



QBE Insurance (Australia) Limited

QBE Steadfast Client Trading Platform ('SCTP') Business Package Insurance

QBE SCTP Business Package Insurance



Contents

About this booklet	4	Other persons or organisations	13
General information	4	Our maximum liability	13
Policy terms and conditions	4	Progress payments	13
About QBE Australia	4	Reasonable care	14
About Steadfast	4	Reinstatement of sum insured	14
General information for business pack insurance policy	4	Rewards	14
Important information	4	Sale of salvage	14
Duty of disclosure	4	Single occurrence	14
The General Insurance Code of Practice	4	Subrogation and recoveries	14
Privacy	5	Waiver of subrogation rights	14
Resolving complaints & disputes	5	Claims conditions	15
Contacting QBE's CCU, AFCA or the OAIC	5	Business Property cover section	15
Cooling-off information	5	Definitions	15
Policy terms and conditions for Business Pack Insurance Policy	6	Your insurance under this cover section	15
Insurer	6	What we pay	15
Our agreement with you	6	Extra covers applicable to this policy section	17
Your Policy	6	Additional benefits applicable to this Policy Section	20
Paying your premium	6	Optional extensions to the Business property cover section	21
Preventing our right of recovery	6	Exclusions	21
Under-insurance	6	Limitations on cover	23
Definitions	6	Specific conditions applicable to this section	23
General Policy exclusions applicable to all sections	11	Business interruption cover section	24
Acquisition of companies	11	Definitions	24
Consequential loss	11	Insurable gross profit basis	25
Electronic data	11	Annual revenue basis	26
Geographical limitations	11	Weekly revenue basis	27
Intentional acts	11	Common clauses to insurable gross profit basis, annual revenue basis and weekly revenue basis	27
Known defects	11	Extra covers	29
Sanctions limitation and exclusion clause	11	Additional benefits	29
Unoccupancy	11	Optional benefits	30
War, terrorism, radioactivity	11	Special conditions applicable to this section	31
General Policy conditions	12	Theft cover section	31
Accountancy records	12	Definitions	31
Bankruptcy or insolvency	12	Your insurance under this cover section	31
Cancelling your Policy	12	What we pay	32
Designation of property	13	Extra covers	32
Excess	13	Additional benefits	32
How Goods and Services Tax (GST) affects any payments we make	13	Exclusions	34
Inspections	13	Theft cover section condition	34
Jurisdiction	13	Money cover section	35
Non-imputation	13	Definitions	35
		Your insurance under this cover section	35
		What we pay	35

Date of preparation: 1 July 2020

Date effective: 22 August 2020

QM8166-0820

Extra covers	36	What you are not covered for under this cover section	71
Additional benefits	36	Conditions applicable to this cover section	71
Exclusions	37	Tax audit cover section	72
Glass cover section	38	Definitions	72
Definitions	38	What you are insured against	72
Your insurance under this cover section	38	What you are not covered for under this cover section	72
What we pay	38	Special conditions applicable to this section	73
Extra covers	38	Transit cover section	74
Additional benefits	38	Cover	74
Exclusions	38	Additional benefits	74
Public and products liability cover section	39	What you are not covered for under this section	74
Definitions	39		
What you are covered for	42		
What you are not covered for under this section	43		
Additional benefit applicable to this section	45		
Optional extensions – where indicated on the Policy Schedule as applying	46		
Special conditions applicable to this Policy section	59		
General property cover section	60		
Definitions	60		
Your insurance under this cover section	60		
What we pay	60		
Additional benefits	60		
Exclusions	60		
Machinery breakdown cover section	61		
Definitions	61		
Your insurance under this cover section	62		
What we pay	62		
Extra covers	63		
Additional benefits	63		
Optional cover	63		
Exclusions – applicable to machinery breakdown	64		
Policy section conditions	65		
Electronic equipment cover section	66		
Definitions	66		
Your insurance under this cover section	66		
What we pay	66		
Extra covers	67		
Additional benefits	67		
Exclusions – applicable to electronic equipment breakdown	69		
Policy section conditions	70		
Employee dishonesty cover section	70		
Definitions	70		
Your insurance under this cover section	70		
What we pay	70		
Additional benefits	70		

About this booklet

This booklet contains two separate parts:

- General information, and
- Policy terms and conditions.

General information

This part of the booklet contains information you need to know before you take out a Policy. Please read it carefully before taking out this insurance.

Policy terms and conditions

The Policy part of this booklet contains the Policy terms and conditions, which detail all the terms, conditions and exclusions relating to the Policy. It forms part of your legal contract with us.

If we issue you with a Policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy terms and conditions.

The Policy terms and conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Steadfast broker.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

About Steadfast

Steadfast Group Limited (Steadfast) is a public company. It includes a large network of insurance brokerages who operate in Australia as Steadfast Brokers. This policy is available exclusively to you through a Steadfast Broker.

Steadfast does not issue, guarantee or underwrite this policy.

Important information about Steadfast's advice

Any advice Steadfast gives about this Policy does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on Steadfast's advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decisions about whether to acquire this Policy we recommend you should read this insurance Policy.

General information for business pack insurance policy

The information contained in this part is general information only and does not form part of your contract with us. The Policy terms and conditions in the rest of this booklet contain details of your contract.

Important information

This Policy and your current Policy Schedule are important. Please ensure you read them carefully and keep them in a safe place. The Policy, current Policy Schedule, definitions, defined events, conditions, exclusions, extensions and endorsements are to be read together as one (1) contract. Any word or expression to which a specific meaning has been given under the heading 'Definitions' shall bear that meaning wherever it may appear unless such meaning is not applicable to the context in which that word or expression appears.

This Policy makes provision for payment of Goods and Services Tax by you in relation to premiums and by us in relation to claims.

If you have any questions regarding the Policy, please contact your insurance broker.

Plans, documents, reports, contracts, receipts, manuals and serial numbers relating to your property should be kept. If a claim occurs the documents may be required by us and they will assist you completing your claim form.

Duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

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

If you do not tell us something

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

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

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you

- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

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

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> • complaints@qbe.com, to make a complaint. • privacy@qbe.com, to contact us about privacy or your personal information. • customercare@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA

Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Cooling-off information

If you want to return your Policy after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your Steadfast broker electronically or in writing within twenty one (21) days from the date the Policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. At the end of the cooling-off period, you still have cancellation rights. However your Steadfast broker may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

Policy terms and conditions for Business Pack Insurance Policy

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545.

Our agreement with you

This Policy is a legal contract between you and us.

You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy Schedule, subject to the terms and conditions of the Policy. Cover is provided during the period of insurance shown on your Policy Schedule or any renewal period.

We will not pay any more than the sum insured or limit of liability for each cover section which is shown in the Policy or Policy Schedule.

We will not pay the excesses shown in the Policy or Policy Schedule. If any loss or damage leads to a claim under more than one (1) section of this Policy, you must pay the highest applicable excess, but you need to pay only one (1) excess.

Your Policy

Your Business insurance Policy consists of the Policy terms and conditions in this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or your Steadfast broker.

The address and telephone number of your QBE Branch are on your Policy Schedule.

You should keep your Policy wording and Policy Schedule together in a safe and convenient place for future reference.

Paying your premium

You must pay your annual premium by the due date to your insurance broker. If your premium is unpaid by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

Paying your instalment premium

If you are paying your premium for the first time by instalments, we will deduct instalments each month on the day of the month that you nominate as your payment date.

If you are renewing your Policy and you paid your previous Policy by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates do not occur in a month.

If your first instalment of premium when you take out your Policy or renew it is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for 14 days or more.

If any instalment of premium has remained unpaid for one (1) month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than seven (7) days before your next instalment is due.

Preventing our right of recovery

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, we will not cover you under this Policy for that loss, damage or liability.

Under-insurance

The Business Property cover section and the Business interruption cover contain under-insurance provisions which require you to insure for full value. If you do not, we may pay you a lower amount after taking into account the proportion of under-insurance or you may be required to pay a portion of the loss yourself.

Definitions

Some words have special meaning wherever they appear in the Policy:

Word or term	Meaning
Aircraft	Any craft or object designed to travel through air or space, other than model Aircraft or unmanned inflatable balloons used for advertising or promotional purposes.
Animal(s)	Any living creature including, but not limited to, livestock, birds, fish, vermin or insects.
Automatic teller machine (ATM)	A burglar resistant unit designed for the safe storage and disbursement of bank notes and which resists fire and attack by hand-held or power operated tools.
Buildings	A permanently fixed structure. Buildings includes: <ol style="list-style-type: none"> sheds fixed to foundations at the premises; customised and modified shipping containers or transportable buildings permanently located at the premises used as workshops, lunchrooms or storage and which are permanently fixed to the ground with electrical or plumbing services, as necessary; shipping container(s) whilst used as an outbuilding in which the stock or contents of your business is stored long term and whilst on the premises and positioned within the boundary of the insured property;

Word or term	Meaning
	<p>d. walls, foundations, storage tanks and sheds, awnings, exterior lights, masts, antennae and aerials, fixed external signs, gates, fencing, pavements, roads and other structural improvements;</p> <p>e. property owner's fixtures and fittings, floor coverings, plant, plumbing or wiring services that are within the building;</p> <p>f. carports, pergolas and canopies;</p> <p>g. barns and outbuildings;</p> <p>h. external fixed items including swimming pools, saunas and spas, solar panels, security systems, gangways between buildings, lights and signs and air conditioning units;</p> <p>i. wharves, piers and jetties;</p> <p>j. underground and above ground services at your premises which extend from the buildings to the public mains and which are your property or you are responsible for.</p> <p>Building(s) does not include:</p> <p>k. plant and machinery;</p> <p>l. stock;</p> <p>m. contents;</p> <p>n. property undergoing erection, construction, alteration or addition (including partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one (1) premises exceeds:</p> <p style="padding-left: 40px;">i. \$500,000; or</p> <p style="padding-left: 40px;">ii. 20% of the total sum insured on buildings and contents;</p> <p>whichever is the lesser, provided that this limit shall only apply to the portion of the property insured which is subject to any such work and not to any other portion of the property insured;</p> <p>o. land, unsealed driveways, unsealed paths, topsoil and fill, dams, reservoirs, canals, tunnels, and railway tracks (not at the premises).</p> <p>This definition of 'Buildings' is subject to the 'Designation of property' condition as noted in the 'General policy conditions'.</p>

Word or term	Meaning
Business	The business as described in the Policy Schedule (and, where applicable, as further described in any more specific underwriting information provided to us at the time when this insurance was negotiated).
Business hours	When you or any of your employees are at the premises for the purpose of conducting your business.
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.
Contents	<p>All property belonging to you or which you are responsible for and used by you in the business at the premises.</p> <p>Contents includes:</p> <p>a. unused stationery and printed books;</p> <p>b. where you are a tenant of a leased or rented premises:</p> <p style="padding-left: 40px;">i. property owner's plant, fixtures and fittings, window blinds, floor coverings and glass for which you are liable under the terms of a lease or similar agreement;</p> <p style="padding-left: 40px;">ii. plant, fixtures and fittings and fixed carpets and floor coverings installed by you for use in the business;</p> <p style="padding-left: 40px;">iii. signs and awnings;</p> <p>c. money up to \$500;</p> <p>d. plant and machinery, unregistered forklifts and hoists and communications systems;</p> <p>e. computers, word processors, printers, scanners and other peripheral equipment and other electronic equipment or electronic data processing systems;</p> <p>f. digital or analogue telecommunications transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines;</p>

Word or term	Meaning
	<ul style="list-style-type: none"> g. data, media, records, documents, manuscripts, plans, drawings, designs and business books, but only for the value of these materials in their unused or uninstalled state or as blank stationary; h. current patterns, models, moulds, dies and lasts used in the business but limited, unless repaired or replaced, to the value stated in your financial records at the time of damage; i. paintings, works of art, antiques or curios; j. documents of title and any other documents of aesthetic, historic, scientific or social value for past, present or future generations; k. property of your welfare, sports and social clubs; l. for the purpose of the Property Damage cover section, stock but not if it is shown as a separate item on the Policy Schedule; m. customers' goods held or created by you as part of your business; n. shipping containers not owned by you but temporarily in your possession for the delivery, unloading, loading and/or dispatch of goods and merchandise to or from the premises, but only to the extent that you are not indemnified against loss, destruction or damage thereto under any other policy of insurance. <p>Contents does not include:</p> <ul style="list-style-type: none"> o. stock, except in the case where contents is deemed to include stock under the Property Damage cover section; p. buildings; q. directors' and employees' tools of trade and personal effects; r. jewellery, furs, bullion, articles containing gold and silver which exceed \$10,000 any one (1) item unless such item is the stock in trade of the business; s. vehicles registered for road use and any other machinery whilst registered for road-related areas, caravans, trailers, watercraft, aircraft, hovercraft, rolling stock and locomotives or their accessories, provided that this exclusion does not apply to:

Word or term	Meaning
	<ul style="list-style-type: none"> i. mobile plant and equipment (excluding cars, sedans, panel vans and trucks) not otherwise insured, and ii. motor vehicles or trailers that are stock in trade of your business; t. live animals, unless insured as stock of a pet shop or restaurant; u. plants, shrubs, lawns, growing crops, pastures and standing timber other than pot-plants. <p>This definition of 'Contents' is subject to the 'Designation of property' as noted in the 'General policy conditions'.</p>
Customer's goods	Goods that belong to your customers for which you are responsible or for which you have assumed responsibility to insure prior to any destruction or damage.
Electronic data	Facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic or electromechanical data processing or electronically controlled equipment which includes but is not limited to programmes, software and other coded instructions for such equipment.
Employee	<p>Any person while employed by you in the business who you compensate by salary, wages or commission and have the right at all times to govern, control and direct in the performance of their work.</p> <p>Employee includes:</p> <ul style="list-style-type: none"> a. volunteers; and b. students on work experience. <p>Employee does not include any:</p> <ul style="list-style-type: none"> c. broker, factor, consignee or contractor; d. member of your family unless that person is employed by you under a contract of service; e. partner, director or trustee unless that person is also your employee.
Endorsement	Documentary evidence of an alteration to the Policy which forms part of the Policy.
Event or events	One incident or all incidents of a series consequent on, or attributable to, one (1) source or original cause.
Excess	The amount which is payable by you for each claim made under this Policy.

Word or term	Meaning
Family	Any member of your family who lives permanently with you, including your partner.
Flood	The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ul style="list-style-type: none"> a. a lake (whether or not it has been altered or modified); b. a river (whether or not it has been altered or modified); c. a creek (whether or not it has been altered or modified); d. another natural watercourse (whether or not it has been altered or modified); e. a reservoir; f. a canal; g. a dam.
Glass	<ul style="list-style-type: none"> a. Fixed glass forming part of or fixed to the exterior of the building including glass in fixed signs; or b. fixed internal glass including fixed glass in furniture, counters, shelving and showcases, fixed and hanging mirrors, fixed washbasins, sinks, toilet pans and cisterns, contained within the building. <p>Glass includes external glass, internal glass and specified glass as defined in the Glass cover section.</p>
Hovercraft	Any vessel, craft or device made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.
Media	Material on which data is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CDs, DVDs, flash drives, memory cards or floppy disks.
Money	Current coin, bank notes, currency notes, cheques, credit card sales vouchers, securities, postal orders, money orders, negotiable and non-negotiable securities and other like documents of value, phone cards and/or stored value cards, unused postage and revenue stamps, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, lottery tickets, authorised gift vouchers from external parties, discount vouchers, contents of franking machines and includes cash boxes, alarm bags, or any other portable container used to convey money all belonging to you or for which

Word or term	Meaning
	you are legally responsible or have assumed a responsibility to insure but does not mean any of these in the possession of or carried by professional money carriers, professional carriers or common carriers.
Obsolete stock	Stock which can no longer be sold for its full value, for example, stock which is out-of-season fashion, superseded computers or perishable goods beyond their use by date.
Period of insurance	The time cover commenced to the time cover expires. The dates are shown on the current Policy Schedule. Unless stated otherwise, cover shall expire at 4.00pm local time at the place where you arranged the cover.
Policy	Includes this document, the Policy Schedule and any attachment or memoranda affixed and any future documents issued to you which amends the Policy Wording or Policy Schedule.
Policy Schedule	The record of the particulars of your insurance which forms part of this Policy. The Policy Schedule is issued when we have accepted your insurance. At each renewal of your Policy, the renewal schedule becomes your current Policy Schedule. Updated Policy Schedules or endorsements may also be sent to you showing alterations to your Policy.
Policy section	Any part of this Policy described as a Policy section or a cover section.
Pollutants/pollution	Any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials. 'Waste material' includes materials that are intended to be recycled, reconditioned or reclaimed.
Premises	The places listed in the Policy schedule as the 'Situation' at which and from which you operate your business. The premises includes buildings and land within the legal boundaries.
Property insured	The property as described on the Policy Schedule in respect of each cover section.
Rewriting of records	The cost of restoration of computer records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description.

Word or term	Meaning
Safe	<p>A burglar resistant container weighing more than 20 kilograms that is fixed by expanding masonry anchor bolts to the wall or floor of the premises which has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of money and valuables. Includes Automatic Teller machines. A safe is not:</p> <ol style="list-style-type: none"> a cash tin; a locked drawer in a filing cabinet or desk; or a burglar resistant container weighing less than 20 kilograms that is not fixed by expanding masonry anchor bolts to the wall or floor of the premises.
Seasonal increase period/s	<p>Any period of time during the period of insurance that has turnover, sales or levels of stock at least 20% higher than the average turnover, sales or level of stock at other times during the period of insurance.</p> <p>The total number of days we will allow as seasonal increase periods is 126 days in total during any one (1) period of insurance. You do not have to tell us what the dates of the periods are, but if you claim under a Policy section which has the seasonal increase cover, then your financial records over at least the two (2) previous years must substantiate the period as a seasonal increase period. If the business is less than two (2) years old, we will use the financial records of your business from the date of commencement until the date of the loss or damage to substantiate your claim.</p>
Stock	<ol style="list-style-type: none"> Products and material you intend to sell; raw or consumable materials used by you to make or alter your products; your products while being made, repaired or altered; any consumable products or materials used in your business; customer's goods. <p>Under the Theft cover section, stock does not include tobacco, products containing tobacco, cigars, cigarettes or alcohol unless they are specified on the current Policy Schedule.</p>
Strong room	<p>A burglar resistant structure constructed of masonry and steel which has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of money and valuables.</p>
Subsidiary	<p>Any company in which you have a</p>

Word or term	Meaning
company	<p>controlling interest. For the purpose of this definition the term 'controlling interest' shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.</p>
Sum insured	<p>The maximum amount that will be paid under each section of cover selected. The sum insured will vary depending upon your requirements in relation to each cover section.</p>
Territorial limits	<p>Anywhere in the Commonwealth of Australia and its protectorates and Territories.</p>
Vehicle	<p>Any type of machine on wheels or on self-laid tracks made or intended to be propelled by other than manual or animal power, and any trailer or other attachment to be utilised in conjunction with or drawn by any such machine.</p>
Watercraft	<p>Any vessel, craft or thing made or intended to float on or in or travel through water, other than model boats.</p>
We/our/us	<p>QBE Insurance (Australia) Limited.</p>
You or your	<p>The person(s), companies or firms named on the current Policy Schedule as the 'Insured'.</p>

General Policy exclusions applicable to all sections

The following general exclusions apply to all sections of this Policy.

Acquisition of companies

The policy does not cover loss, destruction, liability or damage caused by, contributed to by or arising from:

- a. any company or other legal entity acquired during the Period of Insurance
- b. any property in Australia or liability associated with such company or any other legal entity or business undertaking or operation

unless you notify us in writing within 30 days of the acquisition and the business is of a similar occupation to that stated in the Schedule. We will provide cover subject to your acceptance of our terms and undertaking to pay the additional premium we may require. Our liability shall not exceed the relevant sum insured, limit of indemnity or any sub-limit of indemnity applicable under the relevant section(s) making up Your Policy.

Consequential loss

We will not pay for any consequential loss. This exclusion does not apply to the 'Business interruption' cover section and 'General and products liability' cover section.

Electronic data

This exclusion prevails over any other provision in the Policy except any terrorism exclusion.

- a. We will not cover:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of electronic data;
 - ii. error in creating, amending, entering, deleting or using electronic data;
 - iii. total or partial inability or failure to receive, send, access or use electronic data for any time or at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.
- b. We will not cover any liability for communication, display, distribution or publication of electronic data. However, this exclusion does not apply to bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or loss of consortium resulting from any of them.
- c. If the 'Business property' cover section is selected, we will provide cover for loss of data which is caused by an event which is covered under that cover section.
- d. For the purposes of the 'How we will pay your claim' provision in this Policy, computer systems records includes data.

Geographical limitations

Unless we agree in writing to the contrary, we will not pay for any loss or damage to your property insured that is outside the Commonwealth of Australia at the time of its loss or damage, except as specifically stated otherwise in the appropriate cover section.

Intentional acts

Subject to the provisions of the *Insurance Contracts Act 1984* (Cth), we will not pay for any loss or damage intentionally caused by either you or by another party committed with your knowledge and consent and which you were capable of preventing.

Known defects

We will not pay for any loss or damage caused by any faults or defects known to you or any of your employees whose knowledge in law would be deemed to be yours and not disclosed to us at the time this insurance was arranged.

Sanctions limitation and exclusion clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

Unoccupancy

Unless we otherwise agree in writing, we will not pay for any loss or damage to your property insured if the loss or damage happens after your premises has been unoccupied for more than ninety (90) consecutive days. This exclusion does not apply to damage caused by:

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

This exclusion will not apply if the premises are partly occupied.

War, terrorism, radioactivity

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

- a. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or looting, sacking or pillage following any of these, or the expropriation of property.
- b. Any act(s) of terrorism.
For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or Government(s) of the day or de facto, and which:
 - involves violence against one (1) or more persons; or

- involves damage to property; or
- endangers life other than that of the person committing the action; or
- creates a risk to health or safety of the public or a section of the public; or
- is designed to interfere with or to disrupt an electronic system.

c. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

Provided that this 'Exclusion (c)' shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits.

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

General Policy conditions

The following general conditions apply to all sections of this Policy.

Breach of a condition or warranty without your knowledge or consent or error in name, description or situation of property will not prejudice your rights under this Policy provided notice in writing is given to us when such breach or error comes to your knowledge. Reasonable extra premium will be paid if required, from the date of such breach or error.

Accountancy records

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

Bankruptcy or insolvency

In the event that you should become bankrupt or insolvent, we shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency.

In case of execution against you of any final judgement covered by this Policy being returned 'unsatisfied' by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against us in the same manner, and to the same extent as you but not in excess of the limit of liability.

Cancelling your Policy

How you may cancel this Policy

- You may cancel this Policy at any time by telling us in writing that you want to cancel it. You can do this by giving the notice to your Steadfast broker.
- Where 'You' involves more than one (1) person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

How we may cancel this Policy

We may cancel this Policy in any of the circumstances permitted by law by informing you in writing. Such cancellation shall take effect at the earlier of the following times:

- the time when another policy of insurance between you and us or some other insurer, being a policy that is intended by you to replace this Policy, is entered into; or
- at 4.00 pm on the fourteenth (14th) business day after the day on which notification was given to you.

The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

Premium funders

If the premium has been funded by a premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and irrevocable power of attorney, a refund will be made to the premium funding company of the proportionate part of the premium applicable to the unexpired period of insurance.

Designation of property

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

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

Furthermore, under the 'Theft' cover section, stock does not include tobacco, products containing tobacco, cigars, cigarettes or alcohol unless they are specified on the current Policy Schedule.

Excess

If more than one (1) excess can be applied to one (1) occurrence or event, then you will only need to pay the highest excess. Sums insured, limits and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any applicable excess.

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

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

When we pay a claim, your GST status will determine the amount we pay.

When you are:

- a. not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- b. registered for GST, we will pay the sum Insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay for by the amount of any Input Tax Credits (ITC) to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the ITC may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number (ABN) and taxable percentage.

Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for ITC) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in *A New Tax System (Goods and Services Tax) Act 1999* and related legislation as amended from time to time.

Taxable percentage is your entitlement to an ITC on your premium as a percentage of the total GST on that premium.

Inspections

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

Jurisdiction

All disputes arising out of or under this Policy shall be subject to determination by any court of competent jurisdiction within Australia according to the law which applies to that jurisdiction.

Non-imputation

Where this insurance is arranged in the joint names of more than one (1) insured, as described in the definitions of you, it is hereby declared and agreed that:

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

Other persons or organisations

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

Where the separate interests of more than one (1) party in the property insured are insured under this Policy, any act or neglect of one (1) party will not prejudice the rights of the remaining party or parties provided that the remaining party(s) shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of loss, damage or destruction has increased, give notice in writing to us and shall on demand pay such reasonable additional premium as we may require.

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

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

When a claim is paid under the Policy and is also recoverable under another Policy or policies, you agree to permit us to seek contribution from the other insurer or insurers.

Our maximum liability

Except as otherwise stated elsewhere in this Policy, the maximum amount we will pay will not exceed the amount stated in the Policy Schedule as the sum insured or the limit of liability for those sections selected.

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

Progress payments

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

Reasonable care

You must take reasonable precautions to prevent personal injury or property damage as if you were not covered by this Policy such as:

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

If you do not take reasonable precautions we may refuse to pay part or all of your claim.

Reinstatement of sum insured

In the event of damage insured under one (1) or more of the; 'Property damage', 'Business interruption', 'Theft', 'Money', 'Machinery breakdown', 'Electronic equipment breakdown', 'Glass' and/or 'General property' cover sections of this Policy, the amount by which the sum insured or limit of indemnity is reduced as a consequence of the loss or damage will be automatically reinstated as from the date of loss or damage provided that:

- a. there is no written request from you to the contrary;
- b. the section is an operative section of the Policy; and
- c. you pay the premium which we require for the reinstatement.

We will not reinstate the sum insured on the 'Property damage' cover or 'Business interruption' cover sections if we have paid a total loss under either of these sections.

Rewards

We will pay you up to \$5,000 or any higher amount shown in the current Policy Schedule for 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, destroyed or damaged and which is insured under the 'Property damage', 'Theft', 'Money' or 'Glass' cover sections of this Policy.

However:

- a. the terms of the reward must be agreed by us before it is offered, and
- b. no such payment shall be made by you unless the value of the property recovered exceeds the reward.

We shall not unreasonably withhold or refuse consent to the terms of any reward payable under this 'General Policy condition'.

Sale of salvage

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

Single occurrence

We will not pay for loss or damage to property covered by the Policy under more than one (1) section of the Policy in respect of the same item and occurrence unless a relevant sum insured has been paid out in full and you have not been fully covered for the loss or damage.

Subrogation and recoveries

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

- a. first to you to the extent of your uninsured loss in respect of a claim paid under a section of this Policy (disregarding the amount of any excess applicable);
- b. secondly to us in reimbursement of the amount paid to you in respect of that claim under that Section; and
- c. thirdly to you in satisfaction of any excess amount applicable.

Any other monies remaining after these allocations will be our property. Nothing in this condition shall prevent you and us entering into a "Subrogation Agreement" following a loss agreeing to a different basis of sharing, costs and expenses and the allocation of monies recovered.

Waiver of subrogation rights

- a. we shall waive any rights and remedies or relief to which we are or may become entitled by subrogation against:
 - i. any co-insured (including directors, officers and employees);
 - ii. any corporation or entity (including directors, officers and employees) owned or controlled by any insured or against any co-owner of the property insured.
- b. you may without prejudicing your position under this Policy:
 - i. release any statutory governmental, semi-governmental or municipal authority from any liability if required at law, including by contractual agreement, to do so;
 - ii. agree to enter into a contract for storage of goods or merchandise if the terms of the contract include a disclaimer clause;
 - iii. agree to enter into a lease for occupancy of premises or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or hirer.
 - iv. agree to enter into a lease for occupancy of Premises or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or hirer.

Claims conditions

What you must do after loss, damage or accident

- Protect yourself from any danger present.
- Assist other people within your capabilities if required.
- Take reasonable steps to prevent further loss, damage or liability.
- Notify the police immediately if any of your property is lost, stolen, or maliciously damaged and provide the police with all assistance to apprehend the offending party.
- Advise us of the claim as soon as practicable and then supply us with full written details by completing our claim form. You or someone acting on your behalf must complete a claim form within a reasonable time of an occurrence. If you do not, we may reduce the amount we pay if the delay causes increased costs or prevents us investigating the claim.
- Any invoices, bills, demands letters or notices you receive from other people involved in the loss, damage or accident must be sent to us as soon as possible.

What you must not do after a loss or accident

- You must not admit fault or agree to pay for damage without our consent. Do not make an offer, settle, or attempt to settle any claim against you. If you do we may not pay all or part of the claim.
- You must not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without our agreement.

Claim preparation expenses

We will pay for costs necessarily and reasonably incurred for the preparation and negotiation of a claim for which we agree to indemnify you under this Policy. The most we will pay is \$25,000 in total any one (1) claim, unless a higher amount is included in the particular section of the Policy.

This benefit is in addition to any sum insured.

This benefit does not apply to the 'Tax audit' or 'Employee dishonesty' cover sections.

Business Property cover section

About this Policy section

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

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Catastrophe	A large scale destructive event, in the area where the premises is located, which either: <ol style="list-style-type: none"> the Insurance Council of Australia has declared to be an 'Insurance catastrophe event'; or as a consequence of an event, the relevant government authority has declared a state of emergency.
Landscaping	Growing plants, trees, shrubs, garden plots and lawns (including rock work, retaining walls, ornamentation and edging pertaining thereto).
Limit of indemnity	The Limit of Indemnity means 120% of the total Sum Insured for a particular Premises.
Market value	The estimated amount for which the property insured should exchange immediately before the damage, between a willing buyer and a willing seller in an arms-length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.
Specified items	Each item of property that is specifically described on the Policy Schedule for this cover section.
Total sum insured	The total of all sums insured for buildings, contents, stock and specified items for a particular premises.

Your insurance under this cover section

Provided the 'Business property' cover section is shown in the Policy Schedule as taken, we will cover you up to the limit of liability for loss or damage to your property insured at the premises which occurs during the period of insurance.

What we pay

The maximum we will pay for any one (1) claim, other than a claim for a specified item, under this cover section is the amount shown on the Policy Schedule or adjusted in accordance with this cover section, whichever is the higher.

The maximum we will pay for each specified item is the sum insured shown in the Policy Schedule for that item.

For contents that are works of art, antiques or curios we will only pay the value of the item up to a maximum of \$10,000 for each item unless they are a specified item.

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

1. Buildings, specified items and contents

Reinstatement or replacement

You are insured on a 'Reinstatement or replacement basis'. When buildings, specified items and contents are lost or damaged, we will:

- a. pay the cost of rebuilding, replacing or repairing any damaged part of your buildings, and contents to the same condition as when they were new or, where appropriate, in accordance with the "Output replacement" clause set out below, or;
- b. replace contents, stock or specified items with similar property;
- c. rebuild the buildings at the premises shown on your Policy Schedule or at another site;
- d. pay you the amount shown on the proof of purchase for specified items unless the specified items are works of art, antiques or curios;
- e. pay you the amount of a valuation by the Auctioneers and Valuers Association of Australia if the specified items are works of art, antiques or curios.

Reinstatement or replacement is subject to the following conditions:

- f. when rebuilding at another site, we will not pay more than we would pay to rebuild at the premises;
- g. the work of rebuilding, replacing or repairing must be commenced within a reasonable time of the loss or damage, after our consent has been obtained. If you do not, we will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out with reasonable dispatch;
- h. when any property insured is damaged, but not destroyed, we will not pay more than the amount that we could have been called upon to pay if that property had been destroyed;
- i. we will only pay to return the property insured to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in the Commonwealth of Australia.

2. Branded goods

In the event of a claim, any salvage of branded goods or merchandise owned by you or held by you in trust or on commission and any goods sold but not delivered shall not be disposed of by sale without your consent. If such salvage is not disposed of by sale, then the goods may be retained by you and disposed of as you see fit provided a reasonable salvage allowance is agreed with us for the value of the goods.

3. Extra cost of reinstatement

We will pay the extra cost of reinstatement (including demolition or dismantling) of damaged property insured which are necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under an Act or By-law or the Regulation of any Municipal or Statutory Authority other than those relating to the heritage status of a building.

4. Extra costs of reinstatement: Heritage building

If any building is subject to any heritage listing or protection and you choose to rebuild, replace or repair the building at the same location, we will pay the extra costs of repairing, replacing, or reinstating the building, that are related to obtaining special materials or employing specialised labour to match up or reproduce unique or distinctive ornamental or architectural features of the building to comply with standards imposed by any lawful heritage protection authority.

We will not pay more than the cost necessary to rebuild, replace or repair any such heritage listed building to a reasonably equivalent appearance and capacity using original design and suitable modern equivalent materials, if the original materials are not available.

5. Conditions which apply to extra costs of reinstatement

The following conditions apply:

- a. the work of reinstatement must be commenced and carried out within a reasonable period, failing which we will not pay more than the amount which would have been payable under the Policy if the work of reinstatement had been commenced and carried out with reasonable dispatch;
- b. the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, Regulation or By-law necessitate it, subject to our liability not being increased;
- c. the amount recoverable shall not include the additional costs incurred with complying with any such Act, Regulation or By-law or requirement with which you have been required to comply prior to the happening of the damage.

Our total liability under this clause 'Extra cost of reinstatement' will be limited to the balance of the limit of indemnity for this cover section.

The under-insurance condition of the 'Business property' cover section of the Policy will not be applied to the amount payable under this clause.

6. Loss of floor space

If a building insured under this cover section on a reinstatement or replacement basis can only be built with a reduced floor space as a result of:

- a. any Act of Parliament or regulation there under, or
- b. any By-law or regulation of any municipal or other statutory authority.

We will, in addition to reinstating or replacing the building on the basis set out above, pay you the difference between:

- c. the actual costs incurred in reinstatement subject to the reduced floor space ratio index (plot ratio), and
- d. the estimated cost of reinstatement at the time of damage had the reduced floor space ratio index (plot ratio) not applied.

7. Output replacement

Where any property insured consists of equipment, machinery or plant having a measurable function, capability or output and if it is necessary to replace such property with a new item or items which perform a similar function or functions, then the basis of settlement for such property shall be:

- a. where any property insured is to be replaced with any item or items which have the same or a lesser total function, capability or output, then the basis of settlement is the new installed cost of such replacement item or items as would give the same total function, capability or output as the property insured;
- b. where any property insured is to be replaced with any item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the replacement value of that property insured, then the basis of settlement is the new installed cost of the item or items so replaced;
- c. where any property insured is to be replaced with any item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the property insured, then the basis of settlement is the lesser of the reinstatement value or that proportion of the new installed cost of the replacement item or items which the output of the damaged property insured bears to the output of the replacement item or items; provided always that the amount payable shall not be of lesser value than the estimated cost which would have been payable if such damaged property could have been replaced by an item or items that would have given the same total function, capability or output as the damaged property insured. If the reinstatement value of the damaged property insured is not ascertainable then the basis of settlement is the new installed cost of the replacement item or items.

8. Stock

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

- a. pay the market value of the stock at the time of the loss or damage; or
- b. pay the cost of repair or replacement of the lost or damaged stock; or
- c. replace or repair the stock with property or materials equal to or of a similar standard and specification as the stock at the time it was lost or damaged;
- d. pay you the market value of obsolete stock or its purchase price (net of GST), whichever is the lesser, but no more than the original cost to you.

9. Undamaged portions of buildings

When a damaged Building has to be rebuilt at a location other than the Premises because the requirements of any lawful authority prevent the reinstatement of the Building including the foundations and services shall be deemed to be destroyed.

Provided that, if the presence of such undamaged portion of the building increase the value of the original site, the increased sale value shall be regarded as salvage and the amount thereof shall be payable to us by you upon completion of the sale of the site or shall be deducted from the total amount otherwise payable by us under this section, whichever shall first occur.

Should the site not be sold, then the increased site value, when applicable shall be agreed between you and us, or in default, we and you shall submit to arbitration and be bound by the decision of the arbitrator.

Extra covers applicable to this policy section

When damage to property insured is covered by this cover section, we will pay for the following costs that are incurred as a result of that damage ("extra covers").

As well as any specific limitation(s) on payments identified in each extra covers clause, the following limitations apply to payments under the following extra covers clauses:

- Clauses 1 to 4 inclusive: any amounts payable under these extra covers:
 - do not form part of the sums paid subject to the limit of indemnity; and
 - may apply in addition to the limit of indemnity.
- Clauses 5 to 19 inclusive: any amounts payable under these extra covers:
 - form part of the amounts paid subject to the limit of indemnity not otherwise exhausted;
 - do not apply in addition to the limit of indemnity

For the sake of clarity, if the limit of indemnity is otherwise exhausted, no amount is payable under extra covers clauses 6 to 19 inclusive.

Extra covers not subject to the limit of indemnity

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

1. Capital additions

If buildings or contents are insured and:

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

we will pay up to an additional:

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

2. Catastrophe inflation protection

If we agree to pay a claim for damage to your building that is a direct result of a catastrophe we will:

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

to cover any Increase in building costs for labour and materials and any other additional costs that can be directly attributed to increases in the price of services and materials as a direct result of the catastrophe.

Provided that we will not pay:

- c. more than the increased building costs which are actually incurred by you;
- d. any amount under this additional benefit until you have incurred costs exceeding the sum insured applicable to such building under this cover section;
- e. any claim under this extra cover if your Policy Schedule shows the building as being insured for 'Indemnity';

- f. any claim under this extra cover if you choose not to rebuild the buildings (or any part of them) at the premises shown on your Policy Schedule. We will not increase the insured amount to pay for damage to any property insured other than buildings.

Increase in building costs means the difference between the cost of reinstatement actually incurred in accordance with the basis of settlement provisions of this cover section and the cost of reinstatement that would have applied had the event not occurred.

3. Floating stock

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

- a. there are at least two premises specified on the Policy Schedule and a sum insured has been separately specified on the Policy Schedule for contents at each premises insured under this Policy Section, including the affected premises; and
- b. You transfer the stock between premises as a usual business practice.

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

We will not pay more than the total of the contents sum insured (which relates to stock) for all premises.

4. Seasonal increase in stock

We will automatically increase the sum insured in respect of stock by 50% during the seasonal increase period. If your sum insured for stock is included in another item on the current Policy Schedule we will only apply the increase to the portion of the sum insured which relates to stock.

Extra covers subject to the limit of indemnity

5. Removal of debris including necessary temporary repairs

If property insured has been damaged or destroyed and is covered by the property insured cover section, we will pay the reasonable costs incurred for the demolition, dismantling, necessary temporary repairs (including, but not limited to, the cost of dismantling, shoring up, propping and underpinning property), cleaning up and/or removal, storage and disposal of debris from the premises. We will also pay for your legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site.

6. Discharge of mortgages

We will pay the reasonable legal costs of discharge of a mortgage or mortgages on buildings, contents or stock following settlement of a claim under this Policy on a total loss basis. We will pay up to the \$25,000 any one (1) event.

7. Environmental Upgrade

If you elect to repair or replace property that is lost, damaged or destroyed during the period of insurance using or with more environmentally friendly technology, products or materials that improve the energy or water efficiency of the property, We will pay up to 10% more than the amount We would otherwise have paid to repair or replace the item that is being upgraded subject to a maximum cost of \$10,000. This extra cover only applies if the amount payable as Extra Cost of Reinstatement has been exhausted.

8. Expediting Expenses

We will pay for reasonable costs and expenses incurred by you for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with the repair, replacement or reinstatement of the property insured that suffered loss or damage.

Provided that we will not pay more than:

- a. 50% of the cost of repairing, replacing or reinstating the property insured; or
- b. \$25,000;

whichever is the lesser.

9. Government fees

If any or your property insured is destroyed or damaged, we will pay any fee, contribution or other impost payable to any other government, local government or other statutory authority where payment of the fee, contribution or impost is necessary to the obtaining of consent to reinstate any property insured provided that we will not be liable for payment of any fines and/or penalties imposed upon you by any such authorities.

10. Landscaping

We will pay for loss of or damage to landscaping at the premises. We will also pay resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like, all contained in or on or forming part of or implicitly pertaining to the buildings. This additional benefit is included in the sum insured of the buildings covered by this section.

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

11. Loss of Stock without damage

If stock is insured, we will cover you for perishable food stock, which at the time of loss or damage are stored in a controlled atmosphere chamber, that cannot be processed within a timely manner, in its normal way or through alternative outsourcing arrangements as a direct result of damage to other property insured which is critical to your business for the processing of perishable food stock. We will not pay more than:

- a. \$10,000; or
- b. 20% of your contents insured amount applicable to stock;

whichever is the lesser.

However, we will not pay for loss or damage caused by gradual operating causes including but not limited to wear and tear, gradual deterioration, mould, mildew and change in flavour, atmospheric moisture or variations in temperature.

12. Loss of land value

If we pay a claim for loss of or damage to a building at the premises, we will pay for any reduction in land value that results from the decision by any legal authority not to all rebuilding or only to allow partial rebuilding of that building at the premises.

We will not pay more than:

- a. 20% of the sum insured for buildings at the premises where the damage happened; or
- b. \$100,000;

whichever is the lesser.

The under-insurance condition does not apply to this additional benefit.

13. Metered water charges

The additional costs levied on you by a water company or Authority for additional metered water usage arising from the escape and loss of water at the premises following a theft or attempted theft of parts of the building when buildings are insured.

The basis on which the amount payable is to be calculated will be the amount of the suppliers' charges for the period during which damage occurs, less the charge paid by you for the corresponding period in the preceding year, adjusted for charges in the suppliers' charges and for variations affecting consumption of you during the intervening period.

Our payment for any one loss shall not exceed:

- a. seven (7) days; or
- b. \$15,000;

whichever is the lesser.

If you are also insured under the 'Theft cover section', the benefits payable under this Extra cover 13. 'Metered water charges' shall not be cumulative. The limit of liability for the building is not increased by this Extra cover.

14. Playing surfaces

We will pay, up to \$50,000 for playing surfaces, for the cost of repairing damage to outdoor playing surfaces at the premises, caused by:

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

15. Prevention of imminent damage

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

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

We will not pay more than \$100,000 for all claims under this additional benefit during any one (1) period of insurance.

We will not pay for any:

- e. fines, penalties or liability incurred by you; or
- f. loss or damage to your property.

16. Professional fees

We will pay the reasonable cost of surveyors', architects' and other professional fees for estimates, plans, specifications, quantities, tenders and supervision, incurred in the repair or replacement of lost or damaged buildings. The cost of professional fees are included in the sum insured of the lost or damaged buildings. If the sum insured has been exhausted, we will pay up to \$25,000.

17. Removal and disposal of trees and branches

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

We will remove a standing tree or branch that formed part of a tree that caused the insured damage if:

- a. we agree that the remaining tree or branch is unsafe;
- b. the remaining tree or branch became unsafe as a direct result of the event covered under this Policy Section causing damage to the tree, and
- c. all necessary approvals have been obtained and removal of the tree or branch would not result in a breach of any laws, by-laws, regulations or contractual obligations

We will remove a stump that formed part of the tree that caused the insured damage only if:

- d. all necessary approvals have been obtained and removal of the stump would not result in a breach of any laws, by-laws, regulations or contractual obligations, and
- e. not removing the stump would interfere with repairing or replacing the damaged part of the building is required to settle your claim.

18. Rewriting of records

We will pay the reasonable costs of restoring the data stored on media or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the records at each premises for:

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

19. Taking inventory

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

Additional benefits applicable to this Policy Section

We also provide the following additional benefits subject to the exclusions and conditions of the policy.

As well as any specific limitation(s) on payments identified in each additional benefits clause, the following limitations apply to payments under the following additional benefits clauses.

Clauses 20 to 23 inclusive:

- any amounts payable under these additional benefits do not form part of the sums paid subject to the limit of indemnity;
- may apply in addition to the limit of indemnity.

Clauses 24 to 27 inclusive:

- form part of the amounts paid subject to the limit of indemnity not otherwise exhausted;
- do not apply in addition to the limit of indemnity.

For the sake of clarity, if the Limit of Indemnity is otherwise exhausted, no amount is payable under additional benefits clauses 24 to 27 inclusive.

Additional Benefits not subject to the Limit of Indemnity

20. Limited transit

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

- a. fire or explosion;
- b. wind;
- c. acts of malicious persons;
- d. lightning or thunderbolt;
- e. implosion;
- f. earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of seventy two (72) consecutive hours following the event.

We will not cover you for more than:

- g. \$50,000; or
- h. 20% of the highest sum insured for contents or stock at any one (1) premises;

for each event, whichever is the lesser.

We will not cover you for any claims under the additional benefit if you have selected the 'Transit' cover section.

21. Rewriting of records

We will pay the reasonable cost, for clerical and professional cost incurred by You for rewriting of records that are lost, destroyed or damaged during the Period of Cover, whilst located away from Your premises anywhere in Australia by an occurrence. We will not pay You for any financial loss caused by the loss of Your records under this additional benefit.

We will pay you up to \$25,000 under this additional benefit.

22. Temporary cover for new premises

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

- a. this temporary cover period is limited to:
 - i. sixty (60) days from the date you acquire or commence using the premises, or
 - ii. the expiry date of the current period of insurance, or
 - iii. the date on which the property ceases to belong to you,

whichever is the lesser.

- b. the property is used for the business described in the Policy Schedule;
- c. the property is of similar type to that already insured under this cover section;
- d. the new premises comprise buildings of similar construction, fire and burglary protection as featured in any premises currently described in the Policy Schedule;
- e. you must provide to us full details of the new premises within sixty (60) days of the commencement of this temporary cover. If we agree to continue the cover you must pay any additional premium that we may require.

The maximum we will pay for this additional benefit is 50% of the highest sum insured shown on the Policy Schedule for each item of property.

23. Temporary removal of stock and contents

We will pay up to 20% of the sum insured for loss or damage to stock or contents during the period of insurance if the stock or contents have been temporarily removed from the premises or are in a temporary storage facility, self-storage unit or bulk storage facility as if it were at the premises but still within the Commonwealth of Australia.

We will not pay for loss or damage to:

- a. motor vehicles or trailers, watercraft, caravans or motorcycles unless they are:
 - i. stock of your business; or
 - ii. forklift trucks or similar appliances that are normally used for hauling or lifting goods at your premises;
- b. stock that is on consignment to other parties unless it is owned by you or is property for which you are responsible;
- c. stock or contents that have been removed for a period greater than ninety (90) days without our prior written consent;
- d. portable tools of trade, mobile phones and laptops.

Additional Benefits subject to the Limit of Indemnity

24. Costs related to damage to glass in vacant buildings

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

- a. the cost of temporary shuttering pending replacement of the broken glass;
- b. the costs incurred in replacing reflective materials and burglar alarm tapes and connections attached to the glass;

- c. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings, but not to bars, grilles or shutters; or
- d. the cost incurred in repairing or replacing tiles on shop and office fronts and around the glass.

We will not pay more than \$5,000 during any one (1) period of insurance for all claims under this additional benefit.

We will not cover you under this additional benefit for any breakage:

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

We will not pay for the breakage of:

- h. tiles on shop fronts and office fronts, other than around the broken glass; or
- i. plastic or Perspex signs.

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

- j. you have selected the Glass cover section;
- k. your insured building is leased to a tenant; or
- l. the building has remained unoccupied or untenanted for a continuous period longer than sixty (60) days and we have not agreed to an extended period in writing.

The excess that applies to this additional benefit is:

- m. the excess shown on the Policy Schedule; or
- n. \$500;

whichever is the higher.

25. Directors and employee's tools of trade and personal effects

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

We will not pay more than \$6,000 for any one (1) person for any one (1) event. Any amount we pay for this additional cover will be included in the contents sum insured.

26. Fire brigade attendance fees

We will pay up to \$100,000 for any one (1) event for any statutory charges payable by you to a fire brigade or firefighting authority for attendance at a fire or chemical emergency involving property insured and for the cost of refilling your firefighting appliances used in putting out a fire at or adjoining the premises and threatening the property insured during the period of insurance.

27. Trace and access

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

Optional extensions to the Business property cover section

1. Flood

When 'Flood' is shown in the current Policy Schedule, we will cover loss of or damage to property insured caused by flood.

2. Strata title mortgagee(s) interest

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

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

We will pay the mortgagee the lowest of:

- a. the sum insured shown on the Policy Schedule;
- b. the amount to repair the damage to a condition similar to but no better than when new;
- c. if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate's insurance pays and the cost of the damage; or
- d. the amount sufficient to discharge the mortgage held by you over the unit at the date of the damage.

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

We only pay a claim if:

- e. a claim would be payable under the 'Business property' cover section (and not subject to any exclusions or other limitation in the Policy);
- f. the Policy of the body corporate or similar does not apply or only partially covers the loss; and
- g. the mortgagee requires you to discharge your mortgage.

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

Exclusions

- 1. We will not cover you for loss or damage caused by:
 - a. wear and tear, gradual deterioration, scratching, marring, developing flaws, normal upkeep or any gradual cause provided that this exclusion shall not apply to subsequent loss or damage to your property insured (not otherwise excluded) resulting from a cause referred to in this exclusion;
 - b. mechanical, hydraulic, electrical breakdown or electronic failure or malfunction provided that this Exclusion shall not apply to subsequent loss or damage to your property insured (not otherwise excluded) resulting from a cause referred to in this exclusion;
 - c. corrosion, rust, oxidation, any form of fungus, wet or dry rot, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;
 - d. change in colour, flavour, texture or finish;
 - e. inherent vice or latent defect;
 - f. loss of weight or exposure to light;
 - g. creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, roads, car parks and the like;

- h.
- i. error or omission in design, plan or specification or failure during testing;
 - ii. faulty materials or workmanship
- provided that this 'Exclusion 1(h)' shall not apply to subsequent loss or damage to your property insured (not otherwise excluded) resulting from an event referred to in this exclusion;
- i. infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by you or any employee;
 - j. erosion, subsidence, landslide or mudslide or any other earth movement but we will cover loss or damage caused by a landslide or subsidence that occurs within seventy two (72) hours of, and directly because of, a storm, earthquake subterranean fire, volcanic eruption or water escaping from a water main owned by a water supply authority; or
 - k. demolition ordered by any lawful authority as a result of failure by you to comply with any lawful requirement;
 - l. the action of the sea or high water, unless caused by or arising as a direct consequence of an earthquake or seismological disturbance;
 - m. flood;
 - n. faults or defects known to you or any employee whose knowledge in law would be deemed to be your knowledge and not disclosed to us at the time this insurance was arranged, extended, varied or renewed;
 - o. the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute;
 - p. data processing or media failure or breakdown or malfunction of a processing system including operator entry or omission;
 - q. deliberate and unauthorised corruption, amendment or erasure of data by you or your directors, partners, employees, officers or any other person who has an interest in the property insured whether acting alone or in collusion with any other person;
 - r. computer virus;
 - s. the gaining of unauthorised access to your computer via any communication system by any person other than you or your directors, partners, employees, officers or any other person who has an interest in the property;
 - t. the operation or presence of any computer program that alters or erases data or programs in a manner that is undesired by you;
 - u. the actual breaking, seizing, deformation or melting of any part of the property while it is in use that is caused by mechanical, electrical or electronic defect that results in sudden and total loss of operation that requires repair or replacement before the property can resume normal operation;
 - v. explosion or implosion of any boiler or pressure vessel (other than a boiler or pressure vessel used solely for domestic purposes) that has a value of more than \$250,000:
 - i. where the load on the safety valve upon the particular pressure equipment was in excess of the manufacturer's specification at the time of any damage;
 - ii. where any safety valve limiting pressure was removed or rendered inoperative;

- iii. due to the failure of the supply of water, gas, electricity or fuel.

Provided that we will pay for any damage to property insured that is not otherwise excluded that results from damage caused directly by or arising directly from any of these causes.

2. We will not cover loss of or damage to:
 - a. property insured while it is undergoing any process where damage results from it being processed or manufactured;
 - b. any building, contents and stock if the building is vacant awaiting or undergoing demolition, unless we have agreed otherwise;
 - c. animals that are livestock (unless insured as stock within the building of a pet shop or restaurant), plants, or growing crops (other than plants that are part of landscaping);
 - d. glass or signs:
 - i. other than loss or damage caused by fire, storm, wind, rain, hail, lightning, explosion, implosion, earthquake, impact by vehicles or animals, aircraft and other aerial devices and/or articles dropped from them, riots or civil commotion, persons acting maliciously or earthquake; or
 - ii. except where you are a tenant of a building and are required by the lease to insure glass:
 - e. property insured caused by the actions of birds, moths, termites or other insects, vermin or rodents;
 - f. property insured caused by animals pecking, biting, clawing, scratching, tearing or chewing your property insured at the premises, provided that this exclusion 3(f) shall not apply in respect to damage by an animal that gives rise to subsequent loss or damage to your property insured occasioned by a fire, explosion or water damage only.

Provided that exclusions 2(e) and 2(f) shall not apply in respect to damage by an animal that gives rise to subsequent loss or damage to your property insured occasioned by a fire, explosion or water damage only.
3. We will not cover loss or damage caused by or arising from:
 - a. theft. This exclusion does not apply to physical damage to property insured at the premises during theft or any attempted theft and/or theft of parts of the building when buildings are insured or fixed plant in the open-air buildings are insured;
 - b. any legal liability you have other than the legal liability that is covered by the extra cover 'Removal of debris';
 - c. the incorrect siting of buildings as a result of error in design or specification, faulty workmanship or non-compliance with the requirements of any lawful authority;
 - d. demolition ordered by any lawful authority as a result of failure by you to comply with any lawful requirement;
 - e. any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;

- f. contamination, pollution, smoke or smut except where caused directly by fire, lightning, explosion, impact by any road vehicle or animal, aircraft or other aerial devices or articles dropped by them, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof, meteorite, riot, civil commotion, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing or discharge of tanks, apparatus or pipes containing in water or liquid of any kind, or sprinkler leakage.
4. We will not cover loss or damage caused by:
- a named cyclone named by the Bureau of Meteorology where the damage occurs within seventy two (72) hours from the commencement of this Policy; or
 - a bushfire occurring within seventy two (72) hours from the commencement of this Policy.

Provided that this exclusion shall not apply if:

- your Policy commenced immediately after another policy covering the same risk has expired, without a break in cover; or
- you have entered into a contract of sale to purchase the property at the situation; or
- you have entered into a contract to lease the property at the situation.

Limitations on cover

1. Earthquake

If any loss covered by this cover section is caused by earthquake, volcanic eruption, subterranean fire or tsunami, we will not pay for the first:

- \$20,000; or
- 1% of the sum insured at the damaged premises;

whichever is the lesser amount, of each claim caused by earthquake, tsunami, volcanic eruption or subterranean fire.

2. Storm, rainwater, wind, hail or snow

Cover for damage to textile blinds and awnings, shade cloth, shade houses, fibreglass houses and glass houses, gates, fences, signs and retaining walls caused by or arising from storm, rainwater, wind, hail or snow is limited to a maximum of \$25,000 in total, any one (1) event or the amount shown in the schedule if higher.

Specific conditions applicable to this section

1. Leased building clause

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

2. Release

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

3. Storage premises

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

4. Tenants actions

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

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

5. Under-insurance

For each occurrence under the 'Business property' cover section, we will not be liable for more than that proportion of damage which; in respect of buildings, contents, stock and specified items the sum insured on the total amount for buildings, contents, stock and specified items at the premises, at the time of the commencement of each period of insurance bears to 80% of the full insurable value of such buildings, contents, stock and specified items.

Conditions:

- Our liability is limited to the sum insured at the premises as shown in the Policy Schedule;
- this clause will not apply if:
 - the amount of any damage does not exceed 10% of the sum insured at the premises.
 - to property forming part of the property insured which has been insured under this Policy for the full value stated in a valuation prepared by an approved valuer not less than three years before the commencement of the period of insurance, and which an approved valuer has updated not more than twelve months prior to the commencement of the period of insurance. 'Approved valuer' means a certified practising valuer registered with the Australian Property Institute within the relevant property discipline.

Example:

Total value = \$200,000
 80% of value = \$160,000
 Sum insured = \$144,000

Therefore, if a \$100,000 loss occurs, we would pay $(\$144,000 / \$160,000) \times \$100,000 = \$90,000$.

We would pay \$90,000.

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

Business interruption cover section

About this Policy section

There are three covers available in this section:

- Insurable gross profit basis
- Annual revenue basis
- Weekly revenue basis

Your Policy Schedule indicates which cover has been selected by you.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Annual rent receivable	The rent receivable during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Annual revenue	The revenue earned during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Annual turnover	The turnover during the twelve months immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Damage	Physical loss, destruction or damage occurring during the period of insurance caused by an event insured under the 'Property damage' cover section, the 'Theft' cover section, the 'Money' cover section, the 'Glass' cover section or the 'General property' cover section or 'Goods in transit' cover section.
Gross	The money paid or payable to you for goods

Word or term	Meaning
income	<p>sold, services rendered or rental received, less the purchase price of stock. Gross Income includes any government approved incentives, subsidies or market allowances you are entitled to in relation to your business.</p>
Gross profit	<p>The amount by which the sum of the turnover and the amount of the closing stock and work in progress exceeds the sum of the opening stock and work in progress and the amount of the uninsured working expenses.</p> <p>Note: The amount of the opening and closing stocks will be arrived at in accordance with your normal accounting methods, due provision being made for depreciation.</p>
Indemnity period	The period beginning from the time when the interruption or interference affects the results of your business in consequence of the damage and ending at the expiration of the maximum period specified in the current Policy Schedule or, in the case of weekly revenue, ending at the earliest of either the expiration of the maximum period specified in the Policy Schedule or when weekly revenue during that period equals or exceeds 95% of standard weekly revenue.
Rate of gross profit	The rate of gross profit, expressed as a percentage, earned on the turnover during the financial year immediately before the date of the damage to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Rent receivable	The amount of the rent received or receivable (including base rental, turnover rental and contributions to outgoings) from the letting of property at the premises.
Revenue	<p>The money paid or payable to you as a:</p> <ul style="list-style-type: none"> • wholesaler or retailer of goods – for goods sold and delivered in the course of your business less the cost of any related purchases (after any discounts); • motel operator – in respect of facilities, accommodation, food and drink made available and services rendered in connection with your business, less the cost of any related purchases (after any discounts) and laundering and cleaning expenses; • professional practitioner or consumer services provider – for services rendered and work performed in connection with your business; • property owner – by tenants (being

Word or term	Meaning
	rent receivable). Includes any Government approved incentives, subsidies or market development allowances you are entitled to in relation to your business.
Shortage in turnover	The amount by which the turnover during a period will, in consequence of the damage, fall short of the part of the standard turnover which related to that period.
Standard rent receivable	The rent receivable during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Standard revenue	The revenue earned within that period during the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Standard turnover	The turnover during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period to which such adjustments will be made as may be necessary to provide for the trend of your business and for variations in or other circumstances affecting your business either before or after the damage or which would have affected your business had the damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
Standard weekly revenue	The average of the weekly revenues in that period during the fifty two (52) weeks immediately before the date of the damage which corresponds with the indemnity period, adjusted as may be necessary for trends, variations in or other circumstances affecting your business, so that the adjusted figure will represent as far as possible the weekly results which, but for the damage, would have been obtained during the relative period after the damage.

Word or term	Meaning
Turnover	The amount (less discounts allowed) paid or payable to you for goods sold and delivered and for services rendered and for rent receivable in the course of your business at the premises. Includes any government approved incentives, subsidies or market development allowances you are entitled to in relation to your business.
Uninsured working expenses	The working expenses of your business shown in the Policy Schedule which you have elected not to insure under this cover section, and which are not included in the sum insured for insurable gross profit basis.
Weekly benefit	The amount shown in the Policy Schedule.
Weekly revenue	The gross income received by you for goods sold, services rendered or rental received less the purchase price of stock.

Insurable gross profit basis

What you are covered for

In the event of interruption of or interference with your business in consequence of damage during the period of insurance to any property insured or any part thereof used by you at the premises for the purpose of your business, we will pay you in respect of each item selected by you and shown in the current Policy Schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

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

This section of the Policy provides protection for loss under the following items, if selected:

- Item 1. Gross profit.
- Item 2. Additional increase in cost of working.
- Item 3. Accounts receivable.
- Item 4. Claim preparation expenses.
- Item 5. Rent receivable.

What we pay

Item 1. Gross profit

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

The amount payable as indemnity under this item will be:

- a. in respect of reduction in turnover:
 - the sum produced by applying the rate of gross profit to the shortage in turnover during the indemnity period, and
- b. in respect of the increase in cost of working:
 - the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for the additional expenditure, would have taken place during the indemnity period in consequence of the damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of reduction thereby avoided; less any sum saved during the indemnity period in respect of such charges and expenses of your business payable out of gross profit as may cease or be reduced in consequence of the damage.

Provided that if the sum insured for this item at the commencement of each period of insurance is less than the sum produced by applying the rate of gross profit to eighty percent (80%) of the annual turnover (or its proportionately increased multiple where the indemnity period exceeds twelve months), the amount payable for loss of gross profit only will be reduced so that we will be liable for no greater proportion of the loss under this item than that which the sum insured bears to eighty percent (80%) of the annual turnover (or its proportionately increased multiple, if appropriate).

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

Item 2. Additional increase in cost of working – see ‘Common clauses’

Item 3. Accounts receivable – see ‘Common clauses’

Item 4. Claim preparation expenses – see ‘Common clauses’

Item 5. Loss of rent receivable.

The amount payable under this item 5 will be:

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

less any sum saved during the indemnity period in respect of such of the expenses and charges payable out of the rent receivable as may cease or be reduced in consequence of the damage.

Provided that if the sum insured for this item is less than 80% of the annual rent receivable (or its proportionately increased multiple where the indemnity period exceeds twelve months), the amount payable will be reduced so that we will be liable for no greater proportion of the loss under this item than that which the sum insured bears to 80% of the annual rent receivable (or its proportionately increased multiple, if appropriate).

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

Annual revenue basis

What you are covered for

In the event of interruption of or interference with your business in consequence of damage during the period of insurance, to any property insured or any part thereof used by you at the premises for the purpose of your business, we will pay you in respect of each item selected by you and shown in the current Policy Schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

- a. the payment is in accordance with the ‘What we pay’ provision for the item;
- b. we have paid for or admitted liability in respect of such damage under the relevant section of this Policy, or another insurer has paid for or admitted liability in respect of such damage;
- c. we would have paid for or admitted liability in respect of such damage under the relevant section of this Policy, or another insurer would have paid for or admitted liability in respect of such damage but for the application of an excess; and
- d. our liability in no case will exceed in respect of each item the sum insured shown in the current Policy Schedule for that item.

This section of the Policy provides protection for loss under the following items, if selected:

Item 1. Revenue.

Item 2. Additional increase in cost of working

Item 3. Accounts receivable

Item 4. Claim preparation expenses

What we pay

Item 1. Revenue

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

The amount payable as indemnity under item 1 will be:

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

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

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

Item 2. Additional increase in cost of working – see ‘Common clauses’.

- Item 3. Accounts receivable – see ‘Common clauses’.
 Item 4. Claim preparation expenses – see ‘Common clauses’.

Weekly revenue basis

What you are covered for

In the event of interruption of or interference with your business in consequence of damage during the period of insurance to any property insured or any part thereof used by you at the premises for the purpose of your business, we will pay you in respect of each item selected by you and shown in the current Policy Schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

- a. the payment is in accordance with the ‘What we pay’ provision for the item;
- b. we have paid for or admitted liability in respect of such damage under the relevant section of your Policy, or another insurer has paid for or admitted liability in respect of such damage;
- c. we would have paid for or admitted liability in respect of such damage under the relevant section of this policy, or another insurer would have paid for or admitted liability in respect of such damage but for the application of an excess; and
- d. our liability in no case will exceed in respect of each item the sum insured shown in the current Policy Schedule for that item.

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

This section of the Policy provides protection for loss under the following items, if selected:

- Item 1. Weekly revenue
- Item 2. Additional increase in cost of working
- Item 3. Accounts receivable
- Item 4. Claim preparation expenses

What we pay

Item 1. Weekly revenue

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

Item 2. Additional increase in cost of working – see ‘Common clauses’.

Item 3. Accounts receivable – see ‘Common clauses’.

Item 4. Claim preparation expenses – see ‘Common clauses’.

Common clauses to insurable gross profit basis, annual revenue basis and weekly revenue basis

The following clauses are applicable:

Accumulated stocks

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

Alternative trading

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

Departmental

We will apply the cover provided by this cover section to each department of your business separately, if your business is conducted in departments, and each department has independent trading results which are ascertainable. For the purposes of this clause, the rent receivable from letting of property at the premises will be regarded as the proceeds of one (1) such department.

Item 2. Additional increase in cost of working

This section of the Policy is limited to the increase in the cost of working (not otherwise recoverable under this Policy) necessarily and reasonably incurred during the indemnity period in consequence of the damage for the purpose of avoiding or diminishing reduction in turnover, revenue or weekly revenue and/or resuming and/or maintaining normal business operations and/or services.

We will not pay more than:

- a. \$25,000, or
- b. the sum insured for ‘Additional increase in cost of working’ shown in the Policy Schedule;

whichever is the greater, for any one (1) claim.

Item 3. Accounts receivable

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

- a. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the damage occurs;
- b. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the damage occurs, as compared with such average for the same months of the preceding year;

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

We will not pay more than:

- a. \$7,500, or
- b. the sum insured for 'Outstanding accounts receivable' shown in the Policy Schedule;

whichever is the greater, for any one (1) claim.

Item 4. Claim preparation and proving expenses

In addition to the amount payable under general condition 'Claim preparation expenses' of this Policy we will pay you up to \$10,000 or the amount shown in the current Policy Schedule for the costs of such reasonable professional fees as may be payable by you and other such reasonable expenses necessarily incurred by you and not otherwise recoverable, for preparation and negotiation of claims under this section.

Sum insured

Our liability to you will in no case exceed in respect of each item the sum insured expressed against that item in the current Policy Schedule. 'Additional benefits' are within the total sum insured of this section and not additional to the total sum insured. If you have chosen weekly revenue, we will not pay more each week for loss of weekly revenue than the weekly benefit.

New business

In the event of damage occurring at the premises before the completion of the first year's trading of your business, the defined terms 'Annual turnover', 'Rate of gross profit', 'Standard turnover', 'Annual revenue', 'Standard revenue', and 'Standard weekly revenue', shall instead have the following meanings wherever they appear in this section:

'Annual turnover' means the actual turnover achieved during your first year of operations, from the commencement of your business to the date of the damage, converted to a twelve (12) month equivalent figure.

'Rate of gross profit' means the proportion that the gross profit bears to the turnover during the period between the date of commencement of your business and the date of the damage.

'Standard turnover' means the turnover achieved between the date of commencement of your business and the date of the damage, converted to the selected indemnity period.

'Annual revenue' means the actual revenue achieved during your first year of operations, from the commencement of your business to the date of the damage, converted to a twelve (12) month equivalent figure.

'Standard revenue' means the revenue achieved between the date of commencement of your business and the date of the damage, converted to the selected indemnity period.

'Standard weekly revenue' means the amount calculated by averaging the weekly revenues obtained during the period from the date of the commencement of your business to the date of the damage.

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

Salvage sale

If, following damage giving rise to a claim under this Policy, the insured shall hold a salvage sale during the indemnity period:

- a. Clause (a) of Item 1 'Gross profit' of this section shall, for the purpose of such claim, read as follows:
In respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the damage, fall short of the standard turnover, from which shall be deducted the gross profit actually earned during the period of the salvage sale.
- b. The definition of shortage in turnover shall, for the purpose of such claim, mean the amount by which the turnover during a period (less the turnover for the period of the salvage sale) shall, in consequence of the damage, fall short of the part of the standard turnover which relates to that period, from which shall be deducted the pay-roll paid out of the proceeds of the salvage sale.

Turnover - output

In the event of damage giving rise to a claim under this section, at your option, the word 'Output' may be substituted for the term 'Turnover' provided that only one (1) such meaning shall be operative in connection with any one (1) event involving damage. For the purpose of this Policy, 'Output' shall mean the sale and/or invoice value of goods manufactured and/or processed by you in the course of your business at the premises.

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

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

Under-Insurance Deleted

If the Sum Insured shown in the Policy Schedule for:

- a. Insurable gross profit basis; or
- b. Annual revenue basis,

has been calculated using a Business Interruption Calculator and your GST exclusive sales income figures from your Business Activity Statement are as stated in the calculation, then the under-insurance provision within 'What we will pay' clause will not apply.

Extra covers

This cover section is extended to include the following extra covers. The extra covers 1 to 5 inclusive are payable provided that the sum insured expressed against the relevant item(s) in the Policy Schedule is not otherwise exhausted.

1. Contractual damages

Following a claim under insurable gross profit, Item 1 'Gross profit', we will also pay:

- a. for fines or damages, other than aggravated, punitive or exemplary damages, for breach of contract resulting from non-completion or late completion of orders; or
- b. in discharge of contract purchases, cancellation charges, fines or damages for breach of contracts for the purchase of goods or services which cannot be utilised by you during the indemnity period, less any value to you for such goods or the amount received from sale.

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

2. Explosion of pressure vessels

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

3. Extension of the indemnity period

When Extra Cover 2 'Catastrophe Inflation protection' in the Business Property cover section applies and the indemnity period stated in the Policy Schedule is 12 months or more, we will increase the indemnity period by a further 3 months providing that you undertake the reinstatement of your Business at the existing or an alternative premises.

This increase in your Indemnity period is in recognition of the delays and difficulties experienced in the aftermath of such events and which extend the normal period in which the results of any business are affected in consequence of the damage. This extra cover does not increase the sum insured applicable to the cover selected by you and shown in the Policy Schedule.

4. Infectious disease, etc.

We will cover you for interruption to or interference with your business due to closure or evacuation of the whole or part of the premises during the period of insurance:

- a. by order of a competent government, public or statutory authority as a result of bomb threat, vermin or pests or defects in the drains or other sanitary arrangements, occurring at the premises;
- b. by order of a competent government, public or statutory authority as a result of an outbreak of an infectious or contagious human disease occurring within a twenty (20) kilometre radius of the premises, however there is no cover for highly pathogenic Avian Influenza or any disease declared to be a listed human disease under the *Biosecurity Act 2015* (as amended) irrespective of whether discovered at the location of your premises, or out-breaking elsewhere;
- c. injury, illness or disease caused by the consumption of food or drink supplied at or from your premises during the period of insurance;
- d. murder or suicide occurring at the premises; or
- e. shark or crocodile attack occurring within a twenty (20) kilometre radius of the premises during the period of insurance.

5. Motor vehicles owned or operated by you

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

6. Prevention of access

We will cover you for interruption to your business that is caused by or results from damage to property within a ten (10) kilometre radius of your premises which shall prevent or hinder the use of or access to your premises provided that:

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

We will cover you for interruption to your business that is caused by the order of any lawful authority which prevents access to the business premises provided that the order results from the threat of damage to property within a fifty (50) kilometre radius of the premises.

Additional benefits

This cover section is extended to include the following additional benefits. Additional benefits 1 to 8 inclusive are payable provided that the sum insured expressed against the relevant item(s) in the Policy Schedule is not otherwise exhausted.

1. Computer installation

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

- a. would have been covered under the 'Business property' cover section if the computer facilities had been insured under that section;
- b. results in you being unable to utilise a compute installation or any ancillary equipment in your business; and
- c. results in interruption of or interference with your business.

2. Customers and suppliers – unspecified

We will treat damage to unspecified:

- a. property at the premises of your suppliers, manufacturers or processors of component goods, materials or services which supply the business directly (other than those services provided by any utilities) including their direct suppliers, or
- b. property at the premises of customers of goods or materials or services including their direct suppliers; or
- c. property at any other premises, including construction sites, where you are engaged in the performance of work in connection with the business,

all within the Commonwealth of Australia as damage for the purpose of this cover section, provided that our liability will not exceed 20% of the sum insured applicable to the cover selected by you and shown in the Policy Schedule.

3. Documents temporarily removed

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

- a. temporarily removed to other premises anywhere in Australia; or
- b. while in transit to any place in Australia;

if the following apply:

- c. the damage would have been covered under the 'Business property' cover section if the documents and electronic data files had been insured under that section;
- d. the damage results in interruption of or interference with your business,

as damage for the purpose of this cover section.

We will not cover you for more than 20% of the sum insured applicable to the cover selected by you and shown in the Policy Schedule.

4. Loss of attraction

If your business is located within a multi-tenanted commercial complex, we will treat damage to property of a major tenant as being damage for the purposes of this cover section provided that:

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

We will not cover you for more than 20% of the sum insured applicable to the cover selected by you and shown in the Policy Schedule.

5. Roads, bridges and railway lines

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

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

6. Storage sites/temporary removal

We will cover you for interruption to your business that is caused by or results from damage to your property stored or being processed at any premises in the Commonwealth of Australia not occupied by you. Our total liability under this additional benefit will not exceed 20% of the sum insured applicable to the cover selected by you and shown in the Policy Schedule.

7. Transit

We will cover for interruption to your business that is caused by or results from damage to your property insured while in transit by road, rail, sea or air within the Commonwealth of Australia and outside of the premises occupied by you, up to an amount not exceeding 20% of the sum insured applicable to the cover selected by you and shown in the Policy Schedule, in respect of any one (1) occurrence.

8. Utilities

We will treat damage to:

- a. any electricity, gas or water supply systems within the Commonwealth of Australia; or
- b. sewerage works; or
- c. any telecommunications system that is land-based within Australia and supplies your business;

as damage for the purposes of this Policy section, if the following apply:

- d. the damage would have been covered under the 'Business property' cover section if such damage had been to property insured under that Policy section;
- e. the damage results in hindering or stopping the supply of electricity, gas, water or sewage or telecommunications to the premises; or
- f. the damage results in interruption of or interference with your business;
- g. the interruption of the supply extends for greater than 48 hours unless the utility which was damaged was at or immediately adjacent to Your Premises.

Optional benefits

The following 'Optional benefits' do not apply automatically. They will apply when you have requested their inclusion in this section, and the current Policy Schedule has been endorsed by us noting the inclusion.

1. Goodwill

Following damage to any building at your premises we will pay, up to the sub-limit of liability shown in the current Policy Schedule for 'Goodwill', for the actual cost of goodwill incurred by you when purchasing a business in order to maintain your business activities.

Provided that:

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

2. Specified customers and suppliers

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

- a. specified suppliers - property at the premises of your suppliers shown in the Policy Schedule up to an amount calculated by applying the percentage shown in the Policy Schedule to the sum insured for gross profit, annual revenue or weekly revenue;
- b. specified customers - property at the premises of your customers shown in the Policy Schedule up to an amount calculated by applying the percentage shown in the Policy Schedule to the sum insured for gross profit, annual revenue or weekly revenue.

Special conditions applicable to this section

Books of account

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

Theft cover section

About this Policy section

This section covers the loss of your contents and stock from theft, attempted theft, armed hold up or an actual or threatened assault.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Category or categories	The category into which property can be designated from the following: <ol style="list-style-type: none"> a. all contents including stock; b. all contents excluding stock; c. stock excluding cigarettes, cigars and tobacco; d. cigarettes, cigars and tobacco; e. alcohol; f. specified items listed in the Policy Schedule.
Cigarettes, cigars and tobacco	Cigarettes, cigars and tobacco used by you in the business.
Electronic equipment	Any electronic equipment including but not limited to mobile phones, laptops, palm pilots, computers, scanners, printers, word processors. Electronic processing systems, photocopiers, facsimile machines, electronic cash registers, electronic scales and electronic testing or analysing equipment used by you in the business. Electronic equipment does not include electronic equipment that is stock.

Your insurance under this cover section

Provided the Theft cover section is shown in the Policy Schedule as taken, we will cover you for loss of or damage to your contents and stock occurring during the period of insurance at your premises and caused by one (1) or more of the following theft by:

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

What we pay

At our option, we will:

- a. with respect to stock:
 - i. pay you the market value of the stock at the time of the loss or damage; or
 - ii. pay the cost of repair or replacement of the stock; or
 - iii. replace or repair the stock with property or materials equal to or of a similar standard and specification as the stock before it was damaged;
 - iv. pay you the value of obsolete stock or its purchase price, whichever is the lesser, but no more than the original cost to you.
- b. with respect to contents or electronic equipment:
 - i. repair or replace the contents or electronic equipment; or
 - ii. pay you the cost of repair or replacement of the contents or electronic equipment.
- c. pay the sum insured for a specified item.

For each specific category or categories, we will not pay more than the sum insured shown on the current Policy Schedule for this cover section, except to the extent stated under the headings 'Extra covers' and 'Additional benefits'.

Extra covers

We will also pay or provide the extra covers set out below.

Unless stated to the contrary, any amounts payable under these extra covers are in addition to the sum insured specified in the Policy Schedule.

1. Damage to premises

We will cover you for the cost to repair your property insured caused by theft or attempted theft. The maximum amount we will pay for this additional benefit is \$20,000.

2. Damage to rented premises

We will cover you for damage to the premises that you occupy as a tenant if you were legally liable to pay in accordance with the terms of your lease, provided such damage occurs as a result of theft or attempted theft of property insured occurring during the period of insurance. The limit of our liability under this additional benefit is \$20,000.

3. Seasonal increase of cover

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

4. Removal of Debris

We will pay the cost of removal of debris and of cleaning up any damage resulting from theft or attempted theft of property insured.

Provided that we will not pay more than \$5,000 for any one claim.

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

This extra cover operates in addition to the sum insured.

5. Removal of debris following forensic investigation

We will pay the cost of removal of debris and of cleaning up any damage resulting from forensic investigation by police following theft or attempted theft of property insured. Provided that we will not pay more than \$2,000 for any one claim. Provided that any cover given under this extra cover shall not accumulate with any similar cover that may be given under the Money cover section.

This extra cover operates in addition to the Sum Insured

6. Rewriting of records

We will pay for the cost of additional clerical and professional costs, incurred by you to rewrite your necessary business records if they are lost, destroyed or damaged, whilst located at your premises or off site anywhere in the Commonwealth of Australia, by an occurrence which you are covered for in the 'Theft' cover section. We will not pay more than \$25,000 during any one (1) period of insurance.

7. Temporary protection and security guards

We will pay for the reasonable and necessary cost of temporary protection and repairs and the employment of guards/watchmen to protect property insured pending repair or damage to the building caused by theft or attempted theft. The maximum amount we will pay for each occurrence is \$10,000. If an occurrence results in a claim being paid under this cover section and another cover section of the Policy, the highest single limit under the relevant cover section applies. The benefit of temporary protection and security guards shall not be cumulative under this Policy.

8. Metered Water Charges

We will pay the additional costs levied on you by a Water Company or Authority for metered water usage arising from the theft of property or water at the premises.

The basis on which the amount payable is to be calculated will be the amount of the suppliers' charges for the period during which damage occurs, less the charge paid by you for the corresponding period in the preceding year, adjusted for charges in the suppliers' charges and for variations affecting consumption of you during the intervening period.

Our payment is limited to \$10,000 in total any one event and if you are also insured under the 'Property damage cover section', the amount payable under this Additional Benefit 8 'Metered Water Charges' shall not be cumulative.

Additional benefits

We will also provide the following additional benefits in this cover section.

Unless stated to the contrary, any amounts payable under these additional benefits are included in the sum insured specified in the Policy Schedule.

1. Directors and employee's tools of trade and personal effects

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

Cover is limited to \$10,000 overall in respect of any one (1) loss. This applies in addition to the sum insured. If you are insured under the Theft cover section, the benefits payable under this additional benefit shall not be cumulative.

This additional benefit provides cover to you. It does not provide any insurance cover to any director or employee.

2. Employee dishonesty

We will cover you for loss of stock, contents or electronic equipment as a result of theft or dishonesty by any of your employees occurring during the period of insurance, which is discovered within forty five days of its occurrence.

This additional benefit does not cover:

- a. any loss arising from the conduct of an employee after you have knowledge of or information about any prior act of fraud or dishonesty by the employee;
- b. any loss arising from the conduct of an employee outside the Commonwealth of Australia;
- c. any loss where you are unable to identify which employee is responsible;
- d. any loss or part of a loss arising from the conduct of an employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;
- e. fraud or dishonesty committed by any member of your family who is not your employee; or
- f. fraud or dishonesty committed by any of your employees committed with your connivance.

Our liability under this additional benefit is limited to \$5,000 for any one (1) occurrence. This is in addition to the sum insured. If you are also insured under the 'Money' cover section, the benefits payable for employee dishonesty shall not be cumulative and shall be limited to \$5,000 in the aggregate per occurrence.

Exclusion 3, of 'Exclusions', so far as it relates to loss or damage due to theft or attempted theft committed by an employee, does not apply to this additional benefit.

3. Death by assault

If any person is injured while protecting or attempting to protect the property from theft and death results from that injury within twelve (12) months, we will pay \$10,000 to the estate of that person. If you are also insured under the 'Money' cover section, the benefits payable for death following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate. This benefit is payable in addition to the Sum Insured.

4. Illegal use of corporate financial transaction card

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

We will not pay:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards by your employees or any other person acting in collusion with your employee or by any member of your family;
- b. more than \$10,000 in total for any one (1) loss or event.

Provided that any cover given under this additional benefit 4 'Illegal use of corporate financial transaction card', shall not accumulate with any similar cover that may be given under the Money cover section.

5. Illegal electronic funds transfer

If the Policy covers contents and, following entry into the premises arising from one (1) of the events listed under the heading 'Your insurance under this cover section', we will pay any financial loss sustained by you arising from the electronic transfer of funds from your bank account to a bank account not controlled by you.

We will not pay:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards or financial transaction cards by your employees or any other person acting in collusion with your employee or by any member of your family;
- b. more than \$5,000 in total for any one (1) loss or event.

6. Replacement of locks, keys and combinations

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

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

We will also pay the reasonable cost of:

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

We will not pay more than \$10,000 for any one (1) event. This benefit is payable in addition to the Sum Insured.

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

7. Temporary cover for new premises

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

- a. cover is limited to a period of ninety (90) consecutive days from the day that you first use the new premises;
- b. cover is not available to property that cannot be correctly designated to one (1) of the categories that are shown as insured in the Policy Schedule;
- c. cover is only available to contents or stock that is of a similar type to that insured by this cover section;
- d. for each specific category of property shown in the Policy Schedule cover is limited to 50% of the sum insured for that category.
- e. if more than one (1) premises is shown in the Policy Schedule then this 50% limitation will apply to the lowest sum insured that applies to the specific category of property; or
- f. the new premises have building and security features that are similar to those at one (1) of the premises shown in the Policy Schedule having the same occupation.

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

If we agree to cover stock or contents at the new premises, you must pay any additional premium we ask for.

8. Temporary removal

We also cover your property insured while temporarily removed to any other premises within the Commonwealth of Australia.

Provided that:

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

9. Theft of external property

We will cover you for loss or damage as a result of theft or attempted theft, whether following forcible and violent entry or otherwise, of contents that are securely and permanently fixed (other than by means of a flexible or tensile cord to a power point) to the outside of the building, we will not cover you for more than:

- a. \$25,000; or
- b. the balance of the contents sum insured,

whichever is the lesser during the period of insurance.

10. Theft of Property Insured in the open air

We will cover You for loss of or damage to property insured from the premises occurring during the period of insurance resulting from theft or attempted theft resulting from theft or attempted theft in the open air but within the boundaries of the premises.

We will not cover You for theft of property insured in the open air unless the premises after business hours are fully enclosed by walls and fences and the gates are locked with padlocks or by an electronic security locking system.

Provided that We will not pay more than \$5,000 for any one clam or the amount shown in the Policy Schedule if higher.

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

We will cover you for loss or damage occurring during the period of insurance to contents in the building as a result of theft where there are no signs of forcible and violent entry to or exit from the building. The amount we will pay is limited to \$20,000 (or the amount shown in the current Policy Schedule whichever is the higher) for any one (1) occurrence, by theft or attempted theft of contents provided that we will not cover:

- a. theft or attempted theft is from any open-sided structure such as, but not limited to verandas or yards or other open spaces even if they are partially or fully enclosed;
- b. Theft involving shoplifting.

This additional benefit does not cover loss as a result of unexplained disappearance, unexplained or inventory shortage, clerical or accounting errors or shortage in supply or delivery to or from the premises.

Exclusions

We will not pay for:

1. Theft by persons

Loss or, or damage to, property committed by you, your directors, partners, employees or any member of your family other than following forcible and violent entry by your employees or a member of your family.

2. Property

Loss or damage to:

- a. money in excess of \$500;
- b. jewellery, precious metals or stones, property made of gold or silver, bullion or furs exceeding:
 - i. \$2,000 any one (1) item; and
 - ii. \$10,000 any one (1) loss;

unless those items form part of your stock;

- c. motor vehicles unless they are:
 - i. stock; or
 - ii. fork lift trucks and similar appliances that are used for hauling or conveying goods at the premises;
- d. live animals unless insured as stock of a pet shop or restaurant and stolen from a building; or
- e. plants, landscaping materials or growing crops, pastures or standing timber.

3. Glass

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

4. Open air

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

5. Access

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

- a. the use of a key or security code; or
 - b. through an unlocked door or window;
- except as provided for under:
- c. Additional benefit 11, 'Theft without forcible and violent entry';
 - d. Additional benefit 2, 'Employee dishonesty'.

Theft cover section condition

These conditions apply to this cover section.

Valuables

You must ensure that all stock that is precious stones, gold and silver articles, jewellery, watches trinkets, stamps, coins and personal ornaments, which are individually of the value of \$500 or more are contained in a securely locked safe or strongroom during your outside business hours.

Money cover section

About this Policy section

This section covers for the loss of or damage to money from your business under a wide variety of clauses in this Policy, such as theft, armed hold up, or fire. The money may be in transit or at your premises.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Financial service provider	A financial organisation such as a bank, building society or credit union or an agency for any of these, that is in the business of providing banking services to the public.
In custody	Money in your custody and control at your private residence or in the custody and control of persons authorised by you at their private residence until the time your financial services provider ceases trading on its next full trading day.
In transit	Money in your personal custody or in the custody of persons authorised by you whilst in transit within Australia. Transit is deemed to commence when the safe or strongroom is unlocked for the removal and immediate transport of the money from the building. Money in transit includes money whilst contained in the night safe, night depository chute, or automatic teller machine of any financial services provider however our liability ceases at the time your financial services provider ceases trading on the next business day following deposit therein.
Money	For the purposes of this cover section only, money has the meaning in the general definitions and also includes funds held in electronic form in a bank account.

Your insurance under this cover section

Provided the 'Money' cover section is shown in the Policy Schedule as taken, we will cover you for loss of or damage to the following categories of money which occurs during the period of insurance described below and shown as insured in the Policy Schedule:

- money in transit;
- money in your building during business hours;
- money in your building outside business hours;
- money in your building any time while contained in a locked safe or strong room;
- money in custody.

What we pay

The maximum amount we will pay in respect of each of the defined events listed above is the sum insured shown in the Policy Schedule.

In the case of securities (which shall mean certificates of stock, bonds, coupons and all other types of securities), the basis of valuation shall be:

- if the securities can with our approval be replaced, the cost of replacement paid or payable by you; or
- if the securities cannot or are not to be replaced by you:
 - the price for which you purchased them; or
 - the closing market value on the last business day prior to the date of discovery by you of the loss or destruction of the securities; or
 - if the time of discovery by you is after the close of the market, their closing market value on the day of discovery by you of the loss or destruction of the securities;

whichever is the greater.

In the case of a loss of subscription, conversion or redemption privileges through the loss of any security, the value of such privileges immediately preceding the expiration thereof, such valuation being in the currency in which the loss was sustained.

Losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss or such other rates as may have been expressly agreed with us. If there is no market price or value on the relevant day stated herein, then the value shall be agreed between you and us, or in default thereof, we and you shall submit to arbitration and be bound by the decision of the umpire.

In the case of travellers' cheques, discount house vouchers or lottery tickets, the basis of valuation shall be the original purchase price incurred by you.

If the safe or strong room is lost or damaged, we will, at our option:

- repair the safe or strong room;
- replace the safe or strong room with an item of a specification equal to but not better or more extensive than it was when new;
- if the loss or damage is confined to the part of the safe or strong room, repair or pay you the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
- pay you the cost of replacing or repairing the safe or strong room.

We will not pay costs of alterations, improvements or overhauls carried out when the lost or damaged safe or strong room is repaired or replaced.

Excess

The excess applicable is shown on the Policy Schedule.

Extra covers

If we agree to pay a claim under this cover section for loss or damage to money, we will also provide the 'Extra covers' set out below.

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

1. Seasonal increase of cover

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

2. Temporary protection and security guards

We will pay you the reasonable and necessary costs incurred by you in effecting temporary protection and/or the employment of guards or watchmen to safeguard the money at the premises as a result of theft or attempted theft of money occurring during the period of insurance and that is covered under this cover section.

The maximum amount we will pay for any one (1) event is \$10,000.

If an occurrence results in a claim being paid under this cover section and another section of the Policy, the highest single limit under the relevant cover section applies. The benefit of 'Temporary protection' and 'Security guards' shall not be cumulative under this Policy.

3. Removal of Debris

We will pay the cost of removal of debris and of cleaning up any damage resulting from theft or attempted theft of property insured.

Provided that we will not pay more than \$2,000 for any one claim.

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

This extra cover operates in addition to the sum insured.

4. Removal of debris following forensic investigation

We will pay the cost of removal of debris and of cleaning up any damage resulting from forensic investigation by police following theft or attempted theft of property insured.

Provided that we will not pay more than \$2,000 for any one claim.

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

This extra cover operates in addition to the Sum Insured

Additional benefits

We will also provide the following 'Additional benefits' in this cover section.

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the sum insured.

1. Bank and public holidays extension

The sums insured for money cover are automatically increased by:

- a. 100%; or
- b. \$75,000

whichever is the lesser, on days that are gazetted bank or public holidays.

This increase shall apply up until bank closing time on the next business day after such holiday. This additional benefit does not apply to damage to safes and strong rooms and to seasonal increases.

2. Counterfeit currency

We will pay for losses sustained by you due to the acceptance in good faith in exchange for merchandise, money or services, of counterfeit Australian currency notes up to an amount not exceeding \$500 in any one (1) period of insurance.

3. Directors and employee's tools of trade and personal effects

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

Cover is limited to \$5,000 any one (1) person and \$10,000 overall in respect of any one (1) loss. This additional benefit provides cover to you. It does not provide any insurance cover to any director or employee. If you are insured under the Theft cover section, the benefits payable under this additional benefit shall not be cumulative.

4. Employee dishonesty

We will cover you for loss of money as a direct result of theft or dishonesty by any of your employees occurring during the period of insurance, which is discovered within forty five days of the dishonesty first occurring. Exclusion 1(c), of 'What you are not covered for under this section', so far as it relates to loss or damage due to theft or attempted theft committed by an employee, does not apply to this additional benefit. Our liability under this additional benefit is limited to \$5,000 for any one (1) occurrence. If you are also insured under the 'Theft' cover section, the benefits payable for employee dishonesty shall not be cumulative and shall be limited to \$5,000 in the aggregate per occurrence.

This additional benefit does not cover:

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

5. Death by assault

If any person is injured while protecting or attempting to protect money from theft or attempted theft and death results from that injury within twelve months, we will pay the estate of that person \$10,000. This amount is in addition to any amount we pay for loss of money. If you are also insured under the 'Theft' cover section, the benefits payable for death following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate.

6. Illegal use of financial transaction or credit cards

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

We will not pay:

- a. If the corporate credit and/or debit card was stolen by a member of your Family;
- b. any financial loss arising from the misuse or illegal use of corporate credit cards by your employees or any other person acting in collusion with your employee or by any member of your family;
- c. more than \$10,000 in total for any one loss or event.

Provided that any cover given under this additional benefit 6 'Illegal use of corporate financial transaction card', shall not accumulate with any similar cover that may be given under the Theft cover section.

7. Loss of or damage to safes, strong rooms and cash carrying bags

If money is stolen or there is an attempt at stealing your money from your safe or strong room or cash carrying bag, we will pay you:

- a. the cost of opening the safe or strong room and of repairing or replacing any loss or damage to the safe or strong room that was caused by the theft or attempt;
- b. we will pay for loss of or damage to your cash carrying bag that was caused by the theft or attempt.

A sub-limit of \$10,000 any one (1) occurrence applies to this additional benefit.

8. Replacement of locks, keys and combinations

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

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

We will also pay the reasonable cost of:

- e. opening safes and strong rooms because of the theft of keys or combinations during a theft of money covered under this cover section;
- f. developing images stored on media from security camera following a theft or attempted theft of money covered under this section.

We will not pay more than \$10,000 any one (1) event.

If you are also insured under the Theft cover section, the benefit payable for locks, keys and combinations shall not be cumulative and shall be limited to \$10,000 in the aggregate.

9. Temporary cover for new premises

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

- a. the business described in the Policy Schedule; and
- b. the money insured described in the Policy Schedule.

Our maximum liability under this additional benefit is limited to 20% of the sum insured shown in the Policy Schedule in relation to each item of money covered under this cover section.

Full details of such additional property are to be supplied to us within ninety (90) days of your commencement to use the property. If we agree to cover money at the additional location, we may require payment of an additional premium.

10. Traveller's money

We will pay you for loss of money in your personal custody, or in the custody of your employee while you or your employee are travelling on your business anywhere in the world, provided that the total amount payable under this extension is limited to \$10,000.

Exclusions

This section does not cover:

1. Missing money

Loss or damage of money:

- a. due to shortages resulting from clerical or accounting errors, or loss due to errors in receiving or paying out;
- b. by any intentional or wilful act or omission by you or your employees with your connivance other than as covered by 'Additional benefit 4. - Employee dishonesty'; or
- c. by any fraudulent or dishonest acts committed by you, your family members or any of your employees acting alone or in collusion with others other than as covered by the 'Additional benefit 4. - Employee dishonesty'.

2. Key or combination in building

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

3. Unattended

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

4. Professional carrier

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

5. Loss outside the Commonwealth of Australia

Loss or damage to money occurring outside the Commonwealth of Australia except as provided under 'Additional benefit 10. - Traveller's money'.

6. Consequential loss

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

7. ATMs

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

Glass cover section

About this Policy section

This section provides cover for breakage of glass at the premises.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Breakage	A fracture extending through the entire thickness of: <ol style="list-style-type: none"> plate or sheet glass; porcelain; a lamination of laminated glass, but not any other damage or dis-figuration.
External glass	Glass, or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the premises.
Glass	'Internal glass', 'External glass' and 'Specified glass'
Internal glass	<ol style="list-style-type: none"> Glass, or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and/or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals, toilet pans and hand basins; and frames of showcases, display cabinets and counters containing the broken glass.
Sign	Glass or plastic that forms part of a sign.
Specified glass	Glass specifically designated in the Policy Schedule under specified glass.

Your insurance under this cover section

Provided the 'Glass' cover section is shown in the Policy Schedule as taken, we will cover you for breakage of glass which you own or for which you are legally responsible which occurs during the period of insurance at the premises shown on the current Policy Schedule.

What we pay

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

Excess

The excess that applies is shown on the Policy Schedule.

Extra covers

When we agree to pay a claim under this cover section for loss or damage to glass, we will also pay or provide the extra covers set out below.

1. Costs

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

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

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

Our liability under this additional benefit during any one (1) period of insurance is limited to \$10,000.

2. Destruction of stock or contents

We will pay for destruction of, or damage to your stock or contents, caused by broken glass following the breakage of glass where such breakage constitutes an admissible claim under this section.

Our liability under this extra cover during any one (1) period of insurance is limited to:

- the cost value (excluding profit of any kind) of your stock or contents destroyed or damaged, less any amount realised from the sale or salvage; or
- the sum of \$10,000,

whichever is the lesser.

Additional benefits

We will also provide the following additional benefit in this cover section.

1. Malicious damage

We will pay for the cost of replacement of external glass which has suffered malicious damage.

2. Signs

We will cover you for loss or damage to signs at the premises if they break during the period of insurance. This additional benefit is subject to a sub-limit of liability of \$10,000 or any higher sub-limit stated in the current Policy Schedule for 'Signs'.

Exclusions

This section does not cover damage to glass:

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

Public and products liability cover section

About this Policy section

This section only forms part of your Policy when 'Public and products liability' cover section is shown in the Policy Schedule.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Advertising injury	Injury arising out of: <ol style="list-style-type: none"> defamation; or any breach of the misleading or deceptive conduct provisions of the <i>Competition and Consumer Act 2010</i> (Cth) or any Fair Trading or equivalent legislation of any Country, State or Territory; or any infringement of copyright or passing off of title or slogan; or unfair competition, piracy, misappropriation of advertising ideas or style of doing business; or 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.
Compensation	Monies paid or agreed to be paid by judgement, award or settlement in respect of personal injury and/or property damage and/or advertising injury. Provided that such compensation is only payable in respect of an occurrence to which this insurance applies.
Employment practices	Any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of your employees.
Excess	The first amount of each claim or series of claims, arising out of any one (1) occurrence, for which you are responsible. The excess applicable to this insurance appears in the Policy Schedule. The excess applies to all amounts for which we will be liable, including the indemnity provided by defence costs and supplementary payments.
General liability	Your legal liability for personal injury, property damage or advertising injury caused by or arising out of an occurrence happening in connection with your business other than products liability.
Geographical	<ol style="list-style-type: none"> Anywhere in the world except

Word or term	Meaning
limit	North America; <ol style="list-style-type: none"> North America but only with respect to: <ol style="list-style-type: none"> overseas business visits by any of your directors, partners, officers, executives or employees, who are non-resident in North America but not where they perform manual work in North America; products exported to North America without your knowledge.
Incidental contracts	<ol style="list-style-type: none"> Any written rental agreement and/or lease of real and/or personal property other than with respect to any term or condition contained in such rental, lease and/or hiring agreement that requires you to insure such property; 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; 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; those contracts designated in the Policy Schedule.
Internet operations	<ol style="list-style-type: none"> Transfer of computer data or programmes by use of electronic mail systems by you or your employees, including for the purpose of this definition only, part-time and temporary staff, contractors and others within your organisation whether or not such data or programmes contain any malicious or damaging code, including but not limited to computer virus, worm, logic bomb, or Trojan horse; access through your network to

Word or term	Meaning
	<p>the world wide web or a public Internet site by you or your employees, including for the purposes of this definition only, part-time and temporary staff, contractors and others within your organisation;</p> <p>c. 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</p> <p>d. the operation and maintenance of your web site.</p>
Medical persons	Includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.
Named insured	<p>a. The person(s), corporations and/or other organisations specified in the Policy Schedule;</p> <p>b. all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of the named insured incorporated in the Commonwealth of Australia and/or any other organisations under the control of the named insured;</p> <p>c. all subsidiary and/or controlled corporations (including subsidiaries thereof) of the named insured and/or any other organisations under the control of the named insured incorporated in the Commonwealth of Australia and which are constituted or acquired by the insured after the commencement of the period of insurance;</p> <p>d. every subsidiary and/or controlled corporation and/or other organisation of the named insured which is divested during the period of insurance, but only in respect of claims made against such divested subsidiary, related or controlled corporation or organisation caused by or arising out of occurrences insured against by this Policy, which occurred prior to the divestment.</p>
North America	<p>a. The United States of America and the Dominion of Canada;</p> <p>b. any State, Territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and</p> <p>c. any Country or Territory subject to</p>

Word or term	Meaning
	the laws of the United States of America or the Dominion of Canada.
Occurrence	<p>An event, including continuous or repeated exposure to substantially the same general conditions, which results in personal injury and/or property damage and/or advertising injury that is neither expected nor intended (except for the matters set out in item (e) of the definition of 'Personal injury') from your standpoint.</p> <p>With respect to personal injury or property damage, all events of a series consequent upon or attributable to one (1) source or original cause shall be deemed to be one (1) occurrence.</p> <p>All advertising injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one (1) occurrence.</p>
Personal injury	<p>a. Bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom;</p> <p>b. false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation;</p> <p>c. wrongful entry or wrongful eviction;</p> <p>d. defamation or invasion of privacy, unless arising out of advertising injury;</p> <p>e. assault and battery not committed by you or at your direction, unless committed for the purpose of preventing or eliminating danger to persons or property;</p> <p>f. discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or otherwise (unless insurance thereof is prohibited by law) not committed by you or at your direction, but only with respect to liability other than fines and penalties imposed by law.</p>

Word or term	Meaning
Products	<p>Anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, re-supplied or distributed, imported or exported, by you or on your behalf (including your predecessors in your business), including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, you are deemed to have manufactured in the course of your business including discontinued products.</p> <p>Provided always that for the purpose of this insurance the term 'products' shall not be deemed to include:</p> <ol style="list-style-type: none"> food and beverages supplied by you or on your behalf primarily to your employees as a staff benefit; any vending machine or any other property rented to or located for use of others but not sold by you, <p>and any claims made against you in respect of personal injury and/or property damage arising out of any occurrence in connection therewith shall be regarded as general liability claims hereunder.</p>
Products liability	Your legal liability for personal injury and/or property damage caused by or arising out of any products or the reliance upon a representation or warranty made at any time with respect to such products, but only where such personal injury and/or property damage occurs away from premises owned or leased by or rented to you and after physical possession of such products has been relinquished to others.
Property damage	<ol style="list-style-type: none"> Physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or loss of use of tangible property which has not been physically lost, destroyed or damaged, provided that such loss of use is caused by or arises out of an occurrence.
Tool of trade	A vehicle that has tools, implements, machinery or plant attached to or towed by the vehicle and is being used by you at your premises or on any work site. Tool of trade does not include any vehicle whilst travelling to or from a work site or vehicles that are used to carry goods to or from any premises.

Word or term	Meaning
Work site	Any premises or site where any work is performed for and/or in connection with your business together with all areas surrounding such premises or site and/or all areas in between such premises or site that you shall use in connection with such work.
You, your, insured (where used in this section)	<p>Each of the following is an insured to the extent specified below:</p> <ol style="list-style-type: none"> the named insured, every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive or employee of the named insured (including the spouse or any family member of any such person while accompanying such person on any commercial trip or function in connection with the business), while such persons are acting for or on behalf of the named insured and/or within the scope of their duties in such capacities. any employee superannuation fund or pension scheme managed by or on behalf of the named insured, and the trustees and the directors of the trustee of any such employee superannuation fund or pension scheme which is not administered by corporate fund managers. every principal in respect of the principal's liability arising out of: <ol style="list-style-type: none"> the performance by or on behalf of the named insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this Policy. any products sold or supplied by the named insured, but only in respect of the named insured's own acts or omissions in connection with such products and in any event only for such coverage and limits of liability as are provided by this Policy.

Word or term	Meaning
	<p>e. every person, corporation, organisation, trustee or estate to whom or to which the named insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this Policy, but only to the extent required by such law, and in any event only for such coverage and limits of liability as are provided by this Policy;</p> <p>f. every officer, member, employee or voluntary helper of the named insured's canteen, social and/or sporting clubs, first aid, medical, ambulance or firefighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such;</p> <p>g. any director, partner, proprietor, officer or executive of the named insured in respect of private work undertaken by the named insured's employees for such person and any employee whilst actually undertaking such work;</p> <p>h. the estates, legal representatives, heirs or assigns of:</p> <ol style="list-style-type: none"> i. any deceased or insolvent persons, or ii. persons who are unable to manage their own affairs by reason of mental disorder or incapacity, <p>who would otherwise be indemnified by this Policy, but only in respect of liability incurred by such persons as described in clauses h(i) and h(ii) above;</p> <p>i. every party including joint venture companies and partnerships to whom the named insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this Policy; but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this Policy.</p>
Your business	<p>The business as described in the Policy Schedule (or as further described in any more specific underwriting information provided to us at the time when this insurance was proposed to us or at the time of any renewal of this Policy) and shall also include:</p> <ol style="list-style-type: none"> a. the ownership of premises and/or the tenancy thereof by you; b. participation in any exhibition by you or on your behalf;

Word or term	Meaning
	<p>c. the hire or loan of plant and/or equipment to other parties;</p> <p>d. conducted tours of your premises;</p> <p>e. the provision of any sponsorships, charities, galas, first aid, medical, ambulance or firefighting service by you or on your behalf;</p> <p>f. private work undertaken by your employees for any of your directors, partners, proprietors, officers or executives;</p> <p>g. the provision of any canteen, social and/or sporting clubs or welfare and/or child care facilities by you or on your behalf, which are primarily for the benefit of your employees.</p>

What you are covered for

We agree (subject to the terms, claims conditions, general Policy conditions, exclusions, definitions and limits of liability incorporated herein) to pay to you or on your behalf all amounts which you become legally liable to pay as compensation in respect of:

1. Personal injury; and/or
2. Property damage; and/or
3. Advertising injury;

happening during the period of insurance within the geographical limits in connection with your business or your products and/or work performed by you or on your behalf and caused by or arising out of an occurrence.

Defence costs and supplementary payments

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

- a. defend, in your name and on your behalf, any claim or suit against you alleging such personal injury, property damage or advertising injury and seeking damages on account thereof even if any of the allegations of such claim or suit is groundless, false or fraudulent;
- b. pay all charges, expenses and legal costs incurred by us and/or by you with our written consent (which consent shall not be unreasonably withheld):
 - i. in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of your attendance at hearings or trials at our request; or
 - ii. in bringing or defending appeals in connection with such claim or suit;
- c. pay:
 - i. all charges, expenses and legal costs recoverable from or awarded against you in any such claim or suit;
 - ii. prejudgement interest awarded against you on that part of the judgement payable by us; and
 - iii. all interest accruing on our portion of any judgement until we have paid, tendered or deposited in court that part of such judgement which does not exceed the limit of our liability thereon;

- d. pay premiums on:
- i. bonds to release attachments for amounts not exceeding the applicable limit of liability of this Policy but we shall have no obligation to apply for or furnish any such bond;
 - ii. appeal bonds and/or security for costs required in any suit but we shall have no obligation to apply for or furnish any such bonds and/or security for costs;
- e. pay expenses incurred by you for:
- i. rendering first aid and/or surgical and/or medical and/or therapeutic relief to others at the time of any personal injury (other than any medical expenses, which we are prevented from paying by any law);
 - ii. temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or unpinning thereof;
 - iii. purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which you must provide in compliance with the requirements of any government, local government or other statutory authority;
- f. pay all legal costs incurred by you with our consent for representation of you at:
- i. any Coronial inquest or inquiry;
 - ii. any proceedings in any court or tribunal in connection with liability insured against by this Policy;
 - iii. any royal commission or government enquiry arising out of any alleged breach of statutory authority, or other similar judicial enquiry into circumstances relating to any occurrence, claim or potential claim which would be the subject of indemnity under this insurance;
 - iv. any enquiry, prosecution or hearing of a disciplinary nature held before a legally constituted enquiry board, committee, licensing authority or the like.

Provided that our liability under clauses (f)(iii) and (f)(iv) shall not exceed \$250,000 in respect of any one (1) claim or series of claims arising out of any one (1) occurrence.

The amounts of such defence costs and supplementary payments incurred, except payments in settlement of claims and suits, are payable by us in addition to the applicable limit of liability of this Policy.

However, in respect of any claims or suits originating in any court in North America, the applicable limit of liability shown in the Policy Schedule shall be inclusive of all defence costs and supplementary payments.

Where we are prevented by law or otherwise from making payments on your behalf, we will indemnify you for legal liability incurred to the extent that such liability is covered by this Policy.

In jurisdictions where we may not legally be permitted to, or cannot for any other reason, defend any claim or suit against you, we will reimburse you for the expense of such defence incurred with our written consent.

Limits of liability and excess

Subject to:

- a. the 'Claim preparation expenses' provision under 'General Policy conditions';
- b. the 'Defence costs and supplementary payments' clause above;
- c. item 5 of additional benefit 'Property in your physical and legal control' below,

for:

1. general liability the limit of liability specified in the Policy Schedule represents the maximum amount which we shall be liable to pay in respect of any one (1) claim or series of claims arising out of any one (1) occurrence.
2. products liability the limit of liability specified in the Policy Schedule represents the maximum amount which we shall be liable to pay in respect of any one (1) claim or series of claims, and in the aggregate during any one (1) period of insurance.

The applicable limit of liability will not be reduced by the amount of any excess payable by you.

What you are not covered for under this section

We do not cover any liability:

1. Property owned by you

For property damage to property owned by you.

2. Vehicles

For personal injury or property damage arising out of the ownership, possession or use by you of any vehicle:

- a. which is registered or which is required under any legislation to be registered, or
- b. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of legislation (whether or not that insurance is effected),

but exclusions 2(a) and 2(b) shall not apply to:

- c. personal injury where:
 - i. that compulsory liability insurance or statutory indemnity does not provide indemnity; and
 - ii. the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by you of legislation relating to vehicles;
- d. any vehicle (including any tool or plant forming part of or attached to or used in connection with such vehicle) whilst being operated or used by you or on your behalf as a tool of trade at your premises or on any work site;
- e. the delivery or collection of goods to or from any vehicle;
- f. the loading or unloading of any vehicle;
- g. any vehicle temporarily in your custody or control for the purpose of parking;
- h. arising out of the movement or removal by you or by any employee(s) of yours with the consent of the owner of any vehicle or trailer not belonging to you which is interfering with access to or from your premises or any site where you are carrying out work, provided that the maximum amount which we shall be liable to pay in respect of any one claim or series of claims arising out of any one occurrence will be \$10,000.

3. Aircraft or hovercraft

For personal injury and/or property damage arising from:

- a. the ownership, maintenance, operation, or use by you of any aircraft or hovercraft;
- b. the ownership, operation or use by you of any hovercraft exceeding ten (10) metres in length, whilst such hovercraft is on, in or under water.

4. Aircraft Products

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

5. Damage to products

For property damage to any products where such damage is directly caused by a fault or defect in such products; but this exclusion shall be interpreted to apply with respect to damage to that part and only that part of such product to which the damage is directly attributable.

6. Faulty workmanship

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

7. Loss of use

For loss of use of tangible property, which has not been physically lost, destroyed or damaged, directly arising out of:

- a. a delay in or lack of performance by you or on your behalf of any contract or agreement; or
- b. failure of any products or work performed by you or on your behalf to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by you, but this exclusion 7(b) shall not apply to your liability for loss of use of other tangible property resulting from sudden and accidental physical loss, destruction of or damage to any products or work performed by you or on your behalf after such products or work have been put to use by any person or organisation other than you.

8. Product guarantee

For any products warranty or guarantee given by you or on your behalf, but this exclusion shall not apply to the requirements of any Federal or State legislation as to product safety and information.

9. Product recall

For damages, costs or expenses arising out of the withdrawal, recall, inspection, repair, reconditioning, modification, re installation, replacement or loss of use of any products where such products are withdrawn or recalled from the market or from use by any person or organisation because of any known, alleged or suspected defect or deficiency in such products.

10. Pollutants

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

Provided that, with respect to any such liability which may be incurred anywhere other than North America, exclusions 10(a) and 10(b) shall not apply where such discharge, dispersal, release or escape is caused by a sudden, identifiable, unintended and unexpected event from your standpoint which takes place in its entirety at a specific time and place.

11. Advertising injury

For advertising injury:

- a. resulting from statements made at your direction with knowledge that such statements are false;
- b. resulting from failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
- c. resulting from any incorrect description of products or services;
- d. resulting from any mistake in advertised price of products or services;
- e. resulting from failure of your products or services to conform with advertised performance, quality, fitness or durability;
- f. incurred by any insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

12. Breach of professional duty

Arising out of any breach of duty owed in a professional capacity by you and/or any person(s) for whose breaches you may be held legally liable, but this exclusion shall not apply to claims for personal injury and/or property damage arising out of:

- a. the rendering of or failure to render professional medical advice by medical persons employed by you to provide first aid and other medical services on your premises provided your principal occupation or business is not a medical or health service;
- b. advice which is given by you for no fee;
- c. advice given in respect of the use or storage of your products.

13. Property in your care, custody or control

For property damage to property in your physical or legal care, custody or control.

14. Contractual liability

Which has been assumed by you under any contract or agreement that requires you to:

- a. effect insurance over property, either real or personal,
- b. assume liability for personal injury and/or property damage and/or advertising injury regardless of fault,

provided that this exclusion shall not apply with regard to:

- i. liabilities which would have been implied by law in the absence of such contract or agreement; or
- ii. liabilities assumed under incidental contracts; or
- iii. terms regarding merchantability, quality, fitness or care of your product which are implied by law or statute; or
- iv. liabilities assumed under the contracts specifically designated in the Policy Schedule or in any endorsement(s) to this Policy.

15. Watercraft

For personal injury and/or property damage arising from the ownership, operation or use by you of any watercraft exceeding ten (10) metres in length, whilst such watercraft is on, in or under water. This exclusion does not apply to claims arising out of:

- a. watercraft used in operations carried out by any independent contractors for whose conduct you may be held liable;
- b. watercraft owned and operated by others and used by you for business entertainment.

16. Employers liability

- a. For bodily injury to any worker in respect of which you are or would be entitled to indemnity under any policy of insurance, fund, scheme or self-insurance pursuant to or required by any legislation relating to workers compensation or accident compensation whether or not such policy, fund, scheme or self-insurance has been effected.
Provided that this Policy will respond to the extent that your liability would not be covered under any such policy, fund, scheme or self-insurance arrangement had you complied with its obligations pursuant to such law.

- b. Imposed by:
 - i. the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement;
 - ii. any law relating to employment practices.

For the purpose of exclusions 16(a) and 16(b):

- c. the term 'Worker' means any person deemed to be employed by you pursuant to any Workers' Compensation Law. Voluntary workers, secondees and work experience students (if any) shall not be deemed to be your employees;
- d. the term 'Bodily injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.

17. Fines, penalties, punitive, exemplary or aggravated damages

For any fines, penalties, punitive, exemplary, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

18. Electronic data

Arising out of:

- a. the communication, display, distribution or publication of electronic data, provided that this exclusion does not apply to personal injury and/or advertising injury arising therefrom;
- b. the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of electronic data;
- c. error in creating, amending, entering, deleting or using electronic data;
- d. the total or partial inability to receive, send, access or use electronic data for any time or at all,

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

19. Defamation

For defamation:

- a. resulting from statements made prior to the commencement of the period of insurance;
- b. resulting from statements made at your direction with knowledge that such statements are false;
- c. incurred by you if your business is advertising, broadcasting, publishing or telecasting.

20. Liquidated damages

Arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that such liability would have attached in the absence of such clauses or warranties.

21. Asbestos

For personal injury, property damage (including loss of use of property) or advertising injury directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

Additional benefit applicable to this section

Property in your physical and legal control

Exclusion 13 will not apply to the following property:

1. 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;
2. premises or part(s) of premises (including their contents) leased or rented to, or temporarily occupied by, you for the purpose of your business, but no cover is provided by this Policy if you have assumed the responsibility to insure such premises;
3. either:
 - a. premises (and/or their contents) temporarily occupied by you for the purpose of carrying out work in connection with your business, or
 - b. any other property temporarily in your possession for the purpose of being worked upon;

but no indemnity is granted for damage to that part of any property upon which you are or have been working if the damage arises solely out of such work.

4. any vehicle (including its contents, spare parts and accessories while they are in or on such vehicle) not belonging to or used by you, whilst any such vehicle is in a car park owned or operated by you provided that you do not operate the car park for reward, as a principal part of your business;
5. notwithstanding exclusion 14. 'Contractual liability', any property (except property that you own) not mentioned in clauses 1 to 4 of this additional benefit whilst in your physical or legal care, custody or control where you have accepted or assumed legal liability for such property. Provided that our liability under this additional benefit shall not exceed:
 - a. \$250,000; or
 - b. the amount stated in the Policy Schedule;

whichever is the greater, in respect of any one (1) claim or series of claims arising out of any one (1) occurrence.

Optional extensions – where indicated on the Policy Schedule as applying

A. Motor trade, excluding testing and delivery

Additional benefit 'Property in your physical or legal control', part 3(b) of the 'Public and products liability' cover section of this Policy includes vehicles for repairs, servicing, maintenance or storage whilst within the confines of your premises or whilst left stationary in the immediate vicinity of your premises in any public or private road or thoroughfare subject to a maximum indemnity of \$100,000 any one (1) occurrence and an excess of \$500.

Exclusion 2. Vehicles of the 'Public and products liability' cover section of this Policy does not apply to property damage arising from any vehicle (not owned by or leased to you) whilst within the confines of your premises.

B. Motor trade, including testing and delivery

Additional benefit 'Property in your physical or legal control', part 3(b) of the 'Public and products liability' cover section of this Policy includes:

- a. vehicles for repairs, servicing, maintenance or storage whilst within the confines of your premises or whilst left stationary in the immediate vicinity of your premises in any public or private road or thoroughfare subject to a maximum indemnity of \$100,000 any one (1) occurrence and an excess of \$500;
- b. property damage to any registered vehicle not owned or leased by you but in your physical or legal control for the purpose of repairs, servicing or garaging whilst such vehicle is on any public roadway or thoroughfare whilst being tested and/or collected and/or delivered subject to a maximum indemnity of \$100,000 any one (1) occurrence and an excess of \$500.

Exclusion 2. Vehicles of the Public and products liability cover section of this Policy does not apply to:

- c. property damage arising from any vehicle (not owned by or leased to you) whilst within the confines of your premises;
- d. property damage to any other property not being your own or used by you or on your behalf caused by the vehicle as described and used in item (b) of this clause. The maximum amount we will pay for property damage under this clause is \$100,000 any one (1) occurrence.

The indemnity provided by 'Optional extensions' A and B above shall not apply to any property damage arising from the use of:

- e. any unsafe or unroadworthy vehicle unless such condition could not reasonably be detected by you. This exclusion shall not apply if such property damage was not caused or contributed to by such unsafe or unroadworthy condition;
- f. a vehicle by:
 - i. any person with your consent who is not licensed under any relevant law to drive such a vehicle; or
 - ii. anyone whose faculties are impaired by any drug or intoxicating liquor or by any person who is convicted of driving at the time of the property damage being under the influence of intoxicating liquor; or
 - iii. anyone whose blood alcohol reading exceeds the legal limit (subject to any laws to the contrary); or

- iv. anyone who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory where the property damage occurred.

However, we will cover you if you have allowed a person to drive a vehicle in your physical or legal control and you can prove that you were not aware that the vehicle was being driven by or in charge of that person when they were so affected or unlicensed.

C. Motor trade – inspection reports and certificates (personal injury or property damage)

Exclusion 12. Breach of professional duty of the 'Public and products liability' cover section of this Policy does not apply to:

- a. your certification of road worthiness or design compliance in respect of any motor vehicle, which is carried out by you or on your behalf under statutory authority or license and in such manner or form as required under the provisions of any Act or Regulation relating to vehicle;
- b. motor vehicle condition reports provided by you after inspection, whether such are commissioned for the purposes of sale or purchase or in connection with any servicing or maintenance carried out by you.

D. Motor trade – inspection reports and certificates (financial losses only)

For the purposes of this 'Optional extension' only, definition 'Occurrence' and any reference to that defined term is deleted and replaced as follows:

'Wrongful act' – any actual or alleged breach of duty, neglect, error, omission, misstatement, misleading statement or other act committed or allegedly committed by you. 'Wrongful act' does not include any event which results in personal injury or property damage.

Exclusions:

- 7. Loss of use;
- 12. Breach of professional duty; and
- 14. Contractual liability,

do not apply to:

- a. your certification of road worthiness or design compliance in respect of any motor vehicle, which is carried out by you or on your behalf under statutory authority or license and in such manner or form as required under the provisions of any Act or Regulation relating to vehicle;
- b. motor vehicle condition reports provided by you after inspection, whether such are commissioned for the purposes of sale or purchase or in connection with any servicing or maintenance carried out by you.

The maximum we will pay under this optional extension is \$100,000 in the aggregate for all claims in any one (1) period of insurance.

E. Motor trade – faulty workmanship

Exclusion 6. Faulty workmanship does not apply to the cost of performing, completing, correcting or improving any work that is undertaken by you provided that the work:

- a. was undertaken on a motor vehicle; and
- b. was carried out during the period of this insurance, or any earlier period during which this Policy, or any Policy that this Policy replaced had been held with us; and
- c. has caused property damage to the motor vehicle.

The maximum we will pay under this optional extension is:

1. \$15,000 for any one (1) occurrence, net of any mark-up for parts, transport, labour and profit; and
2. \$25,000 for all claims in any one (1) period of insurance.

Additional definition applicable to optional extensions C, D and E

'Motor vehicle' means any mechanically or electrically powered machine (including but not limited to automobiles, trucks and motorcycles) that does not run on rails and is legally allowed to transport persons or goods on public roads and highways. 'Motor vehicle' includes any trailer or caravan intended to be towed by such a machine, but not any:

- i. aircraft, or
- ii. watercraft.

F. Consumer protection cover for Queensland electricians

This optional extension is only to apply in respect of electrical work performed in Queensland.

Definitions applying to this optional extension only

Word or term	Meaning
Broadform products liability	The Policy of insurance covering an occurrence which caused personal injury to a third party, or any loss or damage to the property of a third party other than the work itself, directly or indirectly arising from the activities as an electrical contractor directly or indirectly arising from the products of activities.
The certificate of test	The certificate required under Section 169 of the <i>Electricity Act and Regulations 2002</i> (Qld.).
Completed electrical work	<ol style="list-style-type: none"> a. Electrical work for which the electrical contractor has issued a certificate of test, or b. work the electrical contractor has connected to supply.
Consumer protection	<p>Any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the electrical work (as described in this optional extension) including but not limited to:</p> <ol style="list-style-type: none"> a. any loss of any deposit or progress payments or any part of progress payments; b. the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and c. non-completion of electrical work due to: <ol style="list-style-type: none"> i. the death or legal incapacity of the electrical contractor; ii. the disappearance of the electrical contractor;

Word or term	Meaning
	<ol style="list-style-type: none"> iii. the electrical contractor becoming insolvent under administration; iv. the cancellation or suspension of the electrical contractor's licence under the <i>Electricity Act and Regulations 2002</i> (Qld.); v. the early termination of the contract by the building owner as a result of the electrical contractor's wrongful failure or refusal to complete the electrical work.
Contract	A written agreement to carry out electrical work and includes a domestic building contract or other building contract that includes electrical work.
Defects in domestic electrical work	<ol style="list-style-type: none"> a. A failure to carry out electrical work consistent with current electricity legislation, industry practices and standards and in accordance with any plans and specifications set out in the contract; b. a failure to use materials in the electrical work that are good and suitable for the purpose for which they are used; c. the use of materials in the electrical work that are not new unless the contract expressly permits the use of materials that are not new; d. a failure to carry out the electrical work in accordance with and in compliance with all laws and legal requirements or any applicable Australian or other relevant standard or code of practice including without limiting the generality of this paragraph, the <i>Electricity Act 2002</i> (Qld.) with any amendments and regulations made under that Act; e. a failure to carry out electrical work with due care or skill and in the case of domestic electrical work a failure to complete the electrical work: <ol style="list-style-type: none"> i. by the date or within the period specified by the contract; ii. within a reasonable time if no date or period is specified;

Word or term	Meaning
	<p>f. if the contract states the particular purpose for which the electrical work is required or the result which the building owner wishes the work to achieve so as to show that the building owner relies on the electrical contractor's skill and judgement, a failure to ensure that the electrical work and any materials used in carrying out the electrical work:</p> <ul style="list-style-type: none"> i. are fit for the purpose; ii. are of such a nature and quality that they will achieve that result; or <p>g. a failure to maintain a standard or quality of electrical work specified in the contract;</p> <p>h. a reference to any material in sub-clause (c) (d) or (g) does not include any material that is supplied by the building owner or the owner's agent.</p>
Disappearance	Cannot be found after due search and enquiry.
Domestic dwelling	<p>Any residential premises but other than:</p> <ul style="list-style-type: none"> a. any residence that is not intended for permanent habitation; or b. a rooming house; c. a motel, residential club, residential hotel, or residential part of licensed premises; d. a nursing home, hospital, or accommodation associated with a hospital; or e. the common areas under the control of the Body Corporate in residential villas, townhouses, duplex, triplex, quadruplex or home units which make up the body corporate; f. any watercraft.
Domestic electrical work	Work for a domestic dwelling proprietor or for individual proprietors of single domestic dwellings forming part of residential villas, townhouses, duplex, triplex, quadruplex or home units.
Electrical work	Defined in the <i>Electricity Act and Regulations 2002</i> (Qld.).

Word or term	Meaning
Insolvent under administration	<p>A person who is bankrupt in respect of a bankruptcy from which the person has not been discharged and includes:</p> <ul style="list-style-type: none"> a. a person who has executed a deed of arrangement under Part X of the <i>Bankruptcy Act</i> (Cth), (or the corresponding provisions of the law of another jurisdiction) where the terms of the deed have not been fully complied with; and b. a person whose creditors have accepted a composition under Part X of the <i>Bankruptcy Act</i> (Cth), (or the corresponding provisions of the law of another jurisdiction) where a final payment has not been made under that composition.
Limit of liability	The limit of liability that is shown in the certificate.
Trade practices liability	Any liability that arises as a result of conduct by the electrical contractor that contravenes the <i>Competition and Consumer Act 2010</i> (Cth) and the <i>Fair Trading Act 1989</i> (Qld) other than any fine or penalty imposed by such contravention.

Cover

In our 'Public and products liability' cover section you will find cover for public liability and products liability. In this optional extension you will find cover for:

1. defects in electrical works;
2. any trade practices liability;
3. liability arising from the testing of your own work and the work of others;
4. resultant and injury, damage or loss arising from incorrect advice or design;
5. non-completion of electrical work;
6. consumer protection.

Limit of liability

Our liability under this optional extension is limited to:

1. in respect of trade practices liability the maximum amount we will pay is the cost of rectifying the relevant electrical work.
2. For all other liability referred to in covers 1, 3, 4, 5 and 6 the maximum amount we will pay is:
 - a. \$50,000 per any one (1) claim or service of claim in relation to a certificate of test or if the certificate of test relates to more than one (1) home,
 - b. \$50,000 in respect of each domestic installation.
3. For the reasonable legal costs and expenses associated with successful enforcement of a claim against you or us.

What you are not covered for under this optional extension

1. We do not cover you for any loss damage or liability:
 - a. resulting from a product defect provided that:
 - i. we bear the onus of establishing that the claim (or part of a claim) is based on a product defect; and
 - ii. we agree that nothing in this exclusion removes the cover given to you by this optional extension in relation to you supplying or using any appliance, material, substance or other thing that you were aware was defective, or that you should reasonably be aware was defective
 - b. resulting from:
 - iii. fair wear and tear or depreciation of electrical work or;
 - iv. a failure by the building owner to reasonably maintain the electrical work.
2. For consequential financial loss resulting from non-domestic electrical work.
3. Directly or indirectly caused by, contributed to, or arising from exposure to asbestos.
4. We do not cover you in respect of all legal costs of any person making a claim against you that are not directly or indirectly related to:
 - a. the enforcement of this Policy; or
 - b. a liability in respect of which you are covered under this Policy.
5. We do not cover you for claims for liquidated damage for delay or damages for delay that may arise under contract provided that this exclusion does not apply to increases in rectification costs caused by a delay.

Conditions applicable to this optional extension

1. Period that insurance must cover.
 - a. For the liabilities referred to in covers 1, 2 and 4 of this optional extension, you are only covered in respect of electrical work of which a certificate of test is required from the time you agree to carry out that work until:
 - i. seven (7) years after you last issued the compliance certificate in relation to that work; or
 - ii. if you did not issue a compliance certificate in relation to the work, seven (7) years after you stopped carrying out that work.
 - b. You are covered in respect of electrical work for which a compliance certificate is required for completed work liability that arises from personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurs during the period of insurance caused by an occurrence that happens in connection with the carrying out of the electrical work (regardless of when the electrical work was carried out).

- c. The cover provided in covers 1, 2 and 4 of this optional extension continues to apply throughout the relevant period specified in condition 1(a) of this optional extension even if you cease to be a licensed or registered electrician before the end of that period and even if you cease to maintain this Policy.
2. Insurer to comply with court orders, etc.
We agree to comply with any order made against you by a court, the disputes or any other competent judicial body, in respect of any liability for which you are indemnified under this Policy (including any excess that you may be obliged to pay to us).
3. Limitation for common property.
 - a. This clause applies if a claim is paid by us in relation to the common property of a building or complex or multiple homes and the property in which the building or complex stands, and on which electrical work is carried out, is subject to the *Subdivision Act 1988*.
 - b. We will reduce the amount we pay under this Policy in respect of any one (1) home in the building or complex by an amount calculated by dividing the amount of the claim paid by us by the number of homes in the building or complex.
4. Limitation concerning non-completion of work.
If you fail to complete electrical work for any reason then this Policy does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.
5. Deemed acceptance of claims.
 - a. This clause only applies in relation to domestic electrical work.
 - b. This clause does not apply in relation to completed works liability.
 - c. We agree to accept liability for a claim in we do not notify the person making the claim within 90 days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the disputes tribunal.
6. Ministerial Order to prevail in the case of conflict with this Policy.
We agree that if any term of this Policy conflicts, or is inconsistent with the Electrical Contractors Insurance Requirements which outlines the requirements for electrical contractors insurance required under Section 43 of the *Electricity Act and Regulations 2002* (Qld) then this Policy is to be read and to be enforceable as if it complied with that document.
7. Claims not to be refused on the grounds that Policy obtained by fraud, etc.
 - a. This clause only applies in relation to domestic electrical work.
 - b. We agree that we will not refuse to pay a claim (other than a claim in respect of completed work liability) under this Policy on the ground that this Policy was obtained by misrepresentation, fraud or nondisclosure by you or anyone acting on your behalf.

- c. You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.
8. Insurer must give effect to certificates.
- a. This clause only applies in relation to domestic electrical work.
- b. If we give you a certificate stating that you are covered by insurance, we agree that we will not refuse to pay a claim on that insurance (other than a claim in respect of completed work liability) under this Policy on the ground that you have not paid the premium for the insurance.
- c. You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.
9. Deemed notice of defects. We agree that if a person gives notice of defects in writing to you or us, that person is to be taken for the purposes of this Policy to have given notice of all defects of which the defect notified are directly or indirectly related, whether or not the claim in respect of the defects that were actually notified has been settled.
10. Claimant may enforce this Policy directly in certain cases. We and you both agree:
- a. that a person who is entitled to claim against you in respect of any liability for which you are indemnified under this Policy may enforce this Policy directly against us for the person's own benefit if:
- i. any event listed in cover 4 of this optional extension occurs; or
 - ii. you refuse to make a claim against us; or
 - iii. there is an irretrievable breakdown of communication between you and us; and
 - iv. that for the purpose of such enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you; and
 - v. that we will pay to the person the full amount of any liability for which you are indemnified under this Policy despite any failure by you to pay any excess that you are required to pay.
11. Section 54 of the *Insurance Contracts Act 1984* to apply.
- a. We acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy.
- b. Despite condition 11(a), we agree that we will not rely on Section 54 to reduce our liability under this Policy or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
- i. the person who makes the claim notifies you, either orally or in writing; or
 - ii. that person or you notifies us in writing within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to the claim.
12. Notification concerning claims settled. We and you both agree that we will notify the Electrical Licensing Board in writing in the manner required by the Electrical Licensing Board of the settling of payment of any claim under this Policy.
13. Conflicting provisions.
14. Nothing in this optional extension should be read as limiting indemnity under this optional extension with respect of any defect as a result of any error in design, specification formula or pattern or the provision of advice that is incidental to any electrical work undertaken by the electrician.
15. To the extent that condition 13(a) is in conflict with any other provision in this optional extension, condition 13(a) will prevail.
16. Excess. You are liable to pay us in respect of each claim paid by us under this Policy the amount paid by us or the amount specified in the schedule as the excess. Provided you are not liable to pay an excess more than once in relation to any claim comprising more than one (1) defect or two or more claims that relate to the same defect.
17. You must co-operate with us.
18. You agree in relation to a claim or prospective claim:
- a. to make reasonable efforts to assist and inform us or our agent; and
 - b. to attend the relevant building site for the purpose of inspecting, rectifying or completing electrical work (unless the building owner refuses you access to the site).
 - c. We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we have asked you to attend the site.
19. Provision concerning cancellation. We agree that the cancellation of this Policy:
- a. will only take effect thirty (30) days after we give both the Electrical Licensing Board and you notice in writing of the cancellation; and
 - b. has no effect on any of our obligations under this Policy with respect to the liabilities referred to in covers 1, 2 and 4 of this optional extension in relation to electrical work that was carried out while this Policy was in force; and
 - c. has no effect on any of our obligations under this Policy with respect to the liabilities referred to in covers 3 and 4 of this optional extension in relation to any personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurred while this Policy was in force.

G. Victorian plumber's liability

This optional extension is only to apply in respect of plumbing work performed in Victoria.

Definitions applicable to this optional extension only

Any word or expression which this optional extension defines as having a particular meaning will have the meaning everywhere it appears in this optional extension.

Word or term	Meaning
Australian consumer law	Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth) or its successor.
Building owner	The person for whom plumbing work has been, is being, or is about to be, carried out and includes: <ol style="list-style-type: none"> any occupier of the land, building or home where the plumbing work is carried out; and any person who is the owner for the time being of that land, building or home; and if the plumbing work is carried out on land in a plan of subdivision containing common property, the body corporate for that land or a building on that land; and any assignee of the building owner's rights under a contract; and any person who has contracted with another person to provide the plumbing work.
Completed work liability	Any liability that arises as a result of any personal injury to a third party, or loss or damage to the property of a third party (other than property that is part of the plumbing work itself), directly or indirectly related to or arising from the plumbing work: <ol style="list-style-type: none"> after the issue of the compliance certificate for the plumbing work; or if you do not issue a compliance certificate for the plumbing work, plumbing work which you carried out but only after you stopped carrying out that work.
Compliance certificate	A certificate referred to in Section 221ZH of the <i>Building Act 1993</i> (Vic).
Contract	A contract to carry out plumbing work and includes a domestic building contract or other building contract that includes plumbing work.
Defect	In relation to plumbing work includes: <ol style="list-style-type: none"> a failure to carry out the plumbing work in a proper and workmanlike manner and in accordance with any plans and specifications set out in the contract;

Word or term	Meaning
	<ol style="list-style-type: none"> a failure to use materials in the plumbing work that are good and suitable for the purpose for which they are used; the use of materials in the plumbing work that are not new (unless the contract permits use of materials that are not new); a failure to carry out the plumbing work in accordance with, and in compliance with, all laws and legal requirements including, without limiting the generality of this clause, the <i>Building Act 1993</i> (Vic) and any regulations made under that Act; a failure to carry out the plumbing work with reasonable care and skill and, in the case of domestic plumbing work, a failure to complete the work: <ol style="list-style-type: none"> by the date (or within the period) specified by the contract; or within a reasonable time, if no date (or period) is specified; if the contract states the particular purpose for which the plumbing work is required, or the result which the building owner wishes the plumbing work to achieve, so as to show that the building owner relies on your skill and judgement, a failure to ensure that the plumbing work and any material used in carrying out the plumbing work: <ol style="list-style-type: none"> are reasonably fit for that purpose; or are of such a nature and quality that they might reasonably be expected to achieve that result; a failure to maintain a standard or quality of plumbing work specified in the contract. <p>A reference to any material in sub clause (b) or (f) does not include any material that is supplied by the building owner (or the building owner's agent).</p>
Defects liability	Liability to pay for the costs of rectifying any defect in your plumbing work carried out in Victoria.
Disappearance	Cannot be found after due search and inquiry.

Word or term	Meaning
Domestic plumbing work	Plumbing work performed or intended to be performed on or in relation to: <ol style="list-style-type: none"> a. a home; or b. any building or structure on land on which a home is or is intended to be situated.
Home	Any residential premises and includes any part of a commercial or industrial premises that is used as a residential premises and also includes any house boat that is less than 8 metres in length, but does not include: <ol style="list-style-type: none"> a. any residence that is not intended for permanent habitation, or b. a rooming house within the meaning of the <i>Residential Tenancies Act 1997</i> (Vic), or c. a motel, a residential club, a residential hotel or a residential part of licensed premises under the <i>Liquor Control Reform Act 1998</i> (Vic), or d. a nursing home, a hospital or accommodation associated with a hospital, or e. any residence that the regulations made under the <i>Domestic Buildings Contracts Act 1995</i> (Vic) state is not a home for the purposes of the definition of 'Home' in that Act.
Insolvent under administration	A person who: <ol style="list-style-type: none"> a. under the <i>Bankruptcy Act 1966</i> (Cth) or the law of an external Territory, is a bankrupt in respect of a bankruptcy from which the person has not been discharged; or b. under the law of an external Territory or the law of a foreign country, has the status of an undischarged bankrupt, and includes: <ol style="list-style-type: none"> c. a person any of whose property is subject to control under: <ol style="list-style-type: none"> i. section 50 or Division 2 of Part X of the <i>Bankruptcy Act 1966</i> (Cth); or ii. a corresponding provision of the law of an external Territory or the law of a foreign country; or

Word or term	Meaning
	d. a person who has executed a personal insolvency agreement under: <ol style="list-style-type: none"> i. Part X of the <i>Bankruptcy Act 1966</i> (Cth); or ii. the corresponding provisions of the law of an external Territory or the law of a foreign country; where the terms of the agreement have not been fully complied with.
The Ministerial Order	The Licensed Plumbers General Insurance Order 2002 made under Section 221ZQ and 221ZT of the <i>Building Act 1993</i> (Vic).
Plumbing work	Has the same meaning as in Section 221C of the <i>Building Act 1993</i> (Vic).
Non-domestic plumbing work	Plumbing work that is not domestic plumbing work.
Product defect	A defect in any appliance, material, substance or other thing that was supplied or used by you in connection with plumbing work
Trade practices liability	Any liability for the cost of rectifying any defect in plumbing work carried out in Victoria that arises as a result of conduct by you in connection with the plumbing work that contravenes Section 18, 29, 34, 60 or 61 of the <i>Competition and Consumer Act 2010</i> (Cth) or Section 9, 11 or 12 of the <i>Fair Trading Act 1999</i> (Vic).

Cover

We will cover you under this optional extension for:

1. Defects liability.
2. Trade practices Liability.
3. In respect of domestic plumbing work carried out in Victoria any liability arising from:
 - a. any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the plumbing work (as described in clause 3(b)), including but not limited to:
 - i. the loss of any deposit or progress payment (or any part of any deposit or progress payment); and
 - ii. the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and
 - b. non-completion of the plumbing work due to:
 - i. your death or legal incapacity;
 - ii. your disappearance;
 - iii. you becoming an insolvent under administration;
 - iv. the cancellation or suspension of your licence as a licensed plumber under the *Building Act 1993* (Vic); or
 - v. the early termination of the contract by the building owner as a result of your wrongful failure or refusal to complete the plumbing work.

The cover provided under clause 3(b) also applies to any contract for both domestic plumbing work and non-domestic plumbing work in which the non-domestic plumbing component does not exceed 20% of the total contract value.

Limit of liability

We will pay up to:

- a. \$50,000 for any one (1) claim or series of claims in relation to domestic plumbing work for which a compliance certificate is required, (or if a compliance certificate relates to more than one (1) home, an amount not exceeding \$50,000 for each home),
- b. \$100,000 for any one (1) claim or series of claims in relation to a compliance certificate for non-domestic plumbing work,
- c. the reasonable cost of rectifying plumbing work under the trade practices liability cover.

The most we will pay under this optional extension in any one (1) period of insurance is \$5,000,000.

Defence of claims

In addition to the limit of liability we also pay the reasonable legal costs and expenses associated with the successful enforcement of a claim against you or us.

However, we will not pay the legal costs of any person making a claim against you that are not directly or indirectly related to:

1. the enforcement of this optional extension, or
2. a liability in respect of which you are covered under this optional extension.

Provided that:

- a. 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;
- b. if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any legal costs and expenses under this clause will be limited to that proportion of those legal costs and expenses as the limit of liability bears to the amount paid to dispose of the claim.

Exclusions applicable to this optional extension

We do not cover you for:

1. any defects liability resulting from a product defect provided that:
 - a. we bear the onus of establishing that the claim (or part of the claim) is based on a product defect, and
 - b. we agree that nothing in this exclusion removes the cover given to you by this optional extension in relation to you supplying or using an appliance, material, substance or other thing that you were unaware was defective or that you should not reasonably have been aware was defective,
2. any loss, injury or damage resulting from:
 - a. fair wear, tear or depreciation of plumbing work, or
 - b. a failure by the building owner to reasonably maintain plumbing work,
3. any consequential financial loss in relation to non-domestic plumbing work,
4. claims for liquidated damages for delay, or damages for delay, that may arise under a contract provided that this exclusion does not apply to any increase in rectification costs caused by the delay.

Conditions applying to this optional extension

1. Period of cover.
For defects liability, trade practices liability and liabilities referred to in cover clause 3 of this optional extension, you are only covered in respect of plumbing work for which a compliance certificate is required from the time you agree to carry out that work until:
 - a. six (6) years after you last issued the compliance certificate in relation to that work, or
 - b. if you did not issue a compliance certificate in relation to the work, six (6) years after you stopped carrying out that work.

The cover provided for defects liability, trade practices liability and liabilities referred to in cover clause 3 of this optional extension continues to apply throughout the relevant period specified in this clause even if you cease to be a licensed plumber before the end of that period and even if you cease to maintain this optional extension.

2. We will comply with court orders.
We agree to comply with any order made against you by a court, the Victorian Civil and Administrative Tribunal or any other competent judicial body, in respect of any liability for which you are indemnified under this optional extension, (including any excess that you may be obliged to pay to us).

3. Deemed acceptance of claims.
This clause only applies in relation to domestic plumbing work. We agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the Victorian Civil and Administrative Tribunal.
4. Ministerial Order to prevail in the case of conflict.
We agree that if any term of this optional extension conflicts, or is inconsistent, with the Ministerial Order, then this optional extension is to be read and to be enforceable as if it complied with that Order.
5. Claims not to be refused on the grounds that the Policy obtained by fraud, etc.
This clause only applies in relation to domestic plumbing work.
We agree that we will not refuse to pay a claim under this optional extension on the ground that this optional extension was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf. You agree that if we make a payment under this optional extension to, or for the benefit of, any other person under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.
6. We give effect to 'Certificates'.
This clause only applies in relation to domestic building work.
If we give you a 'Certificate' stating that you are covered by insurance under this optional extension, we agree that we will not refuse to pay a claim on that insurance on the ground that you have not paid the premium for the insurance.
You agree that if we make a payment under this optional extension to, or for the benefit of, any other person under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.
7. Deemed notice of defects.
We agree that if a person gives notice of a defect in writing to you or us, that person is to be taken for the purposes of this optional extension to have given notice of every defect of which the defect notified is directly or indirectly related, whether or not the claim in respect of the defect that was actually notified has been settled.
8. Claimant may enforce this optional extension direction in certain cases.
We and you both agree that:
 - a. a person who is entitled to claim against you in respect of any liability for which you are indemnified under this optional extension may enforce this optional extension directly against us for the person's own benefit if:
 - i. any event listed in Cover 3(b) of this optional extension occurs; or
 - ii. you refuse to make a claim against us; or
 - iii. there is an irretrievable breakdown of communication between you and us;
 - b. for the purpose of such enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you,
 - c. we will pay to the person the full amount of any liability for which you are indemnified under this optional extension despite any failure by you to pay any deductible that you are required to pay.
9. Section 54 of the *Insurance Contracts Act*.
 - a. We acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy.
 - b. Despite sub-clause 9(a), we agree that we will not rely on Section 54 to reduce our liability under this optional extension or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
 - i. the person who makes the claim notifies you either orally or in writing; or
 - ii. that person or you notify us in writing;

within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to a claim.
 - c. Nothing in clause 9(b) restricts the operation of clause 1 of the conditions applicable to this optional extension.
10. Provision concerning cancellation.
This clause only applies in relation to domestic building work.
We agree that the cancellation of this Policy:
 - a. will only take effect thirty (30) days after we give both the Plumbing Industry Commission and you notice in writing of the cancellation, and
 - b. has no effect on any of our obligations under the Policy with respect to the liabilities referred to under cover of this optional extension in relation to plumbing work that was carried out while the optional extension was in force.
11. Notification of claims settled.
We and you both agree that we will notify the Plumbing Industry Commission in writing in the manner required by the Minister of the settling or payment of any claim under this optional extension.
12. Limitation for common property.
This clause applies if plumbing work is carried out on land in a plan of subdivision containing common property and a claim is paid by us in relation to the common property. We will reduce the amount we will pay under this optional extension in respect of any one (1) home on land in the plan of subdivision by an amount calculated by dividing the amount of the claim paid by us in relation to the common property by the number of homes on land in the plan of the subdivision.
13. Limitation concerning non-completion of work.
If you fail to complete plumbing work for any reason listed in cover clause 3, then this optional extension does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

14. You must co-operate with us.

- a. you agree in relation to a claim or prospective claim:
- i. to make reasonable efforts to assist and inform us or our agent; and
 - ii. to attend the relevant building site for the purpose of inspecting, rectifying or completing plumbing work (unless the building owner refuses you access to the site);
- b. we may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we asked you to attend the site under clause 14(a)(ii).

H. Electrical contractor occupational licensing for Tasmania

This optional extension only applies in respect of electrical work performed in Tasmania.

Definitions applying to this optional extension only

Word or term	Meaning
Administrator	The Administrator appointed under section 10 of the <i>Occupational Licensing Act 2005</i> .
Australian Consumer Law	Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth) or its successor.
Building owner	The person for whom prescribed work has been, is being, or is about to be, carried out and includes: <ol style="list-style-type: none"> a. any occupier of the land, building or home where the prescribed work is carried out, and b. any person who is the owner for the time being of that land, building or home, and c. if the prescribed work is carried out on land in a plan of subdivision containing common property, the body corporate for that land or a building on that land, and d. any assignee of the building owner's rights under a contract, and e. any person who has contracted with another person to provide that prescribed work.
Certificate of Compliance	The approved form referred to in Regulation 17(2) of the <i>Occupational Licensing (Electrical Work) Regulations 2008</i> .
Contract	A contract, whether in full or in part, to carry out prescribed work and includes a domestic building contract or other building contract that includes prescribed work.

Word or term	Meaning
Defects	<p>1. 'Defects' in prescribed work include:</p> <ol style="list-style-type: none"> a. any work that is defective work in the terms of the <i>Occupational Licensing Act 2005</i>, b. a failure to carry out the work in a proper and workman like manner and in accordance with any plans and specifications set out in the contract, c. a failure to use materials in the work that are good and suitable for the purpose for which they are used, d. the use of materials in the work that are not new (unless the contract permits use of materials that are not new), e. a failure to carry out the work in accordance with, and in compliance with, all laws and legal requirements including, without limiting the generality of this paragraph, the <i>Occupational Licensing Act 2005</i> and any regulations made under that Act, f. a failure to carry out the work with reasonable care and skill and, in the case of prescribed work, a failure to complete the work: <ol style="list-style-type: none"> i. by the date (or within the period) specified by the contract; or ii. within a reasonable time, if no date (or period) is specified; g. if the contract states the particular purpose for which the work is required, or the result which the building owner wishes the work to achieve, so as to show that the building owner relies on the practitioner's skill and judgement, a failure to ensure that the work and any material used in carrying out the work: <ol style="list-style-type: none"> i. are reasonably fit for that purpose; or ii. are of such a nature and quality that they might reasonably be expected to achieve that result;

Word or term	Meaning
	<p>h. a failure to maintain a standard or quality of prescribed work specified in the contract.</p> <p>2. A reference to any material in sub clause(1)(c) or (g) does not include any material that is supplied by the building owner (or the owner's agent).</p>
Disappearance	Cannot be found after due search and inquiry.
Domestic prescribed work	<p>Prescribed work performed or intended to be performed on or in relation to:</p> <p>a. a home, or</p> <p>b. any building or structure on land on which a home is or is intended to be situated.</p>
Home	<p>Any residential premises and includes any part of a commercial or industrial premises but does not include:</p> <p>a. any residence whose primary purpose is not for permanent habitation, or</p> <p>b. a building in which there is one (1) or more rooms available for occupancy on payment of rent in which the total number of people who may occupy those rooms is not less than four (4), or</p> <p>c. a motel, club, or hotel used in whole or in part as a residence for temporary habitation, or</p> <p>d. a nursing home, a hospital or accommodation associated with a nursing home hospital.</p>
Licence holder	A person holding a licence under the <i>Occupational Licensing Act 2005</i> .
Non-domestic prescribed work	Any prescribed work that is not domestic prescribed work.
The Notice	The General Insurance Notice 2008.
Prescribed work	Any work that by virtue of the determination of the Administrator may only be lawfully performed by the holder of a licence.
Policy	Contract of insurance.
Trade practices liability	Any liability that arises as a result of conduct by the licence holder in connection with the prescribed work that contravenes Sections 18, 29, 34, 60 or 61 of the <i>Competition and Consumer Act 2010</i> (Cth) or sections 14, 16 or 21 of the <i>Fair Trading Act 1990</i> (Tasmania).

Cover

This optional extension in conjunction with this section of this Policy provides cover in accordance with the Occupational Licensing General Insurance Notice 2008 and includes:

- a. any liability to pay for the cost of rectifying any prescribed work required because of defects in the prescribed work,
- b. any trade practices liability.

We will also cover:

- c. any liability arising from any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the domestic prescribed work (as described in paragraph (d)), including but not limited to:
 - i. the loss of any deposit or progress payment (or any part of any deposit or progress payment); and
 - ii. the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and
- d. any liability arising from non-completion of the domestic prescribed work due to:
 - i. his or her death or legal incapacity; or
 - ii. his or her disappearance; or
 - iii. his or her becoming an insolvent under administration as that expression is defined in the *Corporations Act*, or
 - iv. the cancellation, suspension or non-renewal of his or her licence under the *Occupational Licensing Act 2005*; or
 - v. the early termination of the contract by the building owner as a result of the licence holder's wrongful failure or refusal to complete the prescribed work;
- e. non-completion of the domestic prescribed work (as described in (d) above) in the case of any contract for both domestic and non-domestic prescribed work in which the non-domestic prescribed work component does not exceed 20% of the total contract value,
- f. any act or omission of any person engaged under a contract of services or a contract for services by the licence holder to carry out prescribed work,
- g. any act or omission of any person engaged under a contract of services or a contract for services by you to carry out prescribed work.

Limit of liability

Our liability under this optional extension is limited to:

- a. in respect of 'Trade practices liability' the maximum amount we will pay is the cost of rectifying the relevant electrical work,
- b. in respect of domestic prescribed work an amount of \$50,000 for any one (1) claim or series of claims in relation to a certificate of compliance (or if the certificate of compliance relates to more than one (1) home, at least \$50,000 for each home), and
- c. in respect of non-domestic prescribed work an amount of \$100,000 for any one (1) claim or series of claims in relation to a certificate of compliance, and
- d. for the reasonable legal costs and expenses associated with the successful enforcement of a claim against you or us.

Exclusions applicable to this optional extension

1. 6 year limitation on claims

We will not accept any claims including claims for prescribed work first notified to us after the expiration of six (6) years from:

- a. the date of a certificate of compliance, or
- b. if you did not issue a certificate of compliance in relation to the work that is insured, six years after you stopped carrying out that work.

2. Non-completion of work

If you fail to complete prescribed work for any reason listed in Cover (a), then this Policy does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

3. Product liability

- a. In this clause 'Product defect' means a defect in any appliance, material, substance or other thing that was supplied or used by you in connection with prescribed work.
- b. This Policy does not cover you for any loss or damage giving rise to a claim under cover part (a) resulting from a product defect.
- c. However, we agree that if we intend to rely on the fact this Policy does not cover you for product defects in relation to any claim (or part of a claim). We bear the onus of establishing that the claim (or part of the claim) is based on a product defect.
- d. We agree that nothing in this clause removes the cover given to you by this Policy in relation to you supplying or using any appliances, material, substance or other thing that you were aware was defective, or that you should reasonably have been aware was defective.

4. Wear and tear

This Policy does not cover you for any injury, loss or damage resulting from:

- a. fair wear, tear or depreciation of prescribed work, or
- b. a failure by the building owner to reasonably maintain prescribed work.

5. Consequential loss for non-domestic prescribed work

In relation to non-domestic prescribed work, this Policy does not cover you for consequential financial loss.

6. Exposure to asbestos

This Policy does not cover you for any injury, loss or damage directly or indirectly caused by, contributed to, or arising from, exposure to asbestos.

7. Legal costs

This Policy does not cover you in respect of the legal costs of any person making a claim against you that are not directly or indirectly related to:

- a. the enforcement of the Policy, or
- b. a liability in respect of which you are covered under this Policy.

8. Liquidated damages for delay

- a. This Policy does not cover you for claims for liquidated damages for delay, or damages for delay, that may arise under a contract.

- b. However, we agree that nothing in this clause removes the cover given to you by this Policy in relation to any increase in rectification costs caused by a delay.

Conditions applying to this optional extension

1. The 'Notice' to prevail in the case of conflict with Policy.

We agree that if any term of this Policy conflicts, or is inconsistent, with the notice, then this Policy is to be read and to be enforceable as if it complied with that notice.

2. Insurer to comply with court notices etc.

We agree to comply with any notice made against you by a court of competent jurisdiction.

3. Deemed acceptance of claims.

- a. This clause only applies to domestic prescribed work.
- b. We agree to accept liability for a claim if we do not notify the person making the claim within 90 days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing.

4. Claims not to be refused on the grounds that the Policy obtained by fraud etc.

- a. This clause only applies in relation to domestic prescribed work.

- b. We agree that we will not refuse to pay a claim under this optional extension on the ground that this Policy was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf.

- c. You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

5. Insurer must give effect to certificates.

- a. This clause only applies in relation to domestic prescribed work.

- b. If we give you a certificate stating that you are covered by insurance, we agree that we will not refuse to pay a claim on that insurance under this optional extension on the ground that you have not paid the premium for the insurance.

- c. You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this clause, by doing so we are not restricting our right to recover that payment from you.

6. Deemed notice of defects.

We agree that if a person gives notice of a defect in writing to you or us, that person is to be taken for the purposes of this Policy to have given notice of every defect of which the defect notified is directly or indirectly related, whether or not the claim in respect of the defect that was actually notified has been settled.

7. Claimant may enforce Policy direction in certain cases.

We and you both agree:

- a. that a person who is entitled to claim against you in respect of any liability for which you are indemnified under this Policy may enforce this Policy directly against us for the person's own benefit if:
- i. any event under Cover (c) or (d) occurs; or
 - ii. you refuse to make a claim against us; or
 - iii. there is an irretrievable breakdown of communication between you and us; and

b. that for the purpose of that enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you, and

c. that we will pay to the person the full amount of any liability for which you are indemnified under this Policy despite any failure by you to pay any excess that you are required to pay.

8. Section 54 of the Insurance Contracts Act 1984 (Cth) to apply.

a. We acknowledge that section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy.

b. Despite sub-clause (a), we agree that we will not rely on Section 54 to reduce our liability under this Policy or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:

- i. the person who makes the claim notifies you either orally, or in writing; or
- ii. that person or you notify us in writing,

within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to the claim.

9. Notification concerning claims settled.

We and you both agree that we will notify the administrator in writing in the manner required by the administrator of the settling or payment of any claim under the Act.

10. You must co-operate with us.

- a. You agree, in relation to a claim or prospective claim, to:
- i. make reasonable efforts to assist and inform us or our agent; and
 - ii. to attend the relevant site for the purpose of inspecting, rectifying or completing prescribed work (unless the building owner refuses you access to the site).

b. We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the owner to give you access to a building site if we have asked you to attend the site under part (a)(ii).

11. Provision concerning cancellation.

We agree that the cancellation of this Policy:

- a. will only take effect thirty (30) days after we give both the administrator and you notice in writing of the cancellation, and

b. has no effect on any of our obligations under the Policy with respect to the liabilities referred to in cover (a) 'Defects', (b) 'Trade practices liability', (c) 'Consequential financial loss' and (d) 'Non-completion' in relation to prescribed work that was carried out while the Policy was in force, and

c. has no effect on any of our obligations under the Policy with respect to the liabilities referred to in this section of this Policy in relation to any personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the prescribed work itself) that occurred while the Policy was in force.

12. Period that insurance must cover.

You must have insurance that indemnifies you in respect of prescribed work for which a certificate of compliance is required:

a. for the liabilities referred to in Cover (a) 'Defects', (b) 'Trade practices liability', (c) 'Consequential financial loss', and (d) 'Non-completion', from the time you agree to carry out that work until:

- i. six (6) years after you last issued a certificate of compliance in relation to that work; or
- ii. if you do not issue a certificate of compliance in relation to the work, six (6) years after the date you stopped carrying out the work;

b. the indemnity provided by the insurance for the liabilities referred to in Cover (c), (d) and (e) will continue to apply throughout the relevant period specified in sub-clause (a), even if you cease to be a licence holder before the end of that period and even if you cease to maintain the Policy under which the insurance is provided.

13. Contrary provisions.

Any provision that limits the indemnity provided under the Policy with respect to any defect as a result of:

- a. any loss or damage to that part of the property on which the licence holder is working and which arises out of that prescribed work,
- b. any error in design, specification, formula or pattern or the provision of advice that is incidental to any prescribed work undertaken by the licence holder,
- c. the cost of inspecting, repairing or replacing component parts of prescribed work, and
- d. any provision that excludes personal injury, loss or damage arising directly or indirectly out of, or in connection with or caused by, the erection, demolition, alteration of or addition to buildings by or on behalf of the licence holder, does not apply.

14. Common property.

If:

- a. prescribed work is carried out on land in a plan of subdivision containing common property, and
- b. a claim is paid by us in relation to the common property.

We will reduce the amount we will pay under this Policy in respect of any one (1) home on land in the plan of subdivision by an amount calculated by dividing the amount of the claim paid by us in relation to the common property by the number of homes on land in the plan of subdivision.

Special conditions applicable to this Policy section

Claims

1. Notification of occurrence, claim or suit

You shall give:

- a. written notice (including facsimile transmission) via your Steadfast broker, to us, as soon as reasonably practicable, of any claim made against you or any occurrence that may give rise to a claim being made against you and which is covered by this Policy;
- b. all such additional information that we may reasonably require and every demand, writ, summons, proceedings, impending prosecution or inquest and all documents relating to the claim or occurrence shall be forwarded to us as soon as practicable after they are received by you.

2. Your duties in the event of an occurrence, claim or suit

You shall:

- a. not, without our written consent (which consent shall not be unreasonably withheld), make any admission, offer, promise or payment in connection with any occurrence or claim;
 - b. use the best endeavours to preserve all property, products, appliances, plant, and all other things which may assist in the investigation or defence of a claim or suit or in the exercise of rights of subrogation and, so far as may be reasonably practicable, no alteration or repair shall be effected without our consent until we have had an opportunity of inspection;
 - c. when so requested, provide us with details of any other insurances current at the time of any occurrence, and/or personal injury and/or property damage and/or advertising injury and covering any of the liability Insured by this Policy.
- #### 3. Our rights regarding claims
- a. Following the happening of an occurrence in respect of which a claim is, or may be, made under this Policy, we have full discretion in the conduct of any legal proceedings and in the settlement of any claim. you must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.
 - b. We may at any time pay to you, in respect of all claims against you arising directly or indirectly from one (1) source or original cause:
 - i. the amount of the limit of liability or such other amount specified in respect thereof (after deduction of any sum(s) already paid by us, which sum(s) would reduce the amount of our unfulfilled liability in respect thereof); or
 - ii. any lesser sum for which the claim(s) can be settled.
 - c. Upon making such payment, we shall relinquish conduct and control of, and be under no further liability under this Policy in connection with, such claim(s) except for defence costs and supplementary payments:
 - i. recoverable from you in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently); or
 - ii. incurred by us, or by you with our written consent, prior to the date of such payment.

4. Cross liabilities

This Policy extends to indemnify:

- a. each of the parties comprising the named insured, and
- b. each of the insureds hereunder,

separately in the same manner and to a like extent as though policies had been issued in their separate names.

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

Provided always that:

- c. each of such parties shall be separately subject to the terms, claims conditions, general Policy conditions, exclusions and definitions of this Policy in the same manner and to a like extent as though separate policies had been issued, and
- d. in no case shall the amount payable by us in respect of any one (1) claim or series of claims arising out of any one (1) occurrence or in the aggregate, as the case may be, exceed the applicable limit of liability as specified in the Policy Schedule.

5. Inspection and audit

We are permitted, but not obligated, to inspect your premises and operations at any reasonable time. Neither our right to make inspections, nor our failure to make inspections, nor the making of any inspections, nor any report of an inspection shall constitute an undertaking, on behalf of or for the benefit of you or others, to determine or warrant that such premises or operations are safe or healthful or are in compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the currency of this Policy and within three (3) years after the final termination of this Policy but only with regard to matters which in our opinion are relevant to this Policy.

6. Premium - adjustment of premium

If the first premium or any renewal premium for this Policy or any part thereof shall have been calculated on estimates provided by you, you shall keep an accurate record containing all particulars relative thereto and shall at all reasonable times allow us to inspect such record.

You shall, where requested by us after the expiry of each period of insurance, provide to us such particulars and information as we may require as soon as reasonably practicable. The premium for such period shall thereupon be adjusted and any difference paid by or allowed to you, as the case may be, subject to retention by us of any minimum premium that may have been agreed upon between us and you at inception or the last renewal date of this Policy.

7. Release

Where you are required by contractual agreement to release any Government or Public or Local Authority or other Statutory Authority or any landlord from liability for loss, destruction or damage or legal liability insured against under this Policy, such release is allowed without prejudice to this insurance.

Notwithstanding general condition 'Subrogation rights' of this Policy, we agree to waive all our rights of subrogation against any such authority or any landlord in the event of any occurrence for which a claim for indemnity may be made under this Policy.

General property cover section

About this Policy section

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

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Accidental	Unexpected and unintended from your standpoint.
Specified items	The property listed on the current Policy Schedule.
Unspecified items	Each item of property which is not a specified item but which is part of a group or class of property described generally on the schedule. The group or class described may include hand tools and hand-held power tools.

Your insurance under this cover section

Provided the 'General property' cover section is shown in the Policy Schedule as taken, we will cover you for accidental damage to property insured which occurs anywhere in the world during the period of insurance other than the exclusions in 'What you are not covered for under this section'.

What we pay

We will at our option either:

1. repair or replace the item of property insured (including any carry case and usual accessories) to a condition equal to but not better or more extensive than its condition when new, or
2. pay you the cost to repair or replace the property insured, or
3. replace the property insured with a new item that has the same features or features that are nearly the same as (but not less than) the item being replaced.

When loss or damage is confined to a part or component of the property insured, we will only pay for that part or component plus the cost of any necessary dismantling and reassembling.

If we replace or pay the cost of replacing any item of property you no longer have any cover for that item or the replacement item.

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

The maximum we will pay in respect of each unspecified item is \$2,500.

The maximum we will pay during the period of insurance for all claims in respect of any particular group or class of unspecified items is the sum insured for that group or class of unspecified property set out in the Policy Schedule.

Excess

The excess that applies is shown on the Policy Schedule. The excess applies to each event unless otherwise noted in the Policy Schedule.

Additional benefits

We will also provide the following additional benefit in this cover section.

Any amounts payable under these additional benefits apply in addition to the sum insured.

1. Theft of other equipment

We will cover you for theft of any property (excluding money and stock) not belonging to you but in your physical or legal control for the purposes of your business occurring during the period of insurance anywhere in the world.

This additional benefit does not cover theft committed by any member of your family or by any employee of yours or committed by any person whilst lawfully at your premises.

We will not cover you under this additional benefit unless the property was:

- a. in a securely locked vehicle and the theft was consequent upon forcible and violent entry to the vehicle;
- b. securely and permanently affixed to a building or vehicle and theft is consequent upon forcible and violent removal of the insured property;
- c. in a vehicle and was securely chained to that vehicle by a steel chain having a link diameter of 10mm or greater and a padlock with a security rating under Part 4: Padlocks, of Australian Standard AS4145 (or any subsequent amendment) of 6 (or its equivalent) or above;
- d. in your private residence or the private residence of your employee who has been authorised by you to have the custody and control of the property insured. However, we will not cover any theft by a tenant;
- e. securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However we will not cover any theft:
 - i. committed by any person while lawfully in the building; or
 - ii. of property insured which is unattended in areas of the building;
- f. stolen as a consequence of armed hold-up or the threat of physical violence.

We will not cover you for more than \$2,000 in any one (1) period of insurance under this additional benefit.

Exclusions

This section does not cover:

- a. loss or damage to any unspecified item of property unless your Policy Schedule shows that you have cover for unspecified property;
- b. loss or damage caused by or arising out of:
 - i. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
 - ii. moths, termites or other insects or vermin;
 - iii. scratching, biting or chewing by any animal;
 - iv. chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;
 - v. change in colour, loss of weight, change in flavour, texture of finish;

- vi. the action of light, atmospheric conditions, any form of fungus or variations or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
- vii. mechanical, hydraulic, electrical or electronic breakdown, burn-out, failure, malfunction or derangement of any equipment or device;
- viii. smut or smoke from industrial operations (other than sudden and unforeseen resultant damage);
- ix. any faults or defects in any form of insured property that you or any of your employees knew about before taking out this cover section;
- x. faulty materials or faulty workmanship;
- c. loss or damage to any item worth more than \$2,500 unless it is a specified item;
- d. loss or damage to money or documents of any kind;
- e. loss of use, loss or earning capacity or any other consequential loss;
- f. loss or damage to property as a result of:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of data;
 - ii. breakdown or malfunction of the processing system including operator error or mission in creating, amending, loading, deleting or using data;
 - iii. total or partial inability or failure to receive, send, access or use data for any time or at all;
 - iv. committed by any member of your family or by any employee of yours or committed by any person while lawfully at your premises.

Machinery breakdown cover section

About this Policy section

This section covers the breakdown of machinery at your premises.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Boilers and pressure plant and pressure pipe systems	The permanent structure of machinery which is subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to boilers the rotating, reciprocating or electrical apparatus attached to them.
Breakdown	<p>A sudden and accidental failure of machinery resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.</p> <p>Breakdown does not mean:</p> <ul style="list-style-type: none"> a. depletion, deterioration, corrosion or erosion of material; b. wear and tear; c. vibration or misalignment; d. the functioning of any safety device or protective device; or e. the failure of a structure or foundation supporting the equipment or a part of the equipment.
Controlled atmospheric conditions	An atmosphere in which oxygen, carbon dioxide and nitrogen concentrations as well as temperature and humidity are regulated.
Expendable items	<ul style="list-style-type: none"> a. Electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements; b. tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.
Hazardous substance	<ul style="list-style-type: none"> a. Any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or b. any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergic, pathogenic or toxigenic.

Word or term	Meaning
Machinery	<p>Any of the following equipment provided it is owned, leased, operated or controlled by you and used in your business:</p> <ol style="list-style-type: none"> a. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure (other than static pressure of contents) any refrigerating or air conditioning vessels and piping or any other piping and its accessory equipment, but not including any: <ol style="list-style-type: none"> i. boiler foundation, any refractory or insulating material; ii. part of a boiler or fired pressure vessel that does not contain steam or water; nor iii. buried piping, any drainage piping, any sprinkler piping and its accessory equipment; b. any mechanical or electrical equipment that generates, transmits or utilises mechanical or electrical power, but not including: <ol style="list-style-type: none"> i. any vehicle, or mobile equipment; ii. any watercraft or aircraft; or iii. any elevator or escalator.

Your insurance under this cover section

Provided the 'Machinery breakdown' cover section is shown in the Policy Schedule as taken, subject to the general exclusions we will cover you for:

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

provided that the breakdown of machinery occurs during the period of insurance.

What we pay

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

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

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

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

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

The maximum we will pay is the sum insured as shown in the Policy Schedule.

1. In the event of breakdown we will at our option pay to you, up to the sum insured less the applicable excess, the reasonable cost of repair or replacement necessary to return the machinery to their former state of operation including:
 - a. cost of dismantling, re-erection, cleaning up and removal of debris;
 - b. replacement of refrigerant or lubricating or insulating oil lost from machinery as a direct result of breakdown;
 - c. charges for overtime work on public holidays where necessarily and reasonably incurred;
 - d. freight within the Commonwealth of Australia by any recognised scheduled service;
 - e. overseas air freight by any recognised scheduled service and/or overseas labour;
 - f. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any property insured;
 - g. any customs duties and dues.
Provided that the total of all of these extra costs in clauses 1(c), 1(d), 1(e) and 1(f) are limited to 50% of the normal cost of repair payable under this part.
2. Where you incur extra expense, in complying with the requirements of any Act of Parliament or Regulation made there under or any By-Law or Regulation of any Municipal or other Statutory Authority, in the course of effecting repair or replacement of the machinery, we will indemnify you for such extra expense.
Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which you had been required to comply with prior to the breakdown.
3. All machinery which can be repaired must be repaired. However, should the item be uneconomical to repair due solely to the nature of the breakdown, settlement will be as follows:
 - a. the cost of replacement of the machinery by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the machinery when new; or
 - b. the sum insured for the machinery.

4. We shall not be required to replace the machinery exactly, but only as circumstances permit.

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

Excess

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

Extra covers

If we agree to pay a claim under this Policy section for breakdown of machinery, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers apply in addition to the sum insured.

1. Hazardous substances

If a hazardous substance is involved in or released by a breakdown of the machinery we cover you for the increase in cost to repair, replace, clean up or dispose of, damaged property insured.

We will not pay more than \$25,000 for each claim under this extra cover.

2. Inflation protection

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

3. Repair costs

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

Additional benefits

We will also provide the following additional benefit in this Policy section, subject to the Policy limits, conditions and exclusions except as provided otherwise.

Any amount payable under the following additional benefits applies in addition to the sum insured.

1. Additional items

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

Provided that:

- cover for additional items shall not exceed the total sum insured for the items already insured under this cover section;
- you give us written notice within ninety (90) days of the hire or purchase and commissioning of the item(s) and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges;
- the items are as far as you are aware, suitable for service, free from material defect and in sound working condition;
- the items shall not be insured until successfully commissioned and all relevant statutory provisions for inspections and certification have been fulfilled;

- the limits and excess as shown on the Policy Schedule shall be the same as for similar items already insured.

2. Property damage

We will indemnify you for insured damage to property not insured under this section which is owned by you or if you are responsible for loss or damage to it provided:

- that loss or damage occurred within the location during the period of insurance as a direct result of impact from part of an insured item of plant and machinery; and
- the loss or damage is directly caused by insured damage and occurs in circumstances where cover is provided, and not excluded under this section.

We will not pay more than the sum insured specified on your Policy Schedule for that insured item of plant and machinery as specified on the Policy Schedule for insured damage to the uninsured item.

3. Increased cost of working

We will pay for costs that are incurred by you for the sole purpose of avoiding or diminishing a reduction in income from your business during the period that the plant and machinery is damaged.

Provided that:

- these costs are additional to your normal operating costs;
- these costs are incurred because of an interruption of your normal operations that directly results from insured damage to plant and machinery that is covered by this Policy section;
- you receive our prior written approval to incur these costs;
- we will not pay more than \$2,500 for increased cost of working; and
- we will not pay for any cost incurred during the first forty eight (48) hours following the loss.

Optional cover

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

Deterioration of stock

Provided 'Deterioration of stock' is shown in the Policy Schedule, we will cover you for loss of perishable stock that spoils during the period of insurance due to a change in temperature in a refrigeration chamber of the refrigeration or freezer unit as a result of:

- a breakdown to insured machinery of a refrigeration or freezer unit in which the refrigerated stock is kept;
- malfunctioning or failure of the thermostats, limiting/controlling protection devices, fuses, circuit breakers or overload devices which are owned by you or for which you are responsible and are protecting a refrigeration chamber, but not including loss or damage due to the manual operation or setting of switches;
- contamination of the refrigerated stock by leakage of refrigerant;
- sudden and unforeseen failure of the public power supply;
- accidental failure of supply services which directly affects the refrigeration or freezer unit;

- f. a supply authority intentionally interfering with a public service but only to the extent that this is necessary to safeguard life or any part of the public supply and the supply authority's interference is not caused directly or indirectly by fire, flood, storm or any other natural cause; or
- g. sudden leakage of refrigerant from the machinery or pressure pipe systems.

Loss minimisation

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

What we pay under this option

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

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

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

During the seasonal increase periods we will increase the sum insured shown in the Policy schedule by 50%.

What you are not covered for under this option

In addition to the exclusions for this Policy section, we will not pay for:

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

Exclusions – applicable to machinery breakdown

We will not cover you for:

1. The cost of repair or replacement of expendable items other than expendable items which are necessary for the repair.
2. The costs incurred in repairing wear and tear or gradual deterioration including:
 - a. wear and tear due to normal operation;
 - b. wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;

- c. damage to a safety or protective device caused by its own operation;
 - d. the chipping or scratching of painted or polished surfaces; or
 - e. slowly developing deformation or distortion.
3. The cost of:
 - a. carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - b. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs, or as a separate operation;
 - c. modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - d. replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting;
 - e. repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from Insured damage;
 - f. repair of a slowly developing deformation, distortion or fatigue of any part;
 - g. repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - h. repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - i. repairs to shaft keys requiring tightening, fitting or renewal;
 - j. damage caused by the movement of foundations, masonry or brick work unless this results from breakdown of any machinery or any part of machinery; or
 - k. removal or installation of underground pumps and well casings. Unless specifically noted on the Policy Schedule, this exclusion does not apply to submersible pumps.
 4. Breakdown of machinery which you knew or reasonably should have known to be defective before the breakdown occurred.
 5. Loss of use or consequential loss of any kind.
 6. We will not cover loss or damage caused by or arising out of:
 - a. earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;
 - b. cyclone, storm, hail, lightning, thunder, wind, rainwater;
 - c. flood;
 - d. the sea, including tidal wave, tsunami, storm surge or high-water;
 - e. fire, smoke or soot;
 - f. water seeping or percolating the building from outside;
 - g. water, liquids or substances discharged or other means used to extinguish a fire;
 - h. vandalism or malicious damage.

7. Breakdown, loss or damage caused by explosion, other than:
 - a. the sudden and violent rending of any boilers and pressure plant or pressure pipe systems by force of internal fluid pressure of ignited flue gases, but excluding other chemical action; or
 - b. the bursting or disruption of turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switch gear.
8. Breakdown, loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul.
9. Breakdown, loss or damage caused during installation, erection or relocation.
10. Damage to foundations, brickwork, and refractory materials other than as a result of breakdown.
11. Breakdown, loss or damage arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded. The checking of the correct working of any insured item or of its safety installations is not considered to be testing or overloading within the context of this exclusion.
12. Breakdown, loss or damage caused by a deliberate act, neglect or omission on your part.
13. Breakdown, loss or damage for which the manufacturer or supplier or other parties are responsible under a maintenance or warranty agreement provided that we shall be liable for 'Breakdown' insured by this section and not recoverable under such maintenance agreement or warranty by reason of a specific exclusion contained therein or by reason of any dispute concerning the interpretation of that agreement or warranty (as the case may be).
14. The cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
15. The costs associated with modifying the machinery so that it operates with a more ozone friendly refrigerant gas as required by the United Nations Environment Programme ('UNEP').
16. Breakdown, loss or damage as a result of dual lifting.
17. Breakdown of machinery, which is useless or obsolete to your business.
18. Loss or damage caused by or arising out of pollution, contamination or a hazardous substance, however caused, except as provided for in extra cover 1.

Policy section conditions

1. Adherence to statutory requirements
If any insured equipment must be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, you must obtain any licenses as required and use the machinery as specified in the license.
2. Inspection
We or our authorised representatives have the right to make inspections of machinery at any reasonable time. Neither this right to make inspections nor making them is an undertaking to you or others that the insured equipment is safe and not hazardous or injurious to health.

3. Obligation to prevent loss
If we or our authorised representative discover machinery in or exposed to a dangerous condition, you must comply with any direction provided by us or our representatives to prevent loss. If you do not comply within thirty (30) days of receiving the direction, we may refuse to pay a claim and cancel your policy.
4. One breakdown
If either:
 - a. breakdown of machinery causes the breakdown of other insured property; or
 - b. a series of breakdowns occur at the same time as a result of the same cause;

they will all be considered as one (1) breakdown for the purpose of applying the excess, the relevant sum insured and any other limit or sub-limit in this Policy section and the 'Electronic equipment' cover section.

Electronic equipment cover section

About this Policy section

This section covers the breakdown of electronic equipment at your premises.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Breakdown	<p>A sudden and accidental failure of electronic equipment resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.</p> <p>Breakdown does not mean:</p> <ol style="list-style-type: none"> depletion, deterioration, corrosion or erosion of material; wear and tear; vibration or misalignment; the functioning of any safety device or protective device; or the failure of a structure or foundation supporting the equipment or a part of the equipment.
Computer equipment	<p>General purpose machine, commonly consisting of digital circuitry, that accepts (inputs), stores, manipulates, and generates (outputs) data as numbers, text, graphics, voice, video files, or electrical signals, in accordance with instructions called a program including but not limited to electronic data processing equipment comprising a central processing unit, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components but does not include software.</p>
Electronic equipment	<p>Any of the following equipment provided it is owned, leased, operated or controlled by you and used in your business:</p> <ol style="list-style-type: none"> any electronic machine, device or instrument used for research, diagnosis or medical treatment; telecommunication transmission and receiving equipment; lighting facilities, audio visual, amplification and surveillance equipment; office machines owned by you or for which you are legally responsible; computer equipment.

Word or term	Meaning
Expendable items	<ol style="list-style-type: none"> Electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements; tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.
Hazardous substance	<ol style="list-style-type: none"> Any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergic, pathogenic or toxicogenic.

Your insurance under this cover section

Provided the 'Electronic equipment' cover section is shown in the Policy Schedule as taken, subject to the general exclusions we will cover you for:

- breakdown of electronic equipment which occurs at the premises; and
- direct loss or damage to other property insured as a result of that breakdown;

provided that the breakdown of electronic equipment occurs during the period of insurance.

What we pay

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

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

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

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

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

The maximum we will pay is the sum insured as shown in the Policy Schedule.

1. In the event of breakdown we will at our option pay to you, up to the sum insured less the applicable excess, the reasonable cost of repair or replacement necessary to return the electronic equipment to their former state of operation including:
 - a. cost of dismantling, re-erection, cleaning up and removal of debris;
 - b. replacement of refrigerant or lubricating or insulating oil lost from electronic equipment as a direct result of breakdown;
 - c. charges for overtime work on public holidays where necessarily and reasonably incurred;
 - d. freight within the Commonwealth of Australia by any recognised scheduled service;
 - e. overseas air freight by any recognised scheduled service and/or overseas labour;
 - f. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any property insured;
 - g. any customs duties and dues.

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

2. Where you incur extra expense, in complying with the requirements of any Act of Parliament or Regulation made there under or any By-Law or Regulation of any Municipal or other Statutory Authority, in the course of effecting repair or replacement of the electronic equipment, we will indemnify you for such extra expense.
Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which you had been required to comply with prior to the breakdown.
3. All electronic equipment which can be repaired must be repaired. However, should the item be uneconomical to repair due solely to the nature of the breakdown, settlement will be as follows:
 - a. the cost of replacement of the electronic equipment by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the electronic equipment when new; or
 - b. the sum insured for the electronic equipment.
4. We shall not be required to replace the electronic equipment exactly, but only as circumstances permit.

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

Excess

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

Extra covers

If we agree to pay a claim under this Policy section for breakdown of electronic equipment, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers apply in addition to the sum insured.

1. Hazardous substances

If a hazardous substance is involved in or released by a breakdown of the electronic equipment we cover you for the increase in cost to repair, replace, clean up or dispose of, damaged property insured.

We will not pay more than \$25,000 for each claim under this extra cover.

2. Inflation protection

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

3. Repair costs

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

Additional benefits

We will also provide the following additional benefit in this Policy section, subject to the Policy limits, conditions and exclusions except as provided otherwise.

Any amount payable under the following additional benefits applies in addition to the sum insured.

1. Additional Items

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

Provided that:

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

2. Electronic equipment away from the premises

Electronic equipment cover is extended to:

- a. breakdown occurring during the period of insurance to electronic equipment away from the premises;
- b. breakdown of your laptop computer equipment or mobile electronic equipment anywhere in Australia and the laptop computer equipment or mobile electronic equipment is specified in the Policy Schedule under 'General property' cover section.

3. Restoration of computer data

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

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

We will not cover you for:

- d. loss or distortion of electronic data due to defects in the media;
- e. any consequential loss;
- f. restoration of electronic data other than that which is lost or distorted after the most recent functional back-up;
- g. expenses or costs incurred in connection with the loss or distortion of electronic data if they are not incurred within twelve (12) months of the breakdown;
- h. loss or damage of, or distortion to, electronic data caused by a computer virus; loss or damage of, or distortion to, electronic data caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:
 - i. the erasure, destruction, corruption, misappropriation or misinterpretation of electronic data;
 - ii. any error in creating, amending, entering, deleting or using electronic data;
 - iii. the inability to receive, transmit or use electronic data; or
 - iv. the functioning or malfunctioning of the Internet, Intranet, local area networks, virtual private networks or similar facility, or of any Internet address, website or similar facility,

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

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

We will not pay more than \$15,000 for each claim under this additional benefit.

4. Computers – increased costs

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

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

- a. we have agreed to pay a claim under the 'Electronic equipment' cover section for repair or replacement of computer equipment;
- b. the increased costs of working occur during the period of insurance and are a direct result of the breakdown covered under the 'Electronic equipment cover section; and
- c. we agree in advance to pay the increased costs of working.

We will not cover you for:

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

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

We will not pay more than \$15,000 for each claim under this 'Additional benefit'.

Exclusions – applicable to electronic equipment breakdown

We will not cover you for:

1. The cost of repair or replacement of expendable items other than expendable items which are necessary for the repair.
2. The costs incurred in repairing wear and tear or gradual deterioration including:
 - a. wear and tear due to normal operation;
 - b. wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
 - c. damage to a safety or protective device caused by its own operation;
 - d. the chipping or scratching of painted or polished surfaces; or
 - e. slowly developing deformation or distortion.
3. The cost of:
 - a. carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - b. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs, or as a separate operation;
 - c. modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - d. replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting;
 - e. repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from insured damage;
 - f. repair of a slowly developing deformation, distortion or fatigue of any part;
 - g. repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - h. repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - i. repairs to shaft keys requiring tightening, fitting or renewal;
 - j. damage caused by the movement of foundations, masonry or brick work unless this results from breakdown of any electronic equipment or any part of electronic equipment; or
 - k. removal or installation of underground pumps and well casings. Unless specifically noted on the Policy Schedule, this exclusion does not apply to submersible pumps.
4. Breakdown of electronic equipment which you knew or reasonably should have known to be defective before the breakdown occurred.
5. Loss of use or consequential loss of any kind.
6. We will not cover loss or damage caused by or arising out of:
 - a. earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;
 - b. cyclone, storm, hail, lightning, thunder, wind, rainwater;
 - c. flood;
 - d. the sea, including tidal wave, tsunami, storm surge or high-water;
 - e. fire, smoke or soot;
 - f. water seeping or percolating the building from outside;
 - g. water, liquids or substances discharged or other means used to extinguish a fire;
 - h. vandalism or malicious damage.
7. Breakdown, loss or damage caused by explosion, other than:
 - a. the sudden and violent rending of any boilers and pressure plant or pressure pipe systems by force of internal fluid pressure of ignited flue gases, but excluding other chemical action; or
 - b. the bursting or disruption of turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switch gear.
8. Breakdown, loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul.
9. Breakdown, loss or damage caused during installation, erection or relocation.
10. Damage to foundations, brickwork, and refractory materials other than as a result of breakdown.
11. Breakdown, loss or damage arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded. The checking of the correct working of any insured item or of its safety installations is not considered to be testing or overloading within the context of this exclusion.
12. Breakdown, loss or damage caused by a deliberate act, neglect or omission on your part.
13. Breakdown, loss or damage for which the manufacturer or supplier or other parties are responsible under a maintenance or warranty agreement provided that we shall be liable for breakdown insured by this section and not recoverable under such maintenance agreement or warranty by reason of a specific exclusion contained therein or by reason of any dispute concerning the interpretation of that agreement or warranty (as the case may be).
14. The cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
15. The costs associated with modifying the electronic equipment so that it operates with a more ozone friendly refrigerant gas as required by the United Nations Environment Programme ('UNEP').
16. Breakdown, loss or damage as a result of dual lifting.
17. Breakdown of computer equipment or electronic equipment which is useless or obsolete to your business.

18. Loss or damage caused by or arising out of pollution, contamination or a hazardous substance, however caused, except as provided for in extra cover 1.

Policy section conditions

1. Adherence to statutory requirements

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

2. Inspection

We or our authorised representatives have the right to make inspections of electronic equipment at any reasonable time. Neither this right to make inspections nor making them is an undertaking to you or others that the insured equipment is safe and not hazardous or injurious to health.

3. Obligation to prevent loss

If we or our authorised representative discover electronic equipment in or exposed to a dangerous condition, you must comply with any direction provided by us or our representatives to prevent loss. If you do not comply within thirty (30) days of receiving the direction, we may refuse to pay a claim and cancel your Policy.

4. One breakdown

If either:

- a. a breakdown of electronic equipment causes the breakdown of other insured property; or
- b. a series of breakdowns occur at the same time as a result of the same cause;

they will all be considered as one (1) breakdown for the purpose of applying the excess, the relevant sum insured and any other limit or sub-limit in this Policy section and the 'Machinery breakdown' cover section.

Employee dishonesty cover section

About this Policy section

This section covers the theft of your money, contents or stock by any of your employees either acting alone or in collusion with any others.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Money	For the purposes of this cover section only, money has the meaning in the general definitions and also includes funds held in electronic form in a bank account.

Your insurance under this cover section

Provided the 'Employee dishonesty' cover section is shown in the Policy Schedule as taken, we will cover you for loss of money, contents or stock as a result of any act of theft, fraud or dishonesty by any of your employees, either acting alone or in collusion with others, provided that the loss occurs during the period of insurance.

What we pay

We will:

- a. pay you the amount of lost money; or
- b. at our option, replace lost contents or stock or pay the market value of the contents or stock.

Notwithstanding that the act of fraud or dishonesty may have been committed during more than one (1) period of insurance, the maximum amount we will pay for any one (1) claim and for all claims in the period of insurance is the sum insured shown in the Policy Schedule.

Excess

The amount of each claim otherwise payable shall be reduced by the amount of the excess shown in the Policy Schedule.

Additional benefits

We will also provide the following additional benefits in this cover section.

Unless stated otherwise below, any amounts payable under these additional benefits do not apply in addition to the sum insured.

1. Auditors fees

With our prior approval, we will pay up to \$5,000 towards the reasonable and necessary fees payable by you to internal and/or external auditors and for other expenses which you incur in preparation of a claim under this benefit.

2. Retroactive cover

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

- a. the discovery period in such previous Policy has expired;
- b. the fraud or dishonesty is discovered within:
 - i. the period of this Policy; or

- ii. twelve (12) months of the termination of this Policy or twelve (12) months after termination of the employment of the employee concerned, whichever shall first occur;
- c. the cover we provide will fall within and not be in addition to the sum insured shown in the current Policy Schedule;
- d. we shall not be liable for any loss arising from an act of fraud or dishonesty committed more than twelve (12) months before the inception of this section of the Policy.

3. Unidentified employees

If a loss is alleged to have occurred as a result of the fraud or dishonesty of any one (1) 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 that the loss was due to the fraud or dishonesty of one (1) or more employees.

4. Welfare, social or sporting club cover

The term 'You' is extended to include any welfare, social or sporting club formed with your knowledge and consent which is exclusively for the benefit of employees and their families.

What you are not covered for under this cover section

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

- a. resulting from any further act of fraud or dishonesty after you first discover that the employee has previously engaged in provable dishonest conduct or has previous convictions for dishonest acts;
- b. discovered more than twelve (12) months after the period of insurance has expired or more than twelve (12) months after the termination of employment of the employee concerned;
- c. that is not reported to us within twenty eight (28) 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;
- d. beyond the limit of cover stated in this additional benefit in respect of any one (1) employee and all employees, even if the dishonest conduct continued during more than one (1) period of insurance.

Conditions applicable to this cover section

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

In the event of the sum insured being reduced by the amount of any claim payable under this additional benefit, the sum insured may be reinstated by payment of appropriate additional premium, provided that the amount by which the sum insured is reinstated shall be available only in respect of acts of fraud or dishonesty committed after such reinstatement.

Special conditions applicable to this cover section

If we agree to pay a claim you must agree to withhold (to the extent you are allowed to by law) and to retain salary, commission, moneys or assets that are the property of an employee whose dishonesty has caused a claim under this cover section. Any such sum shall be deducted from the amount of the loss before any claim is made under this benefit.

In the event of the sum insured being reduced by the amount of any claim payable under this additional benefit, the sum insured may be reinstated by payment of appropriate additional premium, provided that the amount by which the sum insured is reinstated shall be available only in respect of acts of fraud or dishonesty committed after such reinstatement.

Tax audit cover section

About this Policy section

This section covers the costs of a statutory tax audit.

Definitions

Some words have a special meaning wherever they appear in this cover section. These words and their meanings are listed below.

Word or term	Meaning
Accountant's fees	Fees, charges, expenses and disbursements rendered by any accountant, assessor, consultant, investigator or by any mediator appointed by any alternative dispute resolution centre which are reasonably and properly incurred in relation to any statutory tax audit.
Business	The business of the insured as described in the Policy Schedule, including personal taxation returns of the insured and spouse.
Culpability component	A determination by a relevant statutory authority signifying circumstances consequent to which the insured incurs a culpability component signifying, or which has been imposed on the basis of, reckless or deliberate tax evasion or similar offence by the insured.
Inception date	The date on which continuous cover under this Policy commenced being the date specified in the Policy Schedule.
Occurrence	Any occurrence which may give rise to a statutory tax audit.
Statutory tax audit	<p>An official examination and verification of accounts and records from a relevant statutory body, pursuant to:</p> <ol style="list-style-type: none"> 1. the <i>Income Tax Assessment Act (Australia) 1936</i>, 2. the <i>Fringe Benefits Tax Assessment Act (Australia) 1986 and Fringe Benefits Tax Acts 1986</i>, 3. Section 10 of the <i>Crimes Act (Australia) 1914</i>, 4. the current <i>Payroll Tax Act (Relevant State Act)</i>, 5. the <i>Sales Tax Assessment Act 1992 (Relevant State Act)</i>, 6. the <i>Taxation Administration Act 1953</i>, 7. the <i>Superannuation Guarantee Charge Act 1992</i>, 8. <i>A New Tax System (Goods and Services Tax) Act 1999</i>, <p>or any other legislation intended to replace such legislation, related to statutory tax audits which incur accounting costs arising in the course of and in the normal conduct of its business.</p>

What you are insured against

Subject to the terms, conditions, limitations and exclusions of this Policy, we agree to indemnify you up to the sum insured in respect of your liability to pay the fees of an accountant engaged by you in connection with an audit of your business conducted pursuant to a 'Statutory tax audit', where notification of the audit:

- occurred during the period of insurance, and
- is given to us during the period of insurance.

Limit of liability

Our aggregate limit of liability in any one (1) period of insurance for all claims arising out of the one (1) occurrence will not exceed the sum insured specified in the Policy Schedule.

Our consent

We shall be under no liability to make any payment in relation to accountant's fees incurred unless our prior written consent has been obtained in accordance with the terms and conditions of this Policy.

We shall be entitled at any time to withdraw the indemnity granted under this Policy if it appears to us that you no longer have reasonable grounds for defending the tax audit, whereupon we will not be liable in respect of any accountant's fees incurred thereafter.

Our agreement to make any payment in relation to statutory tax audit and accountants fees and our approval of your accountant, do not constitute any acknowledgement that all accountant's fees charged by your accountant are reasonable and are to be reimbursed in accordance with the terms of this Policy.

Substantiation of claim

Subject to the terms, conditions, limitations and exclusions of this Policy, we agree to indemnify you up to a maximum of \$1,000 any one (1) claim for substantiation of a claim and for which documentary evidence only is required.

What you are not covered for under this cover section

We will not pay accountants' fees:

- unless we are satisfied that the applicable culpability component has not been or is not likely to be imposed in excess of 50% assessable related to the culpability scale imposed pursuant to the relevant culpability scale applicable to those Acts set out in the definition of statutory tax audit above of the appropriate State,
- incurred in the defence of any statutory tax audit arising out of any directorship or the holding of any other position or office with any corporation,
- arising out of an audit commenced outside the period of insurance,
- in respect of work undertaken by you or income derived by you outside Australia,
- arising out of any delay in the submission of an income tax return,
- in circumstances where you, in respect of a final assessment of taxable income and/or income tax payable, incur a culpability component signifying, or which has been imposed on the basis of, recklessness or deliberate tax evasion or similar offence by you,
- arising out of the failure of a third party to submit an income tax return,

- h. in respect of an audit where the returns for the period in question were not prepared by or approved by an independent accountant or registered tax agent prior to lodgement with the Australian Taxation Office.

Notwithstanding anything to the contrary in this Policy, we will not pay accountants fees incurred in the defence of any statutory tax audit in circumstances where you:

- i. are or become bankrupt or commit an act of bankruptcy;
- ii. make or enter into a scheme of arrangement or compromise with creditors;
- iii. being a corporation, are in liquidation or come under the control of a receiver or receiver and manager or an agent for a mortgagee in possession.

Special conditions applicable to this section

The following conditions apply to this section of the Policy.

There are also general conditions which apply to all sections of this Policy.

1. Your obligations

You must at all times exercise care and take all necessary precautions to avoid incurring any liability which might give rise to a claim under this Policy and must not recklessly pursue a course of action which will inevitably result in a claim under this Policy.

2. Notification of occurrences and claims

- a. If, during the period of insurance, you become aware of any occurrence which may give rise to a claim under this Policy, you must give us immediate notice in writing. Any subsequent tax audit arising out of such occurrence shall be deemed to have been commenced during the period of insurance.
- b. You must, upon receipt of any notice, whether written or oral, of any intention to make a claim or demand or issue a writ or summons against you or upon becoming aware of any allegation which may give rise to any such claim, demand, writ or summons or upon the discovery of any occurrence, immediately notify us in writing as soon as practicable during the period of insurance and shall provide full information in respect thereof. Notwithstanding anything to the contrary in this Policy, the accountant shall be appointed by and on your behalf and you shall be primarily liable for the payment of accountants' fees incurred by that accountant.
- c. You must authorise and instruct the accountant:
 - i. to disclose to us all such information and documentation as we may require from time to time;
 - ii. to keep us fully and continually informed of all material developments in the tax audit and of the completion of the statutory tax audit;
 - iii. to advise us immediately of any offers or compromise proposals or recommendations to make offers or compromise proposals; and
 - iv. to advise us if, in the accountant's opinion, there is no longer any reasonable prospect of success or if the prospects for success materially alter.
- d. You must not unreasonably refuse to follow the advice of the accountant as to the conduct of the statutory tax audit including advice relating to the making or accepting of any offer to settle or the discontinuance of the statutory tax audit.

- e. You must afford the accountant full co-operation in the pursuit or defence of the statutory tax audit.

3. Taxation of costs

- a. You must forward copies of all accounts for accountants' fees, and any correspondence relating to them to us upon receipt and must not pay or otherwise compromise or settle such account without giving us at least fourteen (14) days prior notice.
- b. If instructed by us, you must direct any accountant or other person retained on your behalf in the conduct of the statutory tax audit to have any account or charge referred to any relevant authority to be taxed, assessed or audited.

4. Recovery of costs

- a. You must pay to us any and all costs, up to the amount of the accountants' fees incurred by us, which are recovered by you in connection with the statutory tax audit and you will take, at our expense, every measure to recover such accountants' fees from any third party.
- b. We shall not exercise any rights of subrogation that may accrue as a consequence of any payment made under this Policy against any director, partner or subcontractor of yours, unless such payment has been brought about, or contributed to by, the dishonest, fraudulent or criminal act of such director, partner or subcontractor.
- c. We may limit or exclude our liability in relation to any accountants' fees if you, without our prior written consent which consent may be withheld in our absolute discretion, enter into any agreement or other arrangement of understanding which has the effect of limiting or denying our rights of subrogation in relation to such accountants' fees.

5. Failure to comply with conditions

If you fail to comply with any of the terms or conditions of this Policy, we may reduce our liability in relation to any accountants' fees by an amount that fairly represents the extent to which our interests have been prejudiced as a result of that failure or omission. If the act or omission giving rise to such failure could reasonably be regarded as being capable of or causing or contributing to a loss in respect of which cover is provided under this Policy, we may refuse to indemnify you in respect of the claim.

6. Recovery

In the event that any statutory tax audit results in you receiving an award of damages, you will pay a pro rata proportion of those damages to us calculated on the basis of our contribution to accountants' fees, up to but not exceeding the amount expended by us on such accountants' fees.

7. Excess

The amount of each claim otherwise payable shall be reduced by the amount of the excess shown in the Policy Schedule.

Transit cover section

About this Policy section

This section only forms part of your Policy when Transit section is shown in the Policy Schedule and is limited to the period of insurance indicated.

Cover

We will cover you up to the limit specified in the Policy Schedule for loss or damage to goods belonging to you or for which you are legally responsible, whilst in the normal course of transit by road, anywhere in Australia, on a vehicle owned or operated by you, caused by:

- a. collision, overturning or jack-knifing of the conveying vehicle,
- b. fire, flood, lightning or explosion,
- c. theft resulting from forcible and violent entry evidenced by visible damage to the securely locked portion of a vehicle containing your goods,
- d. malicious damage,
- e. impact to the goods with any external object except when that object is on or part of the conveying vehicle.

Limitations of cover

Excess

You are liable for the excess for each and every claim.

Basis of settlement

When property covered by this section is lost or damaged, the following basis of settlement will apply to each item of property:

- a. for goods sold, your invoice value,
- b. for goods purchased, the purchase price as shown on the invoice,
- c. for all other goods, including plant transfers, market value.

Additional benefits

1. Removal of debris

This section covers all reasonable costs and expenses incurred in unloading, removing and/or disposing of damaged goods and clean-up of an accident site incurred as a direct result of an insured event.

2. Packaging

This section covers accidental loss or damage to packaging while carried in transit caused by an insured event.

'Packaging' means packing materials, shipping containers, crates, pallets, or similar receptacles belonging to you or for which you are responsible.

The maximum we will pay under additional benefits 1. and 2. in the aggregate in any one (1) period of insurance is:

1. 20% of the sum insured; or
2. \$5,000;

whichever is the lesser.

What you are not covered for under this section

We will not pay for loss or damage to the following property:

- a. money,
- b. jewellery, watches, furs, antiques, paintings, works of art, precious metals or precious stones or articles composed of any of them,
- c. explosives, petroleum products in bulk or gas in bulk,
- d. livestock,
- e. cigarettes, tobacco, wines, spirits or other alcoholic beverages unless specified in the Policy Schedule, or
- f. personal property of directors, partners and employees of your business.

We will also not pay for loss or damage caused by, arising from or due to:

- g. dislodgement of goods as a result of contact by the conveying vehicle with roadway curbing, road humps, traffic islands and similar protuberances or uneven road surfaces;
- h. theft by or in collusion with any of your employees;
- i. electrical or mechanical derangement unless damage is visible to the exterior of the machine; or
- j. delay, loss of market, consequential loss of any kind, depreciation or deterioration.

