



Hire Plant and Equipment Insurance

Policy Document.

Allianz 

 **Breeze**
Underwriting

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Introduction

Welcome and thank You for choosing the Allianz and Breeze Underwriting Hire Plant and Equipment Insurance.

About Allianz

The insurer of this product is Allianz Australia Insurance Limited ABN 15 000 122 850 (Allianz) AFS Licence No. 234708 of the Policy and is one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a wide range of products and services to Our customers. As a member of the worldwide Allianz Group, We are committed to continuous improvement of Our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services.

About Breeze Underwriting

Breeze Underwriting Pty Ltd is an agency formed in 2007 to provide specialist insurance solutions for general insurance brokers. We are a wholesale business, we do not conduct any retail insurance broking activities or deal direct with clients. We deal only with registered general insurance brokers. We combine competitive premiums with tailored policy wordings to provide smarter insurance solutions. We focus on specific industry segments and build appropriate insurance products with our Insurer partners which provide a one stop shop for our brokers.

About this Insurance

This is an important document. You should read it carefully before making a decision to purchase this insurance.

It will help You to:

- decide whether this insurance will meet Your needs; and
- compare it with other products You may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account Your objectives, financial situation or needs.

You need to decide if this insurance is right for You and You should read all of the documents that make up the Policy to ensure You have the cover You need.

Preparation date: 31/8/2013.

Summary of covers

Cover Type	Summary of covers*
Section A – Hire Plant and Equipment	This covers physical destruction or damage to Insured Property within the Territorial Limits and provides a number of automatic additional.
Section B – Legal Liability	This covers Your legal liability on registered vehicles for loss or damage to another person's property.

* This is a limited summary only – Please refer to the relevant section and Policy for full details, relevant limits, and specific conditions and exclusions that apply.

Some words have special meaning

Certain words used in the Policy have special meanings. The Definitions section of this document on pages 5 and 6 contain such terms. In some cases, certain words may be given a special meaning in a particular section of the Policy when used or in the other documents making up the Policy.

Headings are provided for reference only and do not form part of the Policy for interpretation purposes.

Our contract with you

Where We agree to enter into a Policy with You it is a contract of insurance between Us and You (see the definition of "You" for details of who is covered by this term).

The Policy consists of:

- this document which sets out the standard terms of Your cover and its limitations,
- Your current Schedule issued by Us. The Schedule is a separate document, which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this; and
- any other change to the terms of the Policy otherwise advised by Us in writing (such as an endorsement). These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together and kept in a safe place for future reference.

We provide the cover specified in the Policy subject to its terms, conditions, exclusions and limitations.

We reserve the right to change the terms of this insurance where permitted to do so by law.

Any new or replacement schedule We may send You, detailing changes to Your insurance or the Period of Insurance, will become the current Schedule, which You should carefully read and retain.

Premium

Your premium – the base premium We charge is calculated based on a number of factors such as:

- Your risk profile and the ratings We apply to Your profile (e.g. the type of property being insured, the cover and limits required and Your insurance history etc).
- certain costs incurred by Us in relation to the Terrorism Insurance Act (where applicable); and
- Our obligation to pay relevant government taxes and charges. For example, We include an amount that covers stamp duty and GST payable in relation to the Policy. In cases where We are required to pay an estimated amount (e.g. for Fire Services Levies) based on criteria set by the Government, We allocate to the Policy Our estimate of the amount We will be required to pay. We may over or under recover in any particular year but We will not adjust Your premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the total premium amount payable, when it needs to be paid and how it can be paid. This amount will be set out in the Schedule, which will be sent to You after the entry into the Policy. If You fail to pay We may reduce any claim payment by the amount of premium owing and/or cancel the Policy.

Your obligation to comply with the Policy terms and conditions

You are required to comply with the terms and conditions of the Policy. Please remember that if You do not comply with any term or condition, We may (to the extent permitted by law) decline or reduce any claim payment and/or cancel the Policy.

If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

How to make a claim

If You need to make a claim under the Policy, please refer to Making a claim on pages 13 and 14.

Cooling Off Period

You can exercise Your cooling off rights and cancel the Policy within fourteen (14) days of the date You purchased the Policy and receive a refund of the premium paid, provided You have not exercised any

right or power under the Policy (e.g. made any claim) and these rights and powers have not ended.

We may deduct any reasonable administrative and transaction costs incurred by Us that are reasonably related to the acquisition and termination of the Policy and any government taxes or duties We cannot recover, from Your refund amount.

After the cooling off period has ended, You still have cancellation rights, however We may deduct a pro rata proportion of the premium for time on risk, plus any reasonable administrative costs and any government taxes or duties We cannot recover. See “Cancellation rights under Your Policy” below.

Cancellation rights under the Policy

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. You can do this by giving the notice to Your broker or Us.

Where there is more than one contracting insured We will only cancel the Policy when a written agreement to cancel the Policy is received from all contracting insured’s named as the insured or from a person authorised to act as agent of all such persons.

How We may cancel this Policy

- a. We have the right to cancel the Policy where permitted by and in accordance with law. For example, We may cancel:
 - if You failed to comply with Your Duty of Disclosure; or
 - where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy; or
 - where You have failed to comply with a provision of the Policy, including the term relating to payment of premium; or
 - where You have made a fraudulent claim under the Policy or under some other contract of insurance that provides cover during the same period of time that the Policy covers You, and
 - We may do so by giving You three days notice in writing of the date from which the Policy will be cancelled. The notification may be delivered personally or posted to You at the address last notified to Us.
- b. Subject to c., if You or We cancel the Policy We may deduct a pro rata proportion of the premium for time on risk, reasonable administrative and transaction costs related to the acquisition and termination of the Policy We incur and any government taxes or duties We cannot recover.

- c. In the event that You have made a claim under the Policy and We have agreed to pay the full sum insured for Your Vehicle(s) no return of premium will be made for any unused portion of the premium on the Vehicle(s) subject to the claim.

Your Duty of Disclosure

Before You enter into the Policy with Us, the Insurance Contracts Act 1984 requires You to disclose to Us every matter that you know or could reasonably be expected to know is relevant to Our decision whether and on what terms Your application for insurance is acceptable and to calculate how much premium is required for Your insurance.

You have the same duty to disclose those matters to Us before You renew, extend, vary or reinstate the Policy.

The duty applies until the Policy is entered into, or where relevant, renewed, extended, varied or reinstated (Relevant Time). If anything changes between the time You provide answers or make disclosure and the Relevant Time, You need to tell Us.

What You do not need to tell Us

You do not need to tell Us about any matter that:

- diminishes Our risk;
- is of common knowledge;
- We know or should know as an insurer; or
- We tell You We do not need to know.

Who does the duty apply to?

The duty of disclosure applies to You and everyone that is an insured under the Policy. If You provide information for another insured, it is as if they provided it to Us.

What happens if the duty of disclosure is not complied with?

If the duty of disclosure is not complied with We may cancel the Policy and/or reduce the amount We pay if You make a claim. If fraud is involved, We may treat the Policy as if it never existed, and pay nothing.

Privacy Information

We collect Your personal information directly from You where reasonably practicable or if not, from other sources. We collect it to provide Our various services and products (e.g. to market, arrange and administer insurance and to handle and settle claims) and to conduct market or customer research. We also use it to develop and identify services of Our related companies and alliance partners that may interest You (but You can opt out of this by calling the Allianz Direct Marketing Privacy Service Line on 13 2664 EST 8am-6pm, Monday to Friday or indicate Your decision

in the appropriate area of the Privacy section of Our website at www.allianz.com.au). If You do not provide the information We require We may not be able to provide You with this service.

We disclose information to third parties who assist Us in the above (e.g. insurers, insurance intermediaries, insurance reference bureaus, related companies, Our advisers, persons involved in claims, external claims data collectors and verifiers, Your agents and other persons where required by law). We also provide this information to financiers if We have a relationship or insurance scheme in place with them under which You purchased the Policy. We prohibit them from using it for purposes other than those We supplied it for.

Where You provide Us with information about another person for the above purposes, You must tell Us if You haven't got their consent to this. If You wish to gain access to Your personal information (including to correct or update it), have a complaint about a breach of Your privacy or You have any query on how Your personal information is collected or used, or any other query relating to Privacy, contact Us on 13 2664 EST 8am-6pm, Monday to Friday.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry through promoting better communication between insurers and customers and outlining a standard of practise and service to be met by insurers.

We keenly support the standards set out in the Code.

You can obtain more information on the Code of Practice and how it assists You by contacting Us. Contact details are provided on the back cover of this document.

Complaints – Internal and External Complaints Procedure

If You are dissatisfied with Our service in any way contact Us and We will attempt to resolve the matter in accordance with Our Internal Dispute Resolution procedures. To obtain a copy of Our procedures contact Us on 13 2664. A dispute can be referred to the Financial Ombudsman Service (FOS) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms and its contact details are:

The Financial Ombudsman
Service call: 1300 78 08 08
Post: GPO Box 3, Melbourne, Victoria 3001
Website: <http://www.fos.org.au>

Contact for assistance or confirmation of cover

If You require further information about this insurance or wish to confirm a transaction, please contact Us via the details on the back cover.

General Definitions applicable to all Sections of the Policy

Business means the business described in the Schedule, carried on by You or on Your behalf at or from the Situation and any occupation incidental to that business.

Damage(d) means sudden, unforeseen and unintended physical loss or physical damage which occurs during the Period of Insurance.

Data Media means any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

Excess means the amount of money shown in the Schedule, unless otherwise stated in the Policy, that You must pay when you make a claim under the Policy.

Family means:

- Your spouse or de facto spouse;
- 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.

Hire Plant and Equipment means any mechanically propelled vehicle or stationary plant or equipment specified in the Schedule, including their attachments tools, that are specified in the Schedule, but excluding:

- waterborne vessels and craft; and
- aircraft and any other aerial device;
- Data Media;
- foundations, including foundation bolts; and
- materials in the course of processing.

Other items may be excluded if specifically mentioned and specified in the Schedule or by endorsement.

Insured Property means the Hire Plant and Equipment.

Limit of Liability means the relevant amount shown in the Schedule as the Limit of Liability.

Malicious Damage means intentional Damage done to the Insured Property by someone else without Your consent.

Market Value means the cost to buy equivalent Hire Plant and Equipment of the same age, condition, model and make, as assessed by Us.

Period of Insurance means the period We provide cover under this Policy as set out in the Schedule or such earlier period in accordance with the Policy terms.

Policy means this document and any endorsement, specification, attachment or memoranda affixed (or intended to be affixed) to it and the Schedule.

Reinstate(ment) means the repair or replacement of the relevant item by similar items in a condition equal to, but not better or more extensive than the item's condition when new.

Schedule means the most recently dated Schedule We have provided to You which specifies important information such as the policy number, the details of the Insured Property, the Sum(s) Insured and the Limit(s) of Liability.

Sum Insured means the relevant amount shown in the Schedule as the Sum Insured.

Territorial Limits means anywhere within Australia unless otherwise stated in the relevant Policy Section or in the Schedule.

Time Excess means the period as specified in the Schedule or otherwise stated in the Policy during and for which no payment will be made by Us.

Total Loss means where the Insured Property is stolen and not recovered within a reasonable period of time or where We consider repairing the Insured Property is either unsafe or uneconomical.

Vehicle means the registered motor vehicle(s), machine(s) and/or trailer(s) described in the Schedule or other documents forming the Policy.

"We", "Us", "Our", "Allianz" means Allianz Australia Insurance Limited ABN 15 000 122 850 of 2 Market Street, Sydney NSW 2000.

"You", "Your", "Yours" means the person(s) or entity(ies) named as the insured in the Schedule, unless otherwise stated in the relevant Policy Section.

Section A – Hire Plant and Equipment

Scope of cover

We will cover You in accordance with the Basis of Settlement for Damage to the Insured Property occurring within the Territorial Limits during the Period of Insurance from any cause not otherwise excluded in the Policy, whilst:

- on hire or working or at rest;
- being dismantled for the purpose of cleaning, inspection, overhauling, repairing or in the course of the aforesaid operations themselves or in the course of subsequent reassembly;
- being dismantled for the purpose of moving or in the course of subsequent reassembly; or
- in transit by road or rail.

Basis of Settlement

In the event of any covered Damage to Insured Property, We will at Our option:

- a. repair, Reinstate or replace the Damaged item of Insured Property; or
- b. pay an amount of money to repair, Reinstate or replace the Damaged item of Insured Property to You and/or any other person that has an interest in it covered by the Policy, to the extent of Your or their interest only.

Costs

Included in the above Basis of Settlement are:

- a. the costs of dismantling and reassembly incurred for the purpose of effecting the repairs;
- b. additional charges for overtime, night work, Sunday or holiday work necessary to expedite permanent repairs to the insured item, limited to \$10,000 or 25% of the normal repair costs, whichever is the lesser;
- c. the costs of recovery of the insured item, its parts and components, including handling and transportation of the Damaged item, its parts and components to and from places of repair and freight within Australia including express freight or airfreight on any scheduled service, limited to 5% of the Sum Insured for the Damaged item the subject of the claim; and
- d. customs dues or other imposts if levied, however, only to the extent to which the above have to be borne by You.

Limits

In the event of a Total Loss, the maximum We will pay You:

- a. for items less than two years old, is the Sum Insured specified in the Schedule for the Damaged Insured Property;
- b. for items two years or older, is the lesser of the Sum Insured specified in the Schedule for the Damaged Insured Property, or its Market Value immediately prior to the covered Damage.

Our liability under any part of the Basis of Settlement in respect of any one claim or all claims arising out of any one event will not exceed the Sum Insured stated in the Schedule.

Repair terms

The following also applies in relation to the indemnity provided:

- a. Repair, replacement or Reinstatement must be carried out without delay and by using normal work practice and within two years of the covered Damage occurring.
- b. No deduction shall be made for depreciation in relation to parts replaced unless otherwise noted by endorsement.
- c. Any decrease in the value of the item as a result of the final repair shall not be indemnified.
- d. If a Damaged item is not repaired or replaced within a period of two years from the date of the Damage We will only pay the estimated repair cost or the difference in the Market Value of the Insured Property immediately prior to and after the occurrence of the Damage, whichever is the lesser.

The residual value of any Damaged part shall be deducted from the amount otherwise indemnified.

Additional Benefits applicable to this Section

The following additional benefits apply in relation to any claim admitted by Us where applicable and are in addition to the Sum Insured specified in the Schedule for the Damaged item, provided the amount claimed at least exceeds the relevant Excess payable:

1. Additional Hire Costs

Where Insured Property which is being hired in or out by You suffers Damage, We will cover You for the hire costs incurred or owed while the Insured Property is being repaired or replaced, provided:

- a. We will not pay for the first 7 days of hire costs; and

- b. the maximum We will pay for all claims arising out of any one event in any one Period of Insurance will not exceed \$50,000 unless otherwise specified in the Schedule.

2. Appreciation in Value

Where Your Insured Property suffers a Total Loss, We will cover You for the difference between the Sum Insured in the Schedule and the Market Value of the Insured Property up to a maximum of 25% of Sum Insured. However, We will not pay if the Sum Insured specified in the Schedule was less than 90% of the correct Market Value of the Insured Property at the beginning of the Period of Insurance.

3. Dry hire

We will indemnify You for Damage to Insured Property whilst on hire in accordance with the Basis of Settlement and the Policy terms, provided:

- a. You take all reasonable steps to ensure the hirer, or operator of the item is authorised under relevant regulation to operate such item;
- b. You provide the hirer or operator of the item with adequate operating instructions;

Where another policy has been affected for the loss by a party other than you, if such cover is not as extensive as the Policy, We will pay for all losses arising from the difference in cover and conditions subject to the Conditions and Exclusions of the Policy.

The maximum amount We will pay shall not exceed the Sum Insured shown in the Schedule for the Insured Property.

4. Dual or Multiple Lifting

We will pay for Damage to Insured Property which is caused by or arises out of the operation of any Insured Property in connection with dual or multiple lifting, provided that:

- a. the dual or multiple lifting operating is in compliance with relevant statutory regulations;
- b. the rated load during the lifting operation on any item of Insured Property does not exceed 70% of the rated capacity of the item during the lifting or lowering operation;
- c. the operators of the dual or multiple lifting machines are in radio communication during the lifting operation; and
- d. You must bear the first 10% of the costs with a minimum of \$500 for each and every claim arising out of any one event.

5. Emergency repairs

We will reimburse You for the cost of emergency repairs which may be necessary to enable You to move Your Damaged Insured Property to a place of safe keeping after it is involved in an accident, suffers Malicious Damage, or is stolen and recovered in a Damaged condition.

The maximum We will pay for any one claim or all claims arising out of any one event is \$1,000.

6. Finance payout

Where Your Insured Property is subject to any secured commercial finance and suffers a Total Loss, We will cover You or the finance provider for the difference between the residual value under the contract and the Market Value of the Insured Property up to a maximum of 20% of the Market Value or \$10,000, whichever the lesser, less any payments and interest in arrears at the time of loss, and less any discount in respect of finance charges and/or interest for the unexpired term of the secured commercial finance agreement. However, We will not pay if You are not required to do so by the finance provider.

7. Goods being lifted

We will pay for Damage to property of others in your care, custody or control being lifted by an item of Insured Property operating as a crane or other lifting device which happens during the Period of Insurance.

The maximum amount We will pay for all claims arising out of any one event will not exceed \$20,000 unless otherwise specified in the Schedule.

We will not be liable for loss or Damage to goods being lifted which is caused directly or indirectly by or arises from a defect in or fragility of the goods or their container or packaging.

8. Increased cost of working

If the Business carried on by you is interrupted or interfered with as a consequence of Damage to Insured Property which is covered under Section A and we have admitted liability, We will also pay for the increased working costs following interruption to the normal operation of an insured item, provided:

- a. We will not pay more than the amount specified in the Schedule for this Optional Benefit for any one Period of Insurance;
- b. the cost is proved to have been necessarily and reasonably incurred during the period, over and above the normal expenses You would have incurred during the period in respect of the operation of the item;
- c. We will not pay for more than the increased working costs actually incurred by You;

- d. We will not pay for increased working costs incurred during the period of the Time Excess specified in the Schedule;
- e. the period of indemnity shall not exceed three (3) months.

The amount of the Time Excess will be the number of days specified multiplied by the average daily increased cost for the period of the interruption.

9. Hired in Plant

We will pay for any Damage to Mobile Plant and Equipment hired in by You and for which You are responsible.

The maximum We will pay for any one claim or all claims arising out of any one event, will be \$50,000 or the amount shown in the Schedule.

10. Marine average

If Your Insured Property 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 and salvage charges where such maritime conditions apply, up to the Sum Insured or Market Value whichever is the lesser, whether or not loss or Damage is suffered by Your Insured Property under the Policy.

11. Sign writing

We will pay for any Damage to sign writing and artwork which is part of Your Insured Property where Reinstatement is required and covered, up to a maximum of \$5,000 for any one claim or all claims arising out of any one event unless such other amount is specified in the Schedule.

12. Recovery costs

Where an item of Insured Property is rendered inaccessible and unable to be used, without Damage being incurred, We will pay You the reasonable costs You incur in recovering such item of Insured Property.

The maximum We will pay for any one claim or all claims arising out of any one event, will be the lesser of \$50,000 or the expense You incur or would have incurred using Your own equipment.

You will bear the first 10% of the costs with a minimum of \$500 for each and every claim arising out of any one event.

Exclusions applicable to this Section

We will not cover You for:

- a. loss or Damage due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective

lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external Damage, We will cover such consequential Damage;

- b. loss of or Damage to replaceable parts and attachments such as bits, drills, knives or other cutting edges, saw blades, dies, moulds, patterns, pulverising and crushing surfaces, screens and sieves, ropes, belts, chains, elevator and conveyor bands, batteries, connecting wires and cables, flexible pipes, joining and packing material regularly replaced;
- c. loss or Damage due to explosion of any boiler, pressure vessel or internal combustion engine;
- d. loss or Damage if resulting from partial or total immersion in water due to tidal movement;
- e. loss or Damage whilst as a tool of trade the Insured Property is to be placed on, is placed on or is being removed from a waterborne craft;
- f. loss or Damage to Insured Property whilst running on rails;
- g. loss or Damage to Insured Property whilst underground;
- h. loss or Damage due to foreign matter being maliciously placed in Your property whilst it is left unattended if such loss or Damage could have been avoided had locking devices to the fuel, lubrication and hydraulic systems been installed and activated;
- i. gradual deterioration, wear and tear, corrosion, oxidation, or deterioration due to lack of use or atmospheric conditions;
- j. loss or Damage due to any faults or defects known to You or Your employees at the time of commencement of this Policy;
- k. loss or Damage to tyres and wheel rims caused by the application of brakes, road punctures, cuts and bursts not arising from an accident;
- l. loss or Damage to any concrete agitator, bowl, barrel or pump and/or its fittings caused by, or arising from the setting or hardening of concrete;
- m. loss or Damage that can be corrected by normal maintenance, service or adjustment;
- n. unreported theft or Damage discovered only at the time of taking an inventory;
- o. loss or Damage for which the supplier or manufacturer is responsible either by law or contract.

Section B – Legal Liability

(Cover applicable to registered Vehicles only)

Scope of cover

Cover for Damage to other people's property (legal liability)

We will cover Your legal liability to pay compensation for Damage to someone else's property caused by a Vehicle accident which happens during the Period of Insurance which is partly or fully Your fault.

This cover will only apply if Your legal liability for the Damage to someone else's property arises out of the use of:

- a. Your Vehicle, and/or
- b. a caravan or trailer towed by Your Vehicle.

We will also cover the legal liability for loss or damage to someone else's property of:

- c. any licensed person who is driving, using or in charge of Your Vehicle with Your permission;
- d. a passenger travelling in Your Vehicle or who is getting into or out of Your Vehicle; and
- e. Your employee, principal or partner or Commonwealth or State Government arising from Your use of Your Vehicle.

We will at Our option pay:

1. an amount sufficient to cover such liability; and
2. legal costs incurred in relation to the claim with Our written consent,

but no more than \$30,000,000 in total for all claims arising out of any one event unless otherwise specified in the Schedule for third party property damage cover.

We will not cover legal liability:

- a. when the Damage occurs to Your own property, Your Family's property or to property which is in Your possession, custody or control; or
- b. which is insurable under any statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund covering such legal liability.

Additional Cover for supplementary bodily injury (legal liability)

We will also cover You, or a currently licensed driver of Your Vehicle using Your Vehicle with Your consent, for legal liability for death or bodily injury caused by or arising out of the use of Your Vehicle, if Your Vehicle is registered for use on a public road when the liability is incurred, from one or more of the following events:

- driving or being in charge of Your Vehicle or a Substitute Vehicle;
- goods being carried by or falling from Your Vehicle or a Substitute Vehicle;
- loading or unloading Your Vehicle or a Substitute Vehicle.

We will also cover the legal liability of a passenger travelling in or getting into or out of Your Vehicle with Your permission, or the permission of a currently licensed driver driving or in charge of Your Vehicle with Your consent.

We will not pay:

- if the event or series of related events that gives rise to the legal liability or any part of it is covered or indemnified in any way by any statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund;
- any amount of a claim over that recoverable under any statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund;
- if the legal liability would have been covered or indemnified in any way if You had not failed to:
 - insure Your Vehicle;
 - register Your Vehicle;
 - comply with the requirements of a statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund.
- for legal liability to any:
 - person driving or in charge of Your Vehicle;
 - of Your employees; or
 - member of Your Family.
- for legal liability in respect of any psychological or psychiatric injury (other than to the extent that it is directly caused by or arises from serious physical bodily injury of the person who suffers the psychological or psychiatric injury).
- unless You or the person claiming under this Section have notified Us of a claim under this Section within 6 months of You or that person first becoming aware of an intention to make a claim against You or that person.
- for legal liability caused by or arising from an intentional act by You or any other person.
- if Your Vehicle is outside of Australia at the time of the accident or Damage.

Additional Benefits applicable to this Section

The Additional Benefits in this Section are inclusive of the maximum amount specified in the cover above.

We will also extend the cover above for the following (subject to the other terms and conditions of the cover above being met):

1. Falling goods

We will cover You if the Damage to someone else's property is caused by goods falling from Your Vehicle.

2. Loading and Unloading

We will cover You if the Damage to someone else's property is caused by the loading or unloading of Your Vehicle.

Exclusions applicable to this Section

Under Section B We will not pay for Your liability in relation to or for any of the following, to the extent permitted by law:

1. Unregistered Vehicles

If Your Vehicle is unregistered at the time of the event giving rise to the claim.

2. Damage to services

Damage to underground services, pipes, cables or the like caused by or arising out of the use of Your Vehicle, or liability in respect of Damage to any land or fixed property arising howsoever 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.

If Your Vehicle comes into direct contact with overhead cables, wires or conduits, We will pay only for the repair of the direct Damage so caused, up to a maximum of \$100,000 for each event.

3. Trailers

Damage caused or contributed to by more than the legally permitted number of trailers attached to Your Vehicle.

4. Property in Your custody or control

Damage to property belonging to or in Your possession, custody or control.

5. Fines, Penalties, Punitive Damage

punitive damages, exemplary damages, liquidated damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

6. Dangerous Goods

if Your Vehicle is being used for or is attached to or is towing a Vehicle, machine and/or trailer, used for the commercial transport of dangerous and/or hazardous goods (as defined by the Australian Dangerous Goods Code) or any other substance which forms explosive mixtures with organic or other readily oxidisable materials, unless the method of transportation complies with all relevant code, regulatory or legislative requirements, the maximum We will pay is \$1,000,000 each event inclusive of any costs incurred for the clean up as a result of an insured event.

7. Asbestos

arising directly or indirectly out of, resulting from or in consequence of, contributed to or aggravated by or in any way involving asbestos in whatever form or quantity.

General Exclusions applicable to all Sections of the Policy

These exclusions apply to the whole Policy to the extent permitted by law.

1. The Policy does not cover any loss, Damage, destruction or liability, costs or expenses caused by, arising out of, contributed to or aggravated by:
 - a. **War**
any war, whether war be declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy;
 - b. **Nuclear**
ionising radiation or contamination by radioactivity from:
 - (i) any nuclear fuel or from any nuclear waste; or
 - (ii) the combustion of nuclear fuel (including any self-sustaining process of nuclear fission); or
 - (iii) nuclear weapons material;
 - c. **Lawful seizure**
the lawful seizure, detention, confiscation, nationalisation or requisition of the Insured Property;
 - d. **Wilful acts**
any actual or alleged:
 - (i) dishonest, fraudulent, criminal or malicious act; or
 - (ii) wilful breach of any statute, contract or duty; or
 - (iii) conduct intended to cause loss or Damage or with reckless disregard for the consequences;

carried out by You or any person acting with Your knowledge, consent or connivance;
 - e. **Territorial limits**
occurrences outside the Commonwealth of Australia.
2. Except as specifically provided otherwise, the Policy does not cover:
 - a. consequential loss of any kind, including but not limited to loss resulting from delay or lack of performance, loss of contract or depreciation in value of any undamaged insured item;

- b. legal liability of whatsoever nature to pay compensation or damages;
 - c. Damage caused by faults or defects known to You or any employee or representative whose knowledge in law would be deemed to be Yours and not disclosed to Us at the time the Policy was entered into.
3. The Policy does not cover any loss or Damage to any appliance, machinery, equipment or other property which is a computer or which contains or comprises any computer technology (including computer chip or control logic) and which fails to perform or function in the precise manner for which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic).
4. The Policy does not cover any loss or distortion caused by computer virus, being an executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other code or data causing undesirable program or computer system operation.

5. Terrorism

The Policy does not provide cover for 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:

- a. involves violence against one or more persons; or
- b. involves damage to property; or
- c. endangers life other than that of the person committing the action; or
- d. creates a risk to the health or safety of the public or a section of the public; or
- e. is designed to interfere with or to disrupt an electronic system.

The Policy 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.

The above Terrorism exclusion will apply to the Policy unless otherwise provided for in the Terrorism Insurance Act 2003, in which event it may not apply to certain loss, damage or liability covered by the Policy.

6. Operation under influence of alcohol or drugs

We will not pay if Damage, loss or injury is caused while Your Insured Property is being operated by any person impaired by or under the influence of any drugs or intoxicating alcohol, or by any persons with a percentage of drug or alcohol in their breath or blood in excess of that permitted by law.

However, if You can prove You did not know that the operator of Your Insured Property was so affected, We will cover You but not the operator of Your Insured Property.

7. Submitting to test

We will not pay if following an accident the operator of Your Insured Property refused to submit, when requested to do so by legally authorised authorities, to a test to determine the percentage of drug or alcohol in their breath or blood.

However, if You can prove You did not know that the operator of Your Insured Property refused to submit to the test, We will cover You but not the operator.

8. Unlicensed operator

We will not pay if Damage, loss or injury is caused while Your Insured Property is being operated (with Your consent) by any person who is not licensed under any relevant law to operate such Insured Property.

9. Overloaded plant or equipment

We will not pay if loss, Damage, or liability arises whilst Your Insured Property is used as a crane or lifting device and was:

- a. being used in a lifting operation where a single load is lifted by two or more cranes or lifting devices;
- b. loaded in excess of the safe working load as specified in any relevant statutory regulation, or manufacturer's specification unless You can prove to Us that the event giving rise to the claim was not caused or contributed to by such excess load;
- c. being operated in contravention of any applicable statutory regulation unless You can prove to Us

that the event giving rise to the claim was not caused or contributed to by such contravention.

10. Unroadworthy condition

We will not pay if Your Insured Property is 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, and that the loss, Damage or liability was not caused by or contributed to by the unroadworthy or unsafe condition.

11. Tests

We will not pay for loss, Damage or liability where the Insured Property is undergoing a test of any kind or is being used in a manner or for a purpose for which it was not designed.

Making a Claim

Claims procedures

1. As soon as You become aware of anything happening which may result in a claim under the Policy You must, at Your own expense:
 - a. immediately inform the police of any Malicious Damage, theft, attempted theft or loss of property;
 - b. advise Us as soon as possible, telling Us how the loss, Damage or liability occurred;
 - c. take all reasonable action to recover lost or stolen property and minimise the claim;
 - d. as far as possible preserve any Insured Property, products, appliances, plant or other items which might prove necessary or useful as evidence until We have had an opportunity for inspection;
 - e. give Us all the information, proof and assistance We may require to prosecute, defend or settle Your claim including details of any other insurance effected by You or on Your behalf or under which You may claim;
 - f. immediately send Us any claim, writ, summons, or full details of other relevant legal or other proceedings such as an impending prosecution or inquest You receive or become aware of;
 - g. at all times give Us all the information and assistance We may reasonably require.
2. You MUST NOT:
 - a. admit liability for, or offer, or agree to settle any claim without Our prior written consent;
 - b. authorise the repair or replacement of anything without Our prior written consent other than as provided for under the Emergency Repairs benefit, for safety reasons or to minimise or prevent further imminent loss, Damage or liability.
3. After You have advised Us of any loss or Damage as set out in this condition:
 - a. subject to the Insurance Contract Act, You must comply with all the terms of the Policy, including the general conditions before We will meet any claim under the Policy;
 - b. We have the right to recover from any person against whom You may be able to claim any money paid by Us. We will have full discretion in the conduct, settlement or defence of any claim in Your name. The amount recovered will be applied first to reducing the amount by which Your loss exceeds the payment

made by Us plus any Excess applied. Any balance remaining after You have been fully compensated for Your loss, up to the amount We have paid to You to settle Your claim (including Our legal fees for recovery), will be retained by Us;

- c. We may take over and conduct, in Your name, the defence or settlement of any claim and We will have full discretion in the conduct of any proceedings in connection with the claim;
 - d. We may pay You the Sum Insured or Limit of Liability under the applicable Section or any lesser amount for which a claim or claims under that Section may reasonably be settled. After We have paid You, We will no longer be liable for the claim(s) (or future conduct of the claim(s)) except for costs and expenses incurred up until the time We agreed to pay.
4. If You recover or find any lost or stolen Insured Property for which We have paid a claim, You must:
- tell Us immediately; and
 - give Us the recovered or found Insured Property if We request You to do so.

General Conditions applicable to all Sections of the Policy

Alteration of Risk

Notice of any intended alterations of or departure from normal working conditions that would materially affect the risk of loss, Damage or liability must be given to Us in writing. We shall not be liable for any loss or Damage resulting from an aggravated risk unless prior approval of the modification has been obtained from Us. If You do not give Us such notice before the happening of an event giving rise to a claim under the Policy then, subject to the Insurance Contracts Act 1984, We may refuse to pay a claim either in total or in part. However if such notice is given and We cannot approve any such modifications We may cancel the insurance on the insured item affected making a return of premium proportional to the unexpired Period of Insurance and the reduced risk.

Automatic Additions and Deletions

We will include in Your cover any replacement or additional items of Insured Property acquired by You during the Period of Insurance provided that:

- a. such additional Insured Property is of a substantially similar type to the Insured Property at the commencement of the Period of Insurance;
- b. the maximum cover We provide on the acquisition under this Condition does not exceed \$250,000 or the Market Value of the acquisition, whichever is the lesser;
- c. the Excess that applies on the acquisition will be the same as for similar items of Insured Property covered under the Policy;
- d. You provide Us with written notice of such acquisition within 30 days of purchase and pay the additional premium We may require.

Automatic Reinstatement of Sum Insured (Section A only)

In the event of a claim being paid under Section A for Insured Property, or under the Additional or Optional Benefits in Section A, the amount by which the Sum Insured is reduced in consequence of the Damage will be automatically reinstated as from the date of the Damage provided that:

- a. there is no written request from You or written notice from Us to the contrary;

- b. You pay the premium which We require for the reinstatement.

Cross Liability

We agree that each person comprising the insured named in the Schedule or specified as entitled to cover is considered as if that person were the only person insured (except to the extent We specify otherwise), and We waive Our rights of subrogation against any of those persons.

Examination

Our representatives shall be permitted at all reasonable times during the currency of the Policy to inspect and examine the Insured Property and the operating records. If during inspection by Us of any Insured Property under the Policy any new facts of a nature likely to increase the risk are observed You must at Our request restore the risk to normal within an agreed time. If You fail to do so We may cancel the Policy.

Governing law and jurisdiction

The laws of Australia govern the Policy. Any dispute relating to the Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the Policy was issued.

Interests of other parties

- a. The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties having a legal interest or charge over the Insured Property and who are specifically noted in Your records, shall be automatically included as third party beneficiaries without notification to or specification by Us. The nature and extent of such interest is to be disclosed to Us in the event of Damage. Any other people not in this category or not named on the Schedule are not covered and cannot make a claim. All third party beneficiaries must comply with the terms and conditions of the Policy.
- b. Where the protection provided by the Policy covers the interest of more than one party, any act or omission of an individual party will not prejudice the rights of the remaining parties:
 - (i) subject to General Exclusion 1.d. Wilful acts; and
 - (ii) provided the remaining parties must, immediately on becoming aware of any act or omission that increases the risk of loss, Damage or liability, give notice in writing to Us and on demand pay any reasonable additional premium We may require.

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:

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 Liability or other limits shown in the Policy or in the 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.
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.
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.

Other Insurance

In the event of any claim being made under the Policy, You must notify Us of any other insurance covering the same loss or Damage of which You are aware.

Reasonable care and maintenance

You must take all reasonable care to:

- a. prevent loss, Damage or legal liability;
- b. maintain the Insured Property in sound condition, in particular to minimise or avoid theft, loss, Damage or liability;
- c. comply with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements;
- d. minimise any loss or Damage; and
- e. only employ competent employees and ensure they adhere to the requirements specified in a. – d. above.

Salvage

If Your Insured Property is a Total Loss and We have agreed to replace the Insured Property or pay the Market Value or Sum Insured:

- the wreckage of the Insured Property will become Our property; and
- We will keep the proceeds of any salvage sale.

Transfer

The insurance granted by the Policy shall cease to attach to any item of Insured Property in which Your interest passes from You otherwise than by will or operation of law unless Our consent for the continuance of the insurance is obtained and signified by endorsement hereon.

Waiver of subrogation rights

To the extent permitted by law, We will not be liable to pay any benefits under the Policy for loss or Damage if You agree or have agreed to limit or exclude any right of recovery against any third party who would be liable to compensate You with respect to that loss or Damage unless agreed to in writing.

Your representative – authorisation

By entering into the Policy, You agree that the person representing You when completing the proposal is authorised to give and receive information on Your behalf in relation to all matters arising under the Policy and in accordance with the Insurance Contracts Act 1984.

For all enquiries please talk to your broker

[allianz.com.au](https://www.allianz.com.au)

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