

- (a) Firstly, You shall be reimbursed for Loss exceeding the sub limit stated in the Schedule against "Employee Fraud or Dishonesty" or exceeding the settlement (whichever is lesser);
- (b) Secondly, We shall be reimbursed for the settlement made;
- (c) Thirdly, You shall be reimbursed for Loss equal to the amount of the Deductible stated in the Schedule.

(5) **Continuity of Cover**

If the insurance provided by this endorsement is in substitution for that provided under any prior policy of insurance carried by You or by a predecessor in interest of Your Business (which prior policy is terminated, cancelled or allowed to expire as at the time of such substitution) We agree that this endorsement applies to Loss, which is discovered during the Period of Insurance and which would otherwise have been recoverable by You or such predecessor under such prior policy except for the fact that the time within which to discover and claim for Loss thereunder had expired.

Provided that:

- (a) the insurance hereunder shall form part of, and shall not be in addition to, the sub limit stated in the Schedule against "Employee Fraud or Dishonesty";
- (b) such Loss would have been covered under this endorsement had this Policy been in force when the Fraudulent or Dishonest Conduct took place; and
- (c) recovery under this endorsement shall in no event exceed the smaller of the following amounts:
  - (i) the sub limit stated in the Schedule against "Employee Fraud or Dishonesty"; or
  - (ii) the amount(s) which would have been recoverable under the prior policy if such policy had been maintained in force until the discovery of such Loss.

(6) **Retrospective Excess Cover**

We shall indemnify You for Loss discovered during the Period of Insurance arising out of Employee Fraud or Dishonesty which took place during the period of twelve (12) months preceding the commencement date of this Policy but only for the excess of the amount recoverable under any other policy of insurance.

(7) **Loss caused by unidentifiable Employee(s)**

If a Loss is alleged to have been caused by the Fraudulent or Dishonest Conduct of any Employee(s) but You are unable to designate the specific Employee(s) involved, You shall have the benefit of this Policy.

Provided that:

- (a) the evidence submitted reasonably suggests that the Loss was due to the Fraudulent or Dishonest Conduct of any Employee(s); and
- (b) Our aggregate liability for any such Loss shall not exceed the sub limit stated in the Schedule against "Employee Fraud or Dishonesty".

(8) **Subrogation**

Clause 11.3 – “Subrogation Waiver” - shall not apply to the cover granted under this endorsement.

(9) **Prior Fraudulent or Dishonest Conduct**

Knowledge which any officer signing an application for this insurance for You may have at the time of signature, in respect of that officer's own personal Fraudulent or Dishonest Conduct which is unknown to You, shall not be imputed to You.

(10) **Other Parties**

This insurance applies with respect to Loss of Money or goods belonging to or in the care of one insured party arising from the Fraudulent or Dishonest Conduct of any Employee(s) of any other party insured by this Policy.

(11) **Other Interested Parties**

We will indemnify, as though they were You, all parties having any financial interests in the property hereby insured by virtue of any mortgage, loan, lease, hiring, or other agreement.

(12) **Automatic Reinstatement**

Notwithstanding Provision (15) hereunder, indemnification by Us for any loss under the terms of this endorsement shall not reduce Our liability for any other losses sustained hereunder during any one Period of Insurance.

Provided that You shall pay such reasonable pro rata additional premium that We may require for such Reinstatement of cover.

(13) **Change of Risk**

Every material change in the risks covered by this endorsement, existing at the commencement of this insurance or at any subsequent renewal date, shall be notified in writing to Us as soon as practicable after Your officer responsible for insurance matters shall become aware of such change.

If so requested by Us, You shall pay a reasonable pro rata additional premium for such material change of risk.

(14) **Non Invalidation**

Breach or non-compliance by any Employee(s) of checks, precautions or the method of conducting Your Business, without the knowledge or consent of Your management, shall not prejudice this insurance.

(15) **Non-Accumulation of Liability**

Regardless of:

- (a) the number of years this Policy shall remain in force; or
- (b) the number of annual premiums which may be paid or payable to Us for the cover provided hereunder; or
- (c) the duration of the total period during which any Fraudulent or Dishonest Conduct of any Employee(s) may take place;

Our liability under this endorsement with respect to any Loss or series of Losses shall not be cumulative from one Period of Insurance to another or others.

(16) **Set-off of Money owing to defalcating Employee(s)**

In the event of any claim being made under this endorsement You shall (to the extent allowed by law) retain any salary, wages or commission payment(s) due to such Employee(s) in respect of whose Fraudulent or Dishonest Conduct the claim is made and shall apply such payment(s) towards making good the amount of any default due to the Fraudulent or Dishonest Conduct insured against hereunder.

4. The following Specific Exclusions shall apply to this endorsement:

**We shall not be liable for:**

- (a) Loss arising from any subsequent Fraudulent or Dishonest Conduct of any Employee which takes place after You shall have knowledge of any Fraudulent or Dishonest Conduct on the part of such Employee.

Provided that this Specific Exclusion 4(a) shall not apply to Loss of Money or property then being conveyed by such Employee outside Your Premises.

- (b) any Loss arising from the complete or partial default upon or non-payment of any loan, extension of credit or transaction in the nature of a loan, obtained from or made by You or by any Employee, whether authorised or unauthorised by You, unless such Loss arises from the Fraudulent or Dishonest Conduct of any Employee.

- (c) any Loss or that part of any Loss, the proof of which (either as to its existence or its amount) is deduced solely from an inventory or profit computation.

Provided that this Specific Exclusion 4(c) shall not apply to Loss of Money or other property which You can establish, through evidence wholly apart from such inventory or profit computation, was sustained due to the Fraudulent or Dishonest Conduct of any Employee.

- (d) any consequential loss of whatsoever kind arising out of the Fraudulent or Dishonest Conduct of any Employee(s).

## **Memoranda Applicable to Sections 1 and 2**

**125. Event**

Clause 11.2 - "Event" is hereby extended to include the following perils in addition to Earthquake:

- (a) Storm and Tempest, Rainwater, Flood  
(b) Subterranean Fire, Volcanic Eruption

**126. Public Authorities, Storage, Lease and Hire Agreements**

Clause 11.3 - "Subrogation Waiver" is hereby extended to include the following clause:

You may, without prejudicing Your position under this Policy:

- (a) release any statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so.  
(b) agree to enter into a contract for storage of goods or merchandise even if the terms of the contract include a disclaimer clause.  
(c) agree to enter into a lease for occupancy of any building or part of a building or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or the owner.



## **127. Subrogation Waiver**

The wording of Clause 11.3 - "Subrogation Waiver", is hereby amended to read:

We agree to waive any rights and remedies or relief to which We may become entitled by subrogation against:

- (a) You or any Your directors, partners, officers or employees);
- (b) any corporation or entity (including its directors, officers, partners or employees) owned or controlled by any Insured named herein or subsidiary to any Insured named herein or any co-owner of the property insured hereunder.
- (c) any party described in Clause 4.1 - "Interests of Other Parties", unless You expressly agree to the pursuit of recovery action against that party.

You may without prejudicing Your position under this Policy:

- (i) release any statutory governmental, semi-governmental or municipal authority from any liability if required at law to do so;
- (ii) agree to enter into a contract for storage of goods or merchandise if the terms of the contract include a disclaimer clause;
- (iii) agree to enter into a lease for occupancy of any building or part of a building or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or the owner.

## **128. Adjustment of Premium**

Clause 11.4 - "Adjustment of Premium" is extended to include the following clause:

- (f) If any claim paid or payable under Section 1 and/or 2 of this Policy in respect of Damage occurring during the Period of Insurance is reduced due to under-insurance in accordance with the provisions of a Co-insurance or Average clause or clauses, We shall waive any additional premium for that Period of Insurance, which would otherwise be payable in accordance with this memorandum.

## **129. Declarations of Acquired Property**

Clause 11.4 (b) – "Adjustment of Premium" is hereby extended to include the following additional sub clauses:

- (iii) You shall also make such declarations to Us under paragraph 11.4 (b)(i) in respect of acquisitions of Property Insured, provided that no such declaration shall be required upon acquisition when the value of the acquisition does not exceed the amount stated in the Schedule against "Acquired Companies (Endorsement)", of Your total declaration of value under Section 1 as at the commencement of the Period of Insurance.
- (iv) Notwithstanding Our acceptance of a total variation in the Declared Values, up to the amount stated in the Schedule under the Combined Section 1 and Section 2 sub limit against "Declaration of Acquired Property", this endorsement shall not be construed as automatically providing an increase in the Combined Limit of Liability applicable to Sections 1 and 2 of this Policy.

## Conditions Applicable to Sections 1 and 2

### 130. **Misdescription, Non-Disclosure and Alteration**

Notwithstanding Conditions 12.1 and 12.2 of this Policy, You shall not be prejudiced by any unintended or inadvertent error, omission, misdescription of the risk, interest or property insured hereunder, incorrect declaration of value of such property, failure to advise Us of any change or risk, interest or property insured hereunder, failure to advise Us of any acquisition of risk, interest or property to be insured hereunder, or failure to comply with any statutory requirement.

Provided that Your officer(s) responsible for insurance shall, upon becoming aware of any such matters, inform Us thereof as soon as reasonably practicable thereafter and You shall pay a reasonable pro rata additional premium, upon request by Us, from the date of any such material variation in risk.

### 131. **Breach of Condition or Warranty or Misdescription**

The breach of any condition or warranty without Your knowledge or consent, or error in name, description, location or valuation of property, or omission to state a material fact, shall not invalidate this insurance; provided that Your officer responsible for insurance shall, upon becoming aware of any such breach or error or omission, inform Us as soon as reasonably practicable thereafter and You shall pay a reasonable pro rata additional premium, upon request by Us, from the date of any such material variation in risk.

### 132. **Amendment to Condition 12.2 – “Alteration”**

The preamble to paragraphs (a) to (d) of Condition 12.2 is hereby amended to read:-

Subject to Section 54 of the Insurance Contracts Act 1984 (Cth), We shall not be liable for Damage to any property insured hereunder caused or contributed to by any alteration after the commencement of this Policy.

### 133. **Amendment to Condition 12.3 – “Sprinkler Installations”**

Condition 12.3 is hereby amended as follows:

The words "or are required by law to be protected" are deleted from the first paragraph of this Condition.

This Condition is hereby extended to include the following additional paragraphs:

Where the sprinklered Premises are leased to a tenant and the lease provides that the tenant shall provide for maintenance of the installation, any failure so to do will not prejudice Your rights provided that, upon becoming aware of the failure, You shall either immediately provide for maintenance of the installation or immediately give notice in writing to Us and, upon request by Us, pay such reasonable additional premium as We may require.

Where You (or a tenant responsible to provide for maintenance of the installation) enters into an agreement for maintenance with a contractor and such agreement provides in substance that You or the tenant shall indemnify and/or hold harmless and/or release from liability the contractor in respect of Damage which may occur as a result of any peril insured against by this Policy, the insurance hereunder shall not be prejudiced by You or the said tenant agreeing to such provision.

The indemnity and/or hold harmless provision and/or release from liability shall be equally binding upon Us and We shall waive all rights of subrogation which may have otherwise existed against You or the tenant.

Your officer responsible for insurance shall, upon becoming aware of such agreement, inform Us as soon as reasonably practicable and a reasonable additional premium will be paid if required by Us.

### 134. **Deletion of Condition 12.4 – “Other Insurance”**

Condition 12.4 is hereby deleted.

**135. Amendment to Condition 12.5 – “Notification of Claims”**

Paragraph (a) of Condition 12.5 is hereby amended to read as follows:

- (a) On the discovery of any Damage, You shall forthwith give notice thereof in writing to Us and shall as soon as reasonably practicable deliver to Us a claim in writing containing as particular an account as may be reasonably practicable of the Damaged items of property and the amount of Damage having regard to their value at the time this occurred and of the amount of any claim under Section 2 of this Policy, together with details of any other insurances which may apply to the claim.

**136. Amendment to Condition 12.7 – “Our Rights”**

The first paragraph of Condition 12.8 is hereby amended to read as follows:

On the happening of any Damage in respect of which a claim is or may be made under this Policy We and every person authorised by Us may, following agreement with You and without thereby admitting any liability, and without diminishing Our right to rely upon any Conditions of this Policy, enter, take or keep possession of any building or premises where the Damage has happened and may take possession of or require to be delivered to Us any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner.

**137. Amendment to Condition 12.8 – “Subrogation”**

Condition 12.8 is hereby amended to read as follows:-

- (a) Any person or party claiming under this insurance shall, at Our request and at Our expense, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Us for the purpose of enforcing any rights and remedies against, or of obtaining relief or indemnity from, any other persons or parties to which We shall be or would become entitled or subrogated upon Our paying for or making good any Damage or consequential loss under this insurance.
- (b) Recoveries, whether effected by Us or by You, shall be applied, net of the expense of such recovery, first to the satisfaction of Your loss in excess of the claim paid under this Policy (disregarding the amount of any Deductible applicable), secondly to Us as reimbursement of the amount(s) paid in settlement of Your claim and thirdly to You in satisfaction of any Deductible amount applicable. Recovery from reinsurance shall not be deemed a recovery for the purpose of this paragraph (b).

**138. Amendment to Condition 12.11 – “Termination of Cover under Section 2”**

Condition 12.11 of this Policy is hereby amended to read as follows:

If during the currency of this Policy You:

- (a) permanently discontinue or cease to carry on the Business or if Your proprietary interest in the Business ceases otherwise than by death; or
- (b) (being a corporation) are placed in liquidation, provisional liquidation, under official management, under the control of a receiver and manager or if control over Your assets is assumed by a receiver; or
- (c) (being a natural person) become bankrupt;

then the insurance cover provided under Section 2 of this Policy in respect of such Business or part of the Business shall automatically cease, unless its continuance is admitted in writing by memorandum issued by Us or on Our behalf.

Such termination of cover shall not apply if any of the events stated in clauses (a), (b) or (c) are caused by loss, insured by Section 2 of this Policy, resulting from interruption of or interference with the Business in consequence of Damage to property used by You at the Premises.

**139. Victorian Fire Services Levy Endorsement – Cancellation**

Notwithstanding any provision to the contrary in this Policy or any endorsement thereto, in the event that this Policy or any cover under it is cancelled on or after 01 January 2013 in circumstances where You are entitled to a refund of a portion of the premium, We will not refund any portion of the premium that is attributable to the fire services levy for risks located in Victoria.

**140. Severability and Non-Imputation**

This Policy is hereby extended to include the following additional Condition Applicable to Sections 1 and 2:-

For the purpose of granting cover under Sections 1 and 2 of this Policy:-

- (a) any proposal or application shall be considered as a separate proposal or application by each person or entity comprising the Insured.
- (b) any declaration, statement or representation made in any proposal or application shall be construed as a separate declaration, statement or representation by each person or entity comprising the Insured.
- (c) any knowledge possessed by any person or entity who/which is an Insured shall not be imputed to any other person or entity who/which is an Insured hereunder.
- (d) this Policy will apply as a separate contract of insurance between Us and each person or entity comprising the Insured; provided that where a claim is brought against more than one such Insured, the amount of available cover will not be increased as a result of this paragraph but will be determined on the basis that there is a single contract of insurance between Us and all of the persons or entities comprising the Insured.