

# 360 Commercial Policy Wording

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360 Commercial Pty Ltd **ABN** 73 620 071 650 is an Authorised Representative (**AR** 1256191) of  
360 Underwriting Solutions Pty Ltd **ABN** 18 120 261 270, **AFSL** 319181  
The Forum, Level 3, 240 Pacific Highway, Charlestown, NSW 2290

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# Important Information



## Coverage

This **360 Commercial** Insurance Protection provides **coverage** to the **Insured** on the terms of this **policy**.

Words used in this **policy** that appear in bold have special meanings described in Definitions.

## Policy Schedule

A numbered Policy Schedule will be issued by **360 Commercial** confirming the extent of **cover** and setting out information specific to the **Insured**.

## How to Make a Claim

The **Insured** must as soon as possible give **360 Commercial** notice of every **event** or **occurrence** that may result in a claim under this **policy**. The **Insured** must then:

- + cooperate fully with **360 Commercial** in claim settlement;
- + provide **360 Commercial** with all documentation requested in conjunction with the claim including information about any **double insurance**;
- + immediately send **360 Commercial** any court documents together with relevant information which may result in a claim under this **policy**;
- + on **360 Commercial's** request, attend hearings and trials and assist in effecting settlements, securing and giving evidence and obtaining the attendance of witnesses; and
- + as far as is within the **Insured's** power cause all persons including **employees** connected with any potential claim, to submit to examination by **360 Commercial** or its nominee.

The **Insured** must not make any admission of liability, offer, promise or payment in connection with any claim, without **360 Commercial's** agreement.

The **Insured** must pay the **excess**.

Additional procedures and conditions affecting claim settlement are shown in the relevant Protection Sections.

## 360 Commercial Pty Ltd

**360 Commercial Pty Ltd** ABN 73 620 071 650 (360 Commercial) is an Authorised Representative of 360 Underwriting Solutions Pty Ltd (360 Underwriting) ABN 18 120 261 270 AFSL 319 181 and has developed this Commercial Insurance Protection **Policy** which is underwritten by Insurance Australia Limited trading as CGU Insurance (CGU).

In issuing this **Policy**, 360 Underwriting and its Authorised Representative **360 Commercial** will be acting under an authority given to it by the Insurers. This means that when issuing this **Policy**, 360 Underwriting and its Authorised Representative **360 Commercial** will be acting as an agent for the Insurers, not for You.

**360 Commercial** has an authority from CGU to arrange, enter into/ bind and administer this insurance (including handling and settling claims).

### **360 Commercial's contact details are:**

The Forum, Suite 2, Level 3,  
240 Pacific Highway,  
Charlestown, NSW 2290  
PO Box 226, Charlestown, NSW 2290  
Telephone. (02) 4904 8330

## CGU

This insurance is underwritten by Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance (CGU) an authorised Australian Insurer, regulated by the Australian Prudential Regulation Authority ('APRA'). CGU has been providing insurance to Australians for over 160 years and is part of the Insurance Australia Group (IAG).

### **CGU contact details are:**

Level 13, Tower Two, Darling Park,  
201 Sussex Street,  
Sydney, NSW 2000  
Telephone. 1800 045 517

**You should contact 360 Commercial** in the first instance in relation to this insurance.

## Disclosure

### Duty of Disclosure

Before **you** enter into this insurance with **us**, **you** have a duty of disclosure under the *Insurance Contracts Act 1984*.

This means **you** have a duty to tell **us** every matter **you** know, or could reasonably be expected to know, that may affect **our** decision to offer **you** insurance and on what terms. If **you** are not sure whether something is relevant, **you** should inform **us** anyway.

**You** have a different duty the first time **you** enter into a contract of insurance with **us** to that which applies when **you** vary, renew, extend or reinstate the contract. This duty of disclosure applies until the contract is entered (or renewed, varied, extended or reinstated as applicable).

### Your Duty of Disclosure when you enter into the contract with us for the first time

If we ask **you** questions that are relevant to **our** decision to insure **you** and on what terms, **you** must be honest and tell **us** anything that **you** know and that a reasonable person in the circumstances would include in answer to the questions. It is important that **you** understand **you** are answering **our** questions in this way for yourself and anyone else that **you** want to be covered by the contract.

### Your Duty of Disclosure when you renew the contract

Where applicable, we will tell **you** what your renewal duty of disclosure is prior to each renewal.

### Your Duty of Disclosure when you vary, extend or reinstate the contract

When **you** vary, extend or reinstate the contract with **us**, **your** duty is to tell **us** every matter that **you** know, or could reasonably be expected to know, is relevant to **our** decision whether to accept the risk of the insurance and, if so, on what terms.

### What You do not need to tell Us

**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** have indicated **we** do not want to know.

### If you do not tell us something

If **you** do not tell **us** anything **you** are required to tell **us**, **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.

### Dispute Resolution

**360 Commercial** and CGU view seriously any complaint made about **our** products or services and will deal with it promptly and fairly. If the **Insured** has a complaint please first try to resolve it by contacting the relevant member of **360 Commercial's** staff. If the matter is still not resolved, please then contact **360 Commercial's** Internal Disputes Resolution Officer on [idr@360uw.com.au](mailto:idr@360uw.com.au) or (02) 9047 9814 who will seek to resolve the matter in accordance with the General Insurance Code of Practice and our Dispute Resolution procedures. The **Insured** can contact **360 Commercial** for more information on these procedures or visit our website to view our Customer Satisfaction Policy.

If **you** are a natural person or small business, and **you** are not satisfied with the final decision, **you** may wish to contact the Australian Financial Complaints Authority (AFCA). The AFCA is a free independent external disputes resolution service provided to customers to review and resolve complaints where **we** have been unable to satisfy **your** concerns.

For further details **you** can visit their website at:

[www.afca.org.au](http://www.afca.org.au) or contact them:

Australian Financial Complaints Authority (AFCA)

GPO Box 3,

Melbourne, VIC 3001

Telephone. 1800 931 678

Email. [info@afca.org.au](mailto:info@afca.org.au)

## Privacy

In this Privacy Statement the use of "**we**", "**our**" or "**us**" means **360 Commercial** and CGU unless specified otherwise. "**you**" or "**your**" means the **Insured**.

In this Privacy Statement the use of "personal information" includes sensitive information.

**360 Commercial** and CGU are committed to protecting the privacy of the personal information you provide to **us**, in accordance with the *Privacy Act 1988 (Cth)*.

The *Privacy Act 1988 (Cth)* contains the Australian Privacy Principles which require **us** to tell **you** that **we** collect, handle, use, store and disclose **your** personal and sensitive information for the specific purpose of:

- + deciding whether to issue a **policy**;
- + determining the terms and conditions of **your Policy**;
- + compiling data to help develop and identify other products and services that may interest clients, and
- + handling claims.

Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable:

- + whether the information or opinion is true or not;
- + whether the information or opinion is recorded in a material form or not.

Sensitive information includes, amongst other things, information about an individual's racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates.

**You** have given **us** **your** consent to collect, use, store and disclose **your** personal and sensitive information in order to provide **you** with the relevant services and/or products.

When **you** give **us** personal information about other individuals, **we** rely on **you** to have made or make the individual aware that **you** will or may provide their personal information to **us** and the types of other parties and service providers **we** may provide it to, the relevant purposes **we** and the other parties and service providers will use it for, and how they can access it. If **you** have not done or will not do either of these things, **you** must tell **us** before **you** provide the relevant personal information to **us**.

We will protect **your** information using physical, technical, and administrative security measures to reduce the risks of loss, misuse, unauthorised access, disclosure and alteration. Some of the safeguards that **we** use are firewalls and data encryption, physical access controls to **our** data centres, and information access authorisation controls.

**We** disclose personal information to other parties and service providers whom **we** believe are necessary to assist **us** and them in providing the relevant services and/or products. For example, in handling claims, **we** may have to disclose **your** personal and other information to other parties and service providers such as **our** claim management partner, other Insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law.

**We** limit the use and disclosure of any personal information provided by **us** to them to the specific purpose for which **we** supplied it.

**We** may disclose **your** personal information to **our** Insurers, reinsurers, related entities and service providers overseas where it is reasonably necessary for, or directly related to, the functions, services or activities we provide to **you**. When we transfer **your** information to other countries, including countries which may not have data protection laws that provide the same level of protection that exists in Australia, **we** will protect the information as described in this Privacy Policy.

If **you** do not provide the personal information requested and/or do not provide **us** with your consent to the use and disclosure of **your** personal information as set out in this Privacy Statement, **your** insurance application may not be accepted, or **we** may not be able to administer **your** Policy, or **you** may be in breach of **your** duty

of disclosure, the consequences of which are set out under the heading Disclosure in this document.

If **you** would like a copy of **our** Privacy Policy, would like to seek access to or correct **your** personal information, opt out of receiving materials **we** send, complain about a breach of our privacy or **you** have any query on how **your** personal information is collected, stored or used, or any other query relating to **our** handling of **your** Personal Information, please contact **us**.

## Subrogation

If the **Insured** has entered into an agreement with another party that prevents **360 Commercial** from taking recovery action against that party, it may affect the **Insured's** rights to **coverage** under this **policy**.

## Under Insurance

It is the **Insured's** responsibility to ensure the adequacy of values reported to **360 Commercial** to reinstate the **property**. If this is not done **coverage** may be insufficient and the **Insured** may not be covered for a total loss.

The **Insured** should re-assess the adequacy of values and relevant **limits** both during the **policy period** and prior to renewal of this **policy** to ensure they are adequate. Additional under insurance provisions apply to the Asset Protection **cover** in this **policy**.

## Code of Practice

**360 Commercial** and CGU proudly support the General Insurance Code of Practice (the 'Code'). The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The objectives of the Code are:

- + to commit **us** to high standards of services;
- + to promote better, more informed relations between **us** and **you**;
- + to maintain and promote trust and confidence in the general insurance industry;
- + to provide fair and effective mechanisms for the resolution of complaints and disputes between **us** and **you**; and
- + to promote continuous improvement of the general insurance industry through education and training.

Our commitment to **you**:

- + **We** have adopted and support the Code and are committed to complying with it.

For further information relating to the Code, please visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au) or alternatively the **Insured** can request a brochure on the Code from **360 Commercial**.

The following conditions apply to this **policy**.

## Acquisitions

Any company where the **Insured** acquires more than 50% of share capital or the majority of the voting rights during the **policy period** is automatically an **Insured** from the date of such acquisition, provided that notice of acquisition is given to **360 Commercial** within ninety days after the acquisition and provided that the **Insured** pays any additional **premium** as may be required by **360 Commercial**.

## Adjustment

Where **premium** (or any part) has been calculated on estimates provided by the **Insured**, the **Insured** must keep accurate written records of all relevant particulars in relation to those estimates.

Within thirty days after the expiry of each **policy period** the **Insured** must provide the information reasonably required by **360 Commercial** to enable the **premium** to be adjusted subject to any minimum **premium**.

## Alterations

The **Insured** must notify **360 Commercial** as soon as possible of any change known to the **Insured** that materially varies the circumstances existing at the commencement of this **policy** and on which **360 Commercial's premium** and other terms for this **policy** were based.

**360 Commercial** will not **cover** loss or damage or indemnify against legal liability under any section of the **policy** if the **Insured's business** is:

- + changed in such a way as to increase the risk of loss; or
- + permanently discontinued, ceased by will or operation of law or carried on by an insolvency practitioner except where **360 Commercial** has agreed otherwise under the Income Protection insurance;

unless **360 Commercial's** prior agreement to any such changes have been obtained

## Accounts & Audit

The **Insured** must keep a record, for a minimum period of five years after expiry of this **policy**, of information which is relevant to this insurance and/or which may be required by **360 Commercial** for the purposes of adjusting **premiums** based on estimates, or investigating or verifying any claim.

The **Insured** must, on reasonable notice, allow **360 Commercial** or its nominee to examine, make copies, and/or audit such records as far as they relate to the subject matter(s) insured by this **policy**.

Any particulars contained in the **Insured's** books of account or other documents certified by the **Insured's** auditors will be accepted by **360 Commercial**.

## Cancellation

This **policy** (or any part) may be cancelled:

- + at the written request of the **Insured**, provided that such cancellation will take effect from the date the **Insured's** notice is received by **360 Commercial** or any other date mutually agreed, in which case **360 Commercial** will refund on a pro-rata basis the unearned **premium** subject to any minimum that may apply; or
- + by **360 Commercial**, in the circumstances permitted in the *Insurance Contracts Act 1984 (Cth)*, in which case **360 Commercial** will refund on a pro-rata basis the unearned **premium**.

When the earned **premium** calculation is subject to reports of values, the **Insured** must, in the event of cancellation, report the values and pay **premium** due up to the date of cancellation.

## Goods & Services Tax (GST)

Where **360 Commercial** makes a payment under this **policy**:

- + for the acquisition of goods, services or other supply, or
- + as compensation instead of payment for the acquisition of goods, services or other supply

**360 Commercial** will reduce the amount of the payment by the amount of any **income tax credit** that the **Insured** would have been entitled to under *A New Tax System (Goods and Services) Tax Act 1999* had the payment been applied to acquire such good services or other supply.

## Inspection

**360 Commercial** may seek to inspect the **Insured's property and operations** subject to prior notice and agreement of an appropriate time at the **Insured's** convenience.

## Insurance Contracts Act

Nothing contained in this **policy** will be construed to reduce or waive either the **Insured's** or **360 Commercial's** privileges, rights or remedies available under the *Insurance Contracts Act 1984 (Cth)* as amended.



## Insured's Obligations

The **Insured** must take reasonable care and or action to:

- + ensure that only competent **employees** are employed;
- + maintain all **property** in sound condition;
- + avoid or minimise loss or damage to **property**;
- + prevent **personal injury**, **property damage** and/or **advertising injury**;
- + prevent the manufacture, sale or supply of defective products;
- + trace, recall or modify any products containing any defect or deficiency of which the **Insured** has knowledge or has reason to suspect may exist; and
- + comply with all statutory obligations that concern the safety of persons or **property**.

## Jurisdiction

In the event of any dispute relating to this **policy**, the parties will submit to the exclusive jurisdiction of the courts of the state or territory in which this **policy** is issued. Such dispute will be determined in accordance with the law and practice applicable in such court.

## Subrogation

In the event of any payment under this **policy**, **360 Commercial** is subrogated to the extent of such payment, to all the **Insured's** rights of recovery against, or contribution from, any person or organisation.

The **Insured** must execute and deliver to **360 Commercial** instruments and papers and do whatever else is necessary to secure such rights.

The **Insured** must not do anything after a loss to prejudice such rights.

**360 Commercial** waives any recovery rights and remedies to which **360 Commercial** becomes entitled against any **Insured**.

## Third Parties

**360 Commercial** will **cover** the insurable interest in **property** insured of only those lessors, financiers, trustees, mortgagees, owners and other parties specifically noted in the **Insured's** records.

No interest under this **policy** may be assigned without the consent of **360 Commercial**.

Some words and terms used in this **policy** that appear in **bold** have a special meaning. Wherever the following words are used in the **policy** they mean what is set out below. Unless the context requires another meaning, a reference to the singular includes the plural and vice versa

## 360, 360 Commercial

360 Commercial Pty Ltd ACN 620 071 650 (360 Commercial) as an Authorised Representative of 360 Underwriting Solutions Pty Ltd (360 Underwriting) ABN 18 120 261 270 AFSL 319 181.

## access is restricted

denial or restriction of access as a result of:

- + an **event** covered under Asset Protection; or
- + an order of a Public Authority arising from, vermin, defects in the drains or other sanitary arrangements, murder or suicide or notifiable human infectious or contagious disease issued as a result of an **event**,

occurring within the radius specified of an **insured location** but not due to:

- + the breach of any law or regulation by the **Insured**; or
- + Highly Pathogenic Avian Influenza or any other disease declared to be a listed human disease pursuant to subsection 42(1) of the *Biosecurity Act 2015 (Cth)* (including any subsequent amendment or replacement or equivalent legislation) or any diseases declared to be a quarantinable disease under the *Quarantine Act 1908 (Cth)*, irrespective of where discovered.

## accountant

a professional **accountant** to be appointed by both **360 Commercial** and the **Insured** or failing such appointment nominated by the President of one of the professional accounting bodies in Australia

## accounts receivable

amounts due to the **Insured** that the **Insured** is unable to collect

## additional payments

- + reasonable costs, charges or expenses (other than wages, salaries or fees paid or payable to the **Insured** or **employees**), incurred by **360 Commercial** or with **360 Commercial's** written consent (which is not unreasonably withheld), in investigating, defending and/ or settling or in bringing or defending appeals in connection with claims;
- + reasonable costs, charges and expenses of legal representation, incurred by **360 Commercial** or with **360 Commercial's** written consent (which is not unreasonably withheld), at any coroner's inquest, inquiry, prosecution or hearing which the **Insured** is legally compelled to attend or reasonably wishes to attend, which relates to a claim for **personal injury**, **property damage** and/ or **advertising injury**;
- + reasonable expenses incurred by the **Insured** for first aid to others at the time of the happening of **personal injury** (other than medical expenses prohibited by law);

and

- + reasonable costs incurred by the **Insured** for temporary repairs, shoring up or protection of **property** of others that has been damaged.

## advertisement

promoting of capabilities, services or products through advertising brochures, pamphlets and other fliers, email, billboards and other outdoor advertising, broadcast or telecast **advertisements**, direct mail advertising, display units, the internet, magazine and other print publication **advertisements**, merchandising, radio, cinema and trade exhibits.

## advertising injury

- + infringement of copyright, trademark, title or slogan;
- + piracy or unfair competition;
- + misappropriation of advertising ideas or style of doing business; and
- + invasion of privacy;

committed or alleged to have been committed in connection with the **Insured's advertisements** but does not include:

- + breach of any contract, other than misappropriation of advertising ideas contrary to a contract;
- + any infringement of a trade mark, service mark, copyright or trade name on any products, goods or services sold, offered for sale or advertised, other than infringement of titles or slogans;
- + any incorrect description of the price of the **Insured's products**, goods or services; or
- + failure of the **Insured's products**, goods or services to conform with advertised performance, quality, fitness or durability.

## aircraft

any vessel, craft or thing made or intended to fly or move in or throughout the atmosphere or space, other than:

- + model **aircraft**; or
- + unmanned tethered balloons used of advertising purposes.

## banking premises

the interior of that portion of any **building** or **buildings** occupied by any bank, trust company or similar recognised place of safe deposit.

## breakdown

breaking, seizing or burning out of any part of **equipment**.

## building

a roofed and walled structure including all permanently attached interior and exterior services and all man-made structures on the land (including **landscaping**) but does not include:

- + **contents**; or
- + anything excluded under **contents**.

- + Fabric & plastic structures are limited to \$5,000 unless included as a special asset.

#### business records

written, printed or otherwise inscribed documents and records, including books, books of account, maps, films, drawings, abstracts, deeds, mortgage documents and manuscripts, but not including:

- + **money, securities** or stamps; or
- + **electronic data.**

#### business recovery expenses

costs not otherwise recoverable and reasonably and necessarily incurred by the **Insured** in attempting to restore or maintain normal business **operations** and or services.

#### claims preparation expenses

expenses that the **Insured** reasonably and necessarily incurred for preparation and certifying of covered claims including:

- + professional fees for architects, engineers, surveyors and
- + **accountants**; and
- + executive overtime that the **Insured** necessarily incurs with **360 Commercial's** consent for mitigating claims under Asset Protection and Business Income Protection which are not otherwise recoverable under this **policy**.

#### contents

**property** other than **buildings** including:

- + added value attaching to labour, materials and services furnished by the **Insured** on **contents of others**;
- + tenant's leasehold improvements including improvements provided for the **Insured's** use;
- + **property** owned by any organisation established with the **Insured's** permission for the purpose of providing canteen, social, sports, welfare, child care, first aid, medical fire or ambulance services for **employees**;
- + personal effects of Directors and Officers of the **Insured**; and
- + personal effects of **employees** of the **Insured** to the extent required under labour laws;

but does not include:

- + air or land;
- + **aircraft**, registered **vehicles**, or **watercraft** in water;
- + **money** or **securities**;
- + **property** in unlocked and unattended **vehicles**;
- + **property** sold by the **Insured** under conditional sale, trust agreement, instalment payment or other deferred payment plan after delivery to customers;
- + **property** being shipped from a point outside Australia prior to either discharge from a carrier or termination of the risk assumed by cargo insurance;
- + **property** being shipped to a point outside Australia

after being loaded onto a carrier or commencement of the risk assumed by cargo insurance; or

- + precious metals, gemstones, plants or animals unless included as **special assets**.

#### contents of others

**contents** not owned by the **Insured** but in the **Insured's** care, custody or control in the course of the business.

#### cost of sales

the direct costs attributable to the production of the goods sold by the **Insured**. This amount includes the cost of the materials used in creating the goods. It excludes direct labour costs used to produce the goods and indirect expenses such as sales force and distribution costs.

#### cover/coverage/covered

loss or damage set out in the **Insured's** Policy Schedule and the **policy**, but excluding loss or damage specified as not being covered under the **policy**.

#### debris

residue of damaged **property** on the **Insured's premises** as a result of covered loss or damage, but not for any material which can cause **pollution** and which is deposited beyond the boundaries of the **Insured's premises**.

#### dependent business premises

**premises** (other than **essential services**) operated by others located within the geographical area stated in the Policy Schedule on whom the **Insured** depends to:

- + supply products or services;
- + purchase or accept the **Insured's products** or services;
- + deliver materials or services to or from the **Insured** or to others for the **Insured's** account; and/or
- + manufacture products or services for delivery to the **Insured's** customers under contract.

#### destruction or distortion

- + total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
- + error in creating, amending, entering deleting or using **electronic data**; or
- + total or partial inability or failure to receive, send access or use **electronic data** for any time at all; from any cause whatsoever, regardless of any other contributing cause of **event** whenever it may occur.

#### discovery period

the **policy period** plus the number of months stated in the Policy Schedule following termination of **coverage** for Crime Protection.

#### double insurance

insurance provided by an Insurer other than **360 Commercial** which may respond in whole or in part to a claim under this **policy** and for which **360 Commercial** reserves the right to seek

contribution from the other Insurer.

#### electronic data

facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled **equipment** and includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such **equipment**.

#### employee

person in the service of the **Insured** in the ordinary course of the **Insured's business** during the **policy period**, whom the **Insured** compensates by salary, wages or commissions and whom the **Insured** has the right to govern and direct in the performance of such service.

For Liability Protection under What's not Covered – Employers Liability, employee also means a deemed employee by reason of the *Western Australia Workers' Compensation and Rehabilitation Act 1981 (WA)* – Section 175 or any equivalent legislation in any other jurisdiction.

For Crime Protection **employee** also means:

- + any **ex-employee** during a period not exceeding 30 days following the termination of service of that **employee**;
- + any director or trustee of the **Insured** while performing acts coming within the scope of the usual duties of an **employee** or member of any committee duly elected or appointed to examine or audit or have custody of or access to any of the **Insured's property**;
- + any individual or individuals assigned to perform **employee** duties within the **premises** for the **Insured** by any agency furnishing temporary personnel on a contingent or part time basis, but not if such employee is also covered by any other insurance or bond held by the agency furnishing such temporary personnel; or
- + any volunteer worker of the **Insured** to the extent that such person may handle or have custody of **property** belonging to or held by the **Insured**.

Brokers, commission merchants, consignees, contractors, or other agents or representatives are not considered **employees**.

#### essential services

**premises** operated by others located on land within the Commonwealth of Australia on whom the **Insured** depends for, and which produce, deliver or supply:

- + electricity;
- + water or sewerage services; natural gas; or communications; including their transmission and distribution systems.

#### equipment

any mechanical or electrical device used for the generation, transmission or utilisation of mechanical or electrical power.

#### event

any one loss or series of losses arising out of any one **event**.

All losses which occur during any 72 consecutive hours commencing on the first happening of such losses and which are caused by **flood**, earthquake or atmospheric disturbance constitute one loss for the purpose of application of any **limits** and **excesses**.

#### excess

the amount specified in the Policy Schedule, that the **Insured** must first bear in respect of any claim payable under this **policy**.

For Liability Protection:

- + the amount of the **excess** is payable by the **Insured** within 14 days of the date of notification by the **Insured** of each **occurrence**, unless otherwise agreed; and
- + the **excess** shall apply on a costs inclusive basis.

#### expense savings

expenses ordinarily incurred in connection with the **Insured's business** but avoided as a result of loss or damage.

In the case of payroll, expenses saved will be calculated after the inclusion of payments made under industrial awards, determinations or agreements for severance pay and/or pay in lieu of notice to **employees** whose services are terminated.

#### fine arts

objects of art owned by the **Insured** or in the **Insured's** care, custody or control.

#### finished stock

goods manufactured by the **Insured** which are in their completed state and ready for sale, but does not include goods manufactured by the **Insured** which are in their completed state and ready for sale on the **premises** of any retail outlet **Insured** under Income Protection.

#### flood

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

- + a lake (whether or not it has been altered; or
- + a river (whether or not it has been altered or modified);
- + a creek (whether or not it has been altered or modified);
- + another natural watercourse (whether or not it has been altered or modified);
- + a reservoir;
- + a canal;
- + a dam.

#### government action

confiscation, commandeering, nationalisation, requisition, destruction or damage by any action of any government whether lawfully constituted or otherwise or any public authority, but does not mean actions taken, and the removal of **debris**, for the purpose of:

- + preventing, diminishing, or inhibiting imminent damage by
- + any loss or damage; or

- + demolition of **property** deemed unsafe following covered loss or damage.

#### gross profit

**income** and/or rents received (including outgoings paid to others by tenants under the terms of a lease) in the course of the **Insured's business** less the **cost of sales**.

#### hovercraft

any vessel, craft or thing designed to transport persons or **property** over land or water supported on a cushion of air.

#### income

amounts, less discounts, paid or payable to the **Insured** for goods sold and delivered or for services rendered.

#### indemnity value

cost to repair or replace less an amount for age, wear and tear and depreciation and less an adjustment for general condition and remaining useful life at the time of loss.

#### Insured

the person, companies and any other entities specified in the Policy Schedule as the **Insured**.

For Liability Protection the following are also **Insureds**:

- + all subsidiary companies of the **Insured**, provided that their places of incorporation are within Australia and whose business falls within the definition of the **Insured's business**;
- + every director, executive officer, **employee**, partner, shareholder or voluntary worker of the **Insured** or of a subsidiary company designated above, but only whilst acting within the scope of their duties in such capacity;
- + every principal, in respect of the liability of such principal arising out of the performance by the **Insured** or by a subsidiary company described above of any agreement for the performance of work for such principal, but only to the extent required by such agreement;
- + every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the **Insured's** consent in respect of claims arising from their duties connected with the activities of any such club, organisation or service; and
- + any director or senior executive of the **Insured**, in respect of private work undertaken by the **Insured's employees** for such director or senior executive.

#### Insured locations

all locations specified as an **Insured location** in the Policy Schedule.

#### Insured's business

the **Insured's business** specified in the Policy Schedule and any other activity incidental but related thereto including:

- + ownership and/or tenancy of **premises**;
- + provision of canteens, social, sports and welfare organisations for the benefit of the **employees**;
- + provision of first aid, fire and ambulance services; and
- + construction, demolition, alteration, addition, fit out, maintenance or repair of or to any **property** owned or leased by the **Insured** provided that the total cost of all work performed does not exceed the Liability Protection construction **limit**.

#### Insured's products

anything, including any packaging or containers thereof (after they have ceased to be in the possession or control of the **Insured**) manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, re-supplied or distributed by the **Insured** including all previously supplied products.

#### in transit

while being conveyed from one place to another within Australia.

#### landscaping

outdoor lawns, trees, plants and shrubs.

#### limit

the amount stated in the Policy Schedule as the most **360 Commercial** will pay in respect of all claims arising from the same:

- + **event** (including shipment, expense and other specified sub-limits) for Asset Protection and Business Income Protection;
- + **occurrence** for Liability Protection; or
- + loss (including **Employee Theft** and Money and **Securities limits**) for Crime Protection.

#### make-up of gross profit

**gross profit** that the **Insured** is able to make-up within a reasonable period of time, not limited to the **simplified settlement period** or **period of recovery** as the case may be.

#### medical persons

medical doctors, medical nurses, dentists and first aid attendants.

#### merchandise

goods kept by the **Insured** which are not the product of manufacturing **operations** conducted by the **Insured**.

#### mobile equipment

**vehicles** including any attached machinery whether or not self-propelled, that are:

- + designed for use principally off public roads;
- + maintained for use exclusively on **premises** owned by or rented to the **Insured**, including the access immediately adjoining; or
- + designed or maintained for the sole purpose of affording mobility.

#### money

cash, coins or bank notes in any currency.

#### net realisable value

the value of an asset that can be realised upon the sale of the asset, minus a reasonable and justifiable prediction of the costs associated with either the ultimate sale or the disposal of the asset at the time of loss or damage.

#### occurrence

an **event** causing **personal injury**, **property damage** and/or **advertising injury** neither expected nor intended from the standpoint of the **Insured**.

The effects of assault and battery perpetrated for the purpose of preventing or eliminating danger to persons or **property** and committed by or at the direction of the **Insured** will be deemed to be **personal injury** neither expected nor intended from the standpoint of the **Insured**.

All **personal injury**, **property damage** and/or **advertising injury** arising out of or attributable to:

- + continuous or repeated exposure to substantially the same general conditions;
- + one source or the same originating cause; and/or
- + the same injurious material or act (regardless of the frequency, the number and kinds of media used, or the number of claimants).

will be considered to arise out of one **occurrence**.

#### operations

**Insured's** activities occurring prior to loss or damage including their ability to obtain tenants for their **premises**.

#### patterns

**patterns**, models, moulds, plans and designs and other similar **property** usual to the **Insured's operations** that are owned by the **Insured** or are in the care, custody or control of the **Insured**.

#### period of recovery

period of time that begins with the date of covered loss or damage and continues even after this insurance expires until either:

- + the **Insured's business** is no longer affected as a result of covered loss or damage;
- + the expiry of the **period of recovery** plus an extended period throughout which the **Insured** can show that the effects of the covered loss or damage were still being experienced; or
- + the **Insured** ceases to carry on the **Insured's** business.

#### personal injury

- + bodily injury, death, sickness, disease, disability, shock, fright, mental anguish or injury;
- + false arrest, wrongful detention, false imprisonment, malicious prosecution and/or humiliation;
- + wrongful entry or eviction or other invasion of the right

of privacy;

- + publication or utterance of defamatory or disparaging material or statement; and/or
- + assault and battery not committed by or at the direction of the **Insured** unless reasonably committed for the purpose of preventing or eliminating danger to persons or **property**.

#### policy

the Policy Schedule, this document, and Special Conditions (if any) issued by **360 Commercial** to the **Insured**.

#### policy period

the duration of this **policy** as stated in the current Policy Schedule.

#### pollutant

smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals or any solid, liquid, gaseous or thermal irritant or contaminant of any type including waste or materials to be recycled, reconditioned or reclaimed.

#### pollution

the actual, alleged or threatened **release** of **pollutants** into or upon any **property**, land, the atmosphere or any watercourse or body of water (including groundwater), including any expense to test for, monitor, clean up, remove, dispose of contain, treat, detoxify or neutralise **pollutants**.

#### premises

that portion of any **building** occupied by the **Insured** in conducting the **Insured's business**.

#### premium

the amount payable to **360 Commercial** for this insurance shown on the Tax Invoice.

#### property

**buildings** and/or **contents** owned by the **Insured** or for which the **Insured** is responsible or has assumed responsibility to insure prior to a loss.

#### property damage

- + physical damage to or loss of tangible **property** including any resultant loss of use of that tangible **property**; and/or
- + loss of use of tangible **property** that has not been physically damaged or destroyed provided such loss of use is caused by physical damage to or destruction of other tangible **property**.

#### published

printed, **published**, exhibited, transmitted, displayed, stated or broadcast.

#### raw stock

**contents** comprised of material in the state in which the **Insured** receives it for conversion into **finished stock**.

#### radioactivity

ionising radiations, or contamination by **radioactivity** from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel including any self-sustaining process of nuclear fission and/ or the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof but does not include low level radioactive radiation, such as measurement and control technology used in the medical sector, and used away from the place where made or produced.

#### ratio of gross profit to income

- + **published** ratios from data matched to businesses having the same ANZIC classification as the **Insured's business**; or
- + actual **ratio of gross profit to income** in the last financial year prior to loss or damage adjusted to reflect trends affecting the **Insured's** trading based on information supplied and certified by the **Insured's accountant**.

#### reduction in trended income

the difference between actual **income** received during the simplified settlement period following covered loss or damage and **income** for a corresponding period immediately before the date of the loss or damage adjusted to reflect the trends in the business in order to arrive at the same result that would have been attained had covered loss or damage not occurred based on information supplied and certified by the **Insured's accountant**.

#### release

release, discharge, dispersal, disposal, seepage, migration, escape or movement.

#### securities

all negotiable and non-negotiable instruments or contracts representing either **money** or other **property**, including stamps in current use and tokens and tickets, but not including **money**.

#### special assets

assets defined and valued in the **event** of a loss or damage as stated in the Policy Schedule.

#### stock

**contents** consisting of **raw stock**, **stock in process**, **finished stock** and **merchandise** including supplies used in their packing or shipping.

#### stock in process

**raw stock** which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

#### storm

wind and/or rain whether wind driven or not including tropical depressions and named cyclones.

#### suitable alternatives

materials, machinery or **equipment** of similar standard and capacity. In the case of a **building** with architectural features or structural materials of an ornamental or historical character,

**suitable alternatives** include materials of equivalent appearance using the original design.

#### terrorism

any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- + involves violence against one or more persons; involves damage to **property**;
- + endangers life other than that of the person committing the action;
- + 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.

#### theft

dishonest appropriation of tangible assets belonging to another party with the intention of permanently depriving that other party of such assets.

#### trended gross profit

**gross profit** during that period corresponding with the period of interruption following covered loss or damage and **gross profit** for a corresponding period immediately before the date of the loss or damage adjusted to reflect the trends in the business in order to arrive at the same result that would have been attained had covered loss or damage not occurred.

#### vehicle

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 made or intended to be drawn by any such machine.

#### war

**war** or warlike activities including invasion, act of foreign enemy, hostilities (whether **war** be declared or not), civil **war**, rebellion, revolution, insurrection or military or usurped power, looting, sacking or pillage following any of these, or the expropriation of **property**.

#### watercraft

anything made or intended to float on or in or travel on or through water, except floating jetties and/or floating pontoons and/or pontoons and/or buoys.

## What's Covered

This Asset Protection insurance **covers property** against physical loss or damage occurring during the **policy period**.

**Coverage** is provided at **insured locations** and **in transit** up to the relevant **limits**.

### Flood

**Cover** includes within the location **limits** physical loss or damage to **property** as a result of **flood** at **insured locations** designated as covered for **flood**.

**Cover** is provided up to the **flood limit** which applies:

- + on a combined basis for both Asset Protection and Business Income Protection (if covered); and
- + per **event** and in the aggregate for the **policy period**.

Specific **flood excesses** apply.

### Theft

**Cover** includes within the location **limits** physical loss or damage to **property** as a result of **theft** up to the **theft limit**, but not more than the location **limit** listed in the Policy Schedule.

Specific **theft excesses** apply.

### Special Assets

**Cover** includes within the location **limits** physical loss or damage to **special assets** up to the **special assets limits**.

Specific **special assets excesses** apply.

### Acquired Property

**Cover** (other than for **flood**) includes physical loss or damage to newly acquired **property** located in Australia up to the acquired **property limit**. Provided acquisitions are notified to **360 Commercial** within the notification period.

### Capital Additions

**Cover** includes in addition to the location **limits** physical loss or damage to capital alterations and additions to **property** (other than **stock**) up to the capital additions **limit**.

### Property Protection

**Cover** includes in addition to the location **limits** expenses incurred to prevent imminent damage to **property** from covered loss or damage up to the **property protection limit**.

## Post Loss Expenses

When covered loss or damage occurs **cover** includes, in addition to the location **limit**, expenses incurred by the **Insured** for:

- + fire brigade and emergency services charges;
- + **debris** removal;
- + fees payable in respect of the discharge of financial encumbrances on **property**;
- + fees payable for approvals by statutory authorities; and
- + **claims preparation expenses** under Asset Protection.

**Cover** is provided up to the Asset Protection post loss expenses **limit**.

The Asset Protection post loss expenses **limit** is increased by the amount specified in the Policy Schedule if the clean-up of **pollutants** is required.

## What's not Covered

**360 Commercial** will not be liable for the costs to rectify:

- + wear and tear, gradual deterioration or for maintenance of **property**;
- + inherent or latent defects, defective materials or faulty workmanship;
- + **breakdown of equipment** including the consequential deterioration of refrigerated **stock** (this exclusion will not apply where **breakdown of equipment coverage** is shown as included on the Policy Schedule);
- + **destruction or distortion of electronic data**;
- + error or omission in design, plan or specification or failure of design;
- + gradual subsidence, settling, seepage, shrinkage or expansion in **buildings** or foundations, pavements, roads and other civil engineering improvement;
- + damage to property caused by vermin, infestation, normal atmospheric oxidation or corrosion, mildew, mould or fungi, or any other progressively operating cause; or
- + damage to **property** in the course of its being processed if such loss or damage is sustained while the **property** is being worked on and results directly from such work,

unless the costs of rectification arise directly out of covered loss or damage.

**360 Commercial** will not be liable for loss or damage arising out of or in connection with:

- + wind, rain or hail affecting **property** in the open unless such **property** is designed to operate in the open;
- + unexplained or mysterious disappearance or shortage of **contents** discovered at the time of delivery or when taking inventory;
- + non-compliance with any statutory or regulatory requirements;



- + fraudulent acts of the **Insured** or their **employees**;
- + **pollution** but this exclusion does not apply to **pollution** resulting from an otherwise covered **event**;
- + **terrorism** (including any action taken in controlling, preventing, suppressing or responding to **terrorism**), war or **government action** regardless of any other cause or **event** contributing concurrently or in sequence to the loss;
- + **radioactivity** regardless of any other cause or **event** contributing concurrently or in sequence to the loss;
- + **flood** or action by the sea, tidal wave or high water, other than caused by a seismic disturbance – unless such loss or damage by **flood** occurs at an insured location designated as covered for **flood**; or
- + consequential loss of any kind except as may be provided under Business Income Protection.

## What to do When a Loss Occurs

The **Insured's** obligations under How to Make a Claim apply to Asset Protection. In addition, when loss or damage that may be covered under this Asset Protection insurance occurs, the **Insured** must:

- + take reasonable steps to reduce the loss or damage and to protect the **property** from further damage, including temporary repairs when necessary. **360 Commercial** will pay reasonable expenses so incurred;
- + immediately make a report to the police if the **Insured** knows or suspects that someone has broken into their **premises** or if **property** has been stolen or maliciously damaged;
- + not authorise the repair or replacement of **property** without **360 Commercial's** agreement;
- + provide **360 Commercial** or their representatives with access to **premises** or make them available for inspection; and
- + if requested allow **360 Commercial** to take possession of any damaged **property** and deal with it in a reasonable manner. If **360 Commercial** does not take possession of damaged **property** the **Insured** cannot abandon their responsibilities for the **property**.

## How Claims are Settled

**360 Commercial** will make payments to the **Insured** or to others with the authority of the **Insured** to settle covered claims. For covered claims **360 Commercial** will also make periodic progress payments for amounts agreed with the **Insured**.

In the event loss or damage (at other than unnamed locations) exceeds 10% of the location **limit** **360 Commercial** will only be liable for the proportion of loss or damage that the values declared by the **insured** bear to 80% of the amount that would be required to allow **360 Commercial** to fully indemnify the **Insured** in accordance

with How Claims are Settled (other than for the Building and Safety Laws section).

### Claim Settlements

Claims for **property** (other than **contents** more specifically valued) will be settled at the cost to reinstate the lost or damaged **property**, without deduction for depreciation, if reinstated within a reasonable period of time following a covered loss.

- + **360 Commercial's** payment to reinstate **property** will not exceed the amount actually spent by the **Insured** to reinstate the **property** with **property** of like kind and quality.
- + The reinstatement of **property** may be carried out at another site subject to **360 Commercial's** liability not being increased.
- + If original materials, machinery or **equipment** are no longer available, the settlement will be based on the cost of **suitable alternatives**.
- + The damaged **property** will be reinstated to a condition equal to, but not better than when new.

Claims for lost or damaged **property** that are not reinstated will be settled at their **indemnity value**. Claims for lost or damaged **property** that are vacant and awaiting demolition or obsolete will be settled at the **net realisable value**.

### Building and Safety Laws

If there is a law in effect at the time of loss that regulates the land use, construction or occupancy (including zoning, floor space ratios or workplace safety) of **property**, and that law affects the reinstatement of the damaged **property**, settlement will include:

- + the additional costs incurred in reinstating the **property** in compliance with the requirements of any Statutory Authority imposed after the damage in respect of both damaged and undamaged **property**;
- + the difference between the estimated costs of reinstatement for a **building** of the same size and the actual costs of reinstatement on a reduced floor space; and
- + the difference in land value for no more than the land value **limit** where the requirements of any Statutory Authority imposed after the damage has reduced the land value.

### Contents

**Contents** following a covered **loss** will be settled on the following basis:

- + **raw stock** and **merchandise** will be settled based on the replacement cost.
- + **stock in process** and **finished stock** will be settled based on the replacement cost of **raw stock** plus the proper proportion of expenses (including labour costs and overhead charges) incurred in reinstatement.

- + **finished stock** for which the **Insured** is responsible and for which a Contract of Sale for such stock is cancelled by reason of a covered loss will be settled based on the price for such stock specified in the Contract of Sale.
- + **contents** settlements will also include the cost of taking inventory and/or identifying damaged **stock** including the cost of replacing labels, capsules, wrappers or containers on damaged **stock** and restocking shelves.

### Sale of Damaged Stock

The **Insured** has two options when the **Insured** or the owner of any **stock** in the **Insured's** care, custody or control does not want to sell damaged **stock** under the **Insured's** or owner's brand or label.

The **Insured** may remove the brand or label and either:

- + re-label the **stock** to comply with the law; or
- + label the damaged **stock** as "salvage" but in doing so must cause no further damage to the stock.

In either case, **360 Commercial** will pay the difference between the salvage value of the damaged **stock** with the brand or label attached and the salvage value of the damaged **stock** with the brand or label removed.

- + **Contents of others** will be settled based on the cost of reinstatement.
- + **Business records** if replaced will be settled based on the cost of blank materials and the cost of copying information onto blank materials from a duplicate source on the same type of materials and, if not, replaced based on the cost of blank materials as stationery.
- + **Electronic data**, other than prepackaged **software** programs, if replaced will be settled based on the cost of blank materials and the cost of copying **electronic data** onto the blank materials from the most recent duplicate source on the same type of materials.
- + **Fine arts** will be settled based on the cost of restoring the item to a condition substantially the same as before the damage plus any resulting reduction in market value.
- + If restoration is not possible settlement will be based on the market value at the time of loss.
- + When a damaged article is part of a pair or set, **360 Commercial** will pay the full amount for the pair or set. The **Insured** will deliver the remaining item of the pair or pieces of the set to **360 Commercial**.
- + **Patterns** will be settled based on the cost of reinstatement and if not reinstated the **indemnity value**.
- + **Special assets** will be settled based on the **special assets** valuation.

# Business Income Protection



## What's Covered

This Business Income Protection insurance **covers** loss and expense up to the relevant **limits** following a reduction in **income** occurring during the **period of recovery** resulting from an interruption of the **Insured's business**:

- + due to covered loss or damage to **property** under Asset Protection;
- + due to loss or damage at an **insured location** that would be covered under Asset Protection:
  - to other **property** not owned but used by the **Insured**;
  - to registered **vehicles** owned or used by the **Insured** except whilst in use; or
- + due to loss or damage that would be covered under Asset Protection to **property** at or in the vicinity of:
  - **essential services**; or
  - **dependent business premises**,

provided the period of interruption of the **Insured's business** exceeds the waiting period.

### Access Protection

Cover is extended to include loss and expense following a reduction in income when **access is restricted** to an insured location provided the period of restriction exceeds the waiting period.

### Accounts Receivable

**Cover** includes loss of **accounts receivable** resulting from covered loss or damage to **business records** and or **electronic data** up to the **accounts receivable limit**.

## What's not Covered

**360 Commercial** is not liable under Business Income Protection for any costs, loss or damage referred to in 'What's not covered' under Asset Protection.

## What to do When a Loss Occurs

The **Insured's** obligations under 'How to Make a Claim' and 'What to do When a Loss Occurs' in Asset Protection apply to Business Income Protection.

In addition, after any loss or damage which may result in a claim under Business Income Protection the **Insured** must, as soon as possible, provide **360 Commercial** with:

- + details of the extent of the impact of loss or damage on the **Insured's** trading position;
- + the **Insured's** assessment of the possible amount of loss and the Settlement Option to be applied to the settlement of the claim;

- + relevant information including making available all records necessary for verification of the claim; and
- + the name and contact details of the **accountant** who will certify the **Insured's** claims.

The **Insured** must exercise due diligence to minimise the interruption to the business by implementing a business rehabilitation plan as required by **360 Commercial**.

Should the **Insured** fail to promptly take action to rehabilitate the business, the amount of any claim settlement will be reduced taking into account additional loss of income and or expense directly attributable to the delay.

## How Claims are Settled

The **Insured** may select from the following Settlement Options where the **period of recovery** is estimated and agreed by **360 Commercial** to be within the simplified settlement period.

Once a Settlement Option has been selected, that Settlement Option cannot be changed without **360 Commercial's** consent.

### Option 1 – Simplified Settlement

#### Gross Profit

**360 Commercial** will settle a claim for loss of **gross profit** up to the **gross profit limit** based on:

- + the **ratio of gross profit to income** applied to the **reduction in trended income** during the simplified settlement period;
- plus
- + expenses incurred for the purpose of diminishing a reduction in **gross profit** but for not more than the reduction thereby avoided.

Claims for loss of **gross profit** under Option 1 – Simplified Settlement will not be adjusted for **expense savings**, however adjustment will be made for make-up of **gross profit**.

#### Expenses

**360 Commercial** will also pay for:

- + **business recovery expenses**; and
- + **claims preparation expenses**;

up to the Income Protection expense **limit**.

#### Progress Payments

Payment for covered **loss** and expense will be made weekly, subject to the supply of relevant information.

Claims will be settled under the Option 2 – Comprehensive Settlement if they extend beyond the simplified settlement period.

Any claim payments made under the Option 1 – Simplified Settlement will be offset against the final settlement of the claim under Option 2 – Comprehensive Settlement.

## Option 2 – Comprehensive Settlement

This Option is for claims where the **Insured** has not selected Option 1 – Simplified Settlement Option or where the **period of recovery** is estimated to or has extended beyond the simplified settlement period.

### Gross Profit

**360 Commercial** will settle a claim for loss of **gross profit** up to the **gross profit limit** based on:

- + the amount by which the actual **gross profit** achieved by the **Insured** falls short of the **trended gross profit** during the **period of recovery**;  
plus
- + expenses necessarily incurred for the purpose of diminishing a reduction in **gross profit** but for not more than the reduction thereby avoided.

Claims for loss of **gross profit** under Option 2 – Comprehensive Settlement will be adjusted for **expense savings** and **make-up of gross profit** during the **period of recovery**.

### Expenses

**360 Commercial** will also pay for:

- + **business recovery expenses**; and
- + **claims preparation expenses**,

up to the Income Protection expense **limit**.

### Progress Payments

**360 Commercial** will make periodic progress payments for amounts agreed with the **Insured** based on either:

- + amounts recommended by the loss adjuster (if appointed) or as otherwise agreed by **360 Commercial**; or
- + loss of **gross profit** based on the **ratio of gross profit to income**.

Provided such progress payments are deducted from the final claim settlement.

## Settlement Terms

### Contractual Obligations

In settling any claim, allowance will be made for the discharge of contractual obligations under the written provisions of a contract due to:

- + non-completion, late or incomplete delivery of orders by the **Insured**; and
- + breach of any contracts for the purchase of goods or services the **Insured** cannot use during the **period of recovery** less the value of such goods to the **Insured**,

resulting from covered loss or damage but not for any liability the **Insured** may incur for exemplary, punitive or aggravated damages but subject to the relevant **limits** not being exceeded.

### Departmental trading

If the business is conducted in departments the independent trading results of which are ascertainable, the **cover** provided by Income Protection will apply proportionally to each department affected by the interruption to the **Insured's business**.

### Reduced margin

If **income** is maintained at a reduced rate of **gross profit**, allowance is to be made in the claim settlement so that the amount payable for loss of **gross profit** is commensurate with the results that would have been achieved in normal trading had the interruption to the **Insured's business** not occurred.

### Accounts Receivable

**360 Commercial** will pay for loss of **accounts receivable** based on the average monthly amount of receivables for the 12 months immediately preceding the month in which the loss occurred (adjusted for any demonstrated variances in the amount of receivables for the month in which the loss occurred) less:

- + any amount the **Insured** is able to re-establish or collect; and
- + an amount to allow for bad debts applied at the rate reflected in the 12 months immediately preceding the month in which the loss occurred.

**360 Commercial** will also pay:

- + additional costs incurred by the **Insured** with **360 Commercial's** consent in establishing the loss of receivables; and
- + additional collection costs necessarily incurred that would not have been required if the **Insured's** receivables records had not been lost or damaged.

## What's Covered

This Crime Protection insurance **covers money, securities and other property** held by the **Insured**. **Cover** is provided up to the relevant **limits**.

### Employee Theft

Cover includes direct loss of **money, securities and other property** caused by fraudulent acts of any **employee**, acting alone or in collusion with others, except for any loss arising out of or in connection with:

- + the actions of any **employee** if the **Insured** or any responsible officer of the **Insured** has knowledge of any fraudulent acts previously committed by the **employee**; or
- + a shortage disclosed on taking inventory or unexplained or mysterious disappearance. This exclusion will not apply to loss the **Insured** can establish, through evidence wholly apart from such inventory, was caused by any fraudulent act of any **employee**.

### Money and Securities

**Cover** is provided for direct loss of **money or securities** caused by actual destruction, disappearance or **theft** but only while inside the **premises or banking premises** or while being conveyed by a security company or by an authorised **employee** or director of the **Insured**, except for any loss:

- + due to the giving or surrendering of **money or securities** in any exchange or purchase;
- + due to forgery by persons other than **employees**;
- + due to accounting, mathematical or record-keeping errors; or
- + to **money or securities** while in the custody of any bank, or similar institution of safe deposit.

## What's not Covered

**360 Commercial** is not liable for any loss under Crime Protection directly or indirectly arising out of or in connection with:

- + reproducing information contained in lost or damaged **business records or electronic data**;
- + **income** not realised by the **Insured** as the result of any covered loss;
- + trade secrets or other confidential or proprietary information of any kind;
- + dealing in **money or securities** whether or not in the name of the **Insured** and whether or not in a genuine or fictitious account;
- + salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other **employee** benefits earned in the normal course of employment;

- + **terrorism** (including any action taken in controlling, preventing, suppressing or responding to **terrorism**), war, **government action** regardless of any other cause or **event** contributing concurrently or in sequence with the loss; or
- + radioactivity regardless of any other cause or **event** contributing concurrently or in sequence to the loss.

## What to do When a Loss Occurs

The **Insured's** obligations under How to make a Claim apply to this Crime Protection insurance.

In addition, the **Insured** must as soon as possible report any loss caused by illegal acts to the Police.

### Investigation

The **Insured** must take all practicable steps to establish the existence and amount of any loss, to discover the guilty persons and to recover the loss.

**360 Commercial** may at its own expense make any investigation it deems necessary. The **Insured** must permit **360 Commercial** to make such investigation and furnish any explanation and evidence and other assistance that may be reasonably required to investigate, examine and substantiate the claim.

## How Claims are Settled

**Money** will be valued at the amount recorded by the **Insured** or the amount corroborated by reasonable estimates if lost prior to being counted and recorded by the **Insured**.

**Securities** will be valued at the lesser of:

- + actual market value of lost, damaged or destroyed **securities** at the close of business on the business day immediately preceding the date on which the loss was discovered; or
- + actual cost of replacing the **securities**.

Other **property** will be valued at what it would cost the **Insured** to repair or replace the **property** with property of like kind and quality at the date of loss.

**360 Commercial** will pay, as part of the **limits**, reasonable costs incurred by the **Insured**, with the consent of **360 Commercial**, in establishing any direct loss except for the **Insured's** internal staff cost, being wages, salaries and related costs.

### Termination

**Coverage** for **employee theft** will terminate in respect of any **employee** immediately on discovery by the **Insured** or a director or responsible officer of the **Insured**, not in collusion with such **employee**, of any fraudulent or dishonest acts by the **employee** without prejudice to loss prior to the date of discovery.

## Recoveries

If the **Insured** sustains a covered loss which exceeds the **limits**, the **Insured** is entitled to all recoveries of such loss until fully reimbursed less the actual costs of recovery and any sum paid by **360 Commercial** in respect of such loss. Any sum recovered after such reimbursement must be paid to **360 Commercial**.

## Discovery of Loss

Crime Protection **covers** losses discovered during the **discovery period**.

The liability of **360 Commercial** for loss sustained prior to the **policy period** is limited to the amount which would have been recoverable under any insurance in force at the time the loss was sustained, provided that:

- + the **Insured** had in effect other insurance which at the time the loss was sustained provided insurance for some or all of loss;
  - + such prior insurance continued without interruption from the time the loss was sustained until the effective date of this Crime Protection; and
  - + the loss is discovered after the expiration of the time for discovery of such loss under the last such insurance; and
  - + the loss was sustained in the 6 months prior to the **policy period** commencing.
- + any other indemnity carried by the security company for the benefit of users of its services.

## Limits of Liability

For **employee theft**, the payment of any loss resulting from one **occurrence** will not reduce the per **occurrence limit** for other losses provided that the aggregate liability for any one **policy period** does not exceed the annual (or pro rata portion thereof if the **policy** is issued for more or less than one year) aggregate for the **policy period**.

- + For fraudulent or dishonest acts, all loss caused by an **employee** or more than one **employee** acting in collusion, either resulting from a single act or any number of such acts, regardless of when such acts occurred, are to be deemed as one **occurrence**.
- + Regardless of the number of years that **employee theft cover** continues in force, the liability of **360 Commercial** is not cumulative from year to year.
- + For **money** and **securities** inside the **premises** or **banking premises**, or while being conveyed, all loss resulting from any one act or series of related acts whether committed by one or more persons is one **occurrence**.

## Security Company

For **money** or **securities** in the custody of any security company, this Crime Protection insurance only **covers** the amount in **excess** of the amount recoverable by the **Insured** under:

- + the **Insured's** contract, if any, with the security company; or

# Liability Protection



## What's Covered

Under this Liability Protection insurance **360 Commercial** will indemnify the **Insured** for all sums up to the liability **limit** which the **Insured** becomes legally liable to pay as compensation for:

- + **personal injury** and/or **property damage** first happening; and/or
- + **advertising injury** caused by an **advertisement** first published,

during the **policy period** caused by an **occurrence** in connection with the **Insured's business**.

### Cross Liability

If there is more than one **Insured**, each will be considered as a separate entity and this Liability Protection insurance will apply to the legal liability of one **Insured** to another **Insured** as if a separate **policy** had been issued to each **Insured**.

However, nothing in this extension will result in an increase in the liability **limit** or liability **excess**.

### Additional Payments

With respect to any claims, in respect of which indemnity applies under this Liability Protection insurance, **360 Commercial**:

- + will defend such claim, even if such claim is groundless, false or fraudulent; and
- + may investigate, negotiate and settle such claim.

**360 Commercial** agrees to indemnify the **Insured** for **additional payments** in addition to the liability **limit**, provided that if a payment to finalise a claim exceeds the liability **limit**, then **360 Commercial's** liability to pay **additional payments** will be in the same proportion as the liability **limit** bears to the total compensation paid to finalise such claim.

### Maximum Liability

**360 Commercial's** maximum liability in respect of all claims arising from any one **occurrence** will not exceed the liability **limit**, except for **additional payments**.

**360 Commercial's** maximum liability will not exceed the aggregate liability **limit** for any one **policy period** in respect of all claims arising out of or in connection with:

- + the **Insured's products**; and/or
- + **pollution**.

**360 Commercial** will not pay any compensation or **additional payments**, or defend any claim, after the liability limit has been exhausted by payments under the Liability Protection insurance.

The liability **limit** applies inclusive of **additional payments** for any claims or actions instituted or maintained against any **Insured** or judgment, award or settlement made in the United States of America or Canada (or any order made anywhere to enforce such judgment, award or settlement).

## What's not Covered

**360 Commercial** will not be liable under this Liability Protection Insurance for any:

### Aircraft, Aircraft Products, Watercraft, Hovercraft

- + liability arising out of or in connection with the **Insured's** ownership, possession, maintenance, cleaning, repair, refuelling, operation or use of:
  - **aircraft**;
  - **hovercraft**; or
  - **watercraft** that exceed 15 meters in length, except where such **watercraft** is not owned or operated by the **Insured** but used under charter by the **Insured** for business entertainment; or
- + liability arising out of or in connection with the **Insured's products** that are either **aircraft** or used with the **Insured's** knowledge as **aircraft** component parts.

### Asbestos

liability arising out of or in connection with asbestos fibres or asbestos in any form.

### Contractual Liability

- + liability assumed by the **Insured** under any agreement, except to the extent such liability:
  - would have attached to the **Insured** in the absence of such agreement;
  - is assumed by the **Insured** under a warranty of fitness or quality, or is implied by law, in respect of the **Insured's products**; or
- + liability in respect of which the **Insured** is or would have been entitled to recover damages or seek contribution from another party but for the **Insured's** agreement to release or waive recovery rights against such party for the whole or part of such liability.

However, **cover** applies in respect of such liability, which:

- + arises from a provision in a contract for lease of real or personal property, other than a provision which obliges the **Insured** to effect insurance over such property; or
- + is assumed under those agreements specified in the Policy Schedule as a covered agreement.

### Defamation

liability arising out of or in connection with the publication or utterance of defamatory or disparaging material and/or statements made:

- + prior to the commencement of the **policy period**; or
- + with the **Insured's** knowledge that such material and/or statements are false.

## Electronic Data

liability arising out of or in connection with:

- + communication, display, distribution or publication of **electronic data** provided that this exclusion does not apply to resultant **personal injury** or **advertising injury**;
- + total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
- + any error in creating, amending, entering, deleting or using **electronic data**; or
- + total or partial inability or failure to receive, send, access or use **electronic data**.

## Employer's Liability

- + liability imposed by Workers' Compensation Legislation, Industrial Agreements or Employment Contracts; or
- + liability arising out of or in connection with **personal injury** to an **employee** provided that if the **Insured** is required by law to insure or otherwise fund any common law liability for such **personal injury** then this Liability Protection insurance will respond but only to the extent that the **Insured's** liability would not be covered under any such insurance or fund, whether or not the **Insured** has complied with those legal obligations.

## Exports to the USA or Canada

liability arising out of or in connection with the **Insured's products** knowingly exported by the **Insured** to the United States of America or Canada.

## Fines, Penalties, Punitive Damages

liability in respect of:

- + fines, penalties and/or liquidated damages; or
- + aggravated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages.

## Loss of Use

liability arising out of or in connection with loss of use of tangible **property** which has not been physically damaged or destroyed resulting from:

- + a delay in or lack of performance by or on behalf of the **Insured** of any contract or agreement; or
- + the failure of **Insured's products** to meet the level of performance, quality, fitness or durability warranted or represented by the **Insured**.

This exclusion does not apply to the loss of use of other tangible **property** resulting from the sudden, unexpected and unintended physical damage to or destruction of the **Insured's products** after

such products have been put to use by any person or organisation other than the **Insured**.

## USA or Canadian Jurisdiction

liability in respect of claims or actions instituted or maintained within the United States of America or Canada or any other territory coming within the jurisdiction of the courts of the United States of America or Canada, or to which the laws of the United States of America or Canada apply.

This exclusion does not apply to claims or actions arising out of or in connection with the temporary presence outside Australia of any **employee** who is normally resident in Australia and who is not performing any manual or supervisory work whilst in the United States of America or Canada or any other territory coming within the jurisdiction of the courts of the United States of America or Canada.

## Pollution

liability arising out of or in connection with **pollution**.

This clause does not apply if the **release** of **pollution** arises from a sudden, identifiable, unexpected and unintended happening that takes place in its entirety at a specific time and place and is indemnified in not more than one **policy period**.

## Property in Care Custody or Control

liability in respect of **property damage** to **property** in the **Insured's** care, custody or control other than **property damage** to:

- + that part of **premises** (including landlord's fixtures and fittings), leased to or temporarily occupied by the **Insured** for the purpose of the **Insured's business** and for which the **Insured** has not assumed responsibility to effect insurance;
- + **employees' property**;
- + **vehicles** (including any **property** in or on such **vehicles**) not belonging to or used by the **Insured**, whilst such **vehicles** are in a car park owned or operated by the **Insured**, unless the **Insured** operates the car park for reward; or
- + other **property** which is temporarily in the care, custody, control or possession of the **Insured**, except:
  - that part of any **property** upon which the **Insured** is or has been working or applying any process or treatment where **property damage** arises solely out of such work, process or treatment;
  - any **property** in respect of which the **Insured** is obligated to effect insurance cover such **property**; or
  - any **property** whilst being transported or carted.

Provided that 360 Commercial's total liability for any one **policy period** does not exceed the care, custody and control **limit**.



## Product Defect

liability in respect of **property damage** to the **insured's products** if the damage is attributable to any defect in them or their harmful nature or unsuitability; but this exclusion shall apply only to the defective, harmful or unsuitable part of a damaged product and does not apply to any resultant damage caused to the remainder of the product.

## Product Recall

- + liability arising out of or in connection with any withdrawal, recall, inspection, repair, replacement, removal or disposal of any **property** containing or incorporating the **Insured's products**; or
- + loss, cost or expense incurred by the **Insured** in relation to any withdrawal, recall, inspection, repair, replacement, removal or disposal of the **Insured's products**.

## Professional Liability

liability arising out of or in connection with the rendering of or failure to render professional advice or service by or on behalf of the **Insured** or any related error or omission. Provided that this exclusion does not apply to:

- + the rendering of or failure to render professional **medical advice** by **medical persons** employed by the **Insured** to provide first aid and other medical services to **employees** on the **Insured's premises** other than **premises** where the **Insured's** primary occupation involves the provision of health care; or
- + **personal injury** or **property damage** arising therefrom but only if such professional advice or service is not given for a fee.

## Terrorism, War or Government Action

liability arising out of or in connection with **terrorism** (including or any action taken in controlling, preventing, suppressing or responding to **terrorism**), **war** or **government action** regardless of any other cause or **event** contributing concurrently or in sequence to the loss.

## Radioactivity

liability arising out of or in connection with **radioactivity** regardless of any other cause or **event** contributing concurrently or in sequence to the loss.

## Vehicles

liability arising out of or in connection with the ownership, possession, operation, use or legal control by the **Insured** of any **vehicle**:

- + which is required under any legislation, to be registered; or
- + for which compulsory liability insurance or **cover** under an insurance or accident compensation scheme is required in respect of its use by virtue of any legislation.

This exclusion does not apply to:

- + liability in respect of **personal injury**, for which indemnity is not available under such compulsory liability insurance or insurance or accident compensation scheme and the reason indemnity is not available does not involve a breach of any legislation relating to **vehicles**; or
- + liability in respect of **property damage** caused by or arising from:
  - the loading or unloading of goods to or from any stationary **vehicle** or the delivery or collection of goods to or from any stationary **vehicle**;
  - the use for its intended purpose of any tool or item of plant attached to or forming part of the **vehicle**;
  - the operation or use of any **vehicle** which is designed primarily for lifting, lowering, loading and/or unloading, while being operated or used by or on behalf of the **Insured** unless required under any legislation to be registered; or
  - the movement by or on behalf of the **Insured** of any **vehicle** or trailer not belonging to the **Insured** which is interfering with access to or from any site where the **Insured** is carrying out work.

## Workmanship

liability in respect of the cost of performing, completing, re-performing, reworking, correcting or improving any service or work done or promised to be done by or on behalf of the **Insured**.

## What to do When a Loss Occurs

The **Insured's** obligations under How to make a Claim apply to this Liability Protection insurance.

In addition, in the **event** of an **occurrence** that is or may be covered under this Liability Protection insurance, the **Insured** must:

- + promptly and at the **Insured's** own expense take all reasonable steps to prevent other **personal injury**, **property damage** and/ or **advertising injury** arising out of the same or similar conditions;
- + not incur any **additional payments** without **360 Commercial's** prior consent;
- + use their best endeavours to preserve any items which might assist by way of evidence in connection with any claim; and
- + as far as practicable allow no alteration or repair to be effected without **360 Commercial's** consent and until **360 Commercial** has had the opportunity to inspect.

## How Claims are Settled

**360 Commercial** has full discretion in the conduct of any claim and the **Insured** must give all information and assistance as **360 Commercial** may require in the prosecution, defence or settlement of any claim.

**360 Commercial** reserves its rights under this **policy** and at law, including the right to agree or deny indemnity while **360 Commercial** assesses a claim or conducts the defence.

**360 Commercial's** rights under this **policy** are not affected or diminished if **360 Commercial** does not conduct the defence.

**360 Commercial** is entitled to prosecute in the **Insured's** name (at **360 Commercial's** own expense and for **360 Commercial's** benefit) any claim for indemnity or contribution in respect of any compensation or other **Insured** loss which it may be required to pay under the provisions of this **policy**.

**360 Commercial** is entitled to attend any inquest in respect of which liability may arise under this **policy**.

**360 Commercial** may pay any part of the **excess** to effect payment or settlement of any claim, and on notification of such action taken, the **Insured** is to reimburse **360 Commercial** within fourteen days thereafter for such amount paid by **360 Commercial**.

**360 Commercial** may at any time pay to the **Insured** in respect of all claims against the **Insured** arising from any one **occurrence**:

- + the **limit** after deduction of any amount already paid by **360 Commercial**; or
- + any lesser amount for which the claim can be settled.

On making such payment **360 Commercial** will relinquish the conduct and control of and be under no further liability in connection with such claim; except for expenses approved by **360 Commercial** prior to such payment.





# 360

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