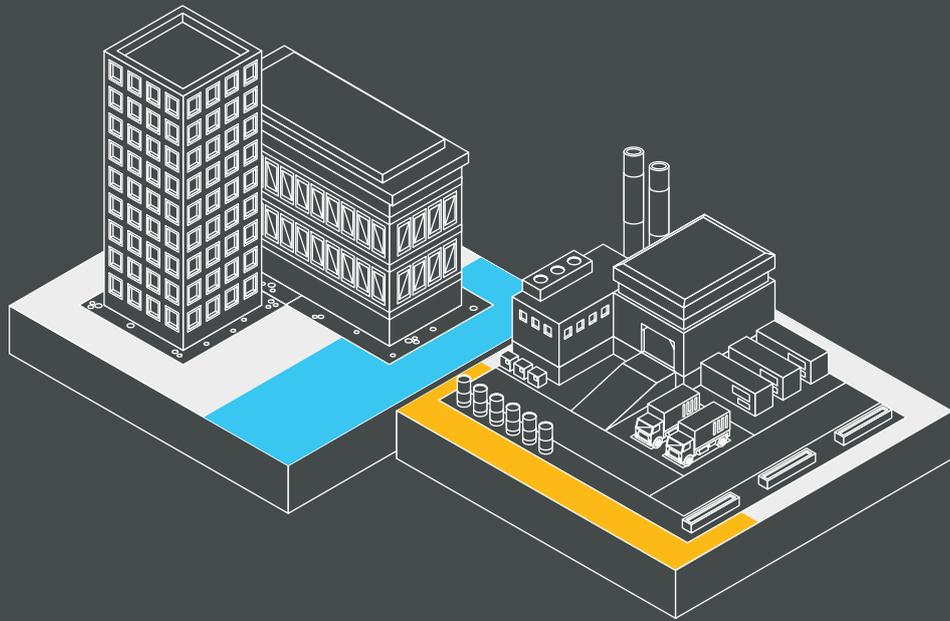


Jolimont Underwriting

# BUSINESS PACK



**Jolimont**

UNDERWRITING

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## ABOUT THIS BOOKLET

There are two parts to this booklet.

The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

## IMPORTANT INFORMATION

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

## HOW TO APPLY FOR INSURANCE

When You apply by completing Our application process You need to provide the information We require to determine whether to issue a Policy and if so, on what terms, including (to the extent they are optional):

- » the covers and benefits You want (including the property You wish to cover);
- » the limits You want;
- » the Period of Insurance You want;
- » whether You want any third parties to be noted as having an interest;
- » the Excesses that You want to contribute for certain claims;
- » whether any standard terms need to be varied (this may be by way of an Endorsement).

Where We agree to issue a Policy, cover is provided on the basis:

- » that You have paid or agreed to pay Us the Premium for the cover provided;
- » of the verbal and/or written information provided by You which must have been given in accordance with Your duty of disclosure.

If You fail to comply with Your duty of disclosure or have made a misrepresentation to Us, We may be entitled to refuse or reduce Our liability under the Policy in respect of a claim and/ or We may cancel the Policy. If You have told Us something which is fraudulent, We also have the option of avoiding the Policy (i.e. treating it as if it never existed).

Your duty of disclosure and the consequences of nondisclosure, are provided under the heading "Your Duty of Disclosure".

## DUTY OF DISCLOSURE

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms. You have this duty until we agree to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- » reduces the risk we insure you for; or
- » is common knowledge; or
- » we know or should know as an insurer; or
- » we waive your duty to tell us about.

## If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

## WHO ARE JOLIMONT UNDERWRITING?

Jolimont Underwriting is a trading name of Carroll & Partners Limited Authorised and regulated by the Financial Conduct Authority no. 310833.

Registered in England & Wales no. 2267055

Registered Office: 48 Gracechurch Street, London EC3V 0EJ.

Please note that when Jolimont Underwriting arrange the policy, Jolimont Underwriting will act as the agent of the insurer and not your agent.

## WHO IS THE INSURER

DTW 1991 Underwriting Limited, on behalf of Syndicate DTW 1991 are the insurers of the Commercial Property Owners Insurance policy. In this booklet the insurer is called 'We', 'Us', 'Our' or 'Ours'.

## Several Liability Notice

The liability of an insurer under this contract is several and not joint with other insurers party to this contract.

An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer.

Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract. The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion.

A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is:

**Lloyd's,  
One Lime Street, London EC3M 7HA.**

The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

## Intermediary remuneration

Jolimont Underwriting pays remuneration to insurance intermediaries when we issue, renew or vary a policy the intermediary has arranged or referred to us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration we may pay your intermediary you should ask your intermediary.

## CO-INSURANCE

A co-insurance clause applies to this Policy. This means that if you underinsure, you will become your own insurer for a portion of the damage.

In the event of a major loss, your Sum Insured should be sufficient to allow for full replacement or repair of your Property.

Your Sum Insured should represent the full insurable value.

Under Section 1 – Property and Section 2 – Loss of Income, if you make a claim and your Property, cost or loss is insured for less than its full insurable value, it may affect how much we will pay.

We will consider your Property, cost or loss to be underinsured if the Sum Insured is:

- » for Section 1 Property and Section 2 Loss of Income: less than 80% of the full insurable value; and for

The Co-Insurance or underinsurance clause is shown within each of the sections listed above. It is important that you read and understand this clause.

## JURISDICTION

This Policy shall be interpreted in accordance with the laws of Australia and shall be subject to determination by any court of competent jurisdiction within Australia.

## THE GENERAL INSURANCE CODE OF PRACTICE

Jolimont Underwriting and Underwriters at Lloyd's proudly support the General Insurance Code of Practice.

The Code aims to:

- » Commit us to high standards of service
- » Promote better, more informed relations between us and you

- » Maintain and promote trust and confidence in the general insurance industry
- » Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- » Promote continuous improvement of the general insurance industry through education and training.

A copy of the Code can be obtained from us upon request or from:

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

***This Policy is Code of Practice compliant, apart from any claims adjusted outside of Australia.***

### Your Personal Information Notice

#### Who we are

We are the Lloyd's underwriter(s) identified in the contract of insurance and/or in the certificate of insurance.

#### The basics

We collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you and to meet our legal obligations.

This information includes personal data such as your name, address and contact details and other information that we collect about you in connection with the insurance cover from which you benefit. This information may also include more sensitive data such as information about your health and any criminal convictions.

In certain circumstances, we may need your consent to process certain information about you and this is explained in our privacy policy. Where we need your consent, we will ask you for it specifically. You do not have to give your consent, and you may withdraw your consent at any time. However, if you do not provide your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector. For example, agents or brokers (when making applications), insurers,

reinsurers, loss-adjusters (if you claim), sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detections agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance coverage that we provide and to the extent required or permitted by law.

#### If you provide other people's details to us

Where you provide us or your agent or broker with information about other people, you must make them aware that you are doing so. Where possible, you should also provide them with this notice.

#### If you would like more information

For more information about how we use your personal information, please see our privacy policy, which is available on our website:

[www.dtw1991.com/pages/privacy-policy](http://www.dtw1991.com/pages/privacy-policy) and in other formats upon request. Additional information on how the insurance market uses data is provided by the Lloyd's Market Association ("LMA") in their Insurance Market Core Uses Information Notice.

#### Contacting us and your rights

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice(s) you should contact the broker or agent who provided you with your insurance in the first instance, or you may get in touch with us by contacting:

The Data Protection Officer  
 Coverys Managing Agency Ltd  
 One Creechurch Place  
 London  
 EC3A 5AY  
 +44 20 3923 3000  
[Data.protection@coverys.co.uk](mailto:Data.protection@coverys.co.uk)

LMA9151 (Amended)  
 25th April 2018

## Australian Terrorism Insurance Act

The Insurer(s) has treated this insurance (or part of it) as an insurance to which the Australian Terrorism Insurance Act 2003 (ATIA) applies. ATIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism Exclusion to which this Policy is subject shall not apply to any "eligible terrorism loss" as defined in ATIA.

Any coverage established by ATIA is only in respect of any "eligible terrorism loss" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATIA. The Terrorism Exclusion to which this Policy is subject applies in full force and effect to any other loss and any act or event that is not a "declared terrorist incident".

All other terms, conditions, insurance coverage and Exclusions of this Policy including applicable limits and excesses remain unchanged.

If any or all of the insurers have reinsured this insurance with the Australian Reinsurance Pool Corporation, then any such insurer will not be liable for any amounts for which they are not responsible under the terms of ATIA due to the application of a "reduction percentage" as defined in ATIA which results in a cap on the insurer's liability for payment for "eligible terrorism losses".

## RESOLVING COMPLAINTS & DISPUTES

At Jolimont Underwriting we're committed to providing you with quality products and delivering the highest level of service. We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

### SOMETHING NOT RIGHT?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

#### Step 1 - Talk to us

We are committed to providing you with a high quality service and we want to make sure that we maintain this at all times. If you have any questions or concerns about your policy, please contact the broker or agent who arranged cover for you.

If you have any questions or concerns about the handling of a claim, you should in the first instance contact the broker or agent or the entity who arrange cover for you.

#### Step 2 - Escalate your complaint

In the event that you remain dissatisfied and wish to make a complaint, you can do so at any time by referring the matter to us, as we act as agent of the Insurers. We will send you full details of our complaints procedure upon request:

Complaints  
Carroll Holman Insurance Brokers  
48 Gracechurch Street  
London  
EC3V 0EJ  
Tel No: 020 7645 4600  
complaints@carrollholman.co.uk

## LITIGATION DISPUTE RESOLUTION

The Insurer(s) agree that:

- a. in the event of a dispute arising under this Policy, the Insurer(s) at the request of the Insured will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.
- b. Any summons notice or process to be served upon the Insurer(s) may be served upon:  
Lloyd's General Representative in Australia  
Lloyd's Australia Limited  
Level 9, 1 O'Connell Street  
Sydney NSW 2000  
Australia  
Telephone Number: (02) 8298 0700  
who has authority to accept service and to enter an appearance on the Insurer(s)' behalf, and who is directed at the request of the Insured to give a written undertaking to the Insured that he will enter an appearance on the Insurer(s)' behalf.
- c. if a suit is instituted against any one of the Insurer(s), all Insurers hereon will abide by the final decision of such Court of any competent Appellate Court.

## COOLING-OFF INFORMATION

If you change your mind within 21 days of buying your Policy, you can cancel it and receive a full refund.

Naturally, this doesn't apply if you've made or are entitled to make a claim. Even after the cooling off period ends, you still have the right to cancel your Policy.

However, we may deduct some costs from any refund, as set out in the Policy Wording under the General Conditions 4. Cancellation.

To cancel your Policy within the cooling-off period, contact your financial services provider electronically or in writing.

## PREMIUM

The amount of Premium specified herein is the amount due to the Insurer and any commission allowed by them is to be regarded as remuneration of Jolimont Underwriting.

## CALCULATING 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 (e.g. high claims experience), 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.

We calculate Your Premium on the basis of information that We receive from You when You apply for the insurance. Some factors impacting Premiums include:

FACTOR	LOWER PREMIUM	INCREASED PREMIUM
Insured Amount	Lower Insured Amount	Higher Insured Amount
Postcode	Low Risk Postcode	High Risk Postcode
Optional Covers	None Taken	All Taken
Claims Experience	Low Claims Experience	High or Frequent Claims Experience
Voluntary Excess	Higher Excess Level Selected	Lower Excess Level Selected
Our Expense of doing business including payments We make to Intermediaries	Low Expenses	High Expenses
Changes to Your Policy Mid Term	Reduces Our Risk or Your Cover	Increases Our Risk or Your Cover

## Why the Cost of Insurance Can Change

Your insurance premium can change during Your period of insurance if the circumstances or risks covered by Your policy change. For example, Your premium will change if You change the use of Your premises 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.

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, Emergency 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.

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.

Minimum premiums prior to charges may apply. In some cases, discounts may apply if You meet certain criteria We set. Any discounts/entitlements only apply to the extent any minimum premium is not reached. If You are eligible for more than one, We also apply each of them in a predetermined order to the Premium (excluding taxes and government charges) as reduced by any prior applied discounts/entitlements. Any discounts will be applied to the base premium calculated prior to any taxes being added.

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.

## AGREEMENT

Where We agree to enter into a Policy with the Insured it is a contract of insurance between Us and the Insured.

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 document. Only those Sections shown as covered in Your Schedule are insured; and
- » any other change to the terms of the Policy otherwise advised by Us in writing (such as an Endorsement or Supplementary PDS). 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 reserve the right to change the terms of the Policy where permitted to do so by law. Any new or replacement Schedule We may send the Insured, detailing changes to Your insurance or the Period of Insurance, will become the current Schedule, which You should carefully read and retain.

## UPDATING THIS PDS

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

Other documents may form part of the PDS and the Policy. If they do We will tell You in the relevant document.

## 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 Your 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.

## GENERAL ADVICE ONLY

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature.

It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

## IMPORTANT NOTICES

Unless stated otherwise, these important notices apply to all Policy sections.

### 1. When you are covered

This Policy does not provide cover in relation to events that occurred before cover under the relevant section was entered into.

### 2. Liability claims

This section only provides cover in relation to personal injury, damage to property, advertising injury that occurs during the Period of Insurance. This does not include personal injury or damage to property that has already been discovered before that Period of Insurance.

### 3. Liability assumed under agreement

The Liability section of this Policy does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

### 4. Acceptance of the application

You will not have any cover under this Policy until a completed application has been received and the risk accepted by us. We reserve the right to decline any application. If we accept your application for insurance, you will receive a Schedule that sets out details of the insurance you have taken out.

### 5. Workers' compensation

The cover provided by this Policy does not include workers' compensation. It is compulsory that Workers' Compensation Insurance for all employees be in force and separate cover should be arranged.

### 6. Delay of cover

This Policy does not provide any cover, for a period of 48 hours from the time of the commencement of your Policy, for physical loss, destruction or damage caused by:

- a. bushfire or grassfire; or
- b. named cyclone;

unless your Policy commences directly after another insurance policy covering the same property expired, without a break in cover.

### 7. Headings

The headings included throughout this Policy are intended for information and convenience only and will not affect or be relevant to the construction of the terms of the Policy.

## RENEWAL PROCEDURE

Before Your Policy expires We will advise You whether We intend to offer renewal and if so on what terms.

This document also applies for any offer of renewal We may make, unless We tell You otherwise.

It is important that You check the terms of any renewal offer before renewing to satisfy Yourself that the details are correct. In particular, check the Sum Insured amounts and Excess(es) applicable and to ensure the levels of cover are appropriate for You.

Please note that You need to comply with Your duty of disclosure before each renewal (see below).

Each renewal is a separate Policy, not an extension of the prior Policy.

## TO MAKE A CLAIM

The section titled 'Claims' of this booklet tells you the full details about what you need to do in the event of a claim.

If you'd like to make a claim or to enquire about an existing claim please contact:

- » your financial services provider.

## HOW WE SETTLE CLAIMS

Where We agree to reinstate or replace Damaged property, We will replace Your property with new goods or repair it using new materials. If You ask for a cash settlement instead, We will deduct an amount for wear, tear and depreciation. This amount depends on the age of the Damaged item and the expected useful life.

If You replace an item without Our authority, We will only pay You what We could have replaced it for using any discounts that are available to Us. More details around how We settle claims are provided in this document under the Basis of Settlement sections within each Section.

## FOR MORE INFORMATION

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- » your financial services provider.

The contact details for your financial services provider are set out in the documentation they give you.

## GENERAL EXCLUSIONS

### 1. War, nuclear, lawful seizure, wilful acts and territorial limits

The Policy does not cover loss, destruction, liability, Sickness or Injury (as defined in Personal Accident and Sickness Section), or Damage directly or indirectly:

1. War caused by, contributed to by or arising from any war, whether war be declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion or act of foreign enemy;
2. Nuclear caused by, contributed to by or arising from ionising radiation or contamination by radioactivity from:
  - » any nuclear fuel or from any nuclear waste;
  - » the combustion of nuclear fuel (including any self-sustaining process of nuclear fission); or
  - » nuclear weapons material;
3. Lawful seizure caused by, contributed to by or arising from the lawful seizure, detention, confiscation, nationalisation or requisition of the Property Insured;

4. Wilful acts caused by, contributed to by or arising from any actual or alleged:
  - » dishonest, fraudulent, criminal or malicious act;
  - » wilful breach of any statute, contract or duty; or 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;
5. Territorial limits occurring outside Australia except as specifically stated otherwise in the appropriate Section.

### 2. Consequential Loss

Except as specifically provided otherwise, the Policy does not cover:

- » Consequential Loss of any kind;
- » Legal liability to pay compensation or damages; or
- » Damage caused by, contributed to by or arising from faults or defects known to You or any employee whose knowledge in law would be deemed to be Yours and not disclosed to Us at the time the Policy was entered into.

### 3. Computer technology

The Policy does not cover any 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. Terrorism

Notwithstanding any provision to the contrary within the Policy or any Endorsement thereto, the Policy excludes and does not cover 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, regardless of any other cause or event contributing concurrently or in any other sequence to the death, injury, illness, loss, Damage, cost or expense.

The Policy also excludes and does not cover 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.

This exclusion will not apply to the Theft, Money, General Property and Glass Sections. This exclusion will apply to the other Sections of the Policy.

## 5. Electronic Data

### a. *Electronic Data - Part 1*

This Electronic Data exclusion is applicable to the following Sections of the Policy:

- » Property Section
- » Consequential Loss Section
- » Theft Section
- » Money Section
- » Glass Section

These Sections do not insure any Damage of whatsoever kind directly or indirectly caused by, contributed to by or arising from:

1. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
2. error in creating, amending, entering, deleting or using Electronic Data; or
3. 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.

However, in the event that any of the matters described in paragraph 1. above is caused by a peril listed below (being a peril insured by the relevant Sections but for this exclusion) then the relevant Sections, subject to all their provisions, will insure:

- a. physical loss of or Damage or destruction to Property Insured directly caused by such listed peril; and/or
- b. Consequential Loss insured by the Policy
- c. Accidental Damage other than non-physical Damage, fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact by Aircraft or aerial object dropped therefrom, impact by road vehicle or animal, sonic

boom, theft of Electronic Data solely where such theft is a consequence of theft of any computer and/ or computer hardware and/or firmware and/ or microchip and/or integrated circuit and/or similar device containing such Electronic Data, Breakage of Glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances, storm and/or tempest and/or rainwater and/or wind and/ or hail, water and other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or pipes at the Situation.

For the purposes of the Basis of Settlement provision in these Sections, computer systems records include Electronic Data.

Any terrorism exclusion in these Sections or any Endorsement thereto prevails over this exclusion.

### b. *Electronic Data - Part 2*

This Electronic Data exclusion is applicable to the following Sections of the Policy:

- » Machinery Breakdown Section

These Sections do not cover any Damage of whatsoever kind directly or indirectly caused by, contributed to by or arising from:

- a. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
- b. error in creating, amending, entering, deleting or using Electronic Data;
- c. total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all; or
- d. any business interruption losses resulting therefrom, regardless of any other contributing cause or event whenever it may occur, unless such Damage is a direct consequence of otherwise insured physical Damage and provided that "Cost of Restoring Data" and/or "Increase in cost of working" is insured by these Sections.

**Any terrorism exclusion in these Sections or any Endorsement thereto prevails over this exclusion.**

## 6. Acquisition of Companies

The Policy does not cover loss, destruction, liability, Sickness or Injury (as defined in Personal Accident and Sickness Section), or Damage directly or indirectly, caused by, contributed to by or arising from:

- a. any company or other legal entity acquired by You during the Period of Insurance; or
- b. any property or liability associated with such company or any other legal entity or business undertaking or operation, except as stated below.

Provided that We have been notified in writing within 60 days of any acquisition, and the business is of a similar Business to that stated in the Schedule, We will agree to provide cover subject to Your acceptance of Our terms and undertaking to pay the additional Premium We may require. Our liability shall not exceed the Limit of Indemnity, Sum Insured or any sub-limit of liability applicable under the relevant Sections making up Your Policy for the Property Insured.

## 7. Unoccupied Buildings

Except for loss or Damage to Property Insured caused by:

- a. wind, storm, lightning, earthquake, volcanic eruption, tsunami and subterranean fire;
- b. impact by road vehicle or their loads, animals, trees or branches, meteorite, aircraft or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling building or structures or parts thereof which do not belong to You;
- c. riots, civil commotions and strikes.

the Policy does not provide any cover at a Building after the Building has been Unoccupied for more than 90 consecutive days.

Unoccupied means left vacant by You or any other authorised person whether furniture or other Contents remain or not. Provided that:

1. cover will apply at an Unoccupied Building if We have specifically agreed to this in writing;
2. cover will resume when that Building is again occupied by authorised persons; and
3. You agree to pay Us any additional Premium that We may require.

## 8. Aggravated, Punitive or Exemplary Damages, Fines or Penalties

Your Policy does not cover any fines, penalties, exemplary, punitive, liquidated or aggravated damages and/or additional damages resulting from the multiplication of compensatory damages.

## 9. 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.

## 10. Non-compliance

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

## 11. Intentional acts

This policy does not cover intentional acts by You or another party committed with Your knowledge and consent and which You were capable of preventing.

## 12. Known defects

We will not pay for loss or damage caused by faults or defects known to You or any employee whose knowledge in law would be deemed to be Yours and not disclosed to Us at the time this insurance was arranged.

## GENERAL TERMS AND CONDITIONS

The following general conditions apply to all sections of this policy unless expressly stated otherwise. Breach of a condition or warranty without Your knowledge or consent or error in name, description or situation of property will not prejudice Your rights under this policy provided notice in writing is given to Us when such breach or error comes to Your knowledge. Reasonable extra premium shall be paid if required, from the date of such breach or error.

### Accountancy records

You must provide to Us all books of account, business books and other documents as may be required to investigate or verify claims. If You do not, We may refuse to pay or may reduce the amount of a claim.

### Actions of parties other than You

The acts or omissions of:

- a. a tenant of Yours; or
- b. the owner of, or another tenant in, the Building; which breach any provision of the Policy will not affect Your entitlement to cover provided that:
  - » the act or omission was committed without Your prior knowledge or complicity, and
  - » You notify Us of the happening or existence of the act or omission as soon as You become aware of it, and
  - » You pay any reasonable extra Premium which We require.

### Allocation of subrogation proceedings

Notwithstanding Section 67 of the Insurance Contracts Act 1984 (Cth), monies recovered in subrogation proceedings will be applied, net of the expense of such recovery:

- a. firstly to You to the extent of Your uninsured loss in respect of a claim paid under a Section of the Policy, (disregarding the amount of any Excess applicable);

- b. secondly to Us in reimbursement of the amount paid to You in respect of that claim under that Section and Our legal expenses incurred in the recovery; and
- c. thirdly to You in satisfaction of any Excess amount applicable.

Any other monies remaining after these allocations will be retained by Us.

### Alteration to Risk

If You become aware of any changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk (for example, the nature of Your Business, or other circumstances that affect the Situation or Property Insured) in a way that would increase the risk of loss or Damage You must notify Us in writing.

If We agree to the change We will do so in writing and You must pay Us any additional Premium We require.

### Authorisation and Notifications

By acceptance of the Policy, the Insured agrees to act on behalf of You as well as itself with respect to the giving and receiving of notice of claim or cancellation, the payment of Premiums and the receiving of any return Premium due under the Policy, the negotiation, agreement to and acceptance of Endorsements, and the giving and receiving of any notice provided in the Policy, and You agree that the Insured shall act on Your behalf.

Neither We nor the Insured hold anything on trust for, or for the benefit or on behalf of You under this insurance arrangement. The Insured does not:

- » act on behalf of the Insurer or an eligible persons in relation to the insurance;
- » is not authorised to provide any financial product advice, recommendations or opinions about the insurance; and
- » receive any remuneration or other benefits from Us.

Any person who may be insured under the Policy should consider obtaining advice as to whether the benefits are appropriate or useful for their personal needs from a person who is licensed to give such advice. No advice is provided by Us or the Insured that the benefits are appropriate or useful for any person's needs. Nothing prevents such persons from entering into other arrangements regarding insurance.

We will send all notices in relation to the Policy to:

- a. the Insured's nominated insurance intermediary until We received written notice to the contrary from the Insured; or
- b. if there is no nominated intermediary, the Insured, acting on the behalf of You.

Any notice We give the Insured will be in writing, and it will be effective:

- a. if it is delivered to the Insured or their agent personally; or
- b. if it is delivered or sent to the Insured's address or the Insured's Agent's address last known to Us.

It is important for the Insured to tell Us of any change of address as soon as possible.

### Bankruptcy or insolvency

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. In case of execution against You of any final judgment covered by this policy being returned 'unsatisfied' by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against Us in the same manner, and to the same extent as You but not in excess of the relevant Sum Insured or Limit of Indemnity or other sub-limit applicable under the relevant Section(s) making up Your Policy.

### Cancelling Your policy

#### How You may cancel

You may cancel the policy or a policy section at any time by telling Us that You want to cancel it. You can do this by giving the notice to Your Steadfast broker.

#### How We may cancel

We may only cancel a policy when the law says We can. Such cancellation shall take effect at the earlier of the following times:

- a. the time when another policy of insurance between You and Us or some other insurer, being a policy that is intended by You to replace this policy, is entered into; or
- b. at 4.00 pm on the thirtieth (30th) business day after the day on which notification was given by Us.

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 charges where this is allowed).

#### Premium funders

If the premium has been funded by a premium funding company which holds a legal right over the policy by virtue of a notice of assignment and irrevocable power of attorney, the return of premium calculated on the basis set out above will be made to the premium funding company.

#### 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 the risks to be insured under this policy. 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;
- b. other circumstances that affect the premises 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;
- d. the business is wound up or carried on by an insolvency practitioner or permanently discontinued;

- e. details of any conversion or modification to Your vehicle made by someone other than the manufacturer. For example, if You give your vehicle wide tyres or wheels, or lower its suspension;
- f. (f) if there is anyone under the age of 25 years who is likely to be a regular driver of the vehicle;
- g. (g) change of Your address, Your vehicle, Your vehicle's garage post code or the way You use Your vehicle.

You must immediately notify us of any changes to (a), (b), (c), (d), (e), (f) or (g) 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 open, then You must notify Us of the change and We will calculate Your fire premium either using the jeans retailer or menswear occupation.

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

- a. We agree to it; and
- b. We give You a new Schedule detailing the change provided You pay or agree to pay any additional Premium We may require.

### Designation of property

For the purpose of determining under which item any property is insured, We agree to accept the designation under which such property appears in Your books of account.

Provided always that this condition shall not apply to the Theft cover section with respect to tobacco, products containing tobacco, cigars, cigarettes and alcohol.

Under the Theft cover section, stock does not include tobacco, products containing tobacco, cigars, cigarettes or alcohol unless they are specified on the policy schedule.

### Fraudulent Claims

If You or any party covered by Your Policy makes a claim or arranges for some other party to make a claim that is in any way false, dishonest or fraudulent, then payment of the claim may be refused.

### Governing Law and Jurisdiction

The Policy is governed by the laws of Australia. 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.

### How Goods and Services Tax (GST) affects any payments We make

You must inform Us of the extent to which You are entitled to an input tax credit (ITC) 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.

Despite the other provisions of this insurance (including provisions in the Policy Wording, the policy schedule and any endorsement), Our liability to You will be calculated taking into account:

- a. 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; and
- b. also for claims for business interruption only, the GST exclusive amount of any supply made by Your Business which is relevant to Your claim.

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.

## Inspections

We (or agents appointed by Us) have the right to inspect and examine, by mutual appointment, any property insured.

## Interests of Other Parties

The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties having a legal interest or charge over the Property Insured and who are specifically noted in Your records, shall be automatically included to the limited extent of their insurable interest only as provided under s49 of the Insurance Contracts Act without notification or specification.

The nature and extent of such interest is to be disclosed to Us in the event of any claim covered by the Policy. Any other people not in this category or not named on the Schedule are not covered and cannot make a claim except to the extent permitted by law.

Where the separate interests of more than one party in the Property Insured are insured under the Policy, any act or neglect of one party will not prejudice the rights of the remaining party or parties provided that the remaining parties are entirely innocent of and have no prior knowledge of any such act or neglect and shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of Damage or destruction has increased, give notice in writing to Us and shall on demand pay such reasonable additional Premium as We may require.

You cannot transfer the Policy into someone else's name without Our written consent.

All persons (including third party beneficiaries) entitled to claim under the Policy are bound by and comply with the terms and conditions of the Policy.

## 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.

## 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 ask for an additional premium to maintain cover):

1. if the building is not in a good state of repair;
2. any work on the building other than routine maintenance or decoration;
3. any change in Your business;
4. any change of situation;
5. change of Your address.

## Non-imputation

Where this insurance is arranged in the joint names of more than one insured, as described in the definitions of You, it is hereby declared and agreed that:

- a. each insured shall be covered as if it made its own proposal for this insurance;
- b. any declaration, statement or representation made in any proposal shall be construed as a separate declaration, statement or representation by each insured;
- c. any knowledge possessed by any insured shall not be imputed to the other.

## Other Insurance and Contribution

When a claim is made under the Policy that may also be recoverable under another policy or policies, You agree to provide Us with details of such policies that may pay or partially pay that claim, so that We may seek contribution.

## Other persons or organisations

The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties having a legal interest or charge over the property insured shall be automatically included as third party beneficiaries without notification or specification. The nature and extent of such interest is to be disclosed to Us in the event of any claim covered by this policy. Any other people not in this category or not named on the policy schedule are not covered and cannot make a claim. All third party beneficiaries must comply with the terms and conditions of the policy.

Where the separate interests of more than one party in the property insured are insured under this policy, any act or neglect of one party will not prejudice the rights of the remaining party or parties provided that the remaining party/ies are entirely innocent of and have no prior knowledge of any such act or neglect and shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of loss, damage or destruction has increased, give notice in writing to Us and shall on demand pay such reasonable additional premium as We may require.

You cannot transfer the policy into someone else's name without our written consent.

All persons entitled to claim under the policy are bound by the terms and conditions of the policy.

When a claim is paid under the policy and is also recoverable under another policy or policies, You agree to provide Us with details of such policies and so that We may seek contribution from the other insurer or insurers.

### Our maximum liability

Except as otherwise stated elsewhere in this policy, the maximum amount We will pay will not exceed the amount stated in the policy schedule as the insured amount or the limit of liability for those policy sections selected.

The insured amount, limit of liability and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any applicable excess.

### Payment of Excess

When You have a claim under a Section of Your Policy You must pay the Excess amount in accordance with the terms and conditions applicable to that Section. Limits and sub-limits of liability and Sums Insured shall apply in addition to, and shall not be reduced by, the amount of any applicable Excess.

Should a single event result in You claiming under more than one Section of Your Policy, then only the single highest Excess will apply to all claims that arise out of the one event.

Provided that this shall not apply to claims arising from loss or Damage claimable under the optional benefit "Deterioration of Stock" under Machinery Breakdown Section.

Only one Excess will apply to all Damage resulting from Flood, earthquake, subterranean fire, volcanic eruption, bushfire, storm, hail or rainwater that is continuous, is due to the same general conditions, and occurs within a 72-hour period from the first happening of Damage. Whether the event is continuous or sporadic in its sweep and/or scope and the Damage was due to the same conditions.

Each event will be considered to have commenced on the first happening of Damage, not within the period of any previous event.

### Progress payments

We will make progress payments on claims at intervals to be agreed by Us following receipt of an interim report from Our loss adjuster or representative. We will not unreasonably withhold progress payments.

### Reasonable care

You must take reasonable precautions to prevent personal injury or property damage as if You were not covered by this policy such as (but not limited to):

1. if You discover Your products may be defective and the defect may cause a claim under the Public and products liability cover section, You must, at Your expense, take reasonable steps to restrict, trace, recall, modify, replace or repair the products;
2. maintain and look after other person's or organisation's property and buildings used or occupied by You, in accordance with Your agreement with them;
3. if Your occupation includes digging below ground at sites away from the premises the location of underground services must be obtained from the owners of the services by You or Your principal before the work is commenced;
4. to comply with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements; imposed by any authority or by State or national legislation.

5. to prevent Injury and Sickness, loss, Damage or legal liability;
6. to maintain the Property Insured in sound condition, in particular to minimise or avoid theft, loss, Damage or liability;
7. to only employ competent employees and ensure they adhere to the requirements specified in 1.-6. above.

If You do not take reasonable precautions We may refuse to pay part or all of Your claim.

### Reinstatement of Sum Insured

In the event of Damage insured under the Property Section, Consequential Loss Section, Theft Section, Money Section, and the Glass Section, the amount by which the Sum Insured or Limit of Indemnity is reduced as a consequence of the loss or Damage will be automatically reinstated from the date of loss or Damage provided that:

- a. there is no written request from You or written notice by Us to the contrary;
- b. the Section is an operative Section of the Policy; and
- c. You pay the Premium which We require for the reinstatement.

We will not reinstate the Sum Insured on Material Damage Section or Business Interruption Section if We have paid a total loss under either of these Sections.

We will only reinstate the Sum Insured once in any Period of Insurance in relation to the Theft Section and Money Section and the maximum amount We will pay in any one Period of Insurance is therefore limited to twice the Sum Insured under those Sections.

Limited reinstatements are also available under the Audit and Legal Costs Section. For full details refer to this Section.

### Sale of salvage

We will not sell or dispose of any salvage without giving You the opportunity to buy it at its salvage value, provided that this condition does not allow You to abandon the property to Us.

### Single occurrence

We will not pay for loss or damage to property covered by this policy under more than one policy section of the policy in respect of the same item and occurrence unless a relevant insured amount has been paid out in full and You have not been fully indemnified, less any applicable excess, for the loss or damage.

### Waiver of subrogation rights

We will not be liable to pay any benefits under this policy for loss, damage or liability 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, damage or liability. However:

- a. We shall waive any rights and remedies or relief to which We are or may become entitled by subrogation against:
  - i. any co-insured (including directors, officers and employees);
  - ii. any corporation or entity (including directors, officers and employees) owned or controlled by any insured or against any co-owner of the property insured.
- b. You may without prejudicing Your position under this policy:
  - i. release any statutory governmental, semi-governmental or municipal authority or any landlord or any other person or parties from any liability if required at law, including by contractual agreement, 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.

Nothing in this condition shall prevent You and Us entering into a "Subrogation Agreement" following a loss agreeing to a different basis of sharing costs and expenses and the allocation of monies recovered.

## BUSINESS PACK INSURANCE

In return for you having paid or agreed to pay the premium to us, we will cover you in the manner and to the extent described in this Policy.

You need to read the policy terms and conditions, your schedule and any endorsements applicable to your Policy for full details of the cover under your Policy.

## ENDORSEMENTS

We may alter the terms, conditions, limits and exclusions of your Policy by endorsements. These conditions will be listed after the sums insured on your schedule. You should review these endorsements applicable to your Policy for full details of the cover under your Policy.

## WHAT IS COVERED

Where We have entered into a Policy with You, We will insure You for:

- » loss or Damage caused by one or more of the covered insured events; and
- » the other covered benefits, as set out in the Policy occurring during the Period of Insurance.

Other persons may be entitled to cover, but only if specified as so entitled and limited only to the extent and interest specified.

## SUMMARY OF THE AVAILABLE COVERS

Not everything is covered by the Policy. The following is a limited summary only and as such does not form part of the terms of Your insurance. All cover is subject to the applicable Sum Insured, Limit of Indemnity, other limits and sub-limits and terms, conditions, exclusions and limitations that are not listed in the summary. You should read the Policy carefully to fully understand the extent of cover provided.

In some circumstances :

- » You must take out cover under a specific Section of the Policy in order to be eligible for any cover under the Policy; or
- » You may only be eligible to take out cover under a particular Section of the Policy if You are also covered under another Section of the Policy.
- » These eligibility criteria are subject to change from time to time and We will advise You of any criteria that may apply at the time of Your application.
- » The Policy does not automatically provide cover for loss or damage caused by Flood. There is an option to apply for cover for Flood under the Property Section. Where We agree to provide this cover it will be shown on the schedule.

## YOUR POLICY BENEFITS AND FEATURES

Your policy offers You a wide range of covers and options from which You may choose:

### Property

This cover section covers the damage to Your property at Your premises from certain sudden, unexpected or unforeseen occurrences, and provides a number of automatic additional benefits.

### Consequential Loss

This cover section covers the loss of income and the additional increased costs of working which results from the interruption of Your business caused by events covered under the 'Property Section', the 'Theft Section', the 'Money Section', the 'Glass Section', 'Goods in Transit Section' or the 'General Property Section' of Your policy.

### Theft

This section covers you for Loss or Damage to your Property as a result of theft upon forcible and violent entry, theft occurring outside of business hours where someone has concealed themselves on the premises and theft that is consequent upon threat of immediate violence or intimidation.

## Money

This cover section covers Your business's money whilst on Your premises, in a safe or strongroom, in transit to or from Your premises, or in Your personal custody, or the custody of a trusted employee.

## Glass

This cover section covers glass in Your premises (including internal glass such as glass partitions, or external windows) and provides a number of automatic additional benefits.

## Public Liability

This cover section covers Your legal liability for personal injury to another person (other than employees) or for damage to property owned or controlled by someone else arising in connection with Your business.

## Machinery Breakdown

This cover section covers:

- (a) the breakdown of Your business's mechanical machinery including air conditioning units, computers and electronic equipment such as photocopiers and faxes;
- (b) the cost of restoring Your business's computer records following a computer breakdown;
- (c) the increased costs of working (such as the hiring of alternative computers, the hiring of additional staff) following the breakdown of Your business's computers;
- (d) the costs of replacing Your business's stock which is kept in freezers or refrigerated units, if the fridge or freezer breaks down.

## General Property

This cover section covers loss or damage to portable property such as tools, laptop computers, and personal electronic items that occurs anywhere in Australia or the rest of the world.

## Goods in transit

This section covers the loss or damage to goods and stock that Your business buys, sells or uses whilst they are in transit.

The above summaries are indicative only. Full details of the covers given, definitions, terms, exclusions and conditions are provided in each section of Your Policy.

## POLICY WORDING

Standard headings are used throughout the wording. Each section will have a combination of the following headings:

- » Introduction
- » Definitions – words and terms used specifically in that section and their meanings
- » Cover – A summary of what the section covers
- » What we will pay – A summary of how the section will pay
- » Excess – How the excess applies to that section
- » Included Benefits – Additional covers that are included under that section
- » Limitations – Restrictions that apply to that section
- » Additional Benefits – Benefits that can be selected if:
  - » We have agreed to extend your policy to include the additional benefit
  - » You have paid us the additional premium that applies
  - » And the additional benefit is listed on your Policy Schedule.
- » Specific Exclusions – exclusions that apply to that section
- » Conditions – specific conditions that apply to that section
- » Claims Conditions – specific conditions that apply to the payment of claims for that section

## GENERAL DEFINITIONS

These general definitions apply to all Policy sections.

Some of the words and terms used in this Policy have a special meaning.

When the following words or terms are used in this Policy, they have the meaning set out below.

WORD OR TERM	MEANING
Aircraft	Anything made or intended to fly or move in or through the air or space other than model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.
Animal(s)	Any living creature including, but not limited to, livestock, birds, fish, vermin or insects.
Automatic Teller Machine (ATM)	A burglar resistant unit designed for the safe storage and disbursement of bank notes and which resists fire and attack by hand-held or power operated tools.
Business	The business(es) shown and described on the policy schedule.
Building(s)	<p>The building(s) at the premises.</p> <p>Building(s) includes:</p> <ul style="list-style-type: none"> <li>a. sheds with a concrete floor and fixed to foundations at the premises;</li> <li>b. customised and modified shipping containers or transportable buildings permanently located at the premises used as workshops, lunchrooms or storage and which are permanently fixed to the ground with electrical or plumbing services, as necessary;</li> <li>c. shipping containers in which the stock of Your business is delivered to Your premises or 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 locked cyclone fenced area at the premises after hours;</li> <li>d. shipping containers in which the stock or contents of Your business is stored, 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 locked cyclone fenced area at the premises after hours;</li> <li>e. walls, foundations, storage tanks and sheds, awnings, exterior lights, masts, antennae and aerials, fixed external signs, gates, fencing, pavements, roads and other structural improvements pertaining to the building(s);</li> <li>f. property owner's fixtures and fittings, floor coverings, plant, plumbing or wiring services that are within the building;</li> <li>g. carports, pergolas and canopies;</li> <li>h. barns and outbuildings;</li> <li>i. external fixed items including swimming pools, saunas and spas, gangways between buildings, lights and signs and air conditioning units;</li> <li>j. wharves, piers and jetties.</li> </ul>

Building(s) does not include:

- a. plant and machinery;
- b. stock;
- c. contents;
- d. property undergoing erection, construction, alteration or addition (including partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one premises exceeds \$500,000 or 20% of the total insured amount on buildings and contents, whichever is the lesser, provided that this limit shall only apply to the portion of the property insured which is the subject of any such work and not to any other portion of the property insured;
- e. land, unsealed driveways, unsealed paths, topsoil and fill, dams, reservoirs, canals, tunnels and railway tracks (not at the premises).

**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.

**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".

**Consequential loss** Loss of use, loss of earning capacity and any other consequential loss of any kind, including loss, damage, cost or expense caused directly or indirectly by or resulting from:

- a. delay or interruption of the business;
- b. lack of power, light, heat, steam or refrigeration; or
- c. any other indirect result or consequence of a breakdown.

**Contents** Business and office furniture, tools of trade and equipment used by You in the business.

Contents includes:

- a. unused stationery and printed books;
- b. where You are a tenant of a leased or rented premises:
  - i. property owner's fixtures and fittings, window blinds, floor coverings and glass 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;
- c. money up to \$500;
- d. plant and machinery, unregistered forklifts and hoists, communications systems, fixtures and fittings, signs and awnings (only if You are a tenant);
- 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, business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery; or
- h. current patterns, models, moulds, dies and casts used in the business but limited, unless repaired or replaced, to the value stated in Your financial records at the time of damage;
- i. paintings, works of art, antiques or curios;
- j. documents of title and any other documents of aesthetic, historic, scientific or social value for past, present or future generations;
- k. property of Your welfare, sports and social clubs.
- l. stock, but not if it is shown as a separate item on the policy schedule.

Contents does not include:

- a. stock, if it is shown as a separate item on the policy schedule;
- b. buildings;
- c. specified items;
- d. directors' and employees' tools of trade and personal effects;
- e. jewellery, precious metals or stones, bullion or furs unless they are worth less than \$10,000 any one item;
- f. vehicles registered for road use and any other machinery whilst registered for road-related areas, caravans, trailers, watercraft, aircraft, hovercraft, rolling stock and locomotives or their accessories;
- g. live animals;
- h. plants, shrubs, lawns, growing crops, pastures and standing timber other than pot-plants; or
- i. customers' goods other than customer's records and documents held or created by You as part of your business.

This definition of contents is subject to the 'Designation of property' as noted in the General policy condition.

- Customer's goods
- a) Goods that belong to Your customers that are in Your physical or legal control because the business repairs, services, maintains, or stores those goods.
  - b) Goods that have been purchased by a customer but are in Your physical or legal control awaiting delivery.
  - c) Customer's goods includes items of property at the premises under a 'sales or return' consignment agreement.
  - d) Customer's goods do not include consigned items of property under an 'agency' arrangement where You make a commission on a sale.

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 include programmes, software and other coded instructions for such equipment.
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Employee	<p>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.</p> <p>Employee includes:</p> <ul style="list-style-type: none"> <li>a. volunteers; and</li> <li>b. students on work experience.</li> </ul> <p>c. Employee does not include:</p> <ul style="list-style-type: none"> <li>d. any broker, factor, consignee or contractor;</li> <li>e. any member of family unless that person is also Your employee; or</li> <li>f. any partner, director or trustee unless that person is also Your employee.</li> </ul>
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	<ul style="list-style-type: none"> <li>» Your spouse, Your partner or Your de facto who live with You.</li> <li>» Your parents and parents-in-law who live with You.</li> <li>» Your children and children of Your spouse, partner or defacto (not being your children) who live with You.</li> <li>» Your brothers and sisters who live with You.</li> </ul>
Flood	<p>The covering of normally dry land by water that has escaped or been released from the normal confines any of the following:</p> <ul style="list-style-type: none"> <li>a. a lake (whether or not it has been altered or modified);</li> <li>b. a river (whether or not it has been altered or modified);</li> <li>c. a creek (whether or not it has been altered or modified);</li> <li>d. another natural watercourse (whether or not it has been altered or modified);</li> <li>e. a reservoir;</li> <li>f. a canal;</li> <li>g. a dam.</li> </ul>
Fungus/Fungi	Fungi is a group of simple plants that have no chlorophyll. They include but are not limited to mould, mildew, and yeast. Fungi also includes spores.
Glass	<ul style="list-style-type: none"> <li>a. Fixed glass forming part of or fixed to the exterior of the building including glass in fixed signs; or</li> <li>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.</li> </ul> <p>Glass includes external glass, internal glass and specified glass as defined in the Glass policy section.</p>

Home building	<p>Means a building which is used or intended to be used principally and primarily as a place of residence.</p> <p>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 this policy.</p>
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 amount	<p>For all policy sections other than the Legal liability cover, any person, company or legal entity shown on the policy schedule as the insured.</p> <p>The maximum amount that will be paid under each section of cover selected.</p> <p>The insured amount will vary depending upon Your requirements in relation to each policy section.</p>
Limit	The limit is the maximum amount We will pay under any section of the policy and may be expressed 'per accident', 'per occurrence', 'per annum' etc.
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	<p>Cash, bank notes, currency notes, negotiable cheques, negotiable securities, travellers' 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.</p> <p>Money does not include collectable items (for example coin or stamp collections) or anticipated revenue.</p>
Obsolete stock	Stock 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.
Occurrence	An event, including continuous or repeated exposure to substantially the same general conditions.
Period of insurance	The period of time shown on the policy schedule during which insurance is provided under this policy.
Policy section	Any part of this policy described as a policy section or a cover section.
Policy Schedule	<p>The record of the particulars of Your insurance which forms part of this policy. The policy schedule is issued when We have accepted Your insurance. At each renewal of Your policy, the renewal schedule becomes Your current policy schedule.</p> <p>Updated policy schedules or endorsements may also be sent to You showing alterations to Your policy.</p>

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.
Premises	The places listed in the policy schedule as the 'Situation' at which and from which You operate your business. The premises includes buildings and land within the legal boundaries.
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 policy schedule, any endorsements and any SPDS that We may give You.
Property insured	The property as described on the policy schedule in respect of each policy section.
Safe or Strongroom	<p>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 or strongroom includes an Automatic Teller Machine. A safe is not:</p> <ol style="list-style-type: none"> <li>a. cash tin;</li> <li>b. locked drawer in a filing cabinet or desk; or</li> <li>c. burglary resistant container weighing less than 20 kilograms that is not fixed to the wall or floor of the premises by anchoring it using mechanical bolting. Eg Dynabolts.</li> </ol>
Seasonal increase period/s	<p>Any period of time during the period of insurance that has turnover, sales or level of stock at least 20% higher than the average turnover, sales or level of stock at other times during the period of insurance.</p> <p>The total number of days We will allow as seasonal increase periods is 120 days in total during any one period of insurance. You do not have to tell Us what the dates of the periods are, but if You claim under a policy section which has the seasonal increase cover, 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.</p> <p>You can nominate different stock increase period(s) or higher percentage increases of stock. If You do they will be shown on Your policy schedule and You must pay any additional premium that applies.</p>

Stock	<p>Products and materials You intend to sell, raw or consumable materials or products used by You in the business and Your products while being made, repaired or altered.</p> <p>Stock includes:</p> <ul style="list-style-type: none"> <li>» stock in trade and cigarettes and liquor;</li> <li>» items of property at Your premises under a 'sales or return' consignment agreement;</li> <li>» customers goods.</li> </ul> <p>Stock does not include consigned items of property under an agency agreement where You make a commission on a sale.</p>
Subsidiary company	Any company in which You have a controlling interest. For the purpose of this definition the term 'controlling interest' shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.
Supplementary Product Disclosure Statement (SPDS)	An SPDS updates or adds to the information in the PDS.
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.
The/this policy	Your insurance contract which consists of this PDS, any SPDS We may give You, any endorsements and Your policy schedule.
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	Means the insurer of this policy.
You or Your	For all policy sections other than Public and products liability cover section, this means the person(s), companies or firms named on the current policy schedule as the 'Insured'.

**Other words may be defined in the specific sections of this Policy. If so, the definitions that apply only to that section are shown under the heading 'Definitions' in that section.**

## POLICY SECTIONS:

### PROPERTY

#### Introduction

This section of the policy covers physical loss of or damage to Your property insured during the period of insurance. We do not cover the theft or breakdown of Your property insured under this policy section.

#### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Catastrophe	A large scale destructive event, in the area in which the premises is located, which either: <ul style="list-style-type: none"> <li>a. the Insurance Council of Australia has declared to be an 'insurance catastrophe event'; or</li> <li>b. as a consequence of the event, the relevant government authority has declared a state of emergency.</li> </ul>
Specified Items	Each item of property that is specifically described on the policy schedule for this policy section.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

#### Cover

Provided 'Property damage' is shown under 'What's Covered' in the policy schedule, We will cover You up to the insured amount for accidental loss or damage to Your property insured at the premises during the period of insurance.

We will not pay you if any of the matters set out in the 'Specific exclusions' in this Section - Property or the 'General exclusions' apply.

#### Limitation

The maximum We will pay for any one claim, other than a claim for a specified item, under this policy section is the insured amount shown on the policy schedule or adjusted in accordance with this policy section, whichever is the higher.

The maximum We will pay for each specified item is the insured amount shown in the policy schedule for that item.

For 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 unless they are a specified item.

For any item of contents or for any specified item that is part of a pair or set, the limit applies to the pair or set.

There are two methods of paying your claims. They are 'reinstatement or replacement' basis and 'indemnity value'. The method You have chosen is shown on Your policy schedule.

#### 1. Building(s), specified items, contents or stock

##### Reinstatement or replacement

Unless the policy schedule shows You are insured for 'Indemnity' then, when buildings, specified items, contents or stock are lost or damaged We will, at our option:

- a. rebuild the buildings at the premises shown on your policy schedule or at another site;
- b. replace contents, stock or specified items with similar property to a condition equal to but not better than its condition when new;
- c. pay You the amount shown on the proof of purchase for specified items unless the specified items are works of art, antiques and curios;
- d. if the specified items are works of art, antiques and curios, pay You the amount of a valuation by the Auctioneers and Valuers Association of Australia; or
- e. pay the cost of rebuilding or replacing the buildings, specified items, stock or 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 We will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out within a reasonable period of time;
- b. when rebuilding at another site, We will not pay more than We would pay to rebuild at the premises;
- c. when any property insured 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 insured 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.

## 2. Indemnity

### (Optional reduction in cover)

If Your policy schedule shows You are insured for 'Indemnity' then, for any loss or damage to building or contents, We will, at our option:

- a. repair, reinstate or replace the building or contents;
- b. pay You the market value of the building or 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.

The Underinsurance/average condition in this cover section is amended to read:

In the event of loss or damage to property We shall be liable for no greater proportion of the loss or damage than the insured amount at the premises bears to eighty percent (80%) of the current value of the property insured, provided that our liability shall not exceed the insured amount stated against each item in the policy schedule.

### 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.

### Extra costs of reinstatement

If You are insured under this policy section on a reinstatement or replacement basis, We will also pay the extra costs of reinstatement or replacement of property insured which are necessarily incurred to comply with the requirements of any Act of Parliament or regulations or any by-law or regulation of any Municipal or other statutory authority, other than those relating to the heritage status of a building.

### 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 costs of repairing, replacing, or reinstating the building, that are related to obtaining special materials or employing specialised labour to match up or reproduce unique or distinctive ornamental or architectural features of the building to comply with standards imposed by any 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.

### Conditions which apply to extra costs of reinstatement

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; and

- c. the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, regulation or by-law necessitate it, subject to Our liability not being increased.

Our total liability under this clause 'Extra cost of reinstatement' will be limited to:

- i. the sub limit of liability shown in the current policy schedule for 'Extra cost of reinstatement' which shall be in addition to the insured amount; or
- ii. the balance of the insured amount for this policy section.

whichever is the greater.

The underinsurance condition of this policy section will not apply to the amount payable under this clause.

### 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, 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 it was damaged.

### Output replacement

Where any property insured consists of equipment, machinery or plant having a measurable function, capability or output and if 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:

- a. Where any property insured is to be replaced with any 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 as would give the same total function, capability or output as the property insured.

- b. Where any property insured is to be replaced with an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the replacement value of that property insured, then the basis of settlement is the new installed cost of the item or items so replaced.

- c. Where any property insured 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 insured, then the basis of settlement is the lesser of the reinstatement value or that proportion of the new installed cost of the replacement item or items which the output of the damaged property insured bears to the output of the replacement item or items; provided always that the amount payable shall not be of lesser value than the estimated cost which would have been payable if such damaged property could have been replaced by an item or items that would have given the same total function, capability or output as the damaged property insured. If the reinstatement value of the damaged property insured is not ascertainable then the basis of settlement is the new installed cost of the replacement item or items.

### Stock

If stock is lost or damaged, We will, at our option:

- a. pay the market value of the stock at the time of the loss or damage;
- 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 with property or materials equal to or of a similar standard and specification as the stock at the time it was lost or damaged; or
- d. pay the cost of repair or replacement of the lost or damaged stock.

### Included Benefits

When damage to property insured is covered by this policy section, We will pay for the following costs that are incurred as a result of that damage.

Unless stated otherwise below, any amounts payable under these Extra covers apply in addition to the insured amount.

### 1. Capital additions

If buildings or contents are insured and:

- a. buildings, or part of them, are in the process of being constructed, erected, altered or added to; or
- b. contents, excluding stock, are in the process of being installed or modified;

We will pay no more than:

- a. \$500,000; or
- b. 20% of the total insured amount on buildings and contents; whichever is the lesser amount.

For example: If Your business is retail, and the contents 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 \$500,000.

### 2. Catastrophe inflation protection

If We agree to pay a claim for damage to Your building that is a direct result of a catastrophe, We will:

- a. pay up to an additional 20% of the insured amount for buildings; and
- b. increase the amounts payable under the 'Capital additions' (relating to buildings only) Extra cover and 'Prevention of loss or damage' Additional benefit of this policy section by up to 20%;

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 catastrophe.

For example, if Your insured amount for buildings was \$1,000,000 We would pay up to an extra \$200,000 (20% of \$1,000,000). However, this Extra cover does not operate to increase the total insured amount for the purposes of calculating the application of any Extra cover or additional benefits or the Underinsurance provision in this policy section.

We will not pay more than the increased building costs which are actually incurred by You as a direct result of the catastrophe.

We will not pay any claim under this Extra cover if You choose not to rebuild the buildings (or any part of them) at the premises shown on your policy schedule. We will not increase the insured amount to pay for damage to any property insured other than buildings.

We will not pay any claim under this Extra cover if Your policy schedule shows the building as being insured for 'Indemnity'.

### 3. Discharge of mortgages

We will pay the reasonable legal costs of discharge of a mortgage or mortgages on buildings, contents or stock following settlement of a claim under this policy on a total loss basis. We will pay up to \$25,000 any one event.

### 4. Floating stock

Where We pay a claim for loss of or damage to stock at the premises, We will pay more than the stock insured amount at that premises to account for the temporary transfer of stock between premises provided that:

- a. there are at least two premises specified on the policy schedule and an insured amount has been separately specified on the policy schedule for stock at each premises insured under this policy section, including the affected premises; and
- b. You transfer the stock between premises as a usual business practice.

We will not pay a claim under this Extra cover where stock levels in excess of the insured amount at a premises have been temporarily located at that premises for a period exceeding 90 days and where We have not agreed in writing to an extended period, during the period of insurance.

We will not pay more than the total of the stock insured amounts for all premises.

For example: assume You operate from two retail premises, each with a stock insured amount of \$50,000. At the time of an insured event that destroys the premises, stock at the premises where the loss occurs is valued at \$70,000 and there is \$25,000 worth of stock at the other premises, which is less than \$100,000 of stock cover at all situations, We will pay up to \$95,000.

## 5. Government fees

If any of Your property insured is destroyed or damaged, We will pay any fee, contribution or other impost payable to any other Government, Local Government or other Statutory Authority where payment of the fee, contribution or impost is necessary to the obtaining of consent to reinstate any property insured provided that We will not be liable for payment of any fines and/or penalties imposed upon You by any such authorities. The cost of government fees is included in the insured amount for buildings, contents or stock. If the insured amount is exhausted, the most We will pay under this Extra cover is \$10,000 any one event.

## 6. Landscaping

We will pay for loss of or damage to landscaping at the premises. We will also pay resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like all contained in or on or forming part of or implicitly pertaining to the buildings.

Landscaping includes trees, shrubs, plants, lawns, rock work, retaining walls, ornamentation and edging pertaining thereto.

We will not pay more than \$50,000 or 20% of the insured amount, whichever is the lesser, at the premises in respect of any one event. This additional benefit is included in the insured amount for the buildings.

We will not pay for any loss of or damage to landscaping which occurs as a result of storm, wind or rain (including snow, sleet or hail).

## 7. Loss of land value

If We pay for a claim for loss of or damage to a building at the premises, 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 that building at the premises.

We will not pay more than:

- a. 20% of the building insured amount shown on the policy schedule; or
- b. \$100,000; whichever is the lesser.

For example, if the insured amount for the building is \$400,000, We will not pay more than \$80,000 (20% of \$400,000), as this amount is less than \$100,000.

## 8. Playing surfaces

We will pay, up to \$50,000 plus any additional amount shown in the current policy schedule for playing surfaces, for the cost of repairing damage to outdoor playing surfaces at the premises, caused by:

- a. vandals or malicious persons, other than You or Your guests, director's partners, officers, employees or members, or their guests;
- b. fire occurring to property insured at the premises for which We have admitted liability under this policy section; or
- c. the action of the fire fighting services, police or other emergency services in attending to their duties at the premises.

## 9. Professional fees

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 lost or damaged buildings. The cost of professional fees is included in the insured amount of the lost or damaged buildings. If the insured amount has been exhausted, We will pay up to \$5,000 any one event.

We will not pay any claim under this Extra cover if Your policy schedule shows the building as being insured for 'Indemnity'.

## 10. Removal and disposal of trees and branches

If damage to property insured is caused by impact from trees or branches of trees, We will pay the reasonable costs associated with the removal and disposal of the tree or branches, which caused the damage.

### **11. Removal of debris including necessary temporary repairs**

We will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, cleaning up, shoring up, propping, underpinning or other temporary repairs of property insured by You. We will also pay for Your legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site.

We will pay You up to \$100,000 or 20% of the total insured amount on buildings and contents shown on the policy schedule for the damaged premises whichever is the greater or the amount for 'Removal of debris' shown in the policy schedule. If this is insufficient and You have not exhausted Your insured amount on the damaged items requiring demolition and/or removal of debris, We will pay up to the remaining balance of the insured amount.

### **12. Rewards**

We will pay up to \$5,000 any one event for the reasonable cost of any reward paid by You for information which leads to the apprehension and conviction of person(s) responsible for any loss or damage which is insured under this policy section.

Provided that any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra covers in the Theft or Money cover sections.

### **13. Rewriting of records**

We will pay the reasonable costs 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 at each premises for:

- (a) business books, plans, computer records, patterns and other business records that are damaged;
- (b) business records of Your customers at the premises or Your business records stored off-site.

We will pay You, in addition to your insured amount, up to \$25,000 any one event or the amount shown in the current policy schedule.

### **14. Seasonal increase in stock**

We will automatically increase the insured amount in respect of stock by 50% during the seasonal increase period. If the insured amount in respect of stock is included in your contents insured amount We will only apply the seasonal increase to that portion of your Contents insured amount which relates to Stock.

### **15. Taking inventory**

We will pay up to \$5,000 for the reasonable costs and expenses incurred by You in taking inventory (including unpacking, repacking and restacking) to identify, quantify and value any property insured damaged during the period of insurance including examination of property insured not belonging to You but in Your care, custody or control.

### **16. Undamaged foundations**

If foundations are not destroyed following an occurrence and any Government or Statutory Authority requires reinstatement of the property insured to be carried out on another site, the abandoned foundations will be considered as destroyed. If the resale value of the original building site is increased due to the presence of the abandoned foundations, the increase in resale value will be paid to Us at the time of sale.

### **17. Costs related to damage to glass in vacant buildings**

If You own but do not occupy any buildings at the premises shown as insured under this policy section in the policy schedule, We will cover You for the following costs directly related to the breakage of glass in the period of insurance in a rentable area of the building that is vacant at the time of the breakage:

- a. the cost of temporary shuttering pending replacement of the broken glass;
- b. the costs incurred in replacing reflective materials and burglar alarm tapes and connections attached to the glass;
- c. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings, but not to bars, grilles or shutters; or

d. the cost incurred in repairing or replacing tiles on shop and office fronts and immediately around the glass.

We will not pay more than \$5,000 during any one period of insurance for all claims under this Additional benefit.

We will not cover You under this Additional benefit for any breakage:

- a. of glass caused by or arising out of fire or the application of heat;
- b. of glass:
  - i. when in transit or whilst being fitted into position or removed from its fitting;
  - ii. in light fittings;
  - iii. that is cracked or imperfect prior to breakage;
  - iv. that is not fit for the purpose intended; or
  - v. that is in a glasshouse.

We will not pay for the breakage of:

- a. tiles on shopfronts and office fronts, other than immediately around the broken glass; or
- b. plastic or perspex signs.

We will not cover any claims under this Additional benefit if:

- a. You have selected Glass section;
- b. Your insured building is leased to a tenant; or
- c. the building has remained unoccupied or untenanted for a continuous period longer than 60 days and We have not agreed to an extended period in writing.

The excess that applies to this Additional benefit is:

- a. the excess shown on the policy schedule; or
- b. \$500 whichever is the higher.

### **18. Directors' and employees' tools of trade and personal effects**

We will pay for loss of or damage to directors' and employees' tools of trade and personal effects as if they were contents.

We will not pay more than \$5,000 for any one person for any one event. Any amount we pay for this Additional cover will be included in the contents insured amount.

### **19. Fire Brigade attendance fees**

We will pay up to \$100,000 any one event for any statutory charges payable by You to a fire brigade or fire fighting authority for attendance at a fire or chemical emergency involving property insured and for the cost of refilling Your fire fighting appliances used in putting out a fire at or adjoining the premises and threatening the property insured, during the period of insurance. The excess that applies to this Additional benefit is \$500.

### **20. Limited transit cover**

We will cover You for loss of or damage to stock or contents during the period of insurance which are in transit in any vehicle anywhere in The Commonwealth of Australia and away from the premises, caused by a collision or overturning of the conveying vehicle or any of the following events:

- a. fire or explosion;
- b. wind;
- c. acts of malicious persons;
- d. escape of molten material from its intended confines at the premises;
- e. lightning or thunderbolt;
- f. implosion;
- g. earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 consecutive hours following the event;
- (h) riot, civil commotion or labour disturbances; or
- (i) water damage.

We will not cover You for more than:

- a. \$50,000; or
- b. 20% of the highest insured amount for contents or stock at any one premises; for each event, whichever is the lesser.

We will not cover You for any claims under this Additional benefit if You have selected - Goods in transit cover section.

## 21. Prevention of imminent damage

We will cover You for the necessary costs that You incur in the period of insurance:

- a. to extinguish a fire on or in the vicinity of Your premises which causes or threatens loss or damage to Your property insured;
- b. to prevent or diminish imminent damage to Your property insured;
- c. for the temporary protection and safety of Your property insured at the premises, including the employment of security services; or
- d. to remove property insured from the premises if the purpose of the removal was to prevent or minimise damage insured under this policy section. We will also cover any damage resulting from the removal.

We will not pay more than \$100,000 for all claims under this additional benefit during any one period of insurance. We will not pay for:

- a. any fines, penalties or liability incurred by You; or
- b. any loss or damage to Your property insured.

## 22. Temporary cover for new premises

We will cover You for loss or damage occurring during the period of insurance to buildings, contents and stock at any new premises, provided that:

- a. You first occupy the new premises during the period of insurance;
- b. the business carried on, at or from the new premises is the same as the business shown on the policy schedule;
- c. the property at the new premises is of the same nature as the buildings, contents and stock located at a premises and would have been covered if they were located at a premises; and
- d. the buildings at the new premises are constructed of the same materials as the buildings at any premises, and have the same or superior protection systems as those at the premises.

We will not cover You for more than 50% of the highest total insured amount for any premises shown on the policy schedule.

For example, if You insure two existing premises, one which has insured amounts for all property insured totalling \$1,000,000 and the other which has insured amount for all property insured totalling \$2,000,000, then any new premises will be covered for up to \$1,000,000 (50% of \$2,000,000, the higher of the two insured amounts for all property insured at a premises).

We will not cover You under this Additional benefit for any loss or damage at the new premises that occurs more than 60 days after You first occupy the new premises.

## 23. Temporary removal of stock and contents

We will pay up to 20% of the insured amount for loss or damage to stock or contents during the period of insurance if the stock or contents have been temporarily removed from the premises or are in a temporary storage facility, self storage unit or bulk storage facility as if it were at the premises but still within the Commonwealth of Australia. For example, if the insured amount for stock is \$100,000 and there is loss or damage to stock that has been temporarily removed from the premises, We will pay up to \$20,000 (20% of \$100,000).

We will not pay for loss of or damage to:

- a. motor vehicles, unless they are the stock of Your business, or fork lift trucks and similar appliances that are used for hauling or conveying goods at the premises;
- b. stock that You have consigned to another person for sale unless it is owned by You or is property for which You are responsible;
- c. stock or contents that have been removed from the premises in excess of 90 days at the time of the loss or damage.

## 24. Trace and access

We will pay the reasonable costs incurred to detect the point of bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks, fixed appliances, fixed pipes or other systems, during the period of insurance, at the premises used to hold or carry liquid provided that the bursting, leaking, discharging or overflowing has caused or may reasonably be expected to cause damage to property insured. We will not cover the repair

or replacement of such apparatus, appliances, tanks, pipes of other systems.

## 25. Theft of external property

If You own but do not occupy a building at the premises shown as insured under this policy section in the policy schedule, We will cover You for the theft in the period of insurance of plant, plumbing or wiring services that are not part of that building but which are securely attached (by means other than the connection to a power point) to the building structure.

We will not cover You for more than \$5,000 in the aggregate during the period of insurance for all claims under this Additional benefit.

We will not pay for any loss or damage caused by Your family or Your tenants.

We will not pay any claims under this Additional benefit if You have selected the Theft cover section of the policy.

## Additional Benefits

### Flood

When 'Flood' is shown in the Your policy schedule, under this policy section, We will cover loss of or damage to property insured caused by Flood, subject to the limits, conditions and exclusions of this policy, except for the flood exclusion.

### Strata title mortgagee(s) interest

This cover applies only if You have arranged this policy to insure only the interest of a mortgagee in a strata title unit.

This cover only applies when You own part of a building that has been subdivided into strata, community or similar title units and You have a mortgage on that part of the building.

We will pay the mortgagee the lowest of:

- a. the insured amount shown on the policy schedule;
- b. the amount to repair the damage to a condition similar

to but no better than when new;

- c. if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate's insurance pays and the cost of the damage; or
- d. the amount sufficient to discharge the mortgage held by You over the unit at the date of the damage.

We pay only that part of the claim that applies to the interest of the mortgagee.

We only pay a claim if:

- a. a claim would be payable under this policy section (and not subject to any exclusions or other limitation in the policy);
- b. the policy of the body corporate or similar does not apply or only partially covers the loss; and
- c. the mortgagee requires You to discharge your mortgage.

If You have arranged this policy to insure only the interest of a mortgagee in a strata title unit no additional benefits are payable under this policy.

## Specific Exclusions

1. We will not cover You for loss or damage insurable under any other policy section or policy sections of this policy. This exclusion does not apply to any loss or damage which would only be insurable under any other policy section or policy sections because it fell within an Extra cover or Additional benefit in that policy section.
2. We will not cover You for loss or damage caused by:
  - a. wear and tear, gradual deterioration, scratching, denting, chipping, marring, developing flaws, normal upkeep or any gradual cause;
  - b. mechanical, hydraulic, electrical breakdown or electronic failure or malfunction;
  - c. corrosion, rust, oxidation, any form of fungus, wet or dry rot, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;

- d. change in colour, flavour, texture or finish;
- e. inherent vice or latent defect;
- f. loss of weight or exposure to light;
- g. creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, roads, car parks and the like;
- h. error or omission in design, plan or specification or failure during testing;
- i. (ii) faulty materials or workmanship;
- j. Provided that this Exclusion 2(h) shall not apply to subsequent loss or damage to Your property insured (not otherwise excluded) resulting from an event referred to in this exclusion 2(h);
- k. loading or unloading;
- l. infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by You or any employee;
- m. erosion, subsidence, landslide or mudslide or any other earth movement but We will cover loss or damage caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake, subterranean fire, volcanic eruption or water escaping from a water main owned by a water supply authority;
- n. demolition ordered by any lawful authority as a result of failure by You to comply with any lawful requirement;
- o. the action of the sea, storm surge or high water, unless caused by or arising from a direct consequence of an earthquake or seismological disturbance;
- p. flood;
- q. faults or defects known to You or any employee whose knowledge in law would be deemed to be Your knowledge and not disclosed to Us at the time this insurance was arranged, extended, varied or renewed;
- r. the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute;
- s. data processing or media failure or breakdown or malfunction of a processing system including operator entry or omission;
- t. deliberate and unauthorised corruption, amendment or erasure of data by You or Your directors, partners, employees, officers or any other person who has an interest in the property insured whether acting alone or in collusion with any other person; (s) computer virus;
- u. the gaining of unauthorised access to Your computer via any communication system by any person other than You or Your directors, partners, employees, officers or any other person who has an interest in the property;
- v. an electrical device (including wiring) caused by a surge in electrical current;
- w. the operation or presence of any computer program that alters or erases data or programs in a manner that is undesired by You;
- x. the actual breaking, seizing, deformation or melting of any part of the property insured while it is in use that is caused by mechanical, electrical or electronic defect that results in sudden and total loss of operation that requires repair or replacement before the property insured can resume normal operation; (x) explosion or implosion of any pressure vessels (including any boilers):
  - i. where the load on the safety valve upon the particular pressure equipment was in excess of the manufacturer's specification at the time of any damage;
  - ii. where any safety valve limiting pressure was removed or rendered inoperative; (iii) due to the failure of the supply of water, gas, electricity or fuel. Provided that We will pay for any damage to property insured that is not otherwise excluded that results from damage caused directly by or arising directly from any of these causes.

### 1. We will not cover loss or damage caused:

- a. to property insured where loss or damage was caused during the course of its processing or manufacture;
- b. to any building, contents and stock if the building is vacant awaiting or undergoing demolition, unless We have agreed otherwise;
- c. to plants, or growing crops;
- d. to external glass or ornamentation affixed to the glass or signs:
  - i. other than loss or damage caused by fire, storm, wind, rain, hail, lightning, explosion, implosion, earthquake, impact by vehicles or animals, aircraft and other aerial devices and/or articles dropped from them, riots or civil commotion, persons acting maliciously or earthquake; or
  - ii. except where You are a tenant of a building and You are required by the lease to insure glass;
- e) by the actions of birds, moths, termites or other insects, vermin or rodents or damage caused by their urine or excrement.
- f) by animals pecking, biting, clawing, scratching, tearing or chewing Your property insured at the premises, provided that this exclusion 3(f) shall not apply in respect to damage by an animal that gives rise to subsequent loss or damage to Your property insured occasioned by a fire, explosion or water damage only.

### 2. We will not cover loss or damage caused by or arising from:

- a. theft other than physical damage to property insured at the premises during theft or any attempted theft and/or theft of parts of the building when buildings are insured;
- b. any legal liability You have other than the legal liability that is covered by the Extra cover 'Removal of debris';
- c. the incorrect layout or placement of buildings as a result of error in design or specification, faulty workmanship or non-compliance with the requirements of any lawful authority;

- d. any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;
- e. contamination, pollution, smoke or smut except where caused directly by fire, lightning, explosion, impact by any road vehicle or animal, aircraft or other aerial devices or articles dropped by them, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof, meteorite, riot, civil commotion, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing or discharge of tanks, apparatus or pipes containing in water or liquid of any kind, or sprinkler leakage;

### 3. We will not cover loss or damage caused by:

- a. a named cyclone named by the Bureau of Meteorology where the damage occurs within 72 hours from the commencement of this policy; or
- b. a bushfire occurring within 72 hours from the commencement of this policy, unless this policy commenced:
  - i. immediately after another insurance policy, covering the same risk expired (the policy did not expire if it was cancelled) without a break in cover; or
  - ii. the day you entered into a contract of sale to purchase the property; or
  - iii. the day you entered into a contract to lease the property.

### Limitations on cover

#### Earthquake

If any loss is caused by earthquake, volcanic eruption, subterranean fire or tsunami, We will not pay for the first \$20,000 or 1% of the insured amount at the damaged premises (whichever is the lower amount) of each claim caused by earthquake, tsunami, volcanic eruption or subterranean fire.

### Storm, rainwater, wind, hail or snow

Cover for damage to textile blinds and awnings, shade cloth, shade houses, fibreglass houses and glass houses, gates, fences, signs and retaining walls caused by or arising from storm, rainwater, wind, hail or snow is limited to a maximum of \$25,000 in total, any one event.

### Conditions

These conditions apply to all covers and claims under this policy section.

#### 1. Leased building clause

Without prejudicing Your position under this policy section, You may agree to enter into a lease for occupancy of any building or a lease for hiring of property where the terms of the lease include a disclaimer clause in favour of the lessee to the owner.

#### 2. Reinstatement

If We pay an amount for a claim for loss during the period of insurance under this policy section We will automatically reinstate the insured amount to the amount shown on the policy schedule. You will not be required to pay any additional premium.

#### 3. Release

Without prejudicing Your position under this policy section, You may release any railways, other transportation companies, statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so.

#### 4. Storage premises

Without prejudicing Your position under this policy section, You may enter into a contract which includes a disclaimer clause in relation to the storage of goods or merchandise.

### 5. Tenant's actions

If a tenant of Yours or a tenant of Your landlord (but not You) without Your consent, causes or contributes to any loss or damage covered by this policy section which is in breach of any terms or conditions, We will cover You for Your loss or damage as per this policy section, provided:

1. You have taken all reasonable actions, as soon as You become aware of conditions causing the breach, to have the tenant comply with the terms;
2. You notify us within a reasonable amount of time of becoming aware of the breach;
3. You agree to pay a reasonable increase in premium for the additional risk.

### 6. Under-insurance

In the event of loss or damage covered under this policy section:

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 insured amount on the policy schedule bears to 80% of the full insurable value of the buildings, contents, stock and specified items (net of any input tax credit that you could claim) at the time of the commencement of the period of insurance.

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 10% of the total insured amount shown on the policy schedule at the premises.

Any additional costs incurred to comply with the requirements of any statutory authority, by-laws or regulations shall be omitted from the calculation of Our proportion.

See the worked dollar example below for an example of how underinsurance will apply to reduce the amount We will pay for claims under Your policy.

## CONSEQUENTIAL LOSS

### Introduction

This cover section only forms part of Your Policy when Business interruption is shown in the policy schedule.

There are three covers available in this policy section:

- » Insurable Gross Profit basis;
- » Annual Revenue basis;
- » Weekly Revenue basis.

Your policy schedule indicates which cover has been selected by you.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Annual Rent Receivable	The rent receivable during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.
Annual Revenue	The revenue earned during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.
Annual turnover	The turnover during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will 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.
Damage	Physical loss, destruction or damage occurring during the period of insurance caused by an event insured under the Property damage cover section, Theft cover section, Glass cover section, Money cover section, General property cover section or Goods in transit cover section.
Gross Income	The money paid or payable to You for goods sold, services rendered or rental received less the purchase price of stock.

Gross Profit	<p>The amount by which the sum of the turnover and the amount of the closing stock and work in progress exceeds the sum of the opening stock and work in progress and the amount of the uninsured working expenses, that are specified on the policy schedule.</p> <p>Note: The amount of the opening and closing stocks will be arrived at in accordance with your normal accounting methods, due provision being made for depreciation.</p>
Indemnity period	<p>The period beginning with the occurrence of the damage during which the results of Your business are affected by the damage and ending at the expiration of the maximum period specified in the policy schedule or, in the case of weekly revenue, ending at the earliest of either the expiration of the maximum period specified in the policy schedule or when weekly revenue during that period equals or exceeds 95% of standard weekly revenue.</p>
Rate of gross profit	<p>The rate of gross profit, expressed as a percentage, earned on the turnover during the financial year immediately before the date of the damage, to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.</p>
Rent receivable	<p>The amount of the rent received or receivable (including base rental, Turnover rental and contributions to outgoings) from the letting of property at the premises.</p>
Revenue	<p>The money paid or payable to You as a:</p> <ul style="list-style-type: none"> <li>- wholesaler or retailer of goods: for goods sold and delivered in the course of Your business less the cost of any related purchases (after any discounts);</li> <li>- motel operator: in respect of facilities, accommodation, food and drink made available and services rendered in connection with Your business, less the cost of any related purchases (after any discounts) and laundering and cleaning expenses;</li> <li>- professional practitioner or consumer services provider: for services rendered and work performed in connection with Your business;</li> <li>- property owner: by tenants (being rent receivable).</li> </ul>
Shortage in turnover	<p>The amount by which the turnover during a period will, in consequence of the damage, fall short of the part of the standard turnover which related to that period.</p>
Standard rent receivable	<p>The rent receivable during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.</p>

Standard revenue	The revenue earned within that period during the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.
Standard turnover	The turnover during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of Your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relevant period after the damage.
Standard weekly revenue	The average of the weekly revenues in that period during the fifty two (52) weeks immediately before the date of the damage which corresponds with the indemnity period, adjusted as may be necessary for trends, variations in or other circumstances affecting your business, so that the adjusted figure will represent as far as possible the weekly results which, but for the damage, would have been obtained during the relevant period after the damage.
Turnover	The amount (less discounts allowed) paid or payable to You for goods sold and delivered for services rendered and for rent receivable in the course of Your business at the premises.
Uninsured working expenses	The working expenses of Your business which You have elected not to insure under this cover section, and which are not included in the insured amount for cover on an insurable Gross Profit basis and are specified on the policy schedule.
Weekly benefit	The amount shown in the policy schedule.
Weekly Revenue	The gross income received by You for goods sold, services rendered or rental received less the purchase price of stock.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

## Insurable gross profit basis

### Cover

In the event of interruption of or interference with Your business in consequence of damage to any property insured or any part thereof used by You at the premises for the purpose of Your business, We will pay You in respect of each item selected by You and shown in the current policy schedule, the amount of the loss resulting from such interruption or interference. Provided that:

- a. the payment is in accordance with the 'What we pay' provision for the item;
- b. We have paid for or admitted liability in respect of such damage to your property insured under the relevant policy section, or another insurer has paid for or admitted liability in respect of such damage;
- c. We would have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer would have paid for or admitted liability in respect of such damage and it would otherwise be covered under the relevant policy section but for the application of an Excess; and
- d. Our liability in no case will exceed in respect of each item the insured amount shown in the current policy schedule for that item.

Insurance on an insurable gross profit basis provides protection with regard to loss under:

**Item 1.** Gross profit (if selected).

**Item 2.** Additional increase in cost of working (if selected).

**Item 3.** Accounts receivable (if selected).

**Item 4.** Claim preparation and proving expenses (if selected).

**Item 5.** Rent receivable (if selected).

### Item 1. Gross profit

This item is limited to the loss of gross profit due to a reduction in turnover and the increase in Your cost of working.

The amount payable as indemnity under this item will be:

- a. in respect of reduction in turnover:
  - the sum produced by applying the rate of gross profit to the shortage in turnover during the indemnity period; and
- b. in respect of the 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 the additional 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 reduction thereby avoided;
  - less any sum saved during the indemnity period in respect of such charges and expenses of Your business payable out of gross profit as may cease or be reduced in consequence of the damage.

Provided that if the insured amount for loss 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 eighty percent (80%) of the annual turnover (or its proportionately increased multiple where the indemnity period exceeds twelve months), the amount payable for loss of gross profit only will be reduced so that We will be liable for no greater proportion of the loss under this item than that which the insured amount bears to eighty percent (80%) of the annual turnover (or its proportionately increased multiple, if appropriate).

This provision will not apply if Your claim is for less than 10% of the insured amount for this item.

### Item 2. Additional increase in cost of working

See common clauses.

### Item 3. Accounts receivable

See common clauses.

#### Item 4. Claim preparation and proving expenses

See common clauses.

#### Item 5. Loss of rent receivable

The amount payable under this item will be:

- a. in respect of loss of rent receivable:
  - » the amount by which the rent receivable during the indemnity period falls short of the standard rent receivable, in consequence of the damage; and
- b. in respect of additional expenditure:
  - » the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rent receivable which, but for that expenditure, would have taken place during the indemnity period in consequence of the damage, but not exceeding the amount of the reduction in rent receivable thereby avoided
  - » less any sum saved during the indemnity period in respect of such of the expenses and charges payable out of the rent receivable as may cease or be reduced in consequence of the damage.

Provided that if the insured amount for this item, at the commencement of each period of insurance, is less than eighty percent (80%) of the annual rent receivable (or its proportionately increased multiple where the indemnity period exceeds twelve months), the amount payable will be reduced so that We will be liable for no greater proportion of the loss under this item than that which the insured amount bears to eighty percent (80%) of the annual rent receivable (or its proportionately increased multiple, if appropriate). This provision will not apply if Your claim is for less than 10% of the insured amount for this item.

#### Annual revenue basis

##### Cover

In the event of interruption of or interference with Your business in consequence of damage to any property insured or any part thereof used by you at the premises for the purpose of your business, We will pay You in respect of each item selected by You and shown in the current policy schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

- a. the payment is in accordance with the 'What we pay' provision for the item;
- b. We have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer has paid for or admitted liability in respect of such damage;
- c. We would have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer would have paid for or admitted liability in respect of such damage but for the application of an Excess; and
- d. Our liability in no case will exceed in respect of each item the insured amount shown in the current policy schedule for that item.

Insurance on an annual revenue basis provides protection with regard to loss under:

**Item 1.** Revenue (if selected).

**Item 2.** Additional increase in cost of working (if selected).

**Item 3.** Accounts receivable (if selected).

**Item 4.** Claim preparation and proving expenses (if selected).

#### Item 1. Revenue

This item is limited to the loss of revenue and increase in the cost of working.

The amount payable as indemnity under Item 1 will be:

- a. in respect of the loss of revenue:
  - » the amount by which the revenue earned during the indemnity period falls short of the standard revenue, in consequence of the damage; and
- b. in respect of the increase in cost of working:
  - » the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for the additional expenditure, would have taken place during the indemnity period in consequence of the damage, but not exceeding the amount of reduction in revenue thereby avoided.

We will reduce the amount We will pay by the amount saved during the indemnity period for charges and expenses of Your business which cease or are reduced as a consequence of the loss or damage covered by this policy section.

Provided that if the insured amount for loss of revenue is less than eighty percent (80%) of the annual revenue, the amount payable will be reduced so that We will be liable for no greater proportion of the loss under this item than that which the insured amount bears to eighty percent (80%) of the annual revenue.

This provision will not apply if your claim is for less than 10% of the insured amount for this item.

#### **Item 2. Additional increase in cost of working**

See common clauses.

#### **Item 3. Accounts receivable**

See common clauses.

#### **Item 4. Claim preparation and proving expenses**

See common clauses.

### **Weekly revenue basis**

#### **Cover**

In the event of interruption of or interference with your business in consequence of damage to any property insured or any part thereof used by you at the premises for the purpose of your business, We will pay you in respect of each item selected by you and shown in the policy schedule, the amount of the loss resulting from such interruption or interference. Provided that:

- a. the payment is in accordance with the 'What we pay' provision for the item;
- b. We have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer has paid for or admitted liability in respect of such damage,
- c. We would have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer would have paid for or admitted liability in respect of such damage but for the application of an Excess; and

d. Our liability in no case will exceed in respect of each item the insured amount shown in the policy schedule for that item.

We will not pay any claim under this policy section where the interference or interruption to Your business is for a period of less than three full continuous days.

Insurance on a weekly revenue basis provides protection with regard to loss under:

**Item 1.** Weekly Revenue (if selected).

**Item 2.** Additional increase in cost of working (if selected).

**Item 3.** Accounts receivable (if selected).

**Item 4.** Claim preparation and proving expenses (if selected).

#### **Item 1. Weekly revenue**

This item is limited to the loss of weekly revenue and the amount payable as compensation under this item will be the amount by which the weekly revenue during the indemnity period falls short of the standard weekly revenue in consequence of the damage.

#### **Item 2. Additional increase in cost of working**

See common clauses.

#### **Item 3. Accounts receivable**

See common clauses.

#### **Item 4. Claim preparation expenses**

See common clauses.

### **Common clauses to all Covers**

The following clauses are applicable to all covers:

#### **Accumulated stocks**

In adjusting any loss, account will be taken and equitable allowance made if any reduction in turnover or loss of revenue or weekly revenue in consequence of the damage is postponed by reason of the turnover or revenue or weekly revenue (as the case may be) being temporarily maintained from accumulated stocks of finished goods.

### Alternative trading

If during the indemnity period, goods are sold, work is performed or services are rendered elsewhere than at the premises for the benefit of Your business either by You or by others acting on Your behalf, the money paid or payable in respect of such sales, work or services will be brought into account in arriving at the turnover, revenue or weekly revenue (as the case may be) during the indemnity period.

### Departmental

We will apply the cover provided by this policy section to each department of Your business separately, if Your business is conducted in departments, and each department has independent trading results which are ascertainable. For the purposes of this clause, the rent receivable from letting of property at the premises will be regarded as the proceeds of one such department.

### Insured amount

Our liability to You will in no case exceed in respect of each item the insured amount expressed against that item in the current policy schedule. 'Extra covers' and 'Additional benefits' are within the total insured amount of this policy section and not additional to the total insured amount.

If You have chosen weekly revenue, We will not pay more each week for loss of weekly revenue than the weekly benefit.

### Item 2. 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, revenue or weekly revenue and/or resuming and/or maintaining normal business operations and/or services.

We will not pay more than the insured amount for 'Additional increase in cost of working' shown in the policy schedule for any one claim.

### Item 3. Accounts receivable

Under this item We will pay You up to the amount shown in the policy schedule for all sums due to you from debtors that You are unable to collect because of damage to records of accounts receivable. We will also pay collection expenses in excess of normal collection costs made necessary because of the damage as well as interest charges at the ruling rate of Your bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such damage. If You cannot accurately establish the total amount of accounts receivable outstanding as at the date of the damage, the amount will be computed as follows:

- a. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the damage occurs;
- b. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the damage occurs, as compared with such average for the same months of the year immediately preceding the year in which the damage occurs;
- c. the amount determined under (a), increased or decreased by the percentage calculated under (b) above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said damage occurs;
- d. the amount determined under (c) above will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of your business since the last day of the last fiscal month for which statements have been rendered less:
  - i. the amounts of such accounts evidenced by records not suffering damage or otherwise established or collected by You;
  - ii. an amount to allow for probable bad debts that would normally have been uncollectible by You;
  - iii. all unearned interest and service charges; and (iv) settlement or term discounts normally allowed.

- iv. We will not pay more than the insured amount for 'Outstanding Accounts Receivable' shown in the policy schedule for any one claim.

#### Item 4. Claim preparation and proving expenses

In addition to the amount payable under General Claims Condition 14(d) 'Claim preparation expenses' of this Policy, We will pay You up to the amount shown in the policy schedule for the costs of such reasonable professional fees as may be payable by You and other such reasonable expenses necessarily incurred by You and not otherwise recoverable, for preparation and negotiation of claims under this policy section.

#### Government incentives

The words gross profit, revenue and weekly revenue include the loss of any Government approved incentives, subsidies or market development allowances You are or would have been entitled to in relation to Your business. We will pay for the reduction in your gross profits, revenue or weekly revenue in relation to your business where such interruption results from the loss of Government approved incentives, subsidies or market development allowances to which You would have been entitled.

#### New business

In the event of damage occurring at the premises before the completion of the first year's trading of Your Business, the defined terms 'Annual Turnover', 'Rate of Gross Profit', 'Standard Turnover', 'Annual Revenue' 'Standard Revenue', and 'Standard Weekly Revenue' shall instead have the following meanings wherever they appear in this policy section:

- » 'Annual Turnover' means the actual turnover achieved during your first year of operations, from the commencement of your business to the date of the damage, converted to a 12-month equivalent figure.
- » 'Rate of Gross Profit' means the proportion that the gross profit bears to the turnover during the period between the date of commencement of your business and the date of the damage.
- » 'Standard Turnover' means the turnover achieved between the date of commencement of your

business and the date of the damage, converted to the selected indemnity period.

- » 'Annual Revenue' means the actual revenue achieved during your first year of operations, from the commencement of your business to the date of the damage, converted to a 12-month equivalent figure.
- » 'Standard Revenue' means the revenue achieved between the date of commencement of your business and the date of the damage, converted to the selected indemnity period.
- » 'Standard Weekly Revenue' means the amount calculated by averaging the weekly revenues obtained during the period from the date of the commencement of your business to the date of the damage.

The above definitions may be used as necessary to calculate the trend of your business and for variations in or other circumstances affecting Your business either before or after the damage or which would have affected Your business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result which but for the damage would have been obtained during the relative period after the damage.

#### Salvage sale

If, following damage giving rise to a claim under this policy section, You hold a salvage sale during the indemnity period:

- a. Clause (a) of Item 1 'Gross Profit' of this policy section shall, for the purpose of such claim, read as follows:
  - i. 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.
  - ii. The definition of shortage in turnover shall, for the purpose of such claim, mean: 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.

### Turnover output

Where 'Business Interruption' has been selected and in the event of damage giving rise to a claim under this policy section, at Your option, the term 'output' may be substituted for the term 'turnover'.

Provided that only one such term ('turnover' or 'output') shall be operative in connection with any one event involving damage.

For the purpose of this policy section, 'Output' shall mean the sale and/or invoice value of goods manufactured and/or processed by You in the course of Your business at the premises.

If you select the cover available under this clause, the clause headed 'Alternative Trading' shall be altered to read as follows:

- » If during the indemnity period, goods are sold, work is performed or services are rendered elsewhere than at the premises for the benefit of Your business either by You or by others acting on Your behalf, the money paid or payable in respect of such sales, work or services will be brought into account in arriving at the output during the indemnity period.

### Included Benefits

This policy section is extended to include the following Extra covers. The Extra covers 1 to 5 inclusive are payable provided that the insured amount expressed against the relevant item(s) in the policy schedule is not otherwise exhausted.

#### 1. Contractual fines and penalties

Following a claim under Insurable Gross Profit, Item 1 Gross Profit, We will also pay:

- a. for fines or damages, other than aggravated, punitive or exemplary damages, for breach of contract resulting from non completion or late completion of orders; or

- b. in discharge of contract purchases, cancellation charges, fines or damages for breach of contracts for the purchase of goods or services which cannot be utilised by You during the indemnity period, less any value to You for such goods or the amount received from sale.

The amount payable shall not exceed 20% of the total insured amount for gross profit.

#### 2. Explosion of pressure vessels

We will treat the self-explosion or collapse of pressure vessels, including boilers, compressors or economisers at the premises as damage for the purposes of this policy section.

#### 3. Infectious disease, etc.

We will cover You for interruption to or interference with your business due to closure or evacuation of the whole or part of the premises during the period of insurance by order of a competent government, public or statutory authority as a result of:

- a. bomb threat, vermin or pests or defects in the drains or other sanitary arrangements, occurring at the premises;
- b. an outbreak of an infectious or contagious human disease occurring within a 20-kilometre radius of the premises, however there is no cover for highly pathogenic Avian Influenza or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments irrespective of whether discovered at the premises, or out-breaking elsewhere;
- c. injury, illness or disease caused by the consumption of food or drink supplied at or from the premises during the period of insurance;
- d. murder or suicide occurring at the premises; or
- e. shark or crocodile attack occurring within a 20-kilometre radius of the premises during the period of insurance.

### Motor vehicles owned or operated by You

We will cover You for interruption to Your business that is caused by or results from damage during the period of insurance to any registered vehicles or trailers owned or operated by You, while such vehicles are at the premises or at other premises in Australia but not on a public thoroughfare.

### Prevention of access

We will cover You for interruption to Your business that is caused by or results from damage to property in the vicinity of the premises which shall prevent or hinder the use of or access to the premises provided that:

- a. the damage would have been covered under the Property damage cover section if the property in the vicinity of the premises had been insured under that policy section;
- b. the damage prevents or hinders the use of or access to the premises;
- c. the damage results in interruption of or interference with Your business.

We will cover You for interruption to Your business that is caused by an order of any legal authority which prevents or restricts access to the premises provided that the order results from the threat of damage to property within a 50 kilometre radius of the premises.

### Computer installation

We will treat damage to computer installations, including any ancillary equipment and data processing media, utilised by You in Your business in the Commonwealth of Australia other than at the premises as damage for the purpose of this policy section provided that:

- a. the damage would have been covered under the Property damage cover section if the computer facilities had been insured under that policy section;
- b. the damage results in You being unable to utilise a computer installation or any ancillary equipment in Your business; and (c) the damage results in interruption of or interference with Your business.

### Customers and suppliers

We will treat damage to unspecified property at the premises:

- a. of Your suppliers, manufacturers or processors of component goods, materials or services which supply the business directly; or
- b. of customers of goods or materials or services (other than those services provided by any utilities); or
- c. at storage premises neither owned nor operated by You where You store goods or materials;
- d. all within the Commonwealth of Australia as damage for the purpose of this policy section, provided that Our liability will not exceed 20% or the percentage of the insured amount shown in the policy schedule applicable to this policy section.

### Documents temporarily removed

We will treat damage to your documents or documents held in trust by You and electronic data files belonging to or held in trust by You as part of Your business that are:

- a. temporarily removed to other premises anywhere in Australia; or
- b. while in transit to any place in Australia; if the following apply:
  - i. the damage would have been covered under the Property damage cover policy section if the documents and electronic data files had been insured under that section;
  - ii. the damage results in interruption of or interference with Your business; as damage for the purpose of this policy section.

We will not cover You for more than 20% of the insured amount applicable to this policy section.

### Loss of attraction

If Your business is located within a multi-tenanted retail shopping complex, We will treat damage to property of a major tenant as being damage for the purposes of this policy section provided that:

- a. the damage to the property of the major tenant would have been covered under the Property damage cover section if such damage had been to property insured under that policy section;
- b. the damage results in a reduced pedestrian count in the shopping complex; and
- c. the damage results in interruption of or interference with Your business.

### Roads, bridges and railway lines

We will treat damage to roads, bridges and/or railway lines within the Commonwealth of Australia over which raw materials, components and stock are conveyed to or from the premises as being damage for the purposes of this policy section if the following apply:

- a. the damage would have been covered under the Property damage cover section if such damage had been to property insured under that policy section;
- b. the damage results in not being able to convey stock, components or materials used in Your business to and from Your premises;
- c. the damage results in interruption of or interference with Your business.

### Storage sites/temporary removal

We will cover You for interruption to Your business that is caused by or results from damage to Your property stored or being processed at any premises in the Commonwealth of Australia not occupied by You. Our total liability under this additional benefit will not exceed 20% of the insured amount.

### Transit

We will cover You for interruption to Your business that is caused by or results from damage to Your property insured while in transit by road, rail, sea or air within the Commonwealth of Australia and outside of the premises occupied by You. Our total liability under this additional benefit will not exceed 20% of the insured amount in respect of any one occurrence.

#### Utilities

We will treat damage to the following utilities:

- a. any electrical supply system; or
- b. any gas supply system; or
- c. water supply or sewerage works; or
- d. any telecommunications system that is land-based within Australia and supplies Your business; as damage for the purposes of this policy section, if the following apply:
  - i. the damage would have been covered under the Property damage cover section if such damage had been to property insured under that policy section;
  - ii. the damage results in hindering or stopping the supply of electricity, gas, water or telecommunications to the premises or sewage from the premises; or
  - iii. the damage results in interruption of or interference with Your business.

We will not pay for the first 48 hours where the utility which was damaged is not at or immediately adjacent to the premises.

## Additional Benefits

The following benefit will apply when You have requested its inclusion in this policy section, and the policy schedule has been endorsed by Us noting the inclusion.

### 1. Goodwill

Following damage to any building at the premises We will pay, up to the sub-limit of liability shown in the policy schedule for 'Goodwill', for the actual cost of goodwill incurred by You when purchasing a business in order to maintain Your business activities.

Provided that:

- a. We will only pay these goodwill costs when the building that is damaged cannot or will not be repaired or rebuilt due to any refusal by any owner or lessor other than You to repair or rebuild and any restrictions imposed by any legal authority; and
- b. the purchase of the business is incurred because You were unable to continue Your business at the premises as a result of the damage to the buildings not being repaired; and
- c. the cause of the damage to the buildings would have been covered by the Property damage cover section had that building been insured under that policy section; and
- d. the business that is purchased is similar to Your business.

### 2. Specified customers and suppliers

We will pay for loss of gross profit, annual revenue or weekly revenue that results from an interruption to Your business that is caused by damage that occurs in Australia to:

- a. Specified suppliers
  - property at the premises of Your suppliers shown in the policy schedule up to an amount calculated by applying the percentage shown in the policy schedule to the insured amount for gross profit, annual revenue or weekly revenue;

- b. Specified customers
  - property at the premises of Your customers shown in the policy schedule up to an amount calculated by applying the percentage shown in the policy schedule to the insured amount for gross profit, annual revenue or weekly revenue.

## Conditions

### 1. Adjustment of premium

We will reduce Your premium for Insurable Gross Profit or Annual Revenue at the end of each period of insurance if the gross profit or annual revenue (as the case may be) earned during the previous 12 months accounting period is less than the insured amount. The adjustment rate is 50% of the difference between the premium payable for the gross profit or annual revenue insured amount and for the gross profit or annual revenue earned. Any payment made by Us for a claim under Insurable Gross Profit or Annual Revenue is to be included in the gross profit or annual revenue earned for the purpose of this adjustment.

### 2. Books of account

Any particulars or details contained in Your books of account or other business books or documents that may be required by Us for investigating or verifying any claim made under this policy section may be produced and certified by Your auditors and their certificate will be prima facie evidence of the particulars and details to which the certificate relates.

### 3. Reinstatement of insured amount

If We pay an amount for a claim under this policy section We will automatically reinstate the insured amount to the amount shown on the policy schedule. You will not be required to pay any additional premium.

This Extra cover does not apply if We pay the full insured amount for property insured in respect of a single claim under this policy section.

## THEFT

### Introduction

This section covers the loss of Your contents and stock from theft, attempted theft, armed hold up or an actual or threatened assault. You are not covered for theft of contents and stock kept in the open air unless You have taken the optional cover 'Theft of property insured in the open air'.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Category or Categories	Category or Categories means the category into which property can be designated from the following: <ol style="list-style-type: none"> <li>1. all contents including stock;</li> <li>2. all contents excluding stock;</li> <li>3. stock excluding cigarettes, cigars and tobacco;</li> <li>4. cigarettes, cigars and tobacco;</li> <li>5. alcohol;</li> <li>6. specified items listed in the policy schedule.</li> </ol>
Cigarettes, cigars and tobacco	Cigarettes, cigars and tobacco used by You in the business.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

### Cover

Provided 'Theft' is shown under 'What's Covered' in the schedule We will cover You for loss of or damage to Your contents and stock occurring during the period of insurance at Your premises caused by one or more of the following:

- a. any person who forcibly and violently enters or attempts to enter the premises;
- b. any person unlawfully concealed at the premises;
- c. any person who threatens or commits physical violence to You, Your employees or other persons;
- d. armed hold-up at the premises;
- e. any person who breaks into any locked cabinet and/or counter and/or showcase which is located at the premises.

### What we pay

At our option, We will:

- a. with respect to stock:
  - i. pay You the market value of the stock 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 electronic equipment or contents:
  - i. repair or replace the electronic equipment or contents; or
  - ii. pay You the cost of repair or replacement of the electronic equipment or contents.
  - iii. pay the insured amount for a specified item.

For each specific category or categories, We will not pay more than the insured amount shown on the current policy schedule for this policy section, except to the extent stated under the headings 'Extra covers' and 'Additional benefits'.

## Excess

The excess that applies is shown on the policy schedule.

## Included Benefits

If We agree to pay a claim under this policy section for loss or damage caused by theft, We will also pay or provide the extra covers set out below.

Unless stated to the contrary, any amounts payable under these Extra covers are included in the insured amount specified in the policy schedule.

### 1. Damage to business premises

If You are the property owner We will cover You for the cost to repair your property insured caused by theft or attempted theft. The maximum amount We will pay for this Extra cover is \$20,000. This limit is in addition to the insured amount.

### 2. Damage to rented premises

If You are the tenant We will cover You for damage to the rented premises that You occupy as a tenant if You are legally liable for that damage under Your tenancy agreement, provided that the damage is due to theft occurring during the period of insurance.

The maximum We will pay for any one claim under this extra cover is \$20,000 or the amount shown in the policy schedule.

This limit is in addition to the insured amount.

### 3. Rewards

We will pay up to \$5,000 per event for the reasonable cost of any reward paid by You for information which leads to the apprehension and conviction of person(s) responsible for the theft of property which is insured under this policy section.

Provided that any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra cover 1 in the Money cover section.

### 4. Seasonal increase period/s

We will automatically increase the insured amount in respect of stock by 50% during the seasonal increase period.

### 5. Temporary protection and security guards

We will pay the reasonable and necessary costs of temporary protection and repairs and the employment of guards or watchman by You, for the safety and protection of the building pending repair of damage to the building caused by a theft or attempted theft. We will not pay more than \$10,000 for any one claim. If an occurrence results in a claim being paid under this policy section and another policy section, the highest single limit under the relevant policy section applies.

Provided that any cover given under this Extra cover 'Temporary protection and security guards' shall not accumulate with any similar cover that may be given under Extra cover 3 in the Money cover section.

This Extra cover operates in addition to the insured amount.

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

We will pay for loss of or damage to directors' and employees' tools of trade and personal effects caused by theft as if they were contents.

We will not pay more than \$5,000 for any one person and \$10,000 overall in respect of any one claim. This applies in addition to the insured amount.

### 7. Employee dishonesty

We will cover you for loss to stock, contents or electronic equipment as a direct result of employee dishonesty during the period of insurance which is discovered within 45 days of the employee dishonesty occurring.

This Additional benefit does not cover:

- a. any loss arising from the conduct of an employee after You have knowledge of or information about any prior act of fraud or dishonesty by the employee;
- b. any loss arising from the conduct of an employee outside the Commonwealth of Australia;
- c. any loss where You are unable to identify which employee is responsible;
- d. any loss or part of a loss arising from the conduct of an employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;

- e. fraud or dishonesty committed by Your family; or
- f. fraud or dishonesty committed by any of Your employees with Your connivance.
- g. We will not cover You for more than \$5,000 any one occurrence. This is in addition to the insured amount.
- h. We will not pay any claims under this Additional benefit if You are insured under Management liability section cover and further provided that any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under the Money cover section.

### 8. Funeral expenses

We will cover You for burial or cremation costs if any director, employee, officer or business partner sustains a fatal injury provided:

- a. their death directly results from an assault that occurs during a theft or attempted theft in the period of insurance of property owned by You or for which You are legally responsible; and (b) the death occurs within 12 months of the assault.

We will not cover You for more than \$10,000 in total during the period of insurance, to be paid to the estate of the deceased person.

Provided that any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under the Money cover section.

This is in addition to the insured amount.

### 9. Illegal use of corporate financial transaction card

If the policy covers contents and any corporate credit and/or debit card used by the business is lost or stolen during the period of insurance, We will pay any financial loss sustained by You arising from the illegal use of the card by an unauthorised person.

We will not pay:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards by Your employees or any other person acting in collusion with Your employee or by any member of Your family;
- b. more than \$5,000 in total for any one loss or event.

### 10. Illegal electronic funds transfer

If the policy covers contents, following entry into the premises arising from one of the events listed under the heading 'Your insurance under this policy section', We will pay any financial loss sustained by You during the period of insurance arising from the electronic transfer of funds from Your bank account to a bank account not controlled by You.

We will not pay for:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards or financial transaction cards by any of Your employees or any other person acting in collusion with any of Your employee or by any member of Your family;
  - i. transfer of money via electronic funds transfer which was enabled by:
    - a key; or
    - ii. use of details of a combination, code or password; that are left in the building outside business hours;
- b. more than \$5,000 in total for any one event.

### 11. Replacement of locks and keys

We will pay the reasonable cost of replacing locks, keys, magnetic keys or cards or similar devices or to change the sequence of numbers or letters used in a safe or strongroom if:

- a. as a result of theft covered under this policy section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated;
- b. keys, magnetic keys or cards or similar devices are accidentally lost;
- c. the sequence of numbers or letters become known by any unauthorised person or are accidentally lost;
- d. circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices.

We will also pay the reasonable cost of:

- a. opening safes and strongrooms because of the theft of keys or combinations during a theft covered under this policy section;
- b. developing images stored on media from security camera following a theft or attempted theft covered under this section.

We will not pay more than \$10,000 for any one event.

Provided that any cover given under this Additional benefit 6 'Replacement of locks and keys', shall not accumulate with any similar cover that may be given under Additional benefit 7 in the Money cover section.

### 12. Rewriting of documents

We will pay for any reasonable labour costs incurred in reproducing or making good Your business records if they are lost, stolen or damaged while located at Your premises or offsite anywhere in the Commonwealth of Australia. We will not pay more than \$25,000 during any one period of insurance. This is in addition to the insured amount.

### 13. Temporary cover for new premises

We will cover You for loss of stock or contents at any new premises which You first occupy during the period of insurance provided that:

- a. cover is limited to a period of 60 consecutive days from the day that You first use the new premises and during the period of insurance;
- b. cover is not available to property that cannot be correctly designated to one of the categories that are shown as insured in the policy schedule;
- c. cover is only available to contents or stock that is of a similar type to that insured by this policy section;
- d. for each specific category of property shown in the policy schedule cover is limited to 50% of the insured amount for that category; or
- e. if more than one premises is shown in the policy schedule then this 50% limitation will apply to the lowest insured amount that applies to the specific category of property;

- f. the new premises have building and security features that are similar to those at one of the premises shown in the policy schedule having the same occupation.

You must provide us with full details of the new premises.

If We agree to cover stock or contents at the new premises beyond the 60 consecutive day period, You must pay any additional premium We ask for.

### 14. Temporary removal

We will cover Your contents and stock while temporarily removed to any other premises within the Commonwealth of Australia.

Provided that:

- a. We will not cover tobacco, tobacco products, cigars, cigarettes or alcoholic beverages;
- b. We will not cover stock that is on consignment to other parties unless it is owned by You or is property for which You are responsible;
- c. the maximum amount We will pay for this additional benefit will be 20% of the insured amount;
- d. this additional benefit will not apply to any contents or stock, which has been removed for a period greater than 90 days without Our prior written consent.

### 15. Theft of external property

We will cover You for loss or damage as a result of theft or any attempt at theft occurring during the period of insurance to contents that are securely and permanently affixed (by means other than the connection to a power point) to the outside of the building at the premises.

We will not cover You for more than:

- a. \$10,000; or
- b. the contents insured amount; whichever is the lesser during the period of insurance.

## 16. Theft without forcible and violent entry (not property in the open air)

We will cover You for loss or damage occurring during the period of insurance to contents in the building as a result of a theft where there are no signs of forcible and violent entry to or exit from the building.

The amount We will pay is limited to:

- a. \$10,000 (or the amount shown on the current policy schedule whichever is the higher) for any one occurrence for theft or attempted theft of contents other than:
  - i. electronic equipment;
  - ii. stock; or
  - iii. customer's goods;
- b. \$20,000 (or the insured amount shown on the current policy schedule whichever is the higher) for theft or attempted theft of Your electronic equipment which is not stock.

We will not cover You if the theft or attempted theft is from any open-sided structure such as, but not limited to, verandas or yards or other open spaces even if they are partially or fully enclosed.

### Additional Benefits

We will provide the following optional insurance when requested by You, when You pay any additional premium required and when shown on Your policy schedule as applying.

Any amount payable under these optional insurances is in addition to the insured amount.

#### 1. Theft of property insured in the open air

We will cover you for theft without forcible and violent entry of property insured in the open air but within the boundaries of the premises or contained in an unlocked building, during the period of insurance, up to the amount shown in the current policy schedule.

We will not cover You for the theft of property in the open air unless the premises after business hours are fully enclosed by a locked cyclone fence with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above.

## Specific Exclusions

We will not pay for:

### 1. Theft by persons

Loss of, or damage to, property committed by:

- a. You, Your directors, partners, employees or any member of Your family other than following forcible and violent entry by Your employees or a member of Your family; or
- b. any person or persons while lawfully at the building.

### 2. Property

Loss or damage to:

- a. money in excess of \$500;
- b. jewellery, precious metals or stones, property made of gold or silver, bullion or furs exceeding \$10,000 any one loss and \$2,000 any one item unless these items form part of Your stock;
- c. motor vehicles, unless they are:
  - i. stock; or
  - ii. fork lift trucks and similar appliances that are used for hauling or conveying goods at the premises;
- d. live animals; or
- e. plants, shrubs, landscaping materials or growing crops, pastures or standing timber.

### 3. Glass

The breakage of glass (including washbasins, sinks, toilet pans or cisterns, or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass) unless it is stock.

### 4. Open Air

Loss or damage of property insured from any open space, whether fenced or unfenced, outside the walls of the building, except as expressly provided in the Additional cover 'Theft of external property' and the Optional insurance 'Theft of property in the open air'.

**5. Access**

Loss or damage to property insured if entry is gained to the building:

- a. by use of a key or security code; or (b) through an unlocked door or window; Except as provided for under:
- b. Additional benefit 11, Theft without forcible and violent entry; and (b) Additional benefit 2, Employee dishonesty.

**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 manufacturer’s 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 outside business hours.

**3. Reinstatement**

If We pay an amount for a claim under this policy section We will automatically reinstate the insured amount to the amount shown on the policy schedule. You will not have to pay any additional premium.

**MONEY**

**Introduction**

This policy section covers the loss of or damage to Your business’s money from a wide variety of causes such as theft, armed hold up, or fire. The money may be in transit or at Your premises.

**Definitions**

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Financial Services Provider	A financial organization such as a bank, building society or credit union or an agency for any of these, that is in the business of providing banking services to the public.
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 money can be deposited in the bank.
In Transit	Money in Your personal custody or in the custody of persons authorised by You whilst in transit within the Commonwealth of Australia. Money in transit includes money while contained in the night safe, night depository chute or automatic teller machine of any Financial Services Provider. Our liability ceases at the time your Financial Services Provider ceases trading on the next business day following the deposit therein.
Money	For the purposes of the policy section only, money has the meaning in the general definitions and also includes funds held in electronic form in a bank account.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

**Cover**

When 'Money' is shown under 'What's Covered' in the policy schedule, We will cover You for loss of or damage to money occurring during the period of insurance as a result of the defined events described below and shown on Your policy schedule:

- a. in transit;
- b. in the building during business hours;
- c. in the building outside of business hours;
- d. in the building in a securely locked safe or strongroom; or
- e. in custody.

If You have selected one insured amount for money, the maximum amount We will pay is the insured amount shown on the policy schedule.

If You have selected a different insured amount for each of the defined events listed above, 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 insured amount;
- 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 insured amount;
- 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 insured amount;
- 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 or strongroom insured amount; or
- e. money in custody at the time of the loss or damage is the money in custody insured amount.
- f. If You select a insured amount for defined event (a), We will automatically cover You up to \$2,000 for defined events (b), (d), and (e).
- g. If You select a insured amount for defined events (a), (b), (c) or (d) We will automatically cover You up to \$2,000 for defined event (e).
- h. If We agree to pay a claim for loss of or damage

to money (other than certificates of stock, bonds, coupons and all other types of securities or travellers cheques) We will pay the amount of money lost or damaged.

- i. 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:
  - i. if the securities can with our approval be replaced, the cost of replacement paid or payable by You; or
  - ii. otherwise, the greater of:
    - iii. the price for which You purchased them; or
    - iv. 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
  - v. 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.
- vi. 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.

If the safe or strongroom is lost or damaged, We will, at our option:

- a. a) repair the safe or strongroom;
- b. b) replace the safe or strongroom with an item of a specification equal to but not better or more extensive than it was when new;
- c.

- d. If the loss or damage is confined to part of the safe or strongroom, repair or pay You the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
- e. pay You the cost of repairing or replacing the safe or strongroom.
- f. We will not pay costs of alterations, improvements or overhauls carried out when the lost or damaged safe or strongroom is repaired or replaced.

### Excess

The excess that applies for each event is shown on the policy schedule.

### Included Benefits

If We agree to pay a claim under this policy section for loss or damage to money, 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 insured amount.

#### 1. Rewards

We will pay up to \$5,000 per event for the reasonable cost of any reward paid by You for information which leads to the apprehension and conviction of person(s) responsible for any loss or damage to money which is insured under this policy section.

Provided that any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra cover 3 in the Theft cover section.

#### 2. Seasonal increase of cover

We will automatically increase the insured amount in respect of money by 50% during the seasonal increase period.

#### 3. Temporary protection and security guards

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 money at the premises as a result of theft or attempted theft of money occurring during the period of insurance and that is covered under this policy section.

We will not pay more than \$10,000 as a result of any one event.

If You are insured under the Theft cover section the benefits payable under this Additional benefit shall not be cumulative.

#### 4. Bank and public holidays extension

The insured amounts for money are automatically increased by 100% or \$75,000 whichever is the lesser on days that are gazetted bank or public holidays. This increase shall apply up until bank closing time on the next business day after such holiday. This Additional benefit does not apply to damage to safes and strongrooms and to seasonal increase.

#### 5. Directors' and employees' tools of trade and personal effects

We will cover You for loss of or damage to the personal effects of Your directors, officers and employees during a theft or attempted theft covered under this policy section.

We will not cover You for more than \$5,000 for any one person's personal effects, and \$10,000 for any one occurrence.

If You are insured under the Theft cover section the benefits payable under this Additional benefit shall not be cumulative.

#### 6. Counterfeit currency

We will pay for losses sustained by You due to the acceptance in good faith in exchange for merchandise, money or services, of counterfeit Australian currency notes up to an amount not exceeding \$500 in any one period of insurance.

#### 7. Employee dishonesty

We will cover You for loss of money as a direct result of employee dishonesty during the period of insurance if discovered within 45 days of the employee dishonesty first occurring.

This additional benefit does not cover:

- a. any loss arising from the conduct of an employee after You have knowledge of or information about any prior act of fraud or dishonesty by the employee;

- b. any loss arising from the conduct of an employee outside The Commonwealth of Australia;
- c. any loss where You are unable to identify which employee is responsible;
- d. any loss or part of a loss arising from the conduct of an employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;
- e. fraud or dishonesty committed by Your family; or
- f. fraud or dishonesty committed by any of Your employees committed with Your connivance.

We will not pay more than \$5,000 for any one occurrence.

It is further provided that any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under the Theft cover section.

### 8. Funeral expenses

We will cover You for any burial or cremation costs if any director, employee, officer or business partner sustains a fatal injury provided:

- a. their death directly results from an assault that occurs during a theft or attempted theft of money owned by You or for which you are legally responsible in the period of insurance; and
- b. the death occurs within 12 months of the assault.

We will not cover You for more than \$10,000, to be paid to the estate of the deceased person.

Provided that any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under the Theft cover section.

### 9. Loss of or damage to safes, strongrooms and cash carrying bags

If money is stolen or there is an attempt at stealing Your money from Your safe or strongroom or cash carrying bag, We will pay You:

- a. the cost of opening the safe or strongroom and of repairing or replacing any loss or damage to the safe or strongroom that was caused by the theft or attempted theft;

- b. for loss of or damage to Your cash carrying bag that was caused by the theft or attempted theft.

A limit of \$10,000 any one occurrence applies to this Additional benefit.

### 10. Replacement of locks and keys

We will pay the reasonable cost of replacing locks, keys, magnetic keys or cards or similar devices or to change the sequence of numbers or letters used in a safe or strongroom if during the period of insurance:

- i. as a result of theft of money covered under this policy section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated;
- ii. keys, magnetic keys or cards or similar devices are accidentally lost;
- iii. the sequence of numbers or letters become known by any unauthorised person or are accidentally lost;
- iv. circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices.

We will also pay the reasonable cost of:

- i. opening safes and strongrooms because of the theft of keys or combinations during a theft of money covered under this policy section;
- ii. developing images stored on media from security camera following a theft or attempted theft of money covered under this section.

We will not pay more than \$10,000 for any one event.

If You are insured under the Theft cover section the benefits payable under this Additional benefit shall not be cumulative.

### 11. Temporary cover for new premises

Cover is extended to include money at, or in transit to or from any new business premises occupied by You after the commencement of the period of insurance, within the Commonwealth of Australia, for 30 days from first being used by You (unless the period of insurance or Your occupancy of such premises ends sooner, whichever shall first occur), but the cover is limited to:

- a. the business described in the policy schedule; and
- b. the money insured described in the policy schedule.

Our maximum liability under this Additional benefit is limited to 20% of the insured amount shown in the policy schedule in relation to each item of money covered under this policy section.

Full details of such additional premises are to be supplied to Us within 30 days of your commencement to use the premises. If We agree to cover money at the additional premises beyond this 30 day period, We may require payment of an additional premium.

### 12. Traveller's money

We will pay You for loss of money in Your custody, or in the custody of Your employee, in the period of insurance, while You or Your employee are travelling on Your business anywhere in the world provided that the total amount payable under this extension is limited to \$10,000 in total any one event.

## Conditions

### Reinstatement

If We pay an amount for a claim under this policy section We will automatically reinstate the insured amount to the amount shown on the policy schedule. You will not have to pay any additional premium.

## Specific Exclusions

This policy section does not cover:

### 1. Missing money

Loss or damage of money:

- a. due to shortages resulting from clerical or accounting errors, or loss due to errors in receiving or paying out;

b. by any intentional or wilful act or omission by You or Your employees with Your connivance other than as covered by Additional benefit 4 Employee dishonesty; or

c. by any fraudulent or dishonest acts committed by You, Your family members or any of Your employees acting alone or in collusion with others other than as covered by the Additional benefit 4 Employee dishonesty.

### 2. Key or combination in building

Loss or damage of money from any safe or strongroom opened by a key or by use of details of a combination that are left in the building outside business hours.

### 3. Unattended

Loss or damage to money in or from an unattended vehicle that is not locked.

### 4. Professional carrier

Loss or damage to money while professional money carriers, professional carriers or common carriers are carrying it.

### 5. Loss outside The Commonwealth of Australia

Loss or damage to money occurring outside The Commonwealth of Australia except as provided under Additional benefit 9 'Traveller's Money'.

### 6. Consequential loss

Loss of use, loss of earning capacity and any other consequential loss.

### 7. ATMs

Loss or damage to money that does not belong to You in or from an ATM.

## GLASS

### Introduction

This Policy Section covers breakage of glass at the premises.

Provided "Glass" is shown under "What's Covered" in the policy schedule We will insure You for breakage of glass which You own or for which You are legally responsible, occurring during the period of insurance at the premises.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Breakage	Means:  (a) for plate or sheet glass or porcelain, a fracture extending through the entire thickness of the glass or porcelain;  for laminated glass, a fracture extending through the entire thickness of a lamination but not any other damage or disfiguration.
Glass	Means external glass, internal glass, and specified glass.
External Glass	Means glass or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the building.
Internal Glass	Means:  (a) glass, or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and/or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals, toilet pans and hand basins; and  (b) frames of showcases, display cabinets and counters containing the broken glass in the building.

Sign	Means glass or plastic that forms part of a sign.
Specified Glass	Means glass specifically designated in the policy schedule under specified glass.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

### What we pay

We will pay for the cost of replacement of broken glass with glass of similar manufacture and quality including the reasonable costs for after-hours service by repairers, express delivery and overtime charges to repair or replace broken glass. We will also pay the extra cost necessarily incurred to comply with the minimum requirements of any statutory authority when replacing the glass.

### Excess

The excess that applies is shown on the policy schedule.

### Included Benefits

If We agree to pay a claim under this policy 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 insured amount.

#### 1. Costs

We will pay for the following costs provided they are reasonably incurred by You and are directly related to breakage of the glass covered under this policy section:

- a. the cost of temporary shuttering necessary to secure otherwise exposed stock or contents pending replacement of the broken glass;
- b. the costs incurred in replacing sign-writing, ornamentation, reflective materials and burglar alarm tapes and connections attached to the broken glass;
- c. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings;
- d. the cost incurred in repairing or replacing tiles on shop and office fronts and around the broken glass.

We will not cover You for the cost of repairing or replacing bars, grilles or shutters.

Our liability under this Extra cover during any one period of insurance is limited to the sum of \$8,000.

## 2. Destruction of stock or contents

We will pay for destruction of, or damage to Your stock or contents, caused by broken glass following the breakage of glass where such breakage constitutes an admissible claim under this policy section. Our liability under this Extra cover during any one period of insurance is limited to:

- a. the cost value (excluding profit of any kind) of Your stock or contents destroyed or damaged, less any amount realised from the sale or salvage; or
- b. the sum of \$8,000, whichever is the lesser.

## 3. Overtime

We will pay the reasonable costs of after-hours service by repairers, express delivery and overtime charges to repair or replace broken glass.

## 4. Rewards

We will pay up to \$5,000 per event for the reasonable cost of any reward paid by You for information which leads to the apprehension and conviction of person(s) responsible for damage to glass which is insured under this policy section.

If You are insured under Property damage cover section the benefits payable under this Extra cover shall not be cumulative.

## 5. Malicious damage

We will pay for the cost of replacement of external glass which has suffered malicious damage, during the period of insurance. This Additional benefit is payable even where there is no breakage of external glass.

## 6. Signs

We will cover You for loss or damage to signs at the premises if they break during the period of insurance.

We will not pay more than \$8,000 for one claim under this Additional benefit or any higher amount shown in the policy schedule for signs. The admissibility of claims for damage to signs shall not be contingent upon other damage to glass.

## Specific Exclusions

This policy section does not cover:

### 1. Some types of glass

Damage to glass:

- i. when in transit or whilst being fitted into position or removed from its fitting;
- ii. forming part of stock;
- iii. in light fittings;
- iv. that is cracked or imperfect prior to breakage;
- v. that is not fit for the purpose intended; or
- vi. that is in a glasshouse, conservatory or the like, television, computer screen or any domestic item such as a vase, china ware or glass in a photo frame.

### 2. Tiles

The cost of repairing or replacing tiles on shop fronts and office fronts other than immediately around the broken glass.

## PUBLIC & PRODUCTS LIABILITY

### Introduction

This policy section only forms part of your policy when the Public and products liability cover section is shown on the policy schedule.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Advertising Injury	<p>Injury arising out of:</p> <ul style="list-style-type: none"> <li>a. defamation;</li> <li>b. or any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010 (Commonwealth)</li> <li>c. or Schedule 2 to the Competition and Consumer Act 2010 (The Australian Consumer Law)</li> <li>d. or any Fair Trading or similar legislation of any country, state or territory;</li> <li>e. or any infringement of copyright or passing off of title or slogan;</li> <li>f. or unfair competition, piracy, misappropriation of advertising ideas style of doing business;</li> <li>g. or an invasion of privacy;</li> </ul> <p>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.</p>
Business (for the purposes of this policy section only)	<p>The business as described in the policy schedule (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 policy) and shall also include:</p> <ul style="list-style-type: none"> <li>a. the ownership of premises and/or the tenancy thereof by You;</li> <li>b. participation in any exhibition by You or on Your behalf;</li> <li>c. the hire or loan of plant and/or equipment to other parties;</li> <li>d. conducted tours of Your premises;</li> <li>e. the provision of any sponsorships, charities, galas, first aid, medical, ambulance or fire fighting service by You or on Your behalf;</li> <li>f. private work undertaken by Your employees for any of Your directors, partners, proprietors, officers or executives;</li> <li>g. the provision of any canteen, social and/or sporting clubs or welfare and/or child care facilities by You or on Your behalf, which are primarily for the benefit of Your employees.</li> </ul>
Compensation	<p>Monies paid or agreed to be paid by judgment, award or settlement in respect of personal injury and/or property damage and/or advertising injury provided that such compensation is only payable in respect of an occurrence to which this insurance applies.</p>

Employment Practices	Any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of your employees.
Excess	The first amount of each claim or series of claims, arising out of any one occurrence, for which You are responsible. The excess applicable to this policy section appears in the policy schedule. The excess applies to all amounts for which We will be liable, including the indemnity provided for defence costs and supplementary payments.
General Liability	Your legal liability for personal injury, property damage or advertising injury caused by or arising out of an occurrence happening in connection with Your business other than products liability.
Geographical Limit	<ul style="list-style-type: none"> <li>a. anywhere in the World except North America;</li> <li>b. North America but only with respect to: <ul style="list-style-type: none"> <li>i. overseas business visits by any of Your directors, partners, officers, executives or employees, who are nonresident in North America but not where they perform manual work in North America;</li> <li>ii. products exported to North America without Your knowledge.</li> </ul> </li> </ul>
Incidental Contracts	<ul style="list-style-type: none"> <li>i. any written rental agreement and/or lease 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;</li> <li>ii. any written contract 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 performed by You or on Your behalf for such authorities or entities;</li> <li>iii. any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings;</li> <li>iv. those contracts designated in the policy schedule.</li> </ul>
Limit of Liability	The limit specified in the policy schedule. Unless stated to the contrary, and otherwise as provided in this PDS, limits and the most We pay amounts stated in this PDS and on your certificate of insurance include GST.
Medical Persons	Includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.

Name Insured	<ul style="list-style-type: none"> <li>i. The person(s), corporations and/or other organisations specified in the policy schedule;</li> <li>ii. All existing Subsidiary and/or controlled corporations (including subsidiaries thereof) of the specified insured incorporated in the Commonwealth of Australia and/or any other organisations under the control of the named insured;</li> <li>iii. 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 the Commonwealth of Australia and which are constituted or acquired by the named insured after the commencement of the period of insurance and notified to Us in writing within 30 days of the acquisition;</li> <li>iv. 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, related or controlled corporation or organisation caused by or arising out of occurrences insured against by this policy, which occurred prior to the divestment.</li> </ul>
North America	<ul style="list-style-type: none"> <li>i. The United States of America and the Dominion of Canada,</li> <li>ii. Any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and</li> <li>iii. Any country or territory subject to the laws of the United States of America or the Dominion of Canada.</li> </ul>
Occurrence	<p>An event, including continuous or repeated exposure to substantially the same general conditions, which results in personal injury and/or property damage and/or advertising injury that is neither expected nor intended (except for the matters set out in item (e) of the definition of 'personal injury') from Your standpoint.</p> <p>With respect to personal injury 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.</p> <p>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.</p>

Personal Injury	<ul style="list-style-type: none"> <li>i. bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom;</li> <li>ii. false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation;</li> <li>iii. wrongful entry or wrongful eviction;</li> <li>iv. defamation or invasion of privacy, unless arising out of advertising injury;</li> <li>v. 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.</li> <li>vi. 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.</li> </ul>
Products	<p>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 course of Your 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 Your business including discontinued products.</p> <p>Provided always that for the purpose of this insurance the term "products" does not include:</p> <ul style="list-style-type: none"> <li>a. food and beverages supplied by You or on Your behalf primarily to Your employees as a staff benefit;</li> <li>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.</li> </ul>
Products Liability	<p>Your legal liability for 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.</p>
Property Damage	<p>physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or 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.</p>
Tool of Trade	<p>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 work site. Tool of trade does not include any vehicle whilst travelling to or from a work site or vehicles that are used to carry goods to or from any premises.</p>

Work site	Any premises or site where any work is performed for and/or in connection with Your 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.
You/Your/Insured (where used in this policy section)	<p>a. Each of the following is an insured to the extent specified below:</p> <p>b. the named insured;</p> <p>c. every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive or employee 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 in the conduct of the business and/or within the scope of their duties in such capacities;</p> <p>d. 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;</p>
	<p>e. every principal in respect of the principal's liability arising out of:</p> <p>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 policy;</p> <p>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 policy.</p> <p>f. every person, corporation, organisation, trustee or estate to whom or to which the named insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this policy, but only to the extent required by such law, and in any event only for such coverage and limits of liability as are provided by this policy;</p>
	<p>h. every officer, member, employee or voluntary helper of the named insured's canteen, social and/or sporting clubs, first aid, medical, ambulance or fire fighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such;</p> <p>i 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;</p>

- i. 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 policy, but only in respect of liability incurred by such persons as described in clauses (i) (i.) and (i) (ii.) above.
- j. every party including 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 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 policy.

**See also 'General definitions' for the meaning of other words and terms that apply to all sections.**

## Cover

We agree (subject to the terms, Claims Conditions, General Policy Conditions, Exclusions, definitions and Limits of Liability incorporated herein) to pay to You or on Your behalf all amounts which You shall become legally liable to pay as compensation in respect of:

1. personal injury; and/or
2. property damage; and/or
3. advertising injury;

happening during the period of insurance within the geographical limits in connection with Your business and caused by or arising out of an occurrence.

## Defence costs and supplementary payments

With respect to the indemnity provided by this policy section, 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 with Our written consent (which consent shall not be unreasonably 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;
  - 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 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);
  - f. temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or unpinning thereof;
  - g. 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.
- h. Pay all legal costs incurred by You with Our consent 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 policy section;
  - iii. any Royal Commission or Government Enquiry arising out of any alleged breach of statute, or other similar judicial enquiry into circumstances relating to any occurrence, claim or potential claim which would be the subject of indemnity under this insurance;
  - 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 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 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 policy 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 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.

### Limits of liability and excess

Subject to:

- a. the 'Claims preparation expenses' provision under 'General Policy conditions';
- b. the 'Defence costs and supplementary payments' clause above;
- c. the Additional Benefit under paragraph (e) of 'Property in Your physical or legal control' below:
  - i. for general liability the limit of liability for 'Public Liability' in the policy 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;
  - ii. for products liability the limit of liability specified in the policy 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.

## Specific Exclusions

This policy section (including the Additional benefits) does not insure You for liability arising directly or indirectly out of or caused by, through, or in connection with, or for:

### 1. Advertising injury

In respect of 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 products or services;
- d. resulting from any mistake in advertised price of products or services;
- e. resulting from failure of the insured's products or services to conform with advertised performance, quality, fitness or durability;
- f. incurred by any insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

### 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.

### 3. Aircraft products

Arising out of Your products that are aircraft or aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to Your knowledge are incorporated in an aircraft.

### 4. Asbestos

Directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

### 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 shall not apply to claims:

- a. 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;
- b. arising out of advice which is given by You for no fee;
- c. arising out of advice given in respect of the use or storage of Your products.

### 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 shall not apply with regard to:
  - i. liabilities which would have been implied by law in the absence of such contract or agreement; or
  - ii. liabilities assumed under incidental contracts; or
  - iii. terms regarding merchantability, quality, fitness or care of Your product which are implied by law or statute; or
  - iv. liabilities assumed under the contracts specifically designated in the policy schedule or in any endorsement(s) to this Policy.

### 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 that part and only that part of such product to which the damage is directly attributable.

## 8. Defamation

For defamation:

- 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. if Your business is advertising, broadcasting, publishing or telecasting.

## 9. Data

Arising out of:

- a. the communication, display, distribution or publication of Data; provided that this Exclusion 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 data;
- c. error in creating, amending, entering, deleting or using data;
- d. the total or partial inability 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.

## 10. 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.
- b. Provided that 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 Your obligations pursuant to such law.
- c. 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.

For the purpose of exclusions 10(a) and 10(b):

- » 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 Your Employees.
- » 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.

## 11. Faulty workmanship

For the cost of performing, completing, correcting or improving any work undertaken by You.

## 12. Fines, penalties, punitive, exemplary or aggravated damages

For any fines, penalties, punitive exemplary or aggravated damages.

## 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.

## 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 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. Pollution

- a. For personal injury and/or property damage directly or indirectly arising out of the dispersal, release, seepage, migration or escape of pollutants into or upon land, the atmosphere or any watercourse or body of water;
- b. For any costs and expenses incurred in preventing the discharge, dispersal, release, seepage, migration or escape of, or, testing and monitoring for, containing, removing, nullifying, or cleaning up of, pollutants.

Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 15(a) and 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.

#### 16. Property in your physical or legal control

For loss of or damage to:

- a. property leased or rented to You;
- b. property not belonging to You but in your physical or legal control other than the property described in 'Additional benefit - Property in Your physical or legal control'.

#### 17. Property owned by You

For property damage to property owned by You.

#### 18. 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.

#### 19. 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 any person or organisation because of any known, alleged or suspected defect or deficiency in such products.

#### 20. Vehicles

For personal injury 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 (a) and (b) shall not apply to:
  - i. personal injury where:
  - ii. that compulsory liability insurance or statutory indemnity does not provide indemnity; and
  - iii. 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;
  - iv. 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 Business Premises or on any Work Site;
  - v. the delivery or collection of goods to or from any vehicle;
  - vi. the loading or unloading of any vehicle;
  - vii. any vehicle temporarily in Your custody or control for the purpose of parking;
  - viii. property damage caused by or arising out of the movement of any vehicle (which is required to be
  - ix. 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.

## Included Benefit

### Property in your physical or legal control

Exclusion 16 'Property in your physical or legal control' 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, or temporarily occupied by, You for the purpose of the business, but no cover is provided by this Policy if You have assumed the responsibility to insure such premises;
  - i. premises (and/or) their contents temporarily occupied by You for the purpose of carrying out work in connection with Your 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.
- c. 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;
- d. notwithstanding exclusion 6 'Contractual liability', any property (except property that You own) not mentioned in paragraphs (a) to (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 additional benefit shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one occurrence or any other greater amount set out in the policy schedule.

## Additional Benefit

### Products exported to North America with Your knowledge (Applicable only where this optional cover is confirmed in the policy schedule)

The cover provided by this Policy is extended to include any judgment, award or settlement made within North America or any other 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 to Your legal liability in respect of personal injury and/or property damage that arises out of any Products exported to North America with Your knowledge;
- b. cover is not provided for:
  - i. personal injury and/or property damage directly or indirectly caused by or arising out of 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. any claim for Compensation if in North America You have:
    - » any assets other than Products;
    - » related or Subsidiary company;
    - » any person or entity with power of attorney; and/or
    - » any franchisor or franchisee.

## Special conditions applicable to this policy section

### Claims

#### 1. Notification of occurrence, claim or suit

You shall give:

- a. written notice (including facsimile transmission) via Your broker, 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 may be covered by this policy section;

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.

## 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 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 section.

## 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 Policy, We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving Us any statements, documents or assistance We require. This may include giving evidence in any legal proceedings.
- 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.
- iii. 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:
- iv. 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
- v. incurred by Us, or by You with Our written consent, prior to the date of such payment.

## 4. Cross liabilities

This insurance extends to indemnify:

1. each of the parties comprising the named insured; and
2. each of the insureds hereunder; separately in the same manner and to a like extent as though policies had been issued in their separate names.

In particular, but without limiting the foregoing, this insurance shall indemnify each of the parties described in clauses 1 and 2 of 'Cross liabilities' in respect of claims made by any other of such parties.

Provided always that:

- i. each of such parties shall be separately subject to the terms, claims conditions, General Policy conditions, exclusions and definitions of this Policy in the same manner and to a like extent as though separate policies had been issued; and
- ii. in no case shall the amount payable by Us in respect of any one claim or series of claims arising out of any one occurrence or in the aggregate, as the case may be, exceed the applicable Limit of Liability as specified in the policy schedule.

## 5. Inspection and audit

We shall be permitted, but not obligated, to inspect Your business premises and operations at any reasonable time. Neither our right to make inspections, nor our failure to make inspections, nor the making of any 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 Policy and within three (3) years after the final termination of this Policy but only with regard to matters which in Our opinion are relevant to this Policy.

### **6. Premium - adjustment of premium**

If the first premium or any renewal premium for 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 policy.

### **7. 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 policy, such release is allowed without prejudice to this insurance.

Notwithstanding general condition 'Subrogation rights' of this Policy, 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 policy.

### **8. Subrogation and allocation of the proceeds of recoveries**

Subject to condition 9 'Subrogation Waiver', any corporation, 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 policy.

Should You incur any legal liability which is not covered by this policy:

- a. due to the application of an excess; and/or
- b. where the amounts of any judgments or settlements exceed the applicable insured amount;

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 insured 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.

### **9. Subrogation waiver**

We hereby agree to waive all Our rights of subrogation under this policy section against:

- a. each of the parties described as an 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 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.

## MACHINERY BREAKDOWN &

## ELECTRONIC EQUIPMENT

### Introduction

This section covers the breakdown of machinery or electronic equipment at Your premises.

There are two covers available in this policy section.

- » Machinery Breakdown.
- » Electronic Equipment Breakdown.

Your policy schedule indicates which cover has been selected by you.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Boilers and pressure plant and pressure pipe systems	The permanent structure of machinery which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to Boilers the rotating, reciprocating or electrical apparatus attached to them.

Breakdown	<p>A sudden and accidental failure of machinery or electronic equipment resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.</p> <p>Breakdown does not mean:</p> <ol style="list-style-type: none"> <li>a. depletion, deterioration, corrosion or erosion of material;</li> <li>b. wear and tear;</li> <li>c. vibration or misalignment;</li> <li>d. the functioning of any safety device or protective device; or</li> <li>e. the failure of a structure or foundation supporting the equipment or a part of the equipment.</li> </ol>
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Computer Equipment	<p>General purpose machine, commonly consisting of digital circuitry, that accepts (inputs), stores, manipulates, and generates (outputs) data as numbers, text, graphics, voice, video files, or electrical signals, in accordance with instructions called a program including but not limited to:</p> <p>(a) electronic data processing equipment comprising a central processing unit, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components but does not include software.</p>
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Controlled atmospheric conditions	An atmosphere in which oxygen, carbon dioxide and nitrogen concentrations are regulated.
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Electronic equipment (as referred to under electronic equipment cover)

Any of the following equipment provided it is owned, leased, operated or controlled by You and used in Your business:

- a. any electronic machine, device or instrument used for research, diagnosis or medical treatment;
- b. telecommunication transmission and receiving equipment;
- c. lighting facilities, audio visual, amplification and surveillance equipment;
- d. office machines owned by You or for which You are legally responsible;
- e. computer equipment.

Expendable items

- a. Electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements;
- b. Tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.

Hazardous substance

- a. Any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or

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.

Machinery

Any of the following equipment provided it is owned, leased, operated or controlled by You and used 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 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;
  - iii. nor 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:
- c. any vehicle, or mobile equipment;
- d. any watercraft or aircraft; or
- e. any elevator or escalator.

**Obsolescence**      Obsolescence occurs when equipment is no longer wanted even though it may still be in good working order. Obsolescence frequently occurs because a replacement has become available that has, in total, more advantages than the inconvenience related to repurchasing the replacement.

Obsolescence will be taken into account on damaged or destroyed property.

**Obsolete**      Something that is already antiquated.

**Cover**

**Machinery Breakdown**

If Machinery is shown under “What’s Covered’ in the policy schedule and subject to the General exclusions, We will cover you for:

- a. breakdown of machinery which occurs at the premises; and
- b. direct loss or damage to other property insured as a result of that breakdown, provided that the breakdown of machinery occurs during the period of insurance.

We do not cover loss or damage to air conditioners unless your policy schedule shows that you are covered for air conditioners under this policy section.

**Electronic Equipment**

If Electronic Equipment is shown under “What’s Covered’ in the policy schedule and subject to the General exclusions, We will cover You for:

- a. breakdown of electronic equipment which occurs at the premises; and
- b. direct loss or damage to other property insured as a result of that breakdown, provided that the breakdown of electronic equipment occurs during the period of insurance.

**What we pay**

**Machinery breakdown basis**

If We agree to pay a claim for breakdown of machinery, We will at our option repair, rebuild or replace any damaged item or pay for the cost of repairing, rebuilding or replacing. If We decide to replace the damaged item, We will replace the damaged property with similar property of a like kind, capacity, size, quality and function.

If We agree that You can carry out the repairs at the premises or at a workshop owned by You, We will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, We will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, We will not pay more than the manufacturers, or suppliers, latest list price. We will not pay any cost of repairing or replacing any part or parts of a piece of machinery, which is greater than the cost of repairing or replacing the entire piece of such machinery.

If the work of repairing, rebuilding or replacing the item is not commenced and carried out within a reasonable time period after the breakdown, We will not be liable to pay more than the cost necessary to repair, rebuild or replace the item at the time the breakdown occurred.

Where the breakdown is confined to a part of a machine or structure, We will not pay more than the cost of repairing or replacing that part plus the cost of dismantling and erecting the structure.

The maximum We will pay is the insured amount as shown in the policy schedule.

1 In the event of breakdown We will at our option pay to You, up to the insured amount less the applicable excess, the reasonable cost of repair or replacement necessary to return the machinery to their former state of operation including:

- i. cost of dismantling, re-erection, cleaning up and removal of debris;
- ii. replacement of refrigerant or lubricating or insulating oil lost from machinery as a direct result of breakdown;

- iii. charges for overtime work on public holidays where necessarily and reasonably incurred;
- iv. freight within the Commonwealth of Australia by any recognised scheduled service;
- v. overseas air freight by any recognised scheduled service and/or overseas labour;
- vi. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any property insured;
- vii. any customs duties and dues.

Provided that the total of all of these extra costs in clauses 1(c), 1(d), 1(e) and 1(f) are limited to 50% of the normal cost of repair payable under this part.

2. Where You incur extra expense, in complying 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, in the course of effecting repair or replacement of the machinery, We will indemnify You for such extra expense.

Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which You had been required to comply with prior to the breakdown.

3. All machinery which can be repaired must be repaired. However should the item be uneconomical to repair due solely to the nature of the breakdown, settlement will be as follows:

- a. the cost of replacement of the machinery by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the machinery when new; or
- b. the insured amount for the machinery.

4. We shall not be required to replace the machinery exactly, but only as circumstances permit. Where component's or manufacturer's specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.

### Electronic equipment breakdown basis

If We agree to pay a claim for breakdown of computer equipment or electronic equipment We will at our option repair, rebuild or replace any damaged item or pay for the cost of repairing, rebuilding or replacing. If We decide to replace the damaged item, We will replace the damaged property with similar property of a like kind, capacity, size, quality and function.

If We agree that you can carry out the repairs at the premises or at a workshop owned by You, We will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, We will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, We will not pay more than the manufacturers, or suppliers, latest list price. We will not pay any cost of repairing or replacing any part or parts of a piece of computer equipment or electronic equipment which is greater than the cost of repairing or replacing the entire piece of such computer equipment or electronic equipment.

If the work of repairing, rebuilding or replacing the item is not commenced and carried out within a reasonable time period after the breakdown, We will not be liable to pay more than the cost necessary to repair, rebuild or replace the item at the time the breakdown occurred.

Where the breakdown is confined to a component or part of a computer equipment or electronic equipment, We will not pay more than the cost of repairing or replacing that component or part plus the cost of dismantling and erecting the computer equipment or electronic equipment.

The maximum We will pay is the insured amount as shown in the policy schedule.

1. In the event of breakdown We will at our option pay to You, up to the insured amount less the applicable excess, the reasonable cost of repair or replacement necessary to return the electronic equipment to their former state of operation including:

- a. cost of dismantling, re-erection, cleaning up and removal of debris;
- b. replacement of refrigerant or lubricating or insulating

oil lost from electronic equipment as a direct result of breakdown;

- c. charges for overtime work on public holidays where necessarily and reasonably incurred;
- d. freight within the Commonwealth of Australia by any recognised scheduled service;
- e. overseas air freight by any recognised scheduled service and/or overseas labour;
- f. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any property insured; (g) any customs duties and dues.

Provided that the total of all of these extra costs in clauses 1(c), 1(d), 1(e) and 1(f) are limited to 50% of the normal cost of repair payable under this part and shall be payable in addition to the insured amount.

2. Where You incur extra expense, in complying 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, in the course of effecting repair or replacement of the electronic equipment, We will indemnify You for such extra expense.

Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which You had been required to comply with prior to the breakdown.

1. All electronic equipment which can be repaired must be repaired. However should the item be uneconomical to repair due solely to the nature of the breakdown, settlement will be as follows:

- a. the cost of replacement of the electronic equipment by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the electronic equipment when new; or
- b. the insured amount for the electronic equipment.

2 We shall not be required to replace the electronic equipment exactly, but only as circumstances permit.

3. Where component's or manufacturer's specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.

### Depreciation applied for replacement of computers

If We decide to pay You the cost to replace a laptop computer, notebook or desktop computer rather than repair it, We will apply depreciation based on the age of the computer, but not as a result of improvements in technology or functionality.

We will apply depreciation at the rate of 10% per annum for each year from the date of manufacture, subject to a maximum reduction of 80% of the installed current replacement cost.

### Excess

You must pay the amount of any excess shown in the policy schedule for each claim You make.

### Included Benefits

If We agree to pay a claim under this policy section for breakdown of machinery or electronic equipment, We will also pay or provide the Extra covers set out below.

Any amounts payable under these Extra covers apply in addition to the insured amount.

#### 1. Hazardous substances

If a hazardous substance is involved in or released by a breakdown of the machinery or electronic equipment We cover You for the increase in cost to repair, replace, clean up or dispose of, damaged property insured. We will not pay more than \$25,000 for each claim under this Extra cover.

#### 2. Inflation protection

The insured amount on items of machinery or electronic equipment shall at the time of loss be increased according to the consumer price index by the proportion which the number of days since the commencement of the period of insurance shall bear to the whole of such period.

### 3. Repair costs

The cost of consulting engineers' fees (excluding fees for preparing a claim) necessarily incurred with our written consent, in the reinstatement of machinery or electronic equipment. Provided that where the insured amount is exhausted We will pay an additional amount of up to \$5,000 in respect of this Extra cover.

### 4. Additional Items

If You hire or purchase and commission at Your premises any items similar to items already insured under this cover section, We will consider these items to be added to the insurance by this policy section, giving the same cover as for similar items already insured.

Provided that:

- a. cover for additional items shall not exceed the total insured amount for the items already insured under this cover section;
- b. You give Us written notice within 90 days of the hire or purchase and commissioning of the item(s) and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges;
- c. the items are as far as You are aware, suitable for service, free from material defect and in sound working condition;
- d. the items shall not be insured until successfully commissioned and all relevant statutory provisions for inspections and certification have been fulfilled;
- e. the limits and excess as shown on the policy schedule shall be the same as for similar items already insured.

### 5. Electronic equipment away from the premises

If You have cover on the Electronic Equipment basis, that cover is extended to:

- a. include breakdown occurring during the period of insurance to laptop computers, notebooks, or mobile electronic equipment that are way from the premises;

- b. breakdown of Your laptop computer equipment or mobile electronic equipment that is away from Your premises anywhere in Australia and the laptop computer equipment or mobile electronic equipment are also specified in the policy schedule under General property cover section.

### 6. Restoration of computer data

We will insure You for the costs of restoring electronic data stored on media if:

- a. We have agreed to pay a claim under the Electronic cover section for repair or replacement of the computer equipment;
- b. the electronic data is lost or distorted during the period of insurance as a direct result of the breakdown covered under this policy section; and
- c. the media which contains the electronic data is at the premises, is at a location away from the premises where copies of media are stored, is temporarily at an alternative location for processing purposes or is in transit between any of these locations.

We will not cover You for:

- a. loss or distortion of electronic data due to defects in the media;
- a. any consequential loss;
- b. restoration of electronic data other than that which is lost or distorted after the most recent functional back-up;
- c. expenses or costs incurred in connection with the loss or distortion of electronic data if they are not incurred within 12 months of the breakdown;
- d. loss or damage of, or distortion to, electronic data caused by a computer virus;
- e. loss or damage of, or distortion to, electronic data 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:
  - i. the erasure, destruction, corruption, misappropriation or misinterpretation of electronic data;

- ii. any error in creating, amending, entering, deleting or using electronic data;
- iii. the inability to receive, transmit or use electronic data; or
- iv. 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.

Except to the extent that such loss, damage or distortion results solely from the breakdown of computer equipment covered under Electronic equipment cover section.

If We agree to pay a claim, We will pay the costs incurred in restoring the lost or distorted electronic data in a condition equivalent to that existing prior to the breakdown. Electronic data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form.

We will pay up to the greater of \$15,000 or the amount shown in the current policy schedule, for each claim under this Additional benefit.

### 7. Computers - increased costs

We will insure you for the increased costs which You incur, such as the hiring of alternative computers, following the breakdown of computers which We have agreed to pay a claim for under Electronic equipment cover section.

We will insure you for the increased costs of operating your business, including hiring computers, transport costs, additional personnel and working at an off-site back up facility if:

- a. We have agreed to pay a claim under Electronic equipment cover section for repair or replacement of computer equipment;
- b. the increased costs of working occur during the period of insurance and are a direct result of the breakdown covered under Electronic equipment cover section; and
- c. We agree in advance to pay the increased costs of working; We will not cover you for:

- d. costs incurred in respect of the first 2 working days following the breakdown of Your computer equipment;
- e. fines or liability incurred for breach of contract or for late or incomplete orders or for any loss of bonus or any kind of penalties.
- f. any increased costs that are not necessary and reasonable to minimise any interruption to the business;
- g. any consequential loss;
- h. costs incurred after 90 days from the date of breakdown;
- i. expenses that are incurred in the replacement of the media;
- j. the cost of reinstating the electronic data contained on the media.

If We agree to pay a claim, We will pay the actual amount of the increased costs of working, less the charges and expenses of the business that cease or are reduced as a consequence of the loss or damage.

We will pay up to the greater of \$15,000 or the amount shown in the current policy schedule, for each claim under this Additional benefit.

### Specific Conditions

It is a condition precedent to liability under this Section that all units are maintained and serviced by the manufacturer, installer or professional engineer in accordance with the manufacturer's guidelines. With any installers or professional engineer's instructions and/or recommendations to be remedied immediately.

It is a further condition that:

- i. A service of all units is to be completed within 30 days of inception of this Policy;
- ii. and annually thereafter; and
- iii. A service record kept and maintained by the Insured for inspection to the Insurer(s) as required.

## Specific Exclusions

We will not cover You for:

1. The cost of repair or replacement of expendable items other than expendable items which are necessary for the repair.
2. The costs incurred in repairing wear and tear or gradual deterioration including:
  - » wear and tear due to normal operation;
  - » wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
  - » damage to a safety or protective device caused by its own operation;
  - » the chipping or scratching of painted or polished surfaces; or
  - » slowly developing deformation or distortion.
3. The cost of:
  - » carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
  - » alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or at a separate operation;
  - » modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
  - » replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting;
  - » repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from Insured damage;
  - » repair of a slowly developing deformation, distortion or fatigue of any part;
  - » repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
  - » repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
  - » repairs to shaft keys requiring tightening, fitting or renewal;
  - » damage caused by the movement of foundations, masonry or brick work unless this results from breakdown of any machinery or electronic equipment or any part of machinery or electronic equipment; or
- » removal or installation of underground pumps and well casings. Unless specifically noted on the policy schedule, this exclusion does not apply to submersible pumps.
4. Breakdown of machinery or electronic equipment which You knew or reasonably should have known to be defective before the breakdown occurred.
5. Any consequential loss. Loss of use or consequential loss of any kind.
6. We will not cover loss or damage caused by or arising out of:
  - » earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;
  - » cyclone, storm, hail, lightning, thunder, wind, rainwater;
  - » flood;
  - » the sea, including tidal wave, tsunami, storm surge or high-water;
  - » fire, smoke or soot;
  - » water seeping or percolating the building from outside;
  - » water, liquids or substances discharged or other means used to extinguish a fire;
  - » vandalism or malicious damage.
7. Breakdown, loss or damage caused by explosion, other than:
  - a. the sudden and violent rending of any boilers and pressure plant or pressure pipe systems by force of internal fluid pressure of ignited flue gases, but excluding other chemical action; or
  - b. the bursting or disruption of turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switch gear.
8. Breakdown, loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul.

9. Breakdown, loss or damage caused during installation, erection or relocation.
10. Damage to foundations, brickwork, and refractory materials other than as a result of breakdown.
11. Breakdown, loss or damage arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded. The checking of the correct working of any insured item or of its safety installations is not considered to be testing or overloading within the context of this exclusion.
12. Breakdown, loss or damage caused by a deliberate act, neglect or omission on Your part.
13. Breakdown, loss or damage for which the manufacturer or supplier or other parties are responsible under a maintenance or warranty agreement provided that We shall be liable for Breakdown insured by this section and not recoverable under such maintenance agreement or warranty by reason of a specific exclusion contained therein or by reason of any dispute concerning the interpretation of that agreement or warranty (as the case may be).
14. The cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
15. 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 ("UNEP").
16. Breakdown, loss or damage as a result of dual lifting.
17. Air conditioners unless your policy schedule shows they are covered.
18. Breakdown, of machinery, computer equipment or electronic equipment which is useless or obsolete to your business.
19. Loss or damage caused by or arising out of pollution, contamination or a hazardous substance, however caused, except as provided for in extra cover 1.

## Policy section conditions

### 1. Adherence to statutory requirements

If any insured equipment must be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, You must obtain any licenses as required and use the machinery or electronic equipment as specified in the license.

### 2. Inspection

We or Our authorised representatives have the right to make inspections of machinery or electronic 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 representative discover machinery or electronic 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 machinery or electronic equipment causes the breakdown of other insured property; 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 relevant insured amount and any other limit or sub-limit in this policy section.

## Additional Benefits

We will provide the following optional cover when requested by You, when You pay any additional premium required and when shown on Your policy schedule as applying. This optional cover is subject to the policy limits, conditions, general exclusions and exclusions, except as otherwise provided.

### 1. Deterioration of stock

Provided "Deterioration of stock" is shown in the policy schedule, We will cover you for loss of perishable stock that spoils during the period of insurance due to a change in temperature of the refrigeration or freezer unit as a result of:

- a. a breakdown of the refrigeration or freezer unit in which the refrigerated stock is kept where We have agreed to pay a claim under the Machinery breakdown and electronic equipment cover section for the breakdown of such machinery or electronic equipment;
- b. malfunctioning or failure of the thermostats, controls, fuses, circuit breakers or overload devices which are owned by You and are protecting a refrigeration chamber, but shall not include loss or damage due to the manual operation or setting of switches;
- c. contamination of the refrigerated stock by leakage of refrigerant.
- d. sudden and unforeseen failure of the public power supply;
- e. accidental failure of supply services which directly affects the refrigeration or freezer unit;
- f. a supply authority intentionally interfering with a public service but only to the extent that this is necessary to safeguard life or any part of the public supply and the supply authority's interference is not caused directly or indirectly by fire, flood, storm or any other natural cause; or
- g. sudden leakage of refrigerant from the machinery or pressure pipe systems.

### 2. Loss minimisation

If deterioration occurs or is likely to occur to such stock by any of the above causes, We will pay any reasonable expenses incurred by You to prevent or minimise the loss of refrigerated stock.

#### What we pay under this option

If We agree to pay for a claim for deterioration of refrigerated stock, We will at our option, pay the cost of replacing the refrigerated stock or replace that stock.

We are not liable to pay more than the purchase price You paid for the stock, together with any handling costs You incurred. If deterioration occurs or is likely to occur to refrigerated stock by any of the Defined events specified above, We will also pay the reasonable costs incurred by You to prevent or minimise the loss of or damage to refrigerated stock.

We will not pay more than the insured amount shown on the current policy schedule for this optional cover, except to the extent stated during seasonal increase periods.

During the seasonal increase periods We will increase the insured amount shown in the policy schedule by 50%.

#### What you are not covered for under this option

In addition to the exclusions for this policy section, We will not pay for:

- a. any loss or damage due to shrinkage, inherent defects or diseases;
- b. loss or damage caused by improper storage, collapse of the packing material or storage structure;
- c. penalties or delay or detention or consequential loss or damage or liability of any nature whatsoever, and
- d. loss or damage following loss of public power supply due to:
  - i. the deliberate act of any public power supply authority unless performed for the sole purpose of safeguarding life or protecting a part of the supply system;

- ii. the decision by any public power supply authority to restrict or withhold supply excepting a scheme of rationing necessitated by damage to any part of the supply system;
- iii. shortage of power generation fuel or water.

Policy section conditions under this option

In respect of stock that is kept in cold storage under controlled atmospheric conditions, You must keep adequate records, for each chamber, of the temperature, humidity and gas concentrations, as well as the time(s) and date(s) when each chamber is opened. You must provide Us with those records upon request.

## GENERAL PROPERTY

### Introduction

This policy section covers portable or valuable items that You usually carry around with You in the course of Your business anywhere in the world. Any individual item worth more than \$2,500 must always be specified.

### Definitions

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Accidental	Unexpected and unintended from Your standpoint.
Specified items	Each item of property that is specifically described on the policy schedule. Any item worth more than \$2,500 must be specified.
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 policy schedule. The group or class described may include hand tools and hand held power tools.  Unspecified items do not include any item worth more than \$2,500.

### Cover

Provided 'General Property' is shown under 'What's Covered' in the policy schedule we will insure You for accidental loss or damage to Your property insured occurring anywhere in the world during the period of insurance.

### What we pay

At our option, We will:

- a. repair or replace the item of property insured (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 You the cost to repair or replace the property insured;
- c. replace the property insured with a new item that has the same features or features that are nearly the same as (but not less than) the item being replaced.

When the loss or damage is confined to a part or component of the property insured, 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 property You no longer have any cover for that item or the replacement item.

The maximum amount We will pay in respect of each specified item is the insured amount for that item.

The maximum amount We will pay in respect of any one unspecified item is \$2,500.

The maximum We will pay during the period of insurance for all claims in respect of any particular group or class of unspecified items is the insured amount for that group or class of unspecified property set out in the policy schedule.

## Excess

The excess that applies is shown on the policy schedule. The excess applies to each event unless otherwise noted on the policy schedule.

## Included Benefits

We will also provide the following Additional benefit in this policy section, subject to the conditions, limits, general exclusions and policy section exclusions except as otherwise provided.

Any amounts payable under these Additional benefits apply in addition to the insured amount.

### 1. Theft of other equipment

We will cover You for theft of any property insured not belonging to You but in your physical or legal control for the purposes of Your business occurring during the period of insurance anywhere in the world.

This Additional benefit does not cover theft committed by any member of Your family or by any employee of You or committed by any person whilst lawfully at Your premises.

We will not cover You under this additional benefit unless the property insured was:

- a. in a securely locked vehicle and the theft was consequent upon forcible and violent entry to the vehicle;
- b. securely and permanently affixed to a building or vehicle and theft is consequent upon forcible and violent removal of the insured property;
- c. in a vehicle and was securely chained to that vehicle 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;
- d. in Your private residence or the private residence of Your employee who has been authorised by You to have the custody and control of the property insured. However We will not cover any theft by a tenant;
- e. securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building.

However We will not cover any theft:

- i. committed by any person while lawfully in the building; or
- ii. of property insured which is unattended in areas of the building.
- iii. stolen as a consequence of armed hold-up or the threat of physical violence.

We will not cover You for more than \$2,000 in any one period of insurance under this Additional benefit.

## Specific Exclusions

This policy section does not cover:

- a. loss or damage to any unspecified item of property unless Your policy schedule shows that You have cover for unspecified property;
- b. loss or damage caused by or arising out of:
  - i. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
  - ii. moths, termites or other insects or vermin;
  - iii. scratching, biting or chewing by any animal;
  - iv. chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;
  - v. v. change in colour, loss of weight, change in flavour, texture or finish;
  - vi. the action of light, atmospheric conditions, any form of fungus or variations or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
  - vii. mechanical, hydraulic, electrical or electronic breakdown, burn-out, failure, malfunction or derangement of any equipment or device;
  - viii. smut or smoke from industrial operations (other than sudden and unforeseen resultant damage);
  - ix. any faults or defects in any item of insured property that You or any of Your employees knew about before taking out this policy section;
  - x. faulty materials or faulty workmanship;
- 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 of use, loss of earning capacity and any other consequential loss;
- f. loss or damage 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;
  - iii. total or partial inability or failure to receive, send, access or use data for any time or at all;
- g. loss or damage committed by any member of Your family or by any employee of Yours or committed by any person whilst lawfully at Your premises;
- h. theft of any vehicles registered for road use, caravans, trailers, watercraft, aircraft, hovercraft, rolling stock and locomotives or their accessories.

**Policy section conditions**

**Reinstatement**

If We pay an amount for a claim under this policy section We will automatically reinstate the insured amount to the amount shown on the policy schedule. You will not have to pay any additional premium.

**GOODS IN TRANSIT**

**Introduction**

This section covers loss of or damage caused to the goods You sell, buy or use in Your business when they are in transit. The cover You have depends on whether You select Accidental damage or Limited conditions, and whether You select temperature controlled goods when You take out this insurance.

**Definitions**

When the following words and terms are used in this Section, they have the meaning set out below.

WORD OR TERM	MEANING
Conveyance	Any ship, vessel, aircraft, postal service (except in the case of temperature controlled goods), rail or road vehicle used to transport the goods.
Goods	Your goods that You sell, buy or use in Your business being the following: <ul style="list-style-type: none"> <li>» non-temperature controlled goods if shown on the policy schedule;</li> <li>» temperature controlled goods if shown on the policy schedule;</li> <li>» trade samples;</li> <li>» return insured goods;</li> <li>» stock transfers;</li> <li>» retail and sales packaging; or</li> <li>» shipping containers in your care, custody or control.</li> </ul>
Non temperature controlled goods	Goods belonging to You which are not temperature controlled goods.
Temperature controlled goods	Goods belonging to You that require a controlled temperature environment for transit.

## Transit

The transportation of goods by a conveyance within Australia.

Transit includes:

- any period where the goods are "shut out" from the conveyance or intended destination;
- for non temperature controlled goods while in any packer's or unpacker's premises for a period of up to three months for the purpose of packing or unpacking.

Transit does not include any period of storage other than in the ordinary course of transit.

Each insured transit commences in respect of each item of goods when the item is first moved for the purpose of loading on to the conveying vehicle for transit to:

- a) a destination outside Your premises, or
- b) Your premises for the purpose of a service or maintenance or repair as part of Your business.

For non temperature controlled goods, the transit terminates:

- when each item of goods are delivered to the intended destination either in the receiver's premises or such other place as the receiver may instruct; or
- seventy two hours after unloading from the final conveying vehicle whichever occurs first.

## Cover

Provided 'Goods in transit' is shown under 'What's Covered' in the policy schedule We will insure you for loss of or damage of or to goods.

The nature and extent of cover will depend on whether You select Accidental damage or Limited conditions. The option You select will be shown in Your policy schedule.

### Accidental damage

If You have Accidental damage cover We will cover loss of or damage to the goods in transit, including loading and unloading, directly caused by any of the following insured events occurring during the period of insurance:

1. accidental loss of or damage to the goods during the transit;
2. acts of strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions;
3. malicious acts of persons, unless caused or directed by You;
4. insufficiency or unsuitability of packing or preparation of the goods, unless such was caused, directed or agreed by You;
5. unexpected deterioration of temperature controlled goods.

We will also cover loss or damage caused by any of the above insured events while at any exhibition or display (other than in Your owned or controlled premises), limited to a maximum of fourteen (14) days. We will not pay more than \$20,000 for goods at any one exhibition or display.

If the transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not loss or damage is caused to the goods, We will pay the extra costs of freight or storage to forward the goods to their intended destination, or to return the goods to the place from which they were despatched, up to a maximum of 10% of the insured amount of the goods.

### Limited conditions

If You have Limited conditions cover We will insure You for loss of or damage to the goods during transit, directly caused by any of the following insured events occurring during the period of insurance:

1. fire;
2. explosion;
3. lightning;
4. flood;
5. collision of the conveying vehicle with any external object other than the road, gutter, or similar surrounding surfaces;
6. overturning, jack-knifing or derailment of the land conveyance;
7. impact of the goods with something that is not on or part of the conveying vehicle (but not impact of the goods with the road or surrounding areas caused by the goods dropping or falling from the conveying vehicle, unless specified below), provided the loss of or damage to the goods is caused by the insured events listed above;
8. collision, crashing or forced landing of the conveying aircraft;
9. jettison, washing overboard and loss or damage incurred in time of peril;
10. war or warlike activities, which means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.

### Specific Exclusions

We will not pay for:

- a. loss or damage that existed or occurred prior to the commencement of the transit;
- b. loss or damage caused by dismantling, erection, commissioning, testing or storage other than in the ordinary course of transit;
- c. loss of or damage to non-temperature controlled goods directly or indirectly as a result of mechanical, electrical or electronic breakdown or malfunction where there is no external evidence of damage in transit from an insured event specified under the applicable of Accidental damage cover or Limited conditions cover;
- d. consequential loss or damage including loss of profits and loss of market; or

- e. loss of or damage to livestock.
- f. loss of or damage to temperature controlled goods or non-temperature controlled goods if Your policy schedule does not show You have cover for such goods.

### Included Benefits

If We agree to pay a claim for loss or damage for goods in transit under this section We will also pay for the following. Unless stated otherwise below, these Extra covers will not be in addition to the insured amount.

#### 1. Air freight of replacement parts

We will pay the cost of air freighting replacement parts from suppliers to the original destination, even if the original transit was not by air freight.

Any amount We pay under this cover will be in addition to the insured amount.

We will not pay more than \$10,000 for each event.

#### 2. General average and salvage contribution

We will pay the general average and or salvage contribution that You are required to pay under any Bill of Lading or similar document if the insured transit is by sea.

#### 3. Clean up costs

We will pay the clean up and disposal costs necessarily incurred as a result of an accident at any site, where the accident results from an insured event covered by this section and where You are legally or contractually obliged to pay those costs.

Any amount We pay under this Extra cover 3 will be in addition to the insured amount.

We will not pay more than \$25,000 for each event.

#### 4. Transport and disposal costs

We will pay the reasonable costs and expenses incurred in cleaning up or decontaminating Your premises following the delivery or return of salvaged goods, plus the cost of transport and disposal costs to remove those goods.

Any amount We pay under this Extra cover 4 will be in addition to the insured amount.

We will not pay more than \$25,000 for each event.

## 5. Freight and salvage charges

We will pay any additional freight or salvage charges that You are required to pay to remove your goods from any accident site, including the cost of transport to forward the goods to their intended destination or to return the goods to the place from which they were despatched.

## 6. Minimisation costs

We will pay the reasonable costs incurred to avoid or minimise any further loss of or damage to the goods.

## 7. Buyer and seller protection

If, as a buyer or seller, You retain a contingent financial interest in the goods in transit, to the extent that:

- a. the goods are lost or damaged, and the loss or damage would be covered under this transit cover;
- b. the other party under the terms of sale is legally liable to pay You for the goods or for the loss or damage, but fails to do so;
- c. You have taken all reasonable steps to safeguard the goods and to recover payment from the other party; and
- d. You have not disclosed to any party interested in the goods the existence of this cover;

We will insure the goods for loss or damage covered by the insured events detailed in this section.

## What we pay

### 1. For loss of or damage to plant, machinery, computers and the like up to five years old

At Our option We will pay:

- a. the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than when new (including the reasonable costs of any necessary overtime);
- b. in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- c. in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, the new replacement cost or, if not available, as near as possible to the same make, model and specifications

as is available, whichever is the lesser.

### 2. For loss of or damage to plant, machinery, computers and the like more than five years old

At Our option We will pay:

- a. the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than its condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime);
- b. in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- c. in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, We will pay the greater of the written down book value in Your books of account or the current market value whichever is the lesser.

### 3. For loss of or damage to non temperature controlled goods other than plant, machinery, computers and the like

At Our option We will pay the lesser of:

- a. the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than its condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime); or
- b. the invoice value covering the goods while in transit (including freight if separately invoiced to the receiver of the goods), or if there is no invoice value, the cost of replacing the goods with similar of the same age and condition or as near as possible to that age and condition.

### 4. For loss of or damage to temperature controlled goods other than plant, machinery, computers and the like

At Our option We will pay the lesser of:

- a. the cost to re-condition the goods (including the reasonable costs of any necessary overtime); or
- b. the invoice value covering the goods while in transit (including freight if separately invoiced to the receiver of the goods), or if there is no invoice value, the cost

of replacing the goods with similar goods of the same quality or as near as possible to that quality, whichever is the lesser.

### 5.Brands and labels

For any damaged goods bearing identifying brands or labels or other permanent markings, the goods may be retained by You to dispose of as You see fit, provided a reasonable allowance is agreed for the value of the goods and this allowance is deducted from the claim settlement. Where only the labels or packaging are affected, We will pay You only the cost to recondition or replace those labels or packaging.

### Limits to what we pay

The most We will pay for:

- a. all goods in any one conveyance is the insured amount shown in the policy schedule;
- b. trade samples in transit in Your or Your employee's care, custody and control, is \$10,000 any one claim or series of claims arising from any one event;
- c. shipping containers in Your care, custody or control, to the extent that You are legally liable to pay for any loss of or damage to them is \$20,000.

The limits shown in the policy schedule and the Extra cover limits referred to in this section apply to any one claim or series of claims arising from any one event.

### Excess

You must pay the amount of any excess shown in the policy schedule for each claim You make.

## MAKING A CLAIM - WHAT YOU MUST DO

These claims procedures apply to all section of the Policy.

The Policy does not provide cover in relation to events that occurred before cover under the relevant section was entered into.

You must make a claim as soon as possible after a loss. If you do not make it within 30 days, We may reduce what We pay You to take account of any disadvantage We suffer by the delay.

We may not pay Your claim if You do not act as follows:

### Do not admit liability

You must not:

- » admit guilt or liability, or make a promise or offer of payment in connection with any claim; or
- » offer or agree to settle any 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.

We will not be liable for any further damage arising out of the continued use of damaged property, until such property is repaired to our satisfaction.

## 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 car is stolen or maliciously Damaged.

## Contact Us as soon as possible

If there is any Accidental loss, Damage or liability which is likely to result in a claim, You must give Us immediate notice with the full details of any Accidental loss, Damage or anticipated or alleged liability.

You or Your representative must give Us full details in the manner We request which will be either:

- a. verbally; or
- b. in writing by completing Our claim form which will be supplied to You when You contact Us

Any correspondence You receive regarding the Accident or event must be sent to Us immediately. You must advise Us within 72 hours of:

- a. any notice of impending prosecution;
- b. details of any inquest or official enquiry.

## Retain All Damaged Property

You must:

- a. 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; and
- b. 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.

## 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.

## Provide proof of ownership

You must supply Us with all the information and documentation that We request to prove Your ownership or legal responsibility for the property insured and its value.

We will decide what is acceptable proof of ownership and value based on the property insured for which You are claiming, the age of the item and its value at the time of loss or damage.

Examples of the type of documentation that may be required include, but are not limited to:

- » tax invoices and/or receipts for property insured;
- » photographs of the property insured;
- » copies of any relevant contracts or agreements;
- » statutory declaration verifying the details of Your claim and any other matters connected with it;
- » vehicle log books;
- » quotes for replacement items.

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.

## Proof of fraud or dishonesty

In the event of a claim, You must supply Us with all records and documents that may assist Us in substantiating and investigating any 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.

## Claims settlement

### a. 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 for Your insurance premium if You are registered, or should be registered for GST purposes. If the information You give Us is incorrect, We will not cover You for any resulting fines, penalties or tax charges.

### b. 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.

### c. Discharge of our liabilities

If, at any time, We pay You the insured amount 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 insured amount.

### d. Claims preparation expenses

We will pay for costs necessarily and reasonably incurred for the preparation and negotiation of a claim for which We agree to indemnify You under this Policy. The most We will pay is \$25,000 in total any one claim, unless a higher amount is included in the particular cover section of the policy. This benefit is in addition to the insured amount.

This benefit does not apply to the Management liability cover section, or the Tax audit cover section.

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.

## What happens after You make a claim

### 1. Excess

You must pay the Excess when You make a claim under this Section 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.

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.

### 2. 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 this Section from any other person, You must co-operate with Us in any action We may take.

### 3. Our rights of recovery

We have the right to recover from any person, in Your name, the amount of any claim paid under this Section and We have full discretion in the conduct, settlement or defence of any claim in Your name. If We recover more than the amount We have paid to You or on Your behalf, We will pay You the balance.

