



## Business Insurance

PRODUCT DISCLOSURE STATEMENT  
AND POLICY WORDING



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This Product Disclosure Statement (PDS) and policy wording was prepared on 13 March 2014 and tells you about this Business Insurance cover.

Any advice contained in the PDS is general only and does not take into account your individual objectives, financial situation or needs. You should carefully read this document and any other documentation we send you and keep them in a safe place for future reference.

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 calling us).

### **Hollard is your insurer**

This Business Insurance cover is underwritten by The Hollard Insurance Company Pty Ltd (Hollard), ABN 78 090 584 473, AFSL 241 436.

Level 12, 465 Victoria Ave, Chatswood NSW 2067

Telephone: 02 9253 6600

Fax: 02 9253 6699

Mailing address:

PO Box 199, Chatswood NSW 2057

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

## ABOUT HOLLARD

Hollard entered the Australian market in 1999 and protects the assets and quality of life of over 700,000 Australian clients. Internationally, the Hollard Group provides a wide range of insurance products and services to more than 7.2 million policyholders.

Hollard's unique business model and partnership philosophy have quickly established Hollard as the partner of choice for many of Australia's leading underwriting agencies and independent insurance brokers, financial institutions and retailers.

Hollard is authorised by the Australian Prudential Regulation Authority (APRA) and holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission.

## IMPORTANT INFORMATION

### Important documents

This is your policy document and it consists of:

1. this printed policy which sets out details of what is and what is not covered by this policy;
2. the Insurance Certificate we provide with details of:
  - who is insured;
  - the cover(s) selected;
  - the period of insurance;
  - the respective sums insured and/or limits of liability; and
  - excesses and other important information.

You should ensure that you read these documents carefully and keep them in a safe place. If you have any questions regarding the policy or Insurance Certificate, please contact your insurance broker.

### Under insurance

Apart from stock, you should insure for the full new replacement value of all property insured if you elect to insure under the building and contents, business interruption or electronic equipment sections of this policy. The only exception to this is if you have chosen to insure on an indemnity basis, and we have agreed in writing that we will provide indemnity cover in which case, the sum insured should represent the indemnity value of your property. If you fail to fully insure your property, any losses may not be paid in full. For a detailed example of how we will pay a claim where you have under insured, refer to the 'Building and Contents' section. It is your responsibility to ensure that the nominated sums insured are adequate, and you should continue to reassess these sums insured during the currency of the policy and prior to renewal each year.

### Words with special meaning

Some words used in this policy have special meaning. Where the meaning of the word applies to a single section, that meaning will appear at the start of that section. A list of words which have the same meaning throughout the document appears at the end of the policy.

### Who is insured under this policy

The persons or organisations that are covered by this policy are shown on the Insurance Certificate. In this policy, those persons or organisations are referred to as 'you' or 'your'. We will extend the policy to cover other persons or organisations requiring cover under this policy if you have advised us of them, and we have named them on the Insurance Certificate. All persons or organisations covered by the policy have to comply with the terms of the policy. We may refuse to pay a claim or reduce the amount we pay if you or any person covered by the policy does not comply with the terms of this policy.

### Your cooling off rights

You can cancel your policy within 14 days of the commencement or renewal of cover. The commencement or renewal date of your cover is stated on your Insurance Certificate. If we receive your written request to cancel this policy within the 14 day period, we will cancel the policy effective from the commencement date, and give you a full refund (less any taxes, duties or commissions payable that we are unable to refund). You cannot use this right where, before the 14 day period ends, you have exercised any of your rights or powers under the policy (e.g. you have made a claim). After the cooling off period ends, you still have cancellation rights under the policy. These rights are documented under 'General conditions that apply to every section of the policy'.

### Your premium

Your premium is calculated when your policy begins and at each policy renewal. Your Insurance Certificate provides details of your premium and when we calculate that premium we consider the type of cover requested by you and the various risks involved in providing that cover. Your premium also includes allowances for government taxes and stamp duty relating to your policy which will be shown on your Insurance Certificate.

### Evidence of value

Please retain receipts of purchase or proof of the value of all property insured by this policy so that you can substantiate the amount of any loss if you have to claim under this policy.

### Privacy of your personal information

We recognise that your privacy is very important to you. We are committed to protecting the privacy of your personal information in accordance with the Privacy Act, 1988. We generally collect personal information to provide the various products and services we offer and it is done in accordance with our Privacy Policy. You may reasonably obtain access to your personal information that we hold. Our detailed Privacy Policy can be viewed on [www.hollard.com.au](http://www.hollard.com.au) or a copy can be requested by phoning 02 9253 6600.

### Financial Claims Scheme

Hollard is an insurance company authorised under the Insurance Act 1973 (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act. The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Hollard are met within a stable, efficient and competitive financial system.

The protection provided under the Financial Claims Scheme legislation applies in relation to Hollard and the policy. If Hollard was to fail and were unable to meet their obligations under the policy, a person entitled to claim under the policy may be entitled to payment under the Financial Claims Scheme (access to the Scheme is subject to eligibility criteria). Information about the Financial Claims Scheme can be obtained from the APRA website at [www.apra.gov.au](http://www.apra.gov.au) or the APRA hotline on 1300 558 849.

Hollard is exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. Hollard has compensation arrangements in place that are in accordance with the Insurance Act.

### General Insurance Code of Practice

Hollard is an Australian insurance company and is a signatory to the General Insurance Code of Practice. The objectives of this Code are to:

- promote better, more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

You can obtain a copy of the Code from the Insurance Council of Australia website [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au) or by phoning 02 9253 5100.

### The Dispute Resolution Process

We welcome every opportunity to resolve any concerns you may have with our products or service. In the first instance contact your insurance broker.

If your concern is still not resolved to your satisfaction please write to our Internal Dispute Resolution Committee at:

The Hollard Insurance Company Pty Ltd  
Internal Dispute Resolution Committee  
PO Box 199  
Chatswood NSW 2057

Or email [resolution@hollard.com.au](mailto:resolution@hollard.com.au) or call 02 9253 6600.

Your concern will be investigated by an officer with full authority to deal with the issue and you will be informed of the outcome within fifteen working days of receiving your concern.

If your concern still remains unresolved to your satisfaction or has not been resolved within 45 days, you may refer the matter to the Financial Ombudsman Service (FOS) subject to its terms of reference, which acts as our external dispute resolution provider. FOS is an independent body and its service is free to you. FOS can be contacted via:

**post** GPO Box 3, Melbourne, Victoria 3001  
**web** [www.fos.org.au](http://www.fos.org.au)  
**email** [info@fos.org.au](mailto:info@fos.org.au)  
**phone** 1300 780 808

A decision of FOS is binding on us (up to specified jurisdiction limits). A decision of FOS is not binding on you and you have the right to seek further legal assistance.

## POLICY CONDITIONS

You must abide by all conditions of this policy and we draw your special attention to those detailed below, and the conditions applicable to the making of a claim. If you do not comply with the policy conditions we may reduce or refuse to pay a claim and cancel your policy to the extent permitted by law.

## Your duty of disclosure

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

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

Your duty however does not require disclosure of matter:

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

If you fail to comply with your duty of disclosure, we may be entitled to reduce his liability under the contract in respect of a claim or may cancel the contact.

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

## Precautions

You must take all reasonable precautions for the care, safety, protection and maintenance of your property and comply with all statutory obligations, by-laws and regulations imposed by any public authority. If you do not comply with this condition, and loss or liability is caused, we may reduce the amount we pay you.

## Preventing our right of recovery

We will not cover you for loss, damage or liability if you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this policy.

## Paying your premium

Your policy will not operate until you have paid your premium. The premium is payable when you take out a new policy and when you renew your policy. If you make changes to your policy you may need to pay an additional premium or you may be entitled to a refund. If your premium payment is dishonoured by your financial institution, this policy will not operate and you will not be covered in the event of a claim.

## OUR AGREEMENT

We agree to provide you with the cover set out in each of the policy sections which you have selected and that are listed on your Insurance Certificate. This cover is in force for the period of insurance set out on your Insurance Certificate. We will cover you for loss, damage and/or liability occurring during the period of insurance, subject to the terms and conditions of the policy.

We will not pay any more than the sum insured or limit of liability for each section shown on your Insurance Certificate unless otherwise stated. If any loss or damage sustained in an incident leads to a claim under more than one section of this policy, you will only have to pay one excess. However that excess will be the highest of the excesses applicable under the sections involved in the claim.

## BUILDING AND CONTENTS

### 1. Words with special meaning in this section

**building(s)** means:

1. lessors fixtures and fittings including fixed carpets;
2. all services to the buildings;
3. all structural improvements;

at the location including fencing, gates, roadways and paths.

Buildings do not include machinery, land, dams, bridges, canals, tunnels, railway tracks, wharves, docks and piers.

**contents** means all stock in trade and merchandise, including trading stock in the course of production, business furniture, machinery, plant and equipment, documents of title, business books and other records of every description belonging to you at the location.

Contents includes:

1. customer's goods for which you are responsible or for which you have assumed responsibility to insure prior to any destruction or damage;
2. goods held by you on consignment;
3. property not owned by you but contained in the building for service, repair, alteration or safe keeping;
4. the cost of repair or replacement of necessary patterns, models, moulds, dies and lasts but limited, unless repaired or replaced, to the value standing in either your own or the owner's financial records, whichever is the lesser;
5. improvements, alterations, decorations, fittings and additions to leased buildings which have been made by you and for which you are not entitled to be reimbursed by the lessor in the event of destruction or damage;
6. property of your welfare, sports or social club;
7. antiques, curiosities and works of art;
8. jewellery, furs, bullion, articles containing gold and silver up to \$10,000 per item, set or collection.

Contents do not include:

1. money, security documents or stamps;
2. explosives;
3. growing crops, pastures, trees, or plants other than pot plants that are in the building;

4. animals, livestock, fish, birds and any other living organism other than laboratory cultures and stocks of foodstuffs, stocks of nursery plants, or stocks of pet shops;

5. vehicles or trailers (including their accessories) that are registered or licensed to travel on a public road, other than stock vehicles, or mobile plant and equipment which are registered or licensed (provided that they are not cars, sedans, panel vans and trucks) while at your location;

6. watercraft, aircraft or vehicles or any accessories or spare parts while contained in or on these items unless they are stock and are on your business location at the time of any loss or damage.

**records and documents** means written, printed, filmed or taped records (including computer records), deeds, plans or drawings or documents of any other type which are:

1. used in the business; and
2. are in a building at the location; and
3. are owned by you or are in your custody in the ordinary course of the business.

**sea** means oceans, bays, ports or tidal waters.

### 2. What we cover

We will cover you for loss or damage at the location directly caused by the events listed under 'Insured Events', up to the limit shown on your Insurance Certificate in respect of physical loss of, or damage to:

1. buildings;
2. contents;
3. other items as shown on your Insurance Certificate.

### 3. Insured events

We will cover you for loss or damage caused directly by the following insured events:

<b>Insured event</b>	<b>Our exclusions</b>
	<p><i>You are covered for loss or damage to your building and contents caused by:</i></p>
<b>Fire</b>	Damage to any property undergoing heating or the direct application of heat. We will not apply this exclusion to other property damaged as a result of the direct application of heat.
<b>Lightning or explosion</b>	<p>Loss or damage to:</p> <ol style="list-style-type: none"> <li>1. a boiler or other pressure vessel caused by self-explosion, unless the boiler or pressure vessel is:           <ul style="list-style-type: none"> <li>- used solely for domestic purposes; or</li> <li>- valued at less than \$200,000;</li> </ul> </li> <li>2. property which is insured by any other insurance policy covering boiler explosion, except for any amount beyond that payable for damage to that property under the other policy.</li> </ol>
<b>Storm, wind and water including water discharged from the mains, pipes, gutters, drains, tanks or fixed apparatus used to hold or carry water.</b>  Please note: Losses caused by sprinkler leakage are specifically covered under the insured event for 'Sprinkler leakage' and no additional cover is provided for that event under this section.	<p>Loss or damage caused:</p> <ol style="list-style-type: none"> <li>1. by sea, tidal wave, high water or flood (unless the Optional benefit 'Flood' is taken);</li> <li>2. by soil movement including erosion, subsidence, landslide, mudslide or settling unless it is directly caused by and occurs within 72 hours of an insured event;</li> <li>3. by steam or condensation;</li> <li>4. by water entering the building due to inadequate maintenance, or through an opening made for any building renovation or repair work, or because of either a structural defect, faulty design or faulty workmanship when the building was constructed;</li> <li>5. to property including contents in the open air unless that property comprises part of a permanent structure designed to function without the protection of walls or roofs;</li> <li>6. to buildings while they are being built and do not have all walls, doors and roofs completely fixed;</li> <li>7. to growing crops, trees or any other plants;</li> <li>8. to gates, fences, retaining walls, signs, shade sails, shade cloths, plastic or textile awnings, plastic or textile blinds and glass houses in excess of \$25,000 per event;</li> <li>9. by your failure to repair or prevent the burst, leak, discharge or overflow of water within a reasonable amount of time of an incident being discovered.</li> </ol>
<b>Earthquake and tsunami, subterranean fire, volcanic eruption, or fire occasioned by or in consequence of earthquake, tsunami, subterranean fire or volcanic eruption.</b>	The first \$10,000 or 1% of the sum insured at the location (whichever is the lesser) of each claim caused by earthquake, tsunami, subterranean fire or volcanic eruption.  You only have to pay one excess if further damage occurs within 72 hours of such an event.
<b>Bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid other than water.</b>	Damage which occurs as a result of your failure to repair or prevent the burst, leak, discharge or overflow within a reasonable amount of time of an incident being discovered.

<b>Insured event</b>	<b>Our exclusions</b>
	<p><i>You are covered for loss or damage to your building and contents caused by:</i></p>
<b>Impact by:</b>	<p>Loss or damage:</p> <ol style="list-style-type: none"> <li>1. caused while cutting down trees or removing tree branches by you, or someone else if you have agreed not to hold them responsible if they cause damage to your property;</li> <li>2. to a mast, aerial, antenna or satellite dish unless the breakage or collapse is caused by an insured event in this policy section</li> </ol>
<b>Sprinkler leakage</b>	<p>The cost of cleaning up any pollutant material which has gone beyond the boundaries of the location, or has entered the public drainage system, or any creeks or waterways.</p>
<b>Riots and strikes</b>	<ol style="list-style-type: none"> <li>1. damage caused directly or indirectly by total or partial cessation of work;</li> <li>2. the retarding or interruption or cessation of any process or operation.</li> </ol>
<b>Malicious damage and vandalism</b>	<p>Loss or damage caused by:</p> <ol style="list-style-type: none"> <li>1. tenants;</li> <li>2. persons identified in the insured event 'Riots and strikes';</li> <li>3. any event insurable under the 'Glass' section of this policy;</li> <li>4. you or anyone acting with your consent.</li> </ol> <p>We do not cover the theft of contents under this insured event.</p>
<b>Escape of molten material</b>	<ol style="list-style-type: none"> <li>1. the cost of repairing any fault which permitted the escape;</li> <li>2. the cost of retrieving or removing escaped material from any escape channel or catchment area designed for the purpose;</li> <li>3. loss of or damage to the escaped material;</li> <li>4. loss of or destruction to furnace linings, crucibles, moulds, other containers or ladles from which molten material escapes.</li> </ol>

## Insured events (continued)

Insured event	Our exclusions
<p><i>You are covered for loss or damage to your building and contents caused by:</i></p> <p><b>Accidental damage</b></p> <p>We will cover you for accidental loss or damage to buildings and contents provided that the loss or damage is not already covered by, or able to be insured by, or is not excluded by any other sections of the policy irrespective of whether or not you have elected to insure under any or all of these sections.</p> <p>The maximum amount we will pay under this accidental damage cover for any event is the lesser of \$1,000,000 or the building and contents sum insured under this section. However if an amount is shown on your Insurance Certificate, then we will only pay up to the amount shown for this benefit.</p>	<p><i>You are not covered for: (See also General Exclusions on page 48)</i></p>
	<p>Accidental loss or damage caused by or involving:</p> <ol style="list-style-type: none"> <li>1. theft or any attempt, threat of or armed hold-up;</li> <li>2. fraudulent or dishonest acts by your employees;</li> <li>3. wear and tear, fading, scratching, marring, gradual deterioration, developing flaws, normal upkeep or making good;</li> <li>4. insects, vermin, moths or by pecking, clawing, eating or nesting by birds and other wildlife;</li> <li>5. rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour, texture or finish;</li> <li>6. error or omission in design, plan or specification or failure of design;</li> <li>7. faulty materials or faulty workmanship;</li> <li>8. any order of any government, public or local authority including the confiscation, nationalisation, requisition, repossession of or damage to any property;</li> <li>9. incorrect siting of buildings as a result of incorrect design or specification;</li> <li>10. unexplained inventory shortage, unexplained disappearance, disappearance resulting from clerical or accounting errors or shortage in the supply or delivery of materials to or from you;</li> <li>11. consequential loss of any kind;</li> <li>12. machinery breakdown, electrical or electronic breakdown, boiler or pressure vessel explosion or implosion other than the cover provided under the insured event 'Lightning or explosion';</li> <li>13. computer virus;</li> <li>14. loss of or damage to property directly or indirectly caused by or contributed to by normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration;</li> <li>15. any person deliberately switching off or disconnecting the power supply;</li> <li>16. pollution.</li> </ol> <p>We do not cover you under this accidental damage cover for loss or damage to:</p> <ol style="list-style-type: none"> <li>1. trees, plants, shrubs, pot plants, pastures, lawns or growing crops;</li> <li>2. live animals, birds or fish or any other living creature, unless such items are stock;</li> <li>3. any property in transit;</li> <li>4. property during the course of, and as a result of, its processing;</li> <li>5. alterations and additions when the value of work exceeds 20% of the sum insured or \$500,000 whichever is the lesser;</li> <li>6. signwriting or ornamentation affixed to external glass that is caused following breakage of external glass, except where you are a tenant of a building and you are not required to insure the glass in that building under the terms of your lease.</li> </ol>

#### 4. Additional benefits

The following additional benefits are provided in addition to the sum insured:

Additional benefit	Our exclusions	Benefit limit
<p><b>Temporary protection and security guards</b></p> <p>If your building or contents have been lost or destroyed or damaged by one of the 'Insured Events', we will pay for the cost of temporary protection, including employment of security guards, to safeguard the property insured.</p>	<p>If any occurrence results in a claim being paid under this cover section and another section of this policy, the highest single limit under the relevant cover sections applies. This additional benefit is not cumulative with any other section of this policy.</p>	<p>We will pay up to \$25,000 for the reasonable costs incurred for temporary protection and security guards as a result of damage for which a claim is payable</p>
<p><b>Catastrophe escalation cost</b></p> <p>We will increase the sum insured applicable to any building insured under this section if the building is destroyed or damaged by one of the 'Insured Events'. We provide this additional benefit to cover any increase in building costs for labour and materials and any other additional costs which may apply after the event however we only do this if:</p> <ol style="list-style-type: none"> <li>1. we have classified the building as a total loss as a result of the loss or damage; and</li> <li>2. you actually proceed with the rebuilding of the building; and</li> <li>3. the event giving rise to the destruction or damage has resulted in a State of Emergency being declared by an authority that is legally able to make such a declaration affecting the area in which your building is situated.</li> </ol> <p>If we provide this extra cover under this benefit we will also increase the cover provided by the additional benefit for 'Capital additions' (relating to buildings only) in this section.</p> <p>Increase in building costs means the difference between the cost of reinstatement actually incurred in accordance with the basis of settlement provisions of this section and the cost of reinstatement that would have applied had the event not occurred.</p>	<p>This additional benefit does not pay any:</p> <ol style="list-style-type: none"> <li>1. more than the increased building costs which are actually incurred by you;</li> <li>2. amount until you have incurred reinstatement costs exceeding the sum insured applicable to the building covered under this section.</li> </ol>	<p>We will increase the building sum insured by 20%.</p> <p>We will also increase by 20% the additional benefit for 'Capital additions' (relating to buildings only) and 'Temporary protection and security guards'.</p>
<p><b>Seasonal increase in cover</b></p> <p>For full details please refer to Additional benefits on Page 47.</p>		
<p><b>Directors and employees tools, equipment, personal effects and clothing</b></p> <p>We will cover the property of employees and directors (excluding motor vehicles) for which you are responsible.</p>	<p>This additional benefit does not provide any insurance cover directly to any director or employee. It only provides cover to you if you are responsible.</p>	<p>We will pay up to \$10,000 for any one employee or director with a maximum amount payable of \$50,000 any one event.</p>

## Additional benefits (continued)

Additional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Theft cover for buildings occupied by tenants</b> We will extend this section to include the cover provided by the 'Theft' section of this policy if the building, insured by this section is tenanted under a lease agreement, by another party who is not named on the Insurance Certificate.  This additional cover applies irrespective of whether the 'Theft' section of this policy has or has not been taken, and is restricted to 'buildings' as defined in part 1 of 'Words with special meaning' of this 'Building and contents' section.	Any loss that is specifically excluded under the 'Theft' section of this policy.	We will pay up to \$20,000.
<b>Limited transit</b> We will cover contents (including stock) while they are in transit in, or on any vehicle owned or operated by you anywhere in Australia away from your location, including storage during transit. This additional cover is restricted to loss or damage caused by fire, explosion, wind and rainwater, earthquake, acts of malicious persons or by collision or overturning of the conveying vehicle.		We will pay up to the lesser of \$50,000 or 20% of your contents sum insured.
<b>Capital additions</b> We will cover loss or damage to alterations and additions to buildings and contents at the insured location.		We will pay up to \$500,000.
<b>Restoration of records</b> We will cover clerical and professional costs incurred by you, to rewrite your necessary business 'records and documents' following loss or damage whilst located anywhere in Australia by an event that is insured in this section.	Any financial loss caused by the loss of your records under this additional benefit.	We will pay up to \$25,000 or the sum insured shown on your Insurance Certificate, whichever is the greater for restoration of records.
<b>Prevention of imminent damage</b> We will pay necessary costs you incur to extinguish a fire on or in the vicinity of your building location that threatens your property. We will also pay for necessary costs to prevent or diminish imminent damage to your insured property by any other insured event.	Any fines, penalties or liabilities or any damage to your property under this benefit.	We will pay up to \$100,000.
<b>Fire brigade attendance fees</b> We will pay any statutory charges that are payable by you, to a fire authority for attendance at a fire, or chemical emergency involving the insured buildings and/or contents.	Any fines, penalties or liabilities or any damage to your property under this benefit.	We will pay up to \$100,000.

Additional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Contents temporarily removed</b> We will cover contents temporarily removed from the location for up to 90 days, to any other premises (and in transit there and back) within Australia.	Stock that has already been sold and is in transit to a customer or stock on consignment.	We will pay up to 20% of your total sum insured on contents.
<b>Removal of debris and temporary repairs and protection</b> We will pay the reasonable cost of removal, storage and disposal of debris, or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs as a direct result of an insured event.  We will also pay the cost of removing a fallen tree or branches of a tree that have caused damage to insured property. We will also pay for your legal liability for the cost of removal of debris from adjoining premises, property, roadways and waterways.		We will pay up to the lesser of \$100,000 or 20% of your total sum insured for building and contents or any other amount shown on your Insurance Certificate.
<b>Tenants Actions</b> If any tenant or sub tenant of your property without your consent, causes or contributes to any loss or damage insured under this section which is in breach of any terms or conditions contained within this section of this policy, we will cover you for the loss or damage as per this section provided you: <ol style="list-style-type: none"><li>take all reasonable actions, as soon as you become aware of the breach, to have the tenant comply;</li><li>notify us within a reasonable amount of time of becoming aware of the breach;</li><li>agree to pay any increase in premium for the additional risk.</li></ol>		We will pay up to your sum insured for the property involved.
<b>Loss of land value</b> We will pay the difference between the value of your land before damage was sustained, and the value of your land after rebuilding, if the requirements of any statute or regulation or any municipal or statutory authority prevents you from rebuilding, or only allows partial rebuilding at the location.		We will pay up to \$100,000 less any compensation paid to you by any authority.

## Additional benefits (continued)

Additional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Playing surfaces</b> We will pay for the cost of repairing damage to outdoor playing surfaces at the location caused by: <ol style="list-style-type: none"> <li>1. vandalism;</li> <li>2. a fire occurring to insured property at the location for which we have admitted liability;</li> <li>3. the action of fire fighting services, police and/or other emergency services in attending to their duties at the location.</li> </ol>		We will pay up to \$50,000.
<b>Change in description</b> Your insurance under this section will not be prejudiced (apart from the maximum amount payable under this clause), if you change your processes or machinery, or make structural changes to buildings or contents. We will hold you covered for 30 days from the date the changes are commenced. You must notify us of the change within 30 days of the change, and at that time we will decide to either: <ol style="list-style-type: none"> <li>1. charge an additional premium;</li> <li>2. alter the terms of the section;</li> <li>3. cancel the policy if we are entitled to do so.</li> </ol>		We will pay up to \$50,000 or 10% of the relevant sum insured, whichever is the lesser.
<b>Additional locations</b> For full details please refer to Additional benefits on page 47.		
<b>Taxation audit</b> We will pay the reasonable professional fees which you incur as a result of your business taxation affairs being audited by the Australian Taxation Office	An audit that is not commenced during the period of insurance or an audit conducted in relation to: <ol style="list-style-type: none"> <li>1. any facts or circumstances of which you were aware of, or ought to have been aware of, prior to the commencement of this policy which were likely to lead to your making a claim under this policy;</li> <li>2. any personal taxation affairs;</li> <li>3. criminal activity or which results in a criminal prosecution.</li> </ol> You are also not covered for fines, penalties or any shortfall in the amount of tax payable or any fees incurred: <ol style="list-style-type: none"> <li>1. which do not relate directly to the audited accounts;</li> <li>2. in relation to any enquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit;</li> <li>3. as a result of any fraudulent act or fraudulent admission or any statement made by you or on your behalf to a taxation officer which is false or misleading in a material particular.</li> </ol>	We will pay up to \$10,000 any one audit or any one insurance year.

Additional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Discharge of mortgages</b> We will pay the reasonable legal costs associated with the discharge of a mortgage where there has been a total loss.		We will pay up to \$25,000.
<b>Rewards</b> With our prior approval, we will pay the reasonable cost of any reward paid by you to recover any property belonging to you, or for which you are responsible, that is lost or damaged. Provided the posting of the reward is economical in relation to the loss, we will not unreasonably withhold approval.	Accumulated reward costs where similar cover is provided under the Theft or Money sections of this policy.	We will pay up to \$5,000.
The following additional benefits are included, provided the relevant sum insured has not been exhausted:		
Additional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Government fees</b> We will pay any fee, contribution or other impost payable to any government or statutory authority, incurred by you if payment of the fee, contribution or impost is a condition precedent to the obtaining of consent to repair or replace buildings and/or contents insured under this section.		
<b>Professional fees and legal costs</b> We will cover architects, engineers, surveyors and legal fees that are necessarily incurred in the repair or reinstatement of damage to your property following loss or damage for which a claim is admissible under this section.		
<b>Exploratory costs</b> We will pay the reasonable cost of identifying and locating the source of damage for which a claim is payable, provided that the damage is caused by the discharge, overflowing or leakage from fixed pipes, fixed appliances, fixed apparatus or other systems used to hold or carry liquid of any kind.	The cost to repair or replace the pipes, appliances, apparatus or other systems which caused the damage.	
<b>Landscaping</b> We will cover loss or damage caused by an 'Insured Event' (other than Accidental damage or Storm, wind and water) to growing plants, shrubs, garden plots and lawns including rock work, retaining walls, ornamentation and edging pertaining thereto. We will also pay expenses necessarily incurred as a result of this damage in cleaning and/or repairing drains, gutters, sewers and the like, all contained in or on or forming part of or implicitly pertaining to the building insured.		We will pay up to \$50,000 or 20% of the sum insured for your building, whichever is the lesser.

## 5. Optional benefits

The following benefits can be added to your policy. If taken, the benefits will be noted on your Insurance Certificate:

Optional benefit	Our exclusions <small>You are not covered for: (See also General Exclusions on page 48)</small>	Benefit limit
<b>Flood</b> Where we have agreed to offer you cover for flood and you have taken out this optional benefit, we will insure you for loss or damage caused as a result of a flood.		We will pay up to the lesser of the amount shown for flood on your Insurance Certificate or the Building and Contents sum insured. If there is an amount shown for flood cover it is noted that this will be the maximum amount payable inclusive of any additional benefits under this and the Business interruption sections for loss caused by flood.
<b>Strata title mortgagee(s) interest</b> When you take out this optional benefit you are insuring the sole interests of the mortgagee of your shared title unit. The cover only applies when you own part of a building that has been subdivided into strata, community or similar titles and you have a mortgage on that part of the building. If your building sustains damage that is covered by the policy we will pay the mortgagee the lesser of the: 1. sum insured shown on the Insurance Certificate; 2. cost of repairs; 3. difference between the amount paid by the insurer of the body corporate and the cost of the damage if the body corporate (or similar) partially covers the loss under an insurance policy arranged by them; 4. 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

## 6. How we will pay your claim

Unless otherwise shown on your Insurance Certificate, claims will be settled on the basis of reinstatement and replacement, and extra costs as follows:

### Reinstatement and replacement

Reinstatement and replacement will mean:

1. for buildings the reconstruction, repair or restoration of the damaged building, or at our option, the replacement of the building by a similar building, in either case, to a condition equal to but not better or more extensive than its condition when new;
2. for other property (excluding stock) the repair of the damage and the restoration of the damaged portion of the property, or at our option, the replacement of the property by similar property, in either case, to a condition substantially the same as, but not better or more extensive than its condition when new;
3. for stock the replacement cost at the time and place of the replacement, provided that the replacement is carried out with reasonable despatch. If the stock is not replaced, the original cost to you of the stock or its market value, whichever is the lesser. If the stock is obsolete, the basis of settlement will be the lesser of the original cost of the stock to you or its market value, irrespective of whether the stock is replaced or not.

Claims for the cost of reinstating or replacing property destroyed or damaged are subject to the work of rebuilding, or replacement, or repairing (as the case may be) must be commenced and carried out with reasonable despatch no later than twelve months after the date of loss, failing which settlement maybe effected on an indemnity basis. This work may be carried out at another site and in any manner suitable to your requirements provided that our liability is not increased.

### Extra cost

We will also pay the extra cost for the reinstatement of the damaged insured property (other than stock) necessarily incurred by you, to comply with the requirements of any statute or regulation or of any municipal or statutory authority, provided that:

1. we will not pay for any additional cost incurred in complying with any requirement which you were required to comply with prior to the damage being sustained;
2. the co-insurance condition of this section of the policy will not be applied to the amount payable under this clause;
3. if the cost of reinstatement of the damaged property is less

than 50% of the cost of reinstatement, that would have been incurred if the property had been totally destroyed, the indemnity under this clause will be limited to the extra cost necessarily incurred in reinstating only the portion damaged or sub limit shown on your Insurance Certificate, whichever is the greater. If a sub limit is not shown on your Insurance Certificate, our liability will be limited to the extra cost necessarily incurred in reinstating the damaged portion only.

### Floor space ratio index (plot ratio)

If buildings are damaged and reinstatement of the damage is limited or restricted:

1. by any act of parliament or regulation there under;
2. by any by-law or regulation of any municipal or other statutory authority;

which leads to a reduction of the floor space ratio index (plot ratio) of the location, then we will pay in addition to any amount payable on reinstatement of the buildings, the difference between:

1. the actual costs incurred in reinstatement of the damage subject to the reduced floor space ratio index (plot ratio);
2. the estimated cost of reinstatement at the time of damage had the reduced floor space ratio index (plot ratio) not applied.

Provided that our liability under this additional benefit, combined with the benefits payable under 'Reinstatement and replacement' and 'Extra cost' will not exceed the sum insured shown on your Insurance Certificate, in respect of the buildings which are the subject of the claim.

### Branded goods

In the event of a claim, any salvage of branded goods or merchandise owned by you or held in trust or on commission and any goods sold but not delivered will not be disposed of by sale without your consent. If this salvage is not disposed of by sale, the basis of settlement of any claim will be the indemnity value of the goods after brands, labels, or names have been removed by you or on your behalf.

### Undamaged foundations

If foundations are not destroyed following an occurrence, and any Government or Statutory Authority requires reinstatement of the business property 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.

## Output replacement

If it is necessary to replace equipment, machinery or plant that has a measurable function, capability or output with a new item or items that perform a similar function or functions, the basis of settlement for this property will be for any item or items which have:

1. the same or a lesser total function, capability or output, then the basis of settlement is the new installed cost of the replacement item or items as would give the same total function, capability or output as the business property;
2. a greater total function, capability or output, and the new installed cost of the replacement property is no greater than the replacement value of that business property, then the basis of settlement is the new installed cost of the item or items so replaced;
3. a greater total function, capability or output, and the new installed cost of the replacement property is greater than the replacement value of that business property, 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 business property bears to the output of the replacement item or items. If the reinstatement value of the damaged business property is not ascertainable, then the basis of settlement is the new installed cost of the replacement item or items.

## Indemnity

If the basis of settlement is shown on your Insurance Certificate as indemnity, we will pay the cost to repair or replace the insured property less an equitable amount for age, wear and tear, depreciation, and we will make an adjustment for the general condition and remaining useful life of the insured property.

## 7. Special conditions applicable to this section

(In addition to the 'General conditions that apply to every section of the policy').

### Designation of property

For the purposes of determining under which item any property is insured, we agree to accept the designation under which that property appears in your books of account.

### Co-insurance

In the event of loss or damage under the building and contents section of this policy, we will pay the proportion of the loss or damage that the sum insured nominated by you bears to 80% of:

- the reinstatement or replacement cost of the building or contents, at the commencement of the period of insurance, where the method of settlement is shown on your Insurance Certificate as reinstatement and replacement;
- the indemnity value of the building or contents, at the commencement of the period of insurance, where the method of settlement is shown on your Insurance Certificate as indemnity.

Our liability will not exceed the sum insured shown against each item in the Insurance Certificate. This condition will not apply if the amount of the loss or damage is less than 10% of the sum insured, or if the claim amount is restricted by the application of any sub-limit of liability.

Any additional costs incurred to comply with the requirements of any statutory authority, by laws or regulations will be omitted from the calculation of our proportion. The following calculation provides an example of the application of co-insurance:

The value of your property	\$600,000
80% of the value	= \$480,000
Your Sum Insured	= \$390,000
Value of loss	= \$200,000

The amount we would pay is calculated as follows:

$$\begin{array}{rcl} \$390,000 \times \$200,000 & = & \$162,500 \\ \hline \$480,000 & & \end{array}$$

We would pay \$162,500 less any applicable excess, which means that you would incur a loss on the portion that you did not insure.

## BUSINESS INTERRUPTION

### 1. Words with special meaning in this section

**accountant** means a professional accountant to be appointed by both you and us.

**accounts receivable** means the total amount owed to the business by customers as at the end of the month immediately prior to the date of the loss or damage adjusted for:

1. bad debts;
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of loss or damage) to customer's accounts in the period between the date to which the last statement relates and the date of the loss or damage;
3. any abnormal condition of trade which had or could have had a material effect on the business, so that the adjusted figures represent as nearly as reasonably practicable those which would have been attained at the date of the loss or damage had the loss or damage not occurred.

**annual income** means the gross income during the 12 months immediately before the date of loss or damage, to which adjustment will be made to reflect the trend in the business and any other circumstances, in order to arrive at the same result that would have been obtained had the loss or damage not occurred.

**average weekly income** means the average weekly gross income during the 52 weeks immediately before the loss or damage to which adjustment will be made to reflect the trend in the business.

**client** means the persons, partnerships or bodies, whether incorporated or unincorporated, to whom you owe money or by whom money is owed to you, for services rendered in the course of business.

**documents** means written or printed deeds, wills, agreements, manuscripts, maps, plans, drawings, records, computer data, designs, books of account, books, letters, certificates, and other documents or forms of any nature (excluding any bearer bonds or coupons, bank or currency notes, other negotiable instruments, book debts) all belonging to you or in your custody or for which you are legally responsible or have assumed a responsibility to insure.

**gross income** means the money paid or payable to you for goods sold and/or services rendered in the course of the business, less the purchase cost of stock.

**gross rentals** means the amount receivable by you in accordance with a lease or agreement existing at the time of damage to the building.

**indemnity period** means the period beginning with the occurrence of the loss or damage, and ending not later than the number of weeks or months shown on your Insurance Certificate, during which the results of the business will be affected in consequence of the loss or damage.

**standard gross rentals** means the gross rentals earned during that period in the twelve months, immediately before the date of the occurrence of the loss or damage which corresponds with the indemnity period (appropriately adjusted where the indemnity period exceeds twelve months).

This amount will be adjusted as necessary to provide for the trend of the business and variations in, or other circumstances affecting the business, either before or after the date of occurrence of the loss or damage, or which would have affected the business had the loss or damage not occurred. 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.

**standard income** means the gross income during that period corresponding with the indemnity period in the 12 months immediately before the date of the loss or damage, (appropriately adjusted where the indemnity period exceeds twelve months), adjusted to reflect the trend in the business and any other circumstances, in order to arrive at the same result that would have been obtained had the loss or damage not occurred.

**weekly income** means the gross income received by you for each week the business is in operation.

### 2. What we cover

We will pay up to the sum insured for loss of gross income, weekly income or gross rentals (as selected by you and shown on your Insurance Certificate) resulting from interruption or interference to the business caused by loss or damage to the property insured under the building and contents, money, theft, portable and valuable items, and glass sections of this policy, or any other policy insuring the same events and for which liability is admitted. We will cover you on the same basis if liability for loss or damage to the insured property is not admitted solely due to the operation of, or provision in any such section, or policy excluding liability for loss below a specified amount or loss caused by an explosion of a boiler or economiser at the location.

If a specific sum insured is shown on your Insurance Certificate for 'Flood' in the Building and contents section, then this will be the maximum amount payable (inclusive of any additional benefits) under this and the Building and contents sections combined.

### 3. Insured items

Insured item	Our exclusions <i>You are not covered for:</i>	Limit
<p><b>Gross income</b> Where cover for gross income has been selected, the amount payable will be:</p> <ol style="list-style-type: none"> <li>in respect of reduction of gross income, the amount by which the gross income earned during the indemnity period will in consequence of the loss or damage fall short of the standard income;</li> <li>additional expenditure necessarily and reasonably incurred with our consent, for the sole purpose of avoiding or diminishing the reduction in the gross income of the business caused by the loss or damage. The amount expended will not exceed the reduction in gross income, thereby avoided (less any sum saved during the indemnity period in respect of such charges, and expenses of your business payable out of revenue as may cease or be reduced in consequence of the damage);</li> <li>claim preparation costs, reasonable professional fees and such other reasonable expenses as are necessarily incurred by you with our consent for preparation of claims.</li> </ol>	Claims preparation costs that are recoverable under the building and contents or theft sections of this policy.	We will pay up to \$25,000 or the sum insured shown on your Insurance Certificate, whichever is the greater for claims preparation costs.
<p><b>Weekly income</b> Where cover for weekly income has been selected, the amount payable will be:</p> <ol style="list-style-type: none"> <li>the percentage of the weekly income sum insured, that the reduction in your weekly income bears to the average weekly income, provided that the interruption or interference to the business is for a period exceeding one week and our liability will not exceed the average weekly income;</li> <li>claim preparation costs, reasonable professional fees, and such other reasonable expenses as are necessarily incurred by you with our consent for preparation of claims.</li> </ol>	Claims preparation costs that are recoverable under the building and contents or theft sections of this policy.	We will pay up to \$25,000 or the sum insured shown on your Insurance Certificate, whichever is the greater for claims preparation costs.
<p><b>Gross rentals</b> Where cover for gross rentals has been selected, the amount payable will be:</p> <ol style="list-style-type: none"> <li>the amount by which the gross rentals earned during the indemnity period fall short of the standard gross rentals;</li> <li>claim preparation costs, reasonable professional fees and such other reasonable expenses as are necessarily incurred by you with our consent for preparation of claims.</li> </ol>	Claims preparation costs that are recoverable under the building and contents or theft sections of this policy.	We will pay up to \$25,000 or the sum insured shown on your Insurance Certificate, whichever is the greater for claims preparation costs.

### 4. Optional benefits

These are optional benefits that you can select when taking out your insurance and only apply if they are shown on your Insurance Certificate:

Optional benefits	Limit
<p><b>Additional increased cost of working</b> If you have chosen to insure additional increased cost of working, we will pay the additional expenditure, not otherwise recoverable under any other cover option in this section, which you reasonably incur to minimise the effect of the loss or damage to the business during the indemnity period.</p>	We will pay up to the sum insured shown for additional increased cost of working.
<p><b>Outstanding accounts receivable</b> If you have chosen to insure outstanding accounts receivable, we will pay for loss of outstanding accounts receivable resulting from damage to your business records contained at the location. This benefit will only apply if your business records are damaged by an insured event listed in the 'Building and contents' section, or they are stolen and you have insured under the 'Theft' section of this policy. The indemnity provided by this benefit is limited to:</p> <ol style="list-style-type: none"> <li>the difference between the outstanding accounts receivable and the total of the amount received or traced in respect thereof; plus</li> <li>the additional expenditure incurred with our consent in tracing and establishing the amount of the outstanding accounts receivable after the loss or damage;</li> </ol> <p>provided that:</p> <ol style="list-style-type: none"> <li>if the sum insured is less than the outstanding accounts receivable, the amount payable by us will be proportionally reduced;</li> <li>as soon as possible after the end of each month, you must record and store at alternative premises the total of the outstanding accounts receivable and these figures must be kept for a period of 12 months.</li> </ol>	We will pay up to the sum insured shown for outstanding accounts receivable.
<p><b>Goodwill</b> If you have chosen to insure goodwill, we will pay for loss of the actual cost of goodwill incurred by you when you purchased another business in order to maintain your business activities. We will only pay these goodwill costs following loss or damage:</p> <ol style="list-style-type: none"> <li>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, or due to any restrictions imposed by any legal authority; and</li> <li>the purchase of the other business is incurred because you were unable to continue your business at the location as a result of the damage to the buildings not being repaired; and</li> <li>and the cause of the damage to the buildings would have been covered by the Building and Contents section of your policy had that building been insured under that section; and</li> <li>provided the other business that is purchased is similar to your business.</li> </ol>	We will pay up to the sum insured shown for Goodwill.

## 5. Additional benefits

The following additional benefits are included in the sum insured:

Additional benefits	Limit	Additional benefits	Limit
<b>Accumulated stocks provision</b> In adjusting any loss, we will take into account and make an equitable allowance if any shortage in gross income or weekly income arising from the interruption, or interference is postponed as a result of the gross income or weekly income being temporarily maintained from accumulated stocks of finished goods.	We will pay up to your sum insured for gross income, weekly income or gross rentals.	<b>Murder, suicide or disease</b> The occurrence of any of the circumstances set out below will be deemed to be damage to property used by you at the location: <ol style="list-style-type: none"> <li>1. closure or evacuation by order of an authorised public authority consequent upon vermin or pests, the discovery of an organism likely to result in human infectious or contagious infectious disease, or defects in the drains or other sanitary arrangements at the location;</li> <li>2. murder or suicide occurring at the location;</li> <li>3. the outbreak of a notifiable human infectious or contagious disease occurring within a 20 kilometre radius of the location;</li> <li>4. injury, illness or disease caused by the consumption of food or drink provided and consumed at the location;</li> <li>5. shark or crocodile attack occurring within a 30 kilometre radius of the location during the period of insurance.</li> </ol> <p>The cover provided under part (1) and (3) of this additional benefit does not apply to any circumstances involving 'Highly Pathogenic Avian Influenza in Humans' or other diseases declared to be quarantinable diseases under the Australian Quarantine Act 1908 and subsequent amendments.</p>	We will pay up to your sum insured for gross income, weekly income or gross rentals.
<b>Computer facilities</b> Where loss or damage occurs within Australia to or as a result of damage to a third party who is involved in the processing and/or storage of your data and that loss or damage would be covered by an insured event listed in the 'Building and contents' section of this policy had the above noted third party held this policy, the consequential reduction of gross income resulting from the interruption or interference will be deemed to be loss resulting from loss or damage to property used by you at your location.	We will pay up to your sum insured for gross income, weekly income or gross rentals.	<b>Documents</b> We will consider damage to documents belonging to or held in trust by you, while in transit or at a location not occupied by you, to be damage to property used by you at the location. This additional benefit does not extend to cover the cost of reinstating damaged documents.	We will pay up to 20% of the sum insured shown on your Insurance Certificate for gross income or weekly income during the indemnity period.
<b>Explosion to pressure vessels</b> We will consider damage to your property caused by the explosion of a boiler or economiser, or damage to pressure vessels by self-explosion or collapse, to be loss resulting from damage to property used by you at the location.	We will pay up to 20% of your sum insured for gross income, weekly income or gross rentals during the indemnity period.	<b>Private or public utilities extension</b> Where loss or damage occurs within Australia at: <ol style="list-style-type: none"> <li>1. an electric power station or substation;</li> <li>2. a gas supplier;</li> <li>3. water or sewerage services;</li> <li>4. land based telecommunications installations;</li> </ol> <p>and that damage would be covered by an insured event listed in the 'Building and contents' section of this policy had the above mentioned party held this policy, the consequential reduction of gross income resulting from the interruption or interference will be deemed to be loss resulting from loss or damage to property used by you at your location.</p>	We will not be liable for the first 2 normal trading days of any loss resulting from the interruption or interference.
<b>Government incentives</b> Pecuniary loss under gross income and weekly income of this section includes the loss of any government approved incentives, subsidies or market development allowances to which you are entitled in relation to the business.	We will pay up to your sum insured for gross income, weekly income or gross rentals.	<b>Prevention of access</b> The indemnity under this section is extended to include interruption or interference with your business as a result of: <ol style="list-style-type: none"> <li>1. damage by any insured event covered by the 'Building and contents' section of this policy;</li> <li>2. loss caused by bomb threat;</li> </ol> <p>to property within a 50 km radius of your location.</p> <p>The indemnity will apply if this loss or damage prevents or hinders the use of your location or access thereto, or results in a cessation or diminution of trade due to temporary falling away of potential customers.</p>	
<b>Roads, bridges and railway lines</b> We will consider any loss from the inability to convey raw materials and other stock to or from the location as a result of damage to roads, bridges and/or railway lines within Australia caused by an insured event, provided that the damage would have been covered by this policy, to be loss resulting from damage to property used by you at the location.	We will pay up to your sum insured for gross income, weekly income or gross rentals.	<b>Fines and damages</b> If we agree to indemnify you for a claim for loss of gross income or weekly income, we will also cover your liability: <ol style="list-style-type: none"> <li>1. for fines or damages, other than aggravated, punitive or exemplary damages, for breach of contract resulting from non completion or late completion of orders;</li> <li>2. in the discharge of contract purchases, cancellation charges, fines or damages for breach of contract 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.</li> </ol>	We will pay up to 20% of the sum insured shown on your Insurance Certificate for gross income or weekly income during the indemnity period.
<b>Departmental clause</b> In the event of loss or damage giving rise to a claim under this section, the provisions of this insurance will apply separately to each department, division or location affected by the loss or damage if the business is conducted in departments, divisions or locations and independent trading results are ascertainable for each part of the business.	We will pay up to your sum insured for gross income, weekly income or gross rentals.		
<b>Motor vehicles owned or operated by you</b> We will consider damage to any registered vehicles or trailers owned or operated by you, while at your location or other locations in Australia other than on public thoroughfares, as being damage to property used by you at the location.	We will pay up to your sum insured for gross income, weekly income or gross rentals.		
<b>Unspecified suppliers and/or customers premises</b> Where loss or damage occurs within Australia at your supplier's or client's location (or some location proximate to either), and that loss or damage would be covered by an insured event listed in the 'Building and contents' section of this policy had the abovementioned party held this policy, the consequential reduction of gross income or weekly income resulting from that interruption or interference will be treated as loss resulting from loss or damage to property used by you at your location.	We will pay up to 20% of the sum insured shown on your Insurance Certificate for gross income or weekly income during the indemnity period.		

Additional benefits	Limit
<b>Storage sites</b> We will consider damage to your property that is being stored or being processed at any premises in Australia not occupied by you, to be loss resulting from damage to property used by you at the location.	We will pay up to 20% of the sum insured shown on your Insurance Certificate for gross income or weekly income during the indemnity period.
<b>Transit</b> We will consider damage to your property while it is in transit by road, rail, sea or air within Australia and away from your location, to be loss resulting from damage to property used by you at the location.	We will pay up to 20% of the sum insured shown on your Insurance Certificate for gross income or weekly income during the indemnity period.

## 6. Special conditions

(In addition to the 'General conditions that apply to every section of the policy').

### Notification

As soon as practicable after the happening of loss or damage which results in a claim under this section, you are required to deliver to us a written statement of claim certified by an accountant, and to make available to us all books and records (including access to data stored on media) necessary for verification of that claim.

### Limitation

Our total liability during any one period of insurance or for any claim arising out of the one event or series of events, arising directly or indirectly from one source or original cause in respect of each item shown on your Insurance Certificate, will not exceed the sum insured shown on your Insurance Certificate for that item.

### Liquidator

We will not be liable for any claim under this section if the damage occurs after the business has been dissolved, wound up or is being carried on by a liquidator or receiver or has ceased to operate.

## 7. Co-insurance conditions

(Applicable to gross income and gross rentals cover only)

If the sum insured on gross income or gross rentals is less than 80% of the annual income (or its proportionately increased multiple where the indemnity period exceeds 12 months), the amount payable by us will be proportionally reduced.

If you have elected not to insure all or part of your payroll and this is stated in the Insurance Certificate, the calculation for co-insurance will deduct the amount of payroll not required to be insured from the gross income and annual income amounts.

## BUSINESS LIABILITY

### 1. Words with special meaning in this section

**advertising injury** means personal injury arising out of:

1. libel, slander or defamation;
2. any infringement of copyright or passing off of title or slogan;
3. unfair competition, piracy, unauthorised appropriation of advertising ideas contrary to an implied contract;
4. invasion of privacy;

committed or alleged to have been committed during the period of insurance in any advertisement, publicity article, broadcast or telecast and caused by or arising out of your advertising activities.

**employment practices** means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of employment by you.

**geographical limit** means:

1. anywhere in Australia and its external territories;
2. elsewhere in the world, but only:
  - overseas business visits by you and any of your directors or employees but not where they perform or supervise manual work;
  - any part of the world to which your products are exported except products you know have been exported to the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied.

**incidental contracts** means:

1. any written rental agreement, or lease of real, or personal property, not requiring an obligation to insure such property or be strictly liable regardless of fault;
2. 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 done for such authorities or entities;
3. 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;
4. those contracts designated on the Insurance Certificate.

**internet operations** includes, but is not limited to the following:

1. use of electronic mail systems by you or your employees, including part-time and temporary staff, and others acting on your behalf;

2. access through your network to the world wide web or a public internet site by you or your employees, including part-time and temporary staff, and others acting on your behalf;

3. access to your intranet (meaning internal company information and computing resources) which is made available through the world wide web for your customers or others outside your organisation; and

4. the operation and maintenance of your website.

**limit of liability** means the limit of liability shown on your Insurance Certificate.

**loading or unloading** means the single action of transferring the weight of the goods.

**medical persons** means legally qualified medical practitioners, legally qualified nurses, dentists and first aid attendants.

**occurrence** means an event which results in personal injury, property damage or advertising injury, neither expected nor intended from your standpoint. All personal injury or property damage arising out of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one occurrence. All advertising injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, or the number of claimants) will be deemed to be one occurrence.

**personal injury** means:

1. bodily injury (including death and illness), disability, shock, fright, mental anguish, mental injury;
2. wrongful entry, wrongful eviction, wrongful detention, false arrest, wrongful imprisonment or malicious prosecution;
3. a publication or utterance of a libel or slander or other defamatory or disparaging material;
4. assault not committed by you or at your direction unless the assault occurred while preventing personal injury or property damage.

**property damage** means

1. physical damage to, loss or destruction of tangible property including any resulting loss of use of that property; or
2. loss of use of tangible property which has not been physically damaged, lost or destroyed, provided such loss of use is caused by an occurrence.

**you/your** has the same meaning as defined elsewhere in this policy and extended for this business liability section only to include:

1. every principal of yours, in respect of that principal's liability caused by the performance of work for that principal, but subject always to the extent of coverage and the limit of liability provided by this policy;
2. all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of yours incorporated in Australia and/or any other organisations under your control within Australia and its external territories;
3. all subsidiary and/or controlled corporations (including subsidiaries thereof) of yours and/or any other organisations under your control incorporated in the Commonwealth of Australia which are constituted or acquired by you after the commencement of the period of insurance;
4. every subsidiary and/or controlled corporation and/or other organisation of yours 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 events insured against by this policy, which occurred prior to the divestment;
5. every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with your consent (but not an insured designated in this policy) in respect of claims arising from their duties connected with the activities of any such club, organisation or service. This insurance will not apply to personal injury to or property damage of any participants of any game, match or the like;
6. each partner, joint venturer, co-venturer or joint lessees of yours but only:
  - with respect to liability incurred as the partnership, joint venturer, co-venture, joint lease; and
  - provided the partnership, joint venture, co-venture, joint lease has been notified to us within 30 days of formation and has been endorsed on the Insurance Certificate;
7. any director or senior executive of yours in respect of private work undertaken by your employees for such director or senior executive.

**you/your** does not include the interest of any other person other than described above.

**your products** means any goods, products and property after they have ceased to be in your possession or under your control which are, or have been deemed to be, manufactured, grown, extracted, produced, processed, constructed, erected, installed, repaired,

serviced, treated, labelled, handled, sold, supplied, re-supplied or distributed by you (including any packaging or container thereof other than a vehicle). Your products also includes the design, formula, specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, you are deemed to have manufactured in the course of the business including discontinued products.

## 2. What we cover

### Liability

We will cover your legal liability to pay compensation for:

1. personal injury;
2. property damage to property that is neither owned by or leased or rented to you or not in your physical and legal control;
3. advertising injury;

which happens during the period of insurance and is caused by an occurrence in connection with your business within the geographical limit.

### Limit of Liability

Our maximum liability in respect of any claim or any series of claims, involving general liability for personal injury or property damage, caused by or arising out of one occurrence will not exceed the limit of liability, other than the cover provided for:

1. the additional benefits for the defence of claims;
2. item 4 of the Additional benefit for 'Property in your physical and legal control';
3. the cover provided for 'Claims preparation expenses' in the 'General conditions that apply to every section of the policy'.

Our total aggregate liability during any one period of insurance for all claims arising out of your products will not exceed the limit of liability, other than the cover provided in additional benefits for the defence of claims.

## 3. Additional benefits

With respect to the indemnity provided by this policy, we will:

1. pay all expenses incurred by us, all costs taxed against you in any such suit, and all interest accruing after entry of judgment until we have paid, tendered or deposited in court such part of the judgment as does not exceed the limit of our liability;
2. reimburse you for all reasonable expenses, other than loss of earnings, incurred in connection with the defence of a claim or legal action with our consent;

3. pay reasonable expenses incurred by you for first aid to others at the time of personal injury caused by an occurrence (other than medical expenses prohibited by Section 126 of the Health Insurance Act 1973);
4. pay reasonable expenses incurred by you for temporary protection of damaged, or undamaged property of any person or party, including temporary repairs, shoring up or underpinning thereof.

Provided that:

1. we will not be obliged to pay any claim or judgment or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgments or settlements;
2. if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any costs, expenses and interest will be limited to that proportion of those costs, expenses and interest as the limit of liability bears to the amount paid to dispose of the claim.

The amount incurred, except for payments in settlement of claims, suits and all costs awarded against you, are payable by us in addition to the limit of liability, provided that the matter is subject to the laws applicable outside the United States of America or Canada. Our maximum limit of liability for personal injury, property damage and legal costs for matters involving the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied, will be the limit of liability shown on your Insurance Certificate.

### Property in your physical and legal control

We will cover your liability for damage to:

1. premises (including landlords fixtures and fittings) which are leased or rented to you;
2. premises (or their contents) not owned, leased or rented by you but temporarily occupied by you for work therein;
3. vehicles (not belonging to or used by or on your behalf) in your physical or legal control where the property damage occurs while the vehicles are in a car park owned or operated by you, unless you own or operate the car park for reward where it's annual gross income exceeds \$100,000 or it is operated as the principal part of your business;
4. property (excluding any vehicle which is registered or which is required under any legislation to be registered) in your physical or legal care, custody or control. Our maximum indemnity for any one occurrence is limited to \$250,000 or the amount shown on your Insurance Certificate.

5. 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.

### Release

Where you are required by contractual agreement to release any government or public or local authority or other statutory authority from liability or loss, destruction or damage or legal liability insured against under this policy, such release is allowed without prejudice to this insurance.

Notwithstanding the 'General Condition' regarding 'Subrogation rights' of this policy, we agree to waive all our rights of subrogation against any such authority in the event of any occurrence for which a claim for indemnity may be made under this policy.

### Vehicles used as a tool of trade

Notwithstanding the exclusion headed 'Vehicles', we will cover:

1. property damage or personal injury caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling, whilst being operated or used by you or on your behalf within the confines of your premises;
2. property damage or personal injury caused by the use of any tool or plant forming part of, or attached to, or used in connection with any vehicle (excluding whilst the vehicle is travelling, transporting or carting goods) at any work site.

### Vehicles unloading or loading goods

Notwithstanding the exclusion headed 'Vehicles', we will cover property damage or personal injury arising out of and during the loading or unloading of goods to or from any vehicle.

### Cross liability – Joint insured

Where you comprise of more than one party, each of the parties will be considered as a separate and distinct unit and the words you and your will be considered as applying to each party in the same manner as if a separate policy had been issued to each of them provided that nothing in this clause will result in an increase of our limit of liability in respect of any occurrence.

## **4. Special conditions**

(In addition to the 'General conditions that apply to every section of the policy').

### **Defence of claims**

We will defend in your name and on your behalf any claim or legal action against you seeking damages on account of personal injury or property damage not otherwise excluded by this section, even if the action is groundless, false or fraudulent.

We will have full discretion in the conduct of any proceeding in connection with any claim. You will give such information and assistance that we may reasonably require in the prosecution, defence or settlement of any claim. We will investigate, negotiate and settle any claim or legal action as we see fit.

### **Notices**

You must as soon as possible give to us notice in writing of:

1. every occurrence, claim, writ, summons, proceeding, impending prosecution, and inquest, together with all relevant information which may result in a claim under this policy, whether or not you believe any claim amount might fall below the applicable excess;
2. every change that comes to your knowledge, which materially varies any of the facts or circumstances existing at the commencement of this policy.

### **Discharge of liabilities**

We may at any time pay to you, in respect of all claims against you arising from an occurrence, the balance of the limit of liability or any smaller sum for which the claim or claims can be settled.

Upon payment of that amount, we will relinquish conduct or control of the matter and will have no further liability under the business liability section of this policy in connection with those claims except for costs, charges and expenses that are:

1. recoverable from you for all or part of the period prior to the date of such payment;
2. incurred by us;
3. incurred by you with our written consent prior to the date of such payment.

### **Reasonable care**

You must:

1. exercise reasonable care that only competent employees are employed and you must take reasonable measures to maintain all premises and plant in sound condition;

2. take all reasonable precautions to prevent personal injury and property damage, and prevent the manufacture, sale or supply of defective products, and comply with and ensure that your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities in relation to the:
  - safety of persons or property;
  - disposal of waste products;
  - handling, storage or use of flammable liquids or substances, gases or toxic chemicals;
3. at your own expense take reasonable action to trace, recall or modify any of your products containing any defect or deficiency of which you have the knowledge or have reason to suspect, including (but not limited to) any of your products subject to government or statutory ban.

## **5. What we do not cover**

We do not cover liability in respect of:

### **1. Aircraft and watercraft**

Claims arising out of the ownership, maintenance, operation or use by you of:

1. any aircraft;
2. any watercraft over 8 metres in length, other than:
  - watercraft used in operations carried out by any independent contractors for whose conduct you may be held liable for;
  - watercraft owned and operated by others and used by you for business entertainment.

### **2. Aircraft products**

Your products that are 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 is incorporated in an aircraft.

### **3. Animal feed**

Claims arising directly or indirectly out of the manufacture or processing of animal or stock feed.

### **4. Asbestos**

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever form or quantity.

## **5. Advertising injury**

1. resulting from statements made at your direction with knowledge that such statements are false;
2. resulting from statements made prior to the commencement of the period of insurance;
3. resulting from failure of performance of contract however this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
4. resulting from any mistake in advertised price of products or services;
5. resulting from failure of your products or services to conform with advertising performance, quality, fitness or durability;
6. incurred by you if your principal occupation or business is advertising, broadcasting, publishing or telecasting.

### **6. Assault and battery**

Personal injury or property damage caused by, or arising from, assault and battery committed by you, or at your direction unless reasonably necessary for the protection of persons or property.

### **7. Child molestation**

The molestation of or interference with a minor or minors by:

1. you or any person comprising you;
2. any of your employees;
3. any person performing any voluntary work or service for you or on your behalf.

Furthermore, we will not have a duty to defend any action, suit or proceedings brought against you (or any other person or body corporate who might otherwise, but for the provisions of this clause, be entitled to indemnity under this policy) which either directly or vicariously seeks compensation in respect of such molestation or interference as above or any personal injury resulting there from.

### **8. Computers, computer software and computer consulting**

Property damage to computer data or programs and their storage media or any consequential loss arising directly or indirectly out of, or caused by, through, or in connection with the:

1. use of any computer hardware or software;
2. provision of computer hardware or software;
3. use of computer hardware or software belonging to any third party, whether authorised or unauthorised, including damage caused by any computer virus.

## **9. Contractual liability**

Any obligation assumed by you under any agreement except to the extent that:

1. the liability would have been implied by law;
2. the liability arises from a provision in a contract for lease of real or personal property other than a provision which obliges you to effect insurance or provide indemnity in respect of the subject matter of that contract;
3. the liability is assumed by you under a warranty of fitness or quality as regards to your products;
4. liability is assumed under an incidental contract;
5. the obligation is assumed under those agreements shown on your Insurance Certificate.

## **10. Defect in design**

Any defective design or error in specification or formula in any of your products caused by or arising out of you creating or formulating a design or specification as part of your business activities in the architectural, engineering, scientific, chemical, actuarial, statistical, economic, financial, or medical professions. Provided that this exclusion will not apply to any formulation of a design or specification in regard to any products, for which you have not charged a fee for that formulation of design or specification.

## **11. Electromagnetic fields**

Arising directly or indirectly from or caused by or contributed to by exposure to and/or the presence of any electromagnetic field (EMF) or any electromagnetic radiation (EMR) or any derivation or variation thereof.

## **12. Employment liability**

Liability imposed:

1. by any workers compensation law;
2. by the provision of any industrial award, 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, agreement or determination or contract of employment or workplace agreement;
3. for and in respect of employment practices.

For the purpose of this exclusion, voluntary workers, secondees and work experience students will not be considered to be your employees.

### **13. Explosive substances**

Personal injury or property damage directly or indirectly caused by or arising from mining, processing, manufacture, distillation, fractionation, treatment, disposal, controlled removal of, decontamination, distribution and/or storage of:

1. explosives;
2. petroleum, inflammable gasses or spirits (other than as part of a garage/petrol service station business).

### **14. Faulty workmanship**

The cost of performing, correcting or improving any work undertaken by you.

### **15. Fines, penalties and punitive damages**

1. Fines, penalties, or cost of actions imposed on you due to the application of government legislation or order of a court of law;
2. Punitive, exemplary, or aggravated damages;
3. Any additional damages resulting from multiplication of compensatory damages against you.

### **16. Genetic engineering**

Claims arising directly or indirectly out of genetic engineering.

### **17. Loss of use**

Loss of use of tangible property which has not been physically damaged or lost or destroyed resulting from:

1. a delay in, or lack of, performance, by you or on your behalf, of any contract or agreement;
2. the failure of your products to meet your warranties or representations as to performance, fitness, quality or durability (but this exclusion will not apply to liability for physical damage or destruction caused to other property by your products).

### **18. Pharmaceutical products**

Claims arising directly or indirectly out of the manufacture of pharmaceutical products.

### **19. Pollution**

1. Personal injury or property damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any water course or body of water;
2. Costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution.

The above exclusions do not apply to pollution which is consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in personal injury and/or property damage, and where the pollution occurs outside the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied. Our liability in respect of any one discharge, dispersal, release, escape and for all discharges, dispersals, releases and escape of pollutants during any one period of insurance will not exceed the limit of liability.

### **20. Product defect**

Property damage to your products, if the damage is attributed to any defect in them or to their harmful nature or unsuitability.

### **21. Product recall**

Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of your products if they are withdrawn from the market or from use, because of any known or suspected defect or deficiency in them.

### **22. Professional liability**

The rendering of, or failure to render professional advice or service by you or any related error or omission, but this exclusion will not apply to:

1. the rendering of or the failure to render professional medical advice by medical persons employed by you to provide first aid services at your location, but not when these medical persons have insurance for your professional liabilities;
2. personal injury or property damage arising there from, provided that the professional advice or service is not given for a fee.

### **23. Renovations, erection, alterations, construction, additions and demolition**

Any claims arising directly or indirectly out of or in any way connected with the renovation, erection, alteration, construction or additions and demolition to any building at the location shown on your Insurance Certificate, by you or on your behalf when the total cost of the work exceeds \$500,000.

### **24. The internet**

Claims arising directly or indirectly out of or in any way connected with your internet operations. This exclusion does not apply to liability otherwise covered by this policy that would have arisen irrespective of your internet operations. Nothing in this exclusion will be construed to extend coverage under this section to any liability that would have not been covered in the absence of this exclusion.

### **25. Treatment or dispensing**

Except as provided for under the exclusion for 'Professional liability':

1. the treatment of humans or animals for any physical or mental deficiency, injury, illness or disease;
2. the dispensing of drugs, medicines, pharmaceuticals, supplies or artificial aids.

### **26. Vehicles**

Personal injury or property damage arising out of the ownership, possession, operation, maintenance or use by you of any vehicle:

1. which is registered or which is required under any legislation to be registered;
2. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is effected);

other than the property described in the additional benefits 'Vehicles used as a tool of trade' and 'Vehicles unloading or loading goods'.

This exclusion will not apply to personal injury that arises out of an occurrence, which is partially or totally outside the indemnity afforded under any compulsory liability insurance or other legislation relating to vehicles, provided that the reason the occurrence is outside the indemnity afforded by the compulsory liability insurance or statutory indemnity does not involve a breach by you of legislation relating to vehicles.

### **27. Vibration or weakening of support.**

Damage resulting from vibration or the removal or weakening of support to any land or fixed property.

### **28. Welding and hot work activities**

Claims caused by or arising out of the use of an angle grinder, arc or flame cutting, flame heating, arc or gas welding or any similar operation in which welding equipment is used, unless that activity is conducted in strict compliance with the standard A S 1674.1 -1990 (Safety in welding and allied processes).

## THEFT

### 1. Words with special meaning in this section

**Contents** means any items described below:

- that you own;
  - for which you are legally responsible;
  - for which you have assumed a responsibility to insure.
1. furniture, furnishings, carpets, curtains and internal blinds;
  2. machinery and plant, tools, instruments and utensils of trade, unfixed or portable equipment, office equipment, safes and strongrooms;
  3. computers, all equipment connected to and operating from computers, and all disks, tapes, cards or other materials used for storing data;
  4. advertising material and display equipment;
  5. where you are a tenant of leased or rented premises:
    - landlord's fixtures and fittings for which you are liable under the terms of a lease or similar agreement;
    - fixtures and fittings, or materials and supplies intended for use in the construction of fixtures and fittings, installed or to be installed for your own use;
  6. documents but only for their value as stationery;
  7. patterns, models, moulds, designs;
  8. unused books, books of reference, stationery;
  9. stock in trade.

**Contents does not** mean:

1. tobacco, cigars and cigarettes (unless listed separately on your Insurance Certificate);
2. money;
3. vehicles or trailers (including their accessories) registered or licensed to travel on a public road, other than mobile plant and equipment which is so registered or licensed (that are not cars, sedans, panel vans and trucks) while at your location;
4. watercraft, aircraft, locomotives or rolling stock, including their accessories.

### 2. What we cover

We will cover you for loss or damage to the items shown under the theft section on your Insurance Certificate caused by theft or attempted theft:

1. consequent upon actual forcible and violent entry to your location;
2. by a person unlawfully concealed at the location;
3. consequent upon assault, violence, violent intimidation or threat thereof, to you or your employees;
4. consequent upon breakage of any locked cabinet, counter or showcase at the location.

### 3. What we do not cover

We will not cover loss of or damage to:

1. money or negotiable instruments in excess of \$500 per event;
2. jewellery, furs, bullion, property made of gold or silver or precious stones exceeding \$10,000 any one loss and \$2,000 any one item unless they are stock;
3. motor vehicles unless they are stock;
4. glass unless it is stock;
5. property not contained in a locked building, except for the additional benefit 'Theft without forcible and violent entry'.
6. documents, patterns, models, moulds, plans or designs unless shown on your Insurance Certificate;
7. tobacco, cigarettes or cigars unless shown on your Insurance Certificate.

We will not pay for unexplained disappearances or unexplained shortages. We will not pay for theft, fraud or dishonesty by employees other than the cover provided under the heading 'Fraud and dishonesty' in the Additional benefits for Theft and Money section (see page 34).

### 4. Additional benefits

#### Additional benefits

##### Permanently fixed apparatus

Provided that your sum insured has not been otherwise exhausted, we will cover theft, whether following forcible and violent entry or otherwise, of permanently fixed (non-portable) apparatus or appliances, owned by you or for which you are legally responsible or have assumed a responsibility to insure, attached to the building other than by means of a flexible or tensile cord to a power point.

##### Theft without violent and forcible entry (limited cover)

If a sum insured is shown on the Insurance Certificate for contents, we will extend cover to include theft without violent and forcible entry from a fully enclosed building that results in:

1. loss or damage to business property other than electronic equipment, business stock or customers goods;
  2. loss or damage of electronic equipment which is not stock;
  3. damage to buildings at the premises.
- This additional benefit does not cover losses arising from:
1. unexplained disappearances, unexplained or inventory shortages, clerical or accounting errors or shortage in supply to or from the location;
  2. theft by your employees and any member of your household (limited cover is provided under the additional benefit 'Fraud and dishonesty' on page 34).

##### Damage to buildings

We will pay the cost to repair your buildings at the location as a result of theft or attempted theft provided that the buildings are not insured (or able to be insured) elsewhere under this policy or the damage is not excluded under any section of this PDS, irrespective of whether you have elected to insure that section.

##### Directors and employees property

We will cover the cost of replacing stolen or damaged property (excluding money) belonging to your directors and employees, or to your welfare, sports and social clubs.

##### Seasonal increase in cover

For full details please refer to Additional benefits on page 47.

##### Rewriting records

We will pay the additional clerical costs incurred by you to reinstate, reproduce or restore computer systems, records, documents, manuscripts, securities, deeds, specifications, plans or drawings following a theft or attempted theft for which we have provided indemnity.

##### Tenanted premises

We will pay the cost to repair damage to a building at the location in which you are a tenant and for which you are legally liable to pay in accordance with the terms of your lease, provided that such loss occurs as a result of theft or attempted theft of business property occurring during the period of insurance.

Additional benefits	Limit
<b>Permanently fixed apparatus</b> Provided that your sum insured has not been otherwise exhausted, we will cover theft, whether following forcible and violent entry or otherwise, of permanently fixed (non-portable) apparatus or appliances, owned by you or for which you are legally responsible or have assumed a responsibility to insure, attached to the building other than by means of a flexible or tensile cord to a power point.	We will pay up to the lesser of \$10,000 or the balance of your theft sum insured for contents.
<b>Theft without violent and forcible entry (limited cover)</b> If a sum insured is shown on the Insurance Certificate for contents, we will extend cover to include theft without violent and forcible entry from a fully enclosed building that results in: 1. loss or damage to business property other than electronic equipment, business stock or customers goods; 2. loss or damage of electronic equipment which is not stock; 3. damage to buildings at the premises. This additional benefit does not cover losses arising from: 1. unexplained disappearances, unexplained or inventory shortages, clerical or accounting errors or shortage in supply to or from the location; 2. theft by your employees and any member of your household (limited cover is provided under the additional benefit 'Fraud and dishonesty' on page 34).	Provided that your sum insured has not been exceeded or otherwise exhausted, the most we will pay for any one claim is: 1. \$10,000 for business property other than electronic equipment, business stock or customers goods; 2. \$20,000 for electronic equipment which is not stock; 3. \$5,000 for business property (including electronic equipment, business stock or customers goods) at the location.
<b>Damage to buildings</b> We will pay the cost to repair your buildings at the location as a result of theft or attempted theft provided that the buildings are not insured (or able to be insured) elsewhere under this policy or the damage is not excluded under any section of this PDS, irrespective of whether you have elected to insure that section.	We will pay up to \$50,000 or the amount shown on your Insurance Certificate, whichever is the greater.
<b>Directors and employees property</b> We will cover the cost of replacing stolen or damaged property (excluding money) belonging to your directors and employees, or to your welfare, sports and social clubs.	We will pay up to \$5,000 per person/club and up to \$10,000 any one event in addition to your sum insured for Theft.
<b>Seasonal increase in cover</b> For full details please refer to Additional benefits on page 47.	
<b>Rewriting records</b> We will pay the additional clerical costs incurred by you to reinstate, reproduce or restore computer systems, records, documents, manuscripts, securities, deeds, specifications, plans or drawings following a theft or attempted theft for which we have provided indemnity.	We will pay up to \$25,000 any one event in addition to your sum insured for Theft.
<b>Tenanted premises</b> We will pay the cost to repair damage to a building at the location in which you are a tenant and for which you are legally liable to pay in accordance with the terms of your lease, provided that such loss occurs as a result of theft or attempted theft of business property occurring during the period of insurance.	We will pay up to \$25,000 any one event in addition to your sum insured for Theft.

## Additional benefits (continued)

Additional benefits	Limit
<p><b>Temporary Removal</b> We also cover your insured business property while temporarily removed to any other premises within Australia, however we do not cover:</p> <ol style="list-style-type: none"> <li>1. motor vehicle or trailers, watercraft, caravans or motorcycles unless they are:           <ul style="list-style-type: none"> <li>- stock in trade of your business; or</li> <li>- forklift trucks or similar appliances that are normally used for hauling or lifting goods at your business premises.</li> </ul> </li> <li>2. stock in trade that is on consignment to other parties unless it is owned by you or is property for which you are responsible.</li> </ol> <p>There is no cover under this additional benefit for any property which has been removed for a period greater than 90 days without our prior written consent.</p>	We will pay up to 20% of your sum insured for Theft.
<p><b>Other Benefits</b> We will also provide cover for the following additional benefits on the terms set out in Part 5 on page 34 of the 'Money' section:</p> <ol style="list-style-type: none"> <li>1. Damage to building, safe or strongroom;</li> <li>2. Temporary protection and security guard;</li> <li>3. Locks, keys and combinations;</li> <li>4. Death following assault;</li> <li>5. Fraud and dishonesty;</li> <li>6. Additional locations;</li> <li>7. Rewards.</li> </ol>	

## 5. Optional benefit

This is an optional benefit that you can select when taking out your insurance and only applies if shown on your Insurance Certificate:

Optional benefit	Limit
<p><b>Theft without violent and forcible entry</b> We will extend cover to include theft of your building and contents (including stock) in the open air but within the boundaries of the location or contained in an unlocked building.</p>	We will pay up to the sum insured shown on your Insurance Certificate for this Optional benefit.

## MONEY

### 1. What we cover

We will cover you for loss of or damage to money during the period of insurance when the money is lost or damaged by any of the listed events insured by you, up to the limits shown in your Insurance Certificate.

### 2. Listed events

#### Money in transit

Money in transit to or from your business location (or place of collection) while in your personal custody or the custody of persons authorised by you. Money in transit includes money contained in a night safe or automatic teller machine from the time you deposit the money until the time your financial provider ceases trading on its next full trading day.

#### Money in your building/s

1. during your normal business hours;
2. outside your normal business hours;
3. at any time while contained in a locked safe, strongroom or ATM located in the building.

#### Money in private residence

Money contained in:

1. your home;
2. the home of a person authorised by you; when it has been taken home (from your business location or place of collection) for safe keeping until the time that your financial service provider ceases trading on its next full trading day.

## 3. What we do not cover

Loss of money:

1. caused by shortages resulting from clerical or accounting errors, or loss due to errors in receiving or paying out;
2. not discovered within 10 working days of the occurrence;
3. due to dishonest acts of your directors, employees or any member of your family;
4. carried by professional money carriers, professional carriers or common carriers;
5. from any unattended vehicle;
6. from any safe or strongroom opened by a key or by use of details of the combination which have been left at the location during non business hours;
7. outside of Australia, other than the cover provided under the Additional benefit 'Traveller's money' (see page 33).

#### 4. Additional benefits

The following additional benefits are provided in addition to the sum insured:

Additional benefits	Limit
<b>Seasonal increase in cover</b> For full details please refer to Additional benefits on page 47.	
<b>Bank and public holidays</b> The sums insured for any money cover selected by you will be increased for gazetted public and bank holidays, including adjoining weekends, and this increase will apply up until your bank's closing time on the next business day after such holiday. This benefit does not apply to damage to safes and strongrooms and/ or any additional cover provided for seasonal increases.	We will pay up to the lesser of 100% of the sum insured for any money cover selected by you or \$75,000.
<b>Counterfeit currency</b> We will pay for losses sustained by you due to the acceptance in good faith of counterfeit Australian currency notes in exchange for merchandise, money or services.	We will pay up to \$500 in any one period of insurance.
<b>Traveller's money</b> Cover under this section is extended to include loss of money belonging to you, occurring while the money is in your personal custody, or in the custody of your employees. This additional cover only applies to loss of money which occurs while travelling outside Australia in connection with your business.	We will pay up to the lesser of \$10,000 or the amount shown on your Insurance Certificate for 'Money in transit'.
<b>Property of directors and employees</b> If clothing or personal effects are lost or damaged during a theft of money, we will pay in addition to the sum insured the cost of repairing or replacing these items for which you are responsible.	We will pay up to \$5,000 any one employee or director and \$10,000 overall for any one event. This additional benefit does not provide cover directly to any director or employee. It only provides cover to you if you are responsible.

#### 5. Additional benefits for Theft and Money sections

The following benefits are not cumulative, and each benefit will apply once per event even if you have selected both Theft and Money cover:

Additional benefits	Limit
<b>Death following assault</b> We will pay this benefit if any person is injured while protecting property insured under the Money or Theft sections of this policy from theft and death results from the injury within 12 months.	We will pay \$10,000 to the estate of the deceased person.
<b>Damage to your building, safe or strongroom</b> If we accept a claim: 1. under the Theft or Money section we will also contribute towards the cost of repairing damage to a building (other than glass breakage) you occupy at the location as a tenant and for which you are legally responsible under the terms of a lease. This additional benefit only applies if the loss is not coverable under any other section of this policy, whether insured or not; 2. under the Money section we will also contribute towards the cost of opening a safe or strongroom or the cost of repairing or replacing any loss or damage to a safe or strongroom that was caused by theft or attempted theft.	We will pay up to \$10,000: 1. for damage to a building; 2. towards the cost of opening a safe or strongroom or repairing/replacing any loss or damage to a safe or strongroom.
<b>Locks, keys and combinations</b> If we accept a claim: 1. under the Money section we will also cover the cost of replacing locks, keys or the combination, used to lock your safe or strongroom which are damaged or copied; 2. under the Theft section we will also cover the cost of: - replacing locks, keys or combinations used in your business; - opening safes or strongrooms; - replacing or developing security film exposed because of the theft or attempted theft.	We will pay up to \$10,000 any one event.
<b>Temporary protection and security guard</b> If the building or security protection equipment installed at the location sustain damage during a theft or attempted theft of insured property or money, we will pay the costs reasonably and necessarily incurred for temporary protection or the employment of security guards to safeguard the location until the building or security protection equipment are repaired or replaced.	We will pay up to \$25,000 any one event.
<b>Fraud and dishonesty</b> We will pay for theft consequent upon fraud or dishonesty by any of your employees. We do not cover: 1. theft in which any member of your household is involved as a principal or accessory; 2. theft from any open space whether fenced or unfenced outside the walls of the building; 3. any loss that is discovered by you more than 45 days after its occurrence. We will only pay under this section if you take immediate and diligent action to recover the money or property after discovery of the loss and the employees are charged by police in connection with the loss.	We will pay up to \$5,000 during any one period of insurance.
<b>Additional locations</b> For full details, please refer to Additional benefits on page 47.	
<b>Rewards</b> With our prior approval, we will pay the reasonable cost of any reward paid by you to recover any property belonging to you, or for which you are responsible, that is lost or damaged. Provided the posting of the reward is economical in relation to the loss, we will not unreasonably withhold approval.	We will pay up to \$5,000 any one event but we will not cover accumulated reward costs where similar cover is provided under the Building & Contents or Money sections of this policy.

## EMPLOYEE DISHONESTY

When you take out this section, we will delete item 3 of 'What we do not cover' of the Money section along with the additional benefit for "Fraud and dishonesty" detailed on page 34 of the PDS.

### 1. Words with special meaning in this section

**employee** means any person employed by you under a contract of service or apprenticeship, but does not include:

1. any director, partner, trustee or principal except when performing acts within the scope of the usual duties of an employee;
2. any broker, factor, commission agent, consignee, contractor or other agent of the same general character.

### 2. What we cover

We will pay you for loss of money or contents (as defined in the theft cover section of this policy) caused by theft, fraud or dishonesty by any of your employees provided that the loss:

1. occurs during the period of insurance;
2. is discovered no later than 12 months after expiry of the period of insurance or the termination of employment of the employee, whichever occurs first.

The maximum amount we will pay for all claims during the period of insurance is the amount specified on the Insurance Certificate.

We will accept as proof of loss, a certified statement from your auditors or accountants that shows the value of the property that is lost.

### 3. Additional benefits

The following additional benefits are provided in addition to the sum insured:

#### Unidentified employees

If a loss is alleged to have occurred as the result of the fraud or dishonesty of any one or more of your employees and you are unable to positively identify them, we will pay for the loss provided that you are able to provide evidence at your expense that the loss was due to the fraud or dishonesty of one or more employees.

#### Retroactive cover

The insurance provided under this section also applies to any loss by fraud or dishonesty committed during the currency of any previous policy provided that:

1. the discovery period in that previous policy has expired;

2. the fraud or dishonesty is discovered within:

- the period of this policy; or
  - 12 months of the termination of this policy or 12 months after termination of the employment of the employee concerned, whichever occurs first;
3. the cover we provide will fall within and not be in addition to the sum insured shown for this section in the current Insurance Certificate;
  4. we will not be liable for any loss arising from an act of fraud or dishonesty committed more than 12 months before the inception of this section of the policy.

### 4. What we do not cover

We will not pay for any loss of money or contents:

1. resulting from any further act of fraud or dishonesty after you first discover that the employee has been previously engaged in provable dishonest conduct or has previous convictions for dishonest acts;
2. if the only proof of loss is shortage revealed by accounting records or a stock-take of inventory;
3. discovered more than 12 months after the period of insurance has expired or more than 12 months after the termination of employment of the employee concerned;
4. that is not reported to us within 21 days of the discovery of any act of fraud or dishonesty on the part of any employee or any other matter in respect of which a claim may arise;
5. beyond the limit of cover stated in this optional benefit in respect of any one employee and all employees, even if the dishonest conduct continued during more than one period of insurance.

### 5. Special conditions

To the extent permitted by law, you must agree to withhold any salary, commissions, moneys or assets that are the property of any employee whose dishonesty has caused a claim under this cover section. Any such sum must be deducted from the amount of the loss before any claim is made under this policy.

In the event of the sum insured being reduced by the amount of any claim payable under this section, the sum insured will be reinstated in accordance with the provisions of the 'Automatic reinstatement of sum insured' condition detailed on page 49 of the PDS.

## TAXATION AUDIT COSTS

When you take out this section, we will delete the limited additional benefit headed 'Taxation Audit' within the Building and contents section on page 11 of the PDS.

### 1. Words with special meaning in this section

**costs** means professional fees paid to accountants or registered tax agents, who are not your employees, for work undertaken in connection with the audit or investigation.

### 2. What we cover

We will cover the reasonable and necessary costs you incur in responding to an audit or investigation by a federal or state Commissioner of Taxation relating to your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect of your business. This cover only applies to an audit or investigation first notified to you during the period of insurance and we will only pay costs up to the amount specified on the Insurance Certificate.

### 3. What we do not cover

We will not be liable under this section:

1. for the imposition of any tax, fines, penalties, court costs, penalty tax or interest;
2. for costs incurred after completion of the audit or investigation;
3. where any proceedings were initiated, threatened or started prior to the commencement of the period of insurance;
4. arising from your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by a state or federal Commissioner of Taxation for the production of documents or the supply of information. A refusal or failure to comply with a request will not be deemed improper, unwarranted or unjustified if you refuse or fail to comply upon the advice of your accountant or tax agent;
5. for costs from audits or investigations under customs legislation;
6. for costs from audits or investigations of income received or earned, or where the source of income is, outside of Australia or where the services giving rise to the claim are performed by persons or entities ordinarily resident outside Australia;
7. arising out of any fraud or fraudulent act or omission committed by you or on your behalf;

8. arising from audits or investigations which result in you, or any person acting on your behalf, becoming aware of any error or deficiency in any return of income or other documentation supplied to a state or federal Commissioner of Taxation and failing to notify the Commissioner of Taxation without delay.

### 4. Special conditions

You must lodge taxation and other returns within the time limits applicable to those returns as prescribed by statute or through extension of time granted by a Commissioner of Taxation. You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation.

In the event of a claim arising:

1. you must at all times keep us fully and continually informed of all material developments in relation to the claim and in relation to any audit or investigation;
2. you must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit;
3. we or our duly appointed agent may undertake our own investigation into any matter which is or may be the subject of a claim; and
4. you must ensure that your accountant, registered tax agent and/or solicitor cooperates with us and where necessary, assists us in relation to any claim and assists us with any matter we wish to pursue with the Commissioner of Taxation which is or may be the subject of a claim.

## GLASS

### 1. Words with special meaning in this section

**breakage of glass** and **broken glass** means a fracture extending through the entire thickness of the glass or basin.

**external glass** means fixed glass in external windows, doors, showcases, skylights.

**internal glass** means glass in internal partitions, windows and doors, refrigerating cabinets, glass in counters, shelving, interior showcases, fixed mirrors and other fixed internal glass including urinals, toilet pans and hand basins.

### 2. What we cover

We will cover you, for accidental breakage of fixed external glass and internal glass as shown on your Insurance Certificate at the location belonging to you or for which you are legally responsible.

### 3. Additional benefits

The following additional benefits are provided in addition to the sum insured.

#### External Glass

In the event of accidental breakage of glass, we will also pay the greater of \$8,000 in total or the amount shown on your Insurance Certificate for:

1. the cost of temporary shuttering, boarding up or other security protection necessary, pending replacement of the broken glass;
2. damage to door frames, or other window frames accidentally damaged;
3. damage to sign writing, ornamentation, reflective materials or burglar alarm tapes and connections;
4. damage caused by external violence to window/door frames and tiled shop fronts;
5. malicious damage to the glass where the building is leased and you are not entitled to be reimbursed by the lessor in the event of the malicious damage.

#### Damage or Spoilage of Stock

We will pay for damage or spoilage of stock caused by the breakage of glass where the breakage results in a claim under this section, up to \$8,000.

#### Signs

We will also pay up to \$8,000 for damage to electrically illuminated signs including those made of perspex or plastic.

#### Malicious damage

We will pay for malicious damage to external glass where there has been no breakage of the glass.

### 4. What we do not cover

We do not cover:

1. breakage of glass, sanitary ware or sinks during their installation, removal or work on them, their framework or other fittings;
2. damage to glass when the premises becomes unattended and remains so for any period of more than 90 consecutive days, unless we have consented to the unoccupancy in writing;
3. damage to:
  - tubing or light fittings;
  - existing cracked or imperfect glass;
  - glass caused by artificial heat;
  - glass not fit for the purpose intended;
  - glass which is stock;
  - glass damaged in transit;
  - glass which forms part of any glass house, conservatory, television screen or other visual display unit.

## GENERAL PROPERTY

### 1. Words with special meaning in this section

**building** means that part of a permanent and fixed structure with a roof and walls which is capable of fully enclosing an area under the roof when all external doors and windows are closed. Building does not include any yard or other open space, or any veranda, pergola, carport or other open sided structure which cannot be fully enclosed by the use of doors and/or windows.

**insured items** means the items which are shown on your Insurance Certificate under the 'General Property' section.

The following types of items must be individually described, identified and valued on your Insurance Certificate:

1. mobile plant;
2. photographic or video equipment;
3. mobile communication equipment, including telephones and radios;
4. sporting equipment;
5. electronic equipment, including computers, diaries, GPS units;
6. accessories for the items listed above.

The maximum amount we will pay for any individual item of insured property not listed above is \$2,500 unless the item has been individually described, identified, and listed on your Insurance Certificate with a specific sum insured.

Insured items that have not been specified and that are described on your Insurance Certificate only in general terms such as 'all property' or the like do not include:

1. items 1 to 6 above;
2. stock;
3. customers property;
4. vehicles, trailers, aircraft or watercraft;
5. accessories, spare parts or tools of any of the items described in 4 above.

**insured loss** means loss or damage arising from a sudden and unforeseen accident.

### 2. What we cover

You have the option of selecting our Comprehensive cover or Restricted Cover for your general property items. If you have selected Restricted Cover it will be shown on your Insurance Certificate.

#### Comprehensive cover

We will cover you for insured loss to any insured items anywhere in Australia up to the sum insured shown on your Insurance Certificate that occurs during the period of insurance.

#### Restricted cover

If Restricted cover is shown on your Insurance Certificate we will cover loss or damage that occurs during the period of insurance and is caused by:

1. fire, storm, water, explosion, impact by a vehicle;
2. earthquake, aircraft impact, malicious damage;
3. collision or overturning of the conveying vehicle;
4. theft following visible, forcible and violent entry to locked vehicles, including locked tool boxes securely attached to the vehicle, or locked buildings; and
5. theft of equipment securely attached to a vehicle through the use of locks or padlocks, which results in visible damage to the securing devices.

### 3. Additional benefit for comprehensive cover

The following additional benefit is provided in addition to the sum insured.

#### Theft

We will cover loss or damage by theft or attempted theft of general property items, other than stock and customers goods, that occurs during the period of insurance without violent or forcible entry. This additional benefit has a limit of \$1,000 per event unless otherwise specified on your Insurance Certificate and is limited to theft of property from an enclosed building.

### 4. What we do not cover

Loss or damage caused directly or indirectly by:

1. cracking, scratching, marring or breakage of glass or fragile items or surfaces unless as a consequence of an insured loss;
2. rust, oxidation, mildew, mould, moths, insects, vermin, dry rot, change of colour/flavour, contamination or pollution;
3. any process of heating, drying, cleaning, dyeing or alteration to any insured item;
4. the action of light or atmospheric conditions or gradually developing conditions, wear and tear and/or depreciation;
5. dishonesty or trickery by you or others to whom any insured item may be delivered, entrusted, loaned or rented;

6. theft by employees;
7. unexplained inventory shortage;
8. theft, other than theft resulting from armed hold up, the direct threat of physical violence or forcible and violent entry, evidenced by visible damage to the securely locked portion of any building or vehicle containing any insured item, or theft of equipment securely attached to a vehicle through the use of locks, which results in visible damage to the securing devices;
9. actions of the sea, tidal waves or high water or flood;
10. faulty materials or workmanship;
11. mechanical, electronic or electrical breakdown unless as a consequence of an insured loss.

We do not cover:

1. loss or damage to any sporting equipment whilst in use;
2. any consequential loss or damage.

## 5. How we will pay your claim

At our option we will either:

1. repair the item to a condition equal to its condition when new;
2. replace the item with an item of equal output or capacity.

If the item is not replaced or repaired, we will not pay more than the indemnity value of the item. We will not be responsible for the cost of any alterations, improvements, or overhauls carried out on the occasion of repair or replacement resulting from any insured loss. Our settlement will not exceed the sum insured shown on your Insurance Certificate for this section.

## MACHINERY BREAKDOWN

### 1. Words with special meaning in this section

**breakdown** means unforeseen and sudden physical damage to machinery from any cause not excluded which requires repair or replacement to enable normal working to continue.

**cold chamber** means any insulated refrigeration or freezer or any room, container or vat that is refrigerated by machinery.

**insured damage** means sudden and unforeseen physical loss or damage to an insured item which occurs during the period of insurance, and requires immediate repair or replacement to allow continuation of use.

**machinery** means the items described on the Insurance Certificate under the Machinery Breakdown section, other than computers, printers or machinery attached to computers.

### 2. What we cover

If any item or items of machinery, or any part of a machine referred to on your Insurance Certificate, suffers insured damage during the period of insurance, we will indemnify you in respect of that loss or damage as provided in part 6 of this section headed 'How we pay your claim'.

### 3. What we do not cover

The cover under this entire section does not apply to any loss or damage caused by or arising from:

1. fire, smoke, soot, or chemical explosion (other than an explosion of flue gas in boilers);
2. extinguishing a fire including subsequent demolition or repair work;
3. lightning;
4. impact of land borne vehicles, aircraft or watercraft;
5. earthquake, subterranean fire or volcanic eruption;
6. landslip or subsidence;
7. storm, wind, water or flood;
8. water escaping, discharged or leaking from any source which is external to the machinery insured;
9. theft or burglary;
10. intentional or malicious damage;
11. the carrying out of tests involving abnormal stresses including overloading of any insured item;
12. turbine pumps or helical rotor pumps unless shown on your Insurance Certificate;
13. consequential loss as a result of the breakdown of machinery.

We do not cover the cost of:

1. replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, TX valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media;
2. replacement of component parts worn through normal operation of the machinery;
3. adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
4. replacement of refractory or brickwork forming part of an insured item unless necessary as part of rectification of insured damage not otherwise excluded under this section;
5. repairs to piping and other ancillary systems due to cracking of pipe work;
6. maintenance work carried out on the machinery;
7. alteration, additions, improvements or overhauls;
8. modification or alteration of insured machinery which has suffered insured damage to enable it to operate with a more ozone friendly refrigerant gas as required by regulatory bodies;
9. replacement or repair, caused by gradual deterioration;
10. replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting;
11. damage caused to insured machinery caused by any hydraulic testing;
12. repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections;
13. damage caused by the movement of foundations, masonry or brick work;
14. removal or installation of underground pumps and well casings unless specifically noted on the Insurance Certificate.

## 4. Additional benefits

The following additional benefits are provided in addition to the sum insured:

Additional benefits	Limit
<b>Cover for additional machinery</b> Cover is extended to include additional machinery delivered and installed, after the inception of this section of the policy at any of the locations described on your Insurance Certificate, excluding items hired by you, provided that:	Section limits and excesses will remain the same for the additions.
1. the additions must be of a similar type and class as described on your Insurance Certificate; 2. the additions must be free from known defects and comply with all applicable statutory requirements; 3. cover will not attach until the additions have become your responsibility and have operated satisfactorily at design load, for eight hours in total; 4. you must pay the extra premium required by us for the insurance of the additions.	
<b>Inflation protection</b> The declared value of machinery items will be increased at the time of loss according to the Consumer Price Index by the proportion which the number of days since the commencement of the policy period bears to the period of insurance.	
<b>Newly installed items</b> At the end of each period of insurance you will furnish us with details of any items of machinery that have been newly installed or deleted during the period of insurance.	
<b>Additional fees</b> The cost of consulting engineer's fees (excluding fees for preparing a claim) necessarily incurred with our written consent, in the reinstatement of plant and machinery.	We will pay up to \$5,000.

## 5. Optional benefit

Optional benefit	Limit
<b>Business Interruption cover</b> This Optional benefit is only available when the Business Interruption section of this policy has been taken. Where this optional benefit has been taken and we agree to pay a claim for insured damage to your machinery under this section we will also pay for loss resulting from interruption or interference to the business in accordance with the cover outlined in the 'Business Interruption' section of this policy.	We will pay up to the sum insured shown for gross income weekly income or gross rentals as selected by you and shown on your Insurance Certificate or \$250,000, whichever is the lesser.

## 6. How we pay your claim

We will pay the cost to repair or replace, at our option, the damaged machinery. We will also pay the cost of:

1. dismantling, re-erection of machinery and/or machinery parts and removal of debris;
2. replacement of refrigerant lost from an insured item as a direct result of insured damage;
3. charges for overtime and work on public holidays where necessarily and reasonably incurred;
4. freight within Australia by any recognised scheduled services;
5. overseas air freight by any recognised scheduled service;
6. overseas labour;
7. temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any machinery or cold chamber; and
8. any customs duties or dues.

The maximum we will pay for these items is 50% of the normal cost of repair payable under this section. Our maximum liability inclusive of these additional costs will not exceed the sum insured shown on your Insurance Certificate.

### Seasonal increase in stock in cold chambers

Please refer to Additional benefits on page 47.

### How we will pay your claim for deterioration of stock in cold chambers

We will pay the cost of replacement of the lost or damaged stock calculated at its value immediately prior to the loss or damage up to the limits shown on your Insurance Certificate.

What we do not cover in relation to deterioration of stock cover

In addition to the exclusions stated in the part headed 'What we do not cover' we also do not cover loss or damage:

1. due to shrinkage, inherent defects or diseases;
2. caused by improper storage, collapse of the packing material or storage structure;
3. following loss of private or public power supply due to:
  - the decision by any private or public power supply authority to restrict or withhold supply;
  - shortage of power generation fuel or water;
4. to embryos or semen;
5. to any living animal, plant, fungus or organism.

## 8. Additional conditions applicable to this section

The following conditions apply to this section in addition to the 'General conditions that apply to every section of the policy':

### Minimising your loss

On the happening of any occurrence which might give rise to a claim under this section, you must:

1. take all reasonable steps to minimise the extent of the loss;
2. preserve any damaged or defective machinery or items and make them available to us for inspection.

### Damaged machinery

Our liability will cease for any machinery which has sustained loss or damage, and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice and/or the manufacturer's specifications.

## ELECTRONIC EQUIPMENT

### 1. Words with special meaning in this section

**breakdown** means sudden and unexpected electronic, electrical or mechanical failure of electronic equipment, arising from internal defects causing sudden stoppage, which requires repair or replacement to enable normal operation to continue.

**electronic data media** means the discs or tapes used in the computer to store the electronic data.

**electronic equipment** means the electronic equipment listed on the Insurance Certificate and any similar equipment hired or leased by you for which you are legally responsible.

### 2. Types of cover

You can select the following types of cover:

1. breakdown;
2. restoration of electronic data;
3. additional increased cost of working.

Your Insurance Certificate shows the covers you have selected.

### 3. Special conditions

(In addition to the 'General conditions that apply to every section of the policy'.)

#### Loss minimisation

On the happening of any occurrence which might give rise to a claim under this section, you must:

1. take all reasonable steps to minimise the extent of the loss;
2. preserve any damaged or defective electronic equipment and/or electronic data and make them available to us for inspection.

#### Damaged equipment

Our liability will cease for any electronic equipment which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice and/or manufacturers specifications.

#### Newly installed items

At the end of each period of insurance you will furnish us with details of any newly installed or deleted items of electronic equipment during the period of insurance. If you have installed new items of electronic equipment during the period of insurance, which replace items of electronic equipment you have sold or

disposed of during that period, we will cover the replacement electronic equipment up to the sum insured shown on your Insurance Certificate.

### 4. Breakdown

#### What we cover

We will cover you for the cost to repair or replace your electronic equipment to its former state caused by breakdown occurring during the period of insurance, provided you have selected this cover and it is shown on your Insurance Certificate.

#### How we will pay your claim

We will pay the cost of replacement or repairs necessary to return the electronic equipment to its former state of operation, including:

1. cost of dismantling, re-erection of electronic equipment and removal of debris;
2. charges for overtime and work on public holidays where necessarily and reasonably incurred;
3. express freight within Australia by any recognised freight service;
4. overseas air freight by any recognised scheduled service;
5. overseas labour;
6. the cost of temporary repairs and/or hire of a replacement item during the time taken to repair damage to any insured item; and
7. any customs duties and dues.

Our liability inclusive of these additional costs will not exceed the sum insured shown on your Insurance Certificate. The value of any salvage will be subtracted from the amount payable.

#### Inflation protection

The declared value of electronic items will be increased at the time of loss according to the Consumer Price Index by the proportion which the number of days since the commencement of the policy period bears to the period of insurance.

#### Additional fees

We will pay the cost of consulting engineer's fees (excluding fees for preparation of a claim) necessarily incurred with our written consent, in the reinstatement of electronic equipment. If your sum insured is exhausted we will pay up to an additional \$5,000.

#### What we do not cover

We will not pay for:

1. damage to electronic data unless you have insured computers and selected cover for 'Restoration of electronic data' and they are noted on your Insurance Certificate;
2. damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to or malfunction of air conditioning equipment;
3. the cost of:
  - replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts;
  - replacement of component parts worn through normal use or operation; unless necessary as part of the rectification of insured damage not otherwise excluded under this section;
4. damage which is covered under the building and contents section of the policy;
5. maintenance work;
6. alterations, additions, improvements or overhauls;
7. replacement or repair following gradual deterioration;
8. temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs;
9. repairs of scratches to painted or polished surfaces;
10. any loss where you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant insured item or any other person.

We will not pay for loss or damage caused by or arising from:

1. computer viruses or other disruptive programming techniques, and/or the failure of any program or system to deal with information related to any date or date change;
2. fire, smoke or soot;
3. extinguishing a fire including subsequent demolition or repair work;
4. lightning;
5. explosion (other than explosion of flue gas in boilers);
6. impact of land borne vehicles, aircraft or watercraft;
7. earthquake, subterranean fire or volcanic eruption;

8. landslip or subsidence;

9. storm, wind, water or flood;

10. water escaping, discharged or leaking from any source which is external to the electronic equipment insured;

11. theft or attempted theft;

12. intentional or malicious damage;

13. consequential loss of any kind or description whatsoever unless your Insurance Certificate shows that you have taken out cover for 'Additional increased cost of working'.

### 5. Electronic data and electronic data media

#### What we cover

We will cover you for the cost to replace or reconstruct your electronic data and electronic data media that has been lost or damaged as a result of a breakdown to electronic equipment which occurs during the period of insurance, provided that you have selected this cover and it is shown on your current Insurance Certificate.

#### How we will pay your Electronic data and electronic data media claim

We will pay up to the sum insured shown on your Insurance Certificate for:

1. the cost of replacement of lost or damaged electronic data and electronic data media;
2. expenses which can be proved to have been incurred solely by you for the purpose of restoring the electronic data. Lost electronic data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form of that electronic data;

provided that:

1. we will only be liable for costs and expenses incurred within a period of 12 months following the insured damage;
2. this cover only applies while the insured electronic data and electronic data media is at the insured location.

#### What we do not cover

We do not cover any:

1. loss or distortion caused by computer virus, being an executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or computer system operation;

2. failure of any electronic data or electronic equipment to correctly process or deal with information related to any date or date change;
3. loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment;
4. consequential loss of any kind or description whatsoever;
5. work undertaken without our approval other than for minor or provisional repairs. There is no cover for restoration of electronic data which arises from the operation of electronic equipment that has not been satisfactorily repaired following insured damage;
6. the cost of restoring electronic data unless the data has been backed up on alternative disks or tapes and stored off-site in the 30 days prior to the occurrence causing the loss.

## 6. Additional increased cost of working

### What we cover

We will cover the reasonable and necessary additional costs incurred by you to prevent a reduction in your turnover as a result of an electronic equipment breakdown during the period of insurance. We will also cover these incurred costs for a period of 60 days after the period of insurance however our total liability for these costs is restricted to the sum insured shown on your Insurance Certificate.

### How we will pay your claim for Additional increased cost of working

1. We will pay the additional expenditure incurred over and above the normal expenses which would have been incurred by you for the operation of your insured equipment by the use of substitute equipment to maintain normal business operations during the interruption. Our maximum payment will be restricted to the sum insured shown on your Insurance Certificate, less the applicable excess and includes:
- the actual hire charges incurred for the rental of substitute equipment;
  - the cost of additional personnel and transport expenses incurred with the use of the substitute equipment;
  - 2. The indemnity period shown on your Insurance Certificate under this section and the time excess noted below under 'What we do not cover', will commence from the date on which you begin to use the substitute insured equipment;
  - 3. We will not be liable for loss, damage or costs incurred by you during the time excess.

### What we do not cover

We will not pay for:

1. additional costs incurred during the first 48 hours following breakdown;
2. the costs incurred during interruption due to the carrying out of alterations, additions, cleaning, adjustment or improvements to the electronic equipment;
3. additional costs incurred where the interruption period is increased beyond 4 weeks due to delay in the repair or replacement of items manufactured outside Australia if the delay results from:
  - measures, restrictions or regulations imposed by any government or public or local authority;
  - the time required to procure replacement parts or complete items in overseas markets;
  - the time required to transport or ship component parts or complete items between the location and any overseas place of repair or replacement;
  - the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

## 7. Optional benefit

Optional Benefit	Limit
<b>Business Interruption cover</b> This Optional benefit is only available when the Business Interruption section of this policy has been taken. Where this optional benefit has been taken and we agree to pay a claim for insured damage to your electronic equipment under this section we will also pay for loss resulting from interruption or interference to the business in accordance with the cover outlined in the 'Business Interruption' section of this policy.	We will pay up to the sum insured shown for gross income, weekly income or gross rentals as selected by you and shown on your Insurance Certificate or \$250,000, whichever is the lesser.

## GOODS IN TRANSIT

### 1. What we cover

We will cover you for loss or damage to your property in transit during the period of insurance up to the limit shown on your Insurance Certificate, caused by one of the Insured events listed below, while your property is in transit by road vehicle owned or operated by you anywhere in Australia.

### 2. Insured events

1. Collision or overturning of the conveying vehicle;
2. Fire, lightning, explosion, storm, wind, water, flood, earthquake, impact, malicious damage and vandalism;
3. Theft resulting from forcible and violent entry evidenced by visible damage to the securely locked portion of a vehicle and/or trailer or the building in which the conveying vehicle and/or trailer is being garaged;
4. Theft of equipment securely attached to a vehicle by locks or other securing device, which is evidenced by damage to those locks or securing devices.

### 3. How we will pay your claim

In the event of a claim, the value of goods lost or damaged will be taken as:

1. for goods you have sold – your invoice value;
2. for goods you have purchased – the purchase price as shown on the invoice;
3. all other goods including plant transfers – market value.

## 4. What we do not cover

We will not cover you for loss of or damage to, or as a result of:

1. depreciation or deterioration;
2. money;
3. jewellery, watches, furs, antiques, paintings, works of art, precious metals, precious stones or articles composed of any of them;
4. explosives, petroleum products in bulk or gas in bulk;
5. livestock;
6. delay, loss of market or consequential loss of any kind;
7. collision or contact by the conveying vehicle with the kerb or uneven road surface;
8. cigarettes, tobacco, wines, spirits or other alcoholic beverages unless shown on your Insurance Certificate;
9. theft by or in collusion with any of your employees;
10. electrical or mechanical derangement unless damage is visible to the exterior of the machine.

## ADDITIONAL BENEFITS

Additional benefits that apply to the Building and contents, Theft, Money and Machinery breakdown sections of this policy.	Limits
<p><b>Seasonal increase in cover</b></p> <p>When you insure under the 'Building and contents', 'Theft', 'Money' and 'Machinery breakdown – Deterioration of stock in cold chambers' sections of this policy, we will increase the amount of cover provided for:</p> <ol style="list-style-type: none"> <li>1. 60 days prior to and including Christmas day;</li> <li>2. 21 days after and including 26 December;</li> <li>3. 42 days before and including Easter Tuesday;</li> <li>4. one week after but not including Easter;</li> <li>5. 42 days prior to and including any celebrated event of a festive, religious or ethnic nature (other than Christmas or Easter) where you can reasonably demonstrate that the stock levels during that period have risen by more than 20% above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with the happening of that festive, religious or ethnic event or celebration;</li> <li>6. one week after the same festive, religious or ethnic event or celebration;</li> <li>7. any other amount period shown in the Insurance Certificate in lieu of 1 to 6 above.</li> </ol>	<p>During these periods the cover will be increased:</p> <ul style="list-style-type: none"> <li>- by 50% of its value or \$75,000 for stock insured under the Building and Contents sections;</li> <li>- by 50% of its value for stock insured under the Theft section or the Machinery Breakdown – Deterioration of stock section;</li> <li>- by 50% of the sum insured for any money cover selected by you under the Money section.</li> </ul> <p>As your stock is included in the contents sum insured on the Insurance Certificate for the 'Building and contents' and 'Theft' sections of the policy these increases will only be applied to the portion of the sum insured that relates to your stock.</p>
<p><b>Additional locations</b></p> <p>Provisional cover is extended to include all business locations within Australia, that become yours after the commencement of the period of insurance but the cover is limited to locations used for the business described on your Insurance Certificate and the property insured as described on your Insurance Certificate.</p> <p>This cover is provided for 60 days for the 'Building and contents' section and 30 days for the 'Theft', 'Money' and 'Machinery breakdown' cover sections from the time the location is first used by you (unless the period of insurance ends sooner or the location ceases to be yours, whichever occurs first).</p> <p>Full details of the additional location are to be supplied to us within:</p> <ul style="list-style-type: none"> <li>- 60 days for 'Building and contents' cover; and</li> <li>- 30 days for 'Theft', 'Money' and 'Machinery breakdown' cover;</li> </ul> <p>following your commencement of the use of the location. If we agree to include the additional location, we may require an additional premium before we will provide cover.</p>	<p>We will pay up to 50% of the highest sum insured for 'Building and contents', 'Machinery Breakdown' and 20% of the highest sum insured for 'Theft' or 'Money' as shown on your Insurance Certificate</p>

## GENERAL EXCLUSIONS THAT APPLY TO EVERY SECTION OF THE POLICY

You are not covered for any loss, damage or liability caused by or resulting from, or the costs incurred from or of:

### Electronic data

Electronic data or the cost of rewriting records as a result of loss of electronic data unless directly caused by an event insured under this policy (other than accidental damage).

### Computer virus

An executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or computer system operation.

### Intentional damage

Damage or liability intentionally caused or incurred by:

1. you;
2. a member of your family;
3. a person acting with your express or implied consent or that of a member of your family.

### Unoccupancy

Loss, damage or liability during any period in excess of 90 consecutive days during which the business locations are left unoccupied, unless with our written consent. To have been occupied, the business locations must have been used for business purposes for at least two consecutive days.

### War, terrorism, nuclear radioactivity

1. war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. any act(s) of terrorism apart from the cover provided by the Theft, Money and Glass sections of this policy;
3. ionising radiation, contamination by radioactivity from any nuclear weapons material, nuclear fuel or waste, or the combustion of nuclear fuel or waste where the combustion is a self-sustaining nuclear process.

This policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to, by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

## GENERAL CONDITIONS THAT APPLY TO EVERY SECTION OF THE POLICY

### Your obligations

You are required to:

1. take all reasonable precautions to avoid or minimise loss, damage or liability;
2. maintain all business premises, fittings, appliances and equipment in sound condition;
3. maintain and look after the property or buildings belonging to other people and organisations that are used by you in accordance with your agreement with them;
4. obtain certificates of inspection for all equipment required by any statute or regulation to be so certified;
5. use and store all hazardous, flammable, gaseous or toxic materials as required by law; and
6. obtain the location of underground services from the owners of those services if your operations include digging below ground at sites away from your business location.

If you do not comply with your obligations we may refuse to pay part of, or all of, your claim.

### Accountancy records and rights of inspection

You must provide to us all books of account, business books and other documents as may be required by us to investigate or verify any claim. We will be permitted but not obligated to inspect your property and operations at any time.

Neither our right to inspect nor our failure to inspect, nor the making of any inspection, nor any report of an inspection may be used by you or others in any action or proceeding involving us.

We may also examine and audit your books and records at any time during the period of insurance and within three years thereafter. Our examination and audit will be restricted to matters which in our opinion are relevant to the policy. We may refuse to pay, or reduce the amount of, a claim if you do not provide us details or allow access as we may reasonably request.

### Adjustment of premium

If the first or renewal premium for the policy has wholly or partly been calculated on estimates furnished by you, then you must:

1. within 30 days after the expiry of each period of insurance provide to us such matters, particulars and information relevant to the policy as we may reasonably require. The premium for the period will then be adjusted and any difference will be paid by or allowed to you as the case may be, provided that the adjusted premium will not be less than any minimum premium shown on your Insurance Certificate;
2. keep a record of all matters, particulars and information requested by us and you must on reasonable notice, allow us or our nominee to inspect and make copies of those records.

#### Alarm systems

If you have advised us that surveillance or protective equipment, burglar or fire alarm systems are used or installed at your location you must:

1. ensure that these are regularly tested and maintained in accordance with the manufacturer's recommendations;
2. take all reasonable precautions to ensure that these are operational outside normal business hours.

We may refuse to pay or may reduce the amount of a claim if you do not comply with this condition.

#### Alteration

Unless our written consent is obtained, we will not cover loss, damage or liability caused or contributed to by any alteration, after the commencement of this policy:

1. in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
2. whereby your interest ceases by will or operation of law;
3. whereby the business is wound up or carried on by an insolvency practitioner or permanently discontinued.

#### Automatic reinstatement of sum insured

If we pay a claim under any section of this policy other than the 'Business liability' section and your sum insured has been reduced due to payment of that claim by us, we will automatically reinstate your full sum insured provided:

1. you have not (in writing) requested otherwise;
2. we have not (in writing) advised otherwise;
3. you agree to pay any additional premium we may require to reinstate the sum insured.

#### Business ceases to trade or is in liquidation

If your business is deregistered, placed into liquidation or administration, a receiver is appointed, or the business is wound up or is permanently discontinued, then unless otherwise agreed by us in writing, all cover under this policy ceases from the time your interest is transferred or your business ceases to trade.

#### Claim preparation expenses

We will pay for costs necessarily and reasonably incurred by you for the preparation of a claim for which we agree to indemnify you under this policy. The most we will pay is \$25,000 in total unless a higher specific amount is included in a particular section of the policy. You must obtain our written approval before you incur these claims preparation costs. This benefit is in addition to any other limit of indemnity.

#### Cancellation by you

You may cancel the policy at any time by notification in writing. We will refund the unused proportion of your paid premium less any commissions, taxes and charges that we are unable to recover.

Where the insured involves more than one party, we will only cancel the policy when a written agreement to cancel the policy has been received from all persons named as the insured.

#### Cancellation by us

We may cancel the policy in certain circumstances provided by the Insurance Contracts Act 1984 or any subsequent legislation by giving you three business days notice in writing. Some examples are:

1. if you do not pay the premium;
2. if you do not comply with your duty of disclosure;
3. if you make a misrepresentation to us before the issue of this policy;
4. if you do not comply with a condition or provision of this policy;
5. if you make a fraudulent claim under the policy or some other policy (whether with us or some other insurer);
6. if you do not comply with your duty of utmost good faith.

Notice of cancellation can be delivered personally or posted to your address shown on the current Insurance Certificate. It will be effective at the time shown on the notice of cancellation or when you have taken out cover with another insurer, whichever occurs first.

#### Changes that may affect your policy

If there is any change or alteration to the information you have advised us of, you are to notify us in writing as soon as practicable. Any change or alteration you propose to make only becomes effective when we agree to the changes and you agree to pay any additional premium. You must advise us of any changes before you renew your policy. For example, we require information about:

1. change of business activity;
2. criminal convictions of you or persons who normally work with you;
3. any deterioration in the condition of property;
4. alteration to the building which affects its safety or structural integrity.

This is a requirement of 'Your Duty of Disclosure'. If you do not fulfil your duty of disclosure we may refuse to pay part or all of a claim.

#### Discharge of liabilities

At any time we can pay to you or on your behalf, for all claims made against you for any one occurrence:

1. the limit of liability of the section under which the claim is made, after deducting any amounts already paid;
2. any lower sum for which the claim may be settled.

If we do so:

1. the conduct of any outstanding claim(s) will become your responsibility;
2. we will not be liable to pay any further amounts other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

#### Fraudulent claims

If you make a claim under this policy which you know is fraudulent in part or in its entirety, we will both deny that claim and may have rights to void the policy in its entirety.

#### Goods and Services Tax (GST)

If you are not entitled to an input tax credit on any part of the premium you paid for this policy, the sums insured, sub limits or limits of liability stated in this policy are inclusive of GST.

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

In situations where we make a cash payment to you for the purchase of goods or services for which you are entitled to claim an input tax credit, we will only pay you an amount that is equal to your net cost i.e. your cost after claiming input tax credits.

The policy does not cover any amount of GST, or any fine, penalty or charge that you are liable for because of a failure to disclose or a misstatement made by you, in relation to your entitlement to an input tax credit for the premium. You must tell us if you become aware that the extent of your entitlement to an input tax credit for your premium disclosed to us is incorrect.

#### Jurisdiction

All disputes arising out of or under this policy will be subject to determination by any court of competent jurisdiction within Australia according to the law applicable to the jurisdiction.

#### Limits and excess

We will not pay more than the sum insured in respect of any claim other than those benefits that are identified as payable in addition to the sum insured. You must pay the amount of any excess shown on your Insurance Certificate for each claim you make. If more than one excess can be applied to one occurrence, then you will only need to pay the highest excess.

#### Other insurances

At the time you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim. When a loss paid under this policy is also recoverable under another policy and we have paid more than our rateable share, we reserve the right to seek contribution from the other insurer or insurers.

#### Pairs, sets or collections

If any article is part of any pair, set or collection and is lost or damaged, we will not pay for more than the actual value of the lost or damaged article.

#### Premium funding

Any refund due for the pro rata portion of the premium applicable to the unexpired period of insurance will be paid to any premium funding company who holds a legal right over your policy by virtue of a notice of assignment and/or an irrevocable power of attorney.

#### Progress payments

We will not unreasonably withhold progress payments. We will pay progress payments on claims at intervals to be agreed by us following receipt of an interim report by our loss adjuster or representative.

## Single occurrence

We will not pay for loss or damage to property covered by the policy under more than one section of the policy in respect of the same item and occurrence unless the sum insured has been paid out in full under one section and you have not been fully covered for the loss or damage.

## Subrogation rights

We have the right to take over and conduct in your name the defence or settlement of any claim or to prosecute in your name any claim for damages, indemnity, contribution or otherwise. We have full discretion in the conduct of any proceedings and in the settlement of any claim. You must give us all such information and assistance as we may reasonably require in defending you or prosecuting in your name.

## CLAIMS

### What you must do after loss, damage or an accident

1. take all reasonable steps to prevent further loss, damage or liability;
2. notify the Police immediately if any of your property is lost, stolen, maliciously or intentionally damaged;
3. advise us of the claim immediately and submit a claim form as soon as possible. If you or someone acting on your behalf does not complete and submit a claim form within 30 days of an accident we may reduce the amount we have to pay if the delay causes increased costs or prevents us investigating the claim;
4. provide us with the proof that we require regarding stolen or damaged property;
5. help us manage the claim, which may include us inspecting your property or location or asking you questions, or you providing written statements to us under oath;
6. keep items that have been damaged and allow us to inspect them or assess repair costs;
7. allow us to take possession of damaged property that is the subject of a claim;
8. forward any invoices, bills, demands letters, summons or notices you receive from other persons or organisations involved in the incident to us immediately. If you do not, we may reduce the amount we will pay if the delay causes increased costs or prevents us investigating the circumstances of the claim.

### What you must not do after a loss, damage or an accident

1. admit guilt, fault or liability (except where required by law);
2. offer or negotiate to pay a claim;
3. approve any repairs or arrange replacements (other than emergency repairs necessary to minimise or prevent further loss or damage);
4. dispose of any damaged property.

## WORDS WITH SPECIAL MEANING

Where the words listed below are used in this document, they have the following meaning. If a word is defined in a section of the policy, the definition contained in that section applies for that section only.

**act(s) of terrorism** includes any act which may or may not involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

**aircraft** means any vessel, craft or thing, other than model aircraft, made or intended to fly or move in or through the atmosphere or space.

**Australia** means Australia, its dependencies and territories.

**business** means the trade or occupation described on your Insurance Certificate carried on at and from the location and all ancillary or incidental occupations and no others.

**business hours** means your office and working hours (including overtime) during which you or your employees are at the location for the purpose of your business.

**computer virus** means an executable program or computer code segment that is self-replicating, requires a host program or executable segment in which it can be contained, and which destroys or alters the host program or other computer code or data, causing undesired program or computer system operation.

**electronic data** means software programs and information stored on magnetic tapes, magnetic hard or floppy disks and compact disks or any other electronic data storage medium.

**excess** means the amount (which can be either a monetary or time amount) shown on your Insurance Certificate that is payable by you on each and every claim arising out of one event or occurrence under that policy section. If more than one excess is payable under this policy for any claim or series of claims arising from the one event, the excesses will not be aggregated and the highest single level of excess only will apply.

**flood** means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

1. a lake (whether or not it has been altered or modified);
2. a river (whether or not it has been altered or modified);
3. a creek (whether or not it has been altered or modified);
4. another natural watercourse (whether or not it has been altered or modified);

5. a reservoir;

6. a canal;

7. a dam.

**Insurance Certificate** means the current insurance certificate which has been numbered and issued by or on behalf of us.

**location/s** means the place(s) listed on your Insurance Certificate.

**machinery** means all plant and machinery which is;

1. permanently fixed at the location;
2. mechanical, electrical and electronic tools and equipment;
3. accessories, equipment and spare parts used with machinery.

Machinery does not include vehicles or machinery towed by or attached to vehicles other than those used for lifting and carrying materials at the location.

**market value** means the retail value of items of a similar type, age and condition, with adjustment for its special features, if any. Used price guides and any other information may be used by us to assist in determining market value.

**money** means cash, notes, negotiable instruments, cheques, postal notes, post office money orders, negotiable securities, stamps, credit card sales vouchers, instant lottery tickets, bus or transport tickets, telephone credit cards or franking machine credits belonging to you or for which you are legally responsible or have assumed a responsibility to insure.

**period of insurance** means the duration of this policy for the period shown on your current Insurance Certificate, or any renewal period for which the appropriate premiums are paid in each case. Unless otherwise stated the period of insurance commences and ends at 4pm on the days stated as the period of insurance on the Insurance Certificate.

**policy** means this policy together with the Insurance Certificate and any applicable endorsements.

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

**safe or strongroom** means a container or structure which has been specifically designed for the safe storage of money or valuables and is designed to protect the contents against fire and to resist unauthorised opening by hand-held or power operated tools. Safe includes Automatic Teller machines (ATM's).

**tsunami** means a sea wave caused by a disturbance of the ocean floor or by seismic disturbance.

**vehicle** means any type of machine on wheels or self-laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

**water** includes snow, sleet or hail.

**watercraft** means any vessel, craft or thing made or intended to float on or in or travel on or through or under water, or any vessel, craft or device intended to travel on the ground or water or through the water on a cushion of air provided by a downward blast of air.

**we, us or our** means The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473) (AFSL 241436).

**you** or **your** means any person or entity (including their social clubs) shown on your Insurance Certificate as the insured.

## NOTES

NOTES



**The Hollard Insurance Company Pty Ltd**  
ABN 78 090 584 473 AFSL 241436

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                 Chatswood NSW 2067

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