

Zurich Motor Fleet Insurance

Product Disclosure Statement



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About our Motor Fleet Insurance

About Zurich

The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507. In this document, ZAIL may also be expressed as 'Zurich', 'we', 'us' or 'our'.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurer that serves its customers in global and local markets. Zurich provides a wide range of general insurance and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, including multinational corporations.

This Product Disclosure Statement (PDS) is an important document about this product and includes the policy wording which starts on page 15. You should read it carefully before making a decision to purchase this product.

This PDS will help you to:

- decide whether this product will meet your needs; and
- compare this product with other products you may be considering.

The information contained in this PDS is general information only. It is important you read your policy to ensure you have the cover you need.

We italicise terms in this PDS, to show that words are abbreviations or have a particular defined meaning. You should refer to the Definitions section of this document from page 15 to obtain the full meaning of such terms.

How to apply for this insurance

Throughout this document when we are referring to your insurance broker or adviser, we simply refer to them as your intermediary.

If you are interested in buying this product or have any enquiries about it, you should contact your intermediary who should be able to provide you with all the information and assistance you require.

If you are not satisfied with the information provided by your intermediary you can contact us at the address or telephone number shown on the back cover of this document. However, we are only able to provide factual information or general advice about the product. We do not give advice on whether the product is appropriate for your personal objectives, needs or financial situation.

Our Motor Fleet Insurance

The Zurich Motor Fleet Insurance is principally designed for medium to large enterprises. Sedans and commercial vehicles can be included in this policy.

The policy cover can be customised to meet your business requirements and some of the options can be summarised as follows:

Comprehensive Cover

This provides both:

- cover for certain loss or damage to your *vehicle* (Section 1); and
- liability cover for certain loss or damage you or certain other people cause to third party vehicles and third party property (Section 2).

Own Damage Cover only

This provides:

- cover for certain loss or damage to your *vehicle* (Section 1).

Third Party Property Damage Cover only

This provides:

- liability cover for certain loss or damage you or certain other people cause to third party vehicles and third party property (Section 2).

For a summary of the benefits available to you, see 'Benefits of cover available' from page 12.

Our contract with you

Your policy is a contract of insurance between you and Zurich and contains all the details of the cover that we provide.

Your policy is made up of:

- the policy wording, which begins on page 15 of this document. It tells you what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the information you provide to us when applying for insurance cover;
- your most current policy *schedule* issued by us. The *schedule* is a separate document unique to you, which shows the insurance details relevant to you. It includes any changes, exclusions, terms and conditions made to suit your individual circumstances and may amend the policy; and
- any other change otherwise advised by us in writing (such as an *endorsement* or a supplementary PDS). These changes vary or modify the above documents.

Please note, only those sections shown as covered in your *schedule* are insured.

This document is also the PDS for any offer of renewal we may make, unless we tell you otherwise. Please keep your policy in a safe place.

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

Significant issues to consider

Insurance contracts contain policy exclusions, policy terms and conditions and policy limits and sub-limits that you should be aware of when deciding to purchase our product. These may affect the amount of the payment that we will make to you if you have a claim.

We may express some policy terms, policy limits or sub-limits as being either a dollar amount or a percentage of your *sum insured* shown in your *schedule* or some other amount, factor or item specified in the relevant clause of your policy.

You should be aware of the following matters in considering whether this product is suitable for your needs.

Basis of Settlement – Section 1

When Section 1 – Own Damage is selected, you may choose the *agreed value* or the *market value* Basis of Settlement option if your vehicle is a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicles no greater than two tonnes *payload* carrying capacity. For all other *vehicles*, the Basis of Settlement is *market value* or the *sum insured value*. We refer you to the Definitions on page 15, which explain how we apply these categories of cover. The correct Basis of Settlement selection is vital, as an incorrect selection may possibly leave you underinsured.

Basis of Settlement – Section 2

When Section 2 – Third Party Liability is selected, we have automatically included the Limits of Liability within the policy. We recommend you refer to page 33 and you review these limits to ascertain if they are adequate for your requirements.

Dangerous Goods

When Section 2 – Third Party Liability is selected, we provide cover where your *vehicle* is being used for, or is attached to, or towing a *vehicle* used for, the transport of *dangerous goods*. We recommend you refer to page 34 and you review the limit of *dangerous goods* cover provided, to ascertain if it is adequate for your requirements.

Extensions of Cover

The policy Extensions of Cover are automatically included. Some of these cover certain additional costs and expenses you may incur when you have loss or damage, such as for removal of debris / load and retrieval costs. Where these extensions have limits, these limits (whilst additional to the *sum insured*), are sub-limited to either per *event*, per *vehicle* or per *period of insurance*. We suggest you review these limits to see if they are adequate for your requirements.

For full particulars, please refer to Additional Covers – Section 1 from page 26, Additional Covers – Section 2 from page 33 and Additional Covers Applicable to All Sections, being Section 3 from page 37. Some of these benefits are listed in ‘Benefits of cover available’ from page 12 for your reference.

Excesses can apply

For each of the available covers, an excess may apply. An excess is not an additional fee charged by us at the time of making a claim. Rather, it is the uninsured first portion of a loss for which you are otherwise covered, i.e. the amount that you must contribute towards each claim.

Details of the excess amounts and circumstances in which they will be applied are set out in the Definitions section of this document from page 15. The basic excess will appear on your *schedule*.

Upon acceptance of your claim, you must pay the total amount of the applicable excess, either to us or to the repairer. We will advise you to whom the excesses must be paid, however if your *vehicle* is a *total loss*, we may deduct any excess that you must pay from any payment we make.

Exclusions

This policy contains exclusions, some of which are common in insurance policies and some may be less common, and as such may be unexpected. For example, your policy may exclude or limit cover for loss or damage to the *vehicle* or caused by the use or operation of the *vehicle* in the following circumstances:

- unlawful acts or omissions on the part of the owner, driver or operator of the *vehicle*;
- acts or omissions of unlicensed drivers;
- use of or damage to *vehicles* that are unroadworthy or unsafe;
- *vehicle* deterioration (rust, corrosion, and general wear and tear);
- an *act of terrorism*.

An example of a less common exclusion, is found at page 20 section 2.11 ‘Underground mining’ which excludes cover when the *vehicle* is used for drilling or tunnelling whilst underground or used or driven in an underground mine or mining shaft.

The above are some of the circumstances that are not covered by this policy. Before making a decision about whether to purchase this policy, you should read the full details of all relevant exclusions, which are contained in the policy wording.

Some may not be relevant to your requirement however you should make yourself aware of all the exclusions. You should refer to the Exclusions applicable to All Sections on pages 19 to 21, Exclusions – Section 1 on pages 31 and 32 Exclusions – Section 2 on pages 35 and 36 to ascertain if the cover is adequate for your requirements.

Terms and Conditions

Terms and Conditions applicable to All Sections set out your obligations with which you need to comply. Please refer to pages 22 to 24. Terms and Conditions also apply to Section 1, Section 2 and Section 3 as set out in those sections of your policy. You should make yourself aware of all the terms and conditions that apply. If you do not meet them, we may decline or reduce the claim payment or cancel your policy.

Make sure you have the cover you need

You should discuss with your intermediary the appropriate amounts and risks for which you need to be insured. If you do not adequately insure for the relevant risks you may have to bear any uninsured losses yourself.

If you do not choose appropriate amounts that allow for the current value of your *vehicle* or other financial risks that you wish to cover, then you may be underinsured when you need to make a claim.

Change of circumstances

You should notify your intermediary, as soon as possible when your circumstances change and where you need to add to or vary the insurance cover you need. For instance, if you purchase a new *vehicle* outside the parameters of the Automatic Additions coverage or you have added accessories to your *vehicle*. If you do not tell your intermediary of these changes and you suffer loss or damage, your *sum insured* may not be adequate to cover your loss, or you may not even have any cover under your policy. If you are unable to contact your intermediary, you can contact us directly to inform us of your change in circumstances.

Duty of Disclosure

For policyholders who are not a natural person, 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;
- is common knowledge;
- we know or should know as an insurer; or
- we waive your duty to tell us about.

Individuals

If you are the policyholder and you are a natural person, a different duty of disclosure to the one set out above applies to you. Contact your intermediary or us to ensure you are notified of your duty.

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.

How we calculate your premium

The amount of your premium is determined by taking a number of different matters into account.

It is important for you to know in particular that the premium varies depending on the information we receive from you about the risk to be covered by us. The higher the risk is, the higher the premium will be. Based on our experience and expertise as an insurer, we decide what factors increase our risk and how they should impact on the premium. Each insurer can do this differently.

The base premium for this product will vary depending on other terms and conditions offered, particularly the *excess* level chosen. Some factors impacting premium are:

- type of *vehicle* (make, age, model within the make up of the fleet);
- use of *vehicle* (private, business);
- the value of the *vehicles* and the Basis of Settlement selected;
- type of Additional Cover, terms and conditions;
- location and operating radius of the *vehicle*;
- claims history from prior years; and
- risk management procedures your business undertakes.

Your intermediary can arrange for you to be provided with a quote for a premium. You will need to give your relevant details to your intermediary at this time to enable us to calculate your premium.

Another important thing to know is that your premium also includes amounts that take into account our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Emergency Services Levy) in relation to your policy. These amounts will be set out separately on your *schedule* as part of the total premium payable.

How and when you pay your premium and what happens if you don't pay?

Premiums are charged and are payable on a yearly basis. Your intermediary can also tell you what other methods are available to make your premium payments.

Your intermediary will send you an offer of renewal of your insurance once a year, before your current *period of insurance* expires. If you do not pay your premium when due, your policy may lapse after 30 days and you will not be covered. You may be able to reinstate your policy after it lapses, but you must submit an application to us, which is subject to our reassessment of your circumstances at the time of application.

Goods and Services Tax

The sum insured that you choose should exclude Goods and Services Tax (GST). In the event of a claim, if you are not registered for GST, we will reimburse you the GST component in addition to the amount we pay you. If you are registered for GST, you will need to claim the GST component from the Australian Taxation Office.

You must advise us of your correct input tax credit percentage where you are registered as a *business* and have an Australian Business Number. Any GST liability arising from your incorrect advice is payable by you.

How to make a claim

If you need to make a claim, please refer to 'Claims procedures' on page 22. If you have any queries please contact your intermediary as soon as possible, or call us on 132 687 (after hours 5.00 p.m. - 8.30 am E.S.T.).

Privacy

Zurich is bound by the Privacy Act 1988 (Cth). We collect, disclose and handle information, and in some cases personal or sensitive (e.g. health) information, about you ('your details') to assess applications, administer policies, contact you, enhance our products and services and manage claims ('Purposes'). If you do not provide your information, we may not be able to do those things. By providing us, our representatives or your intermediary with information, you consent to us using, disclosing to third parties and collecting from third parties your details for the Purposes.

We may disclose your details, including your sensitive information, to relevant third parties including your intermediary, affiliates of Zurich Insurance Group Ltd, insurers, reinsurers, our banking gateway providers and credit card transactions processors, our service providers, our business partners, health practitioners, your employer, parties affected by claims, government bodies, regulators, law enforcement bodies and as required by law, within Australia and overseas.

We may obtain your details from relevant third parties, including those listed above. Before giving us information about another person, please give them a copy of this document. Laws authorising or requiring us to collect information include the Insurance Contracts Act 1984 (Cth), Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Corporations Act 2001 (Cth), Autonomous Sanctions Act 2011 (Cth), A New Tax System (Goods and Services Tax) Act 1999 (Cth) and other financial services, crime prevention, trade sanctions and tax laws.

Zurich's Privacy Policy, available at www.zurich.com.au or by telephoning us on 132 687, provides further information and lists service providers, business partners and countries in which recipients of your details are likely to be located. It also sets out how we handle complaints and how you can access or correct your details or make a complaint.

Cooling-off Period

After you apply for a Zurich product and you have received the policy document, you have 21 days to check that the policy meets your needs. Within this time you may cancel the policy and receive a full refund of any premiums paid, unless you have:

- made a claim or become entitled to make a claim under your policy; or
- exercised any right or power you have in respect of your policy or the policy has ended.

Your request will need to be forwarded to us via your intermediary or to the address shown on the back cover of this document.

You can cancel your policy at any time after the cooling-off period. Please refer to Cancellation under Terms and Conditions applicable to All Sections on page 22.

General Insurance Code of Practice

We are signatories to the General Insurance Code of Practice (the Code) and support the Code.

The objectives of the Code are:

- to commit us to high standards of service;
- 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 you make about us; and
- to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers compliance with the Code.

Further information about the Code or the Code Governance Committee and your rights under it is available at insurancecouncil.com.au/cop/ or by contacting us.

Repairs, Repairer Choice and Parts Policy

Zurich complies with the Repair Industry Code of Conduct.

You can choose a repairer, or we can recommend one for you. If we do not accept your choice of repairer, you must still co-operate with us to select another repairer that we both agree on.

When your *vehicle* is repaired, the repairer may use re-usable parts or parts that are not manufactured by a supplier to the *vehicle's* original manufacturer which:

- are consistent with the age and condition of the *vehicle*;
- do not affect the safety or the structural integrity of the *vehicle*;
- comply with the vehicle manufacturer's specifications and applicable Australian Design Rules;
- do not adversely affect the post repair appearance of the *vehicle*; and
- do not void or affect the warranty provided by the vehicle manufacturer.

In repairing your *vehicle*, we may arrange for a part of the repair to be carried out by a specialist service provider, for example windscreen repairs.

We guarantee workmanship of the repairs authorised by us. This guarantee is for the life of the *vehicle* and is in addition to your statutory rights against the repairer and warranties that you have from the repairer directly. Wear and tear is not covered by this guarantee.

We will arrange for repairs authorised by us to be rectified at no cost to you, if we agree that the repairs are defective. Before we can arrange for any defective repairs to be rectified, you must give us the opportunity to inspect the *vehicle*.

Complaints and Disputes Resolution process

If you have a complaint about an insurance product we have issued or service you have received from us, please contact your intermediary to initiate your complaint with us. If you are unable to contact your intermediary, you can contact us directly on 132 687. We will acknowledge receipt of your complaint within 24 hours or as soon as practicable.

If you are not satisfied with our initial response, you may access our internal dispute resolution process. Please refer to the general insurance fact sheet available on our website for details of our internal dispute resolution process.

We expect that our internal dispute resolution process will deal fairly and promptly with your complaint, however, you may take your complaint to the Australian Financial Complaints Authority (AFCA) at any time.

AFCA is an independent external dispute resolution scheme. We are a member of this scheme and we agree to be bound by its determinations about a dispute. AFCA provides fair and independent financial services complaint resolution that is free to you.

Their contact details are:

Website: www.afca.org.au

Email: info@afca.org.au

Freecall: 1800 931 678

In writing to: The Australian Financial Complaints Authority, GPO Box 3, Melbourne, Victoria 3001.

If your complaint or dispute falls outside the AFCA Rules, you can seek independent legal advice or access any other external dispute resolution options that may be available to you.

Financial Claims Scheme

Zurich is an insurance company authorised under the Insurance Act 1973 (Cth) to carry on general insurance business in Australia. As such, we are subject to prudential requirements and standards, regulated by the Australian Prudential Regulation Authority (APRA).

This policy may be a protected policy under the Federal Government's Financial Claims Scheme (FCS), which is administered by APRA.

The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies, a person who is entitled to make a claim under this insurance policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria.

Further information about the FCS can be obtained at www.fcs.gov.au

Headings

Headings have been included for ease of reference, but do not form part of the policy.

Updating this PDS

Certain information in this PDS may change from time to time. If the updated information is not materially adverse from the point of view of a reasonable person deciding whether or not to purchase this product, a copy of the updated information will be available free of charge upon request, by contacting your intermediary or us by using our contact details on the back cover of this PDS. Please note that we may also choose to issue a new PDS or a supplementary PDS in other circumstances.

Benefits of cover available

The following is a summary only of the major benefits available under the policy. Please refer to each Section for full details of coverage and applicable terms and conditions.

Summary of covers available	Benefits of cover available	Page no
Comprehensive	Own Damage: Section 1	25
	Third Party Liability: Section 2	33
Own damage only	Own Damage: Section 1	25
Third Party Property Damage only	Third Party Liability: Section 2	33
Basis of Settlement	Under Section 1 'Own Damage':	25
	<ul style="list-style-type: none"> sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicles no greater than two tonnes <i>payload</i> carrying capacity: <i>market value</i> or <i>agreed value</i>; all other <i>vehicles</i>: <i>market value</i> or <i>sum insured value</i> 	
Extensions of Cover – Section 1 – Own Damage		
Disability modifications	Up to a maximum of \$10,000 per <i>event</i> if your driver suffers a permanent disability that necessitates modifications to your <i>vehicle</i>	26
Employee's personal property	Covering certain uninsured personal property of employees damaged in an accident, stolen from the locked <i>vehicle</i> , up to a maximum amount of \$5,000 per <i>event</i>	26
Employees' vehicles	Coverage for employees' <i>vehicles</i> , their spouse or de facto partners' or a volunteer's vehicle, being used in connection with your <i>business</i> , with your consent, for the <i>market value</i> up to a maximum of \$100,000 any one loss / <i>event</i>	26
Expediting expenses	Immediate repair costs, provided such costs do not exceed 50% of normal repair costs or \$10,000, whichever is the lesser	27
Family expenses when your driver is hospitalised	Reasonable costs incurred by you or your injured driver's <i>immediate family</i> to attend the hospital, up to a maximum amount of \$10,000 per <i>event</i> , and \$25,000 in any <i>period of insurance</i>	27
First aid	Up to a maximum of \$5,000 per <i>event</i> to replace or restock any first aid kits or equipment in your <i>vehicle</i> damaged or used as a result of that <i>event</i>	27
Funeral expenses	Up to a maximum of \$25,000 for funeral expenses and transportation following fatal injury to your driver	27
Hire of vehicle following theft	Up to \$200 per day to hire a sedan, station wagon, 4WD, utility, or Other Goods Carrying Vehicle with a <i>payload</i> carrying capacity no greater than two tonnes up to \$500 per day for all other hire vehicles	27
	Subject to a maximum of \$10,000 per <i>event</i> / per <i>vehicle</i>	
Journey disruption	Following loss or damage to your <i>vehicle</i> , if more than 100 km from normal place of garaging, certain reasonable costs of transporting the driver and passengers, obtaining overnight accommodation or hiring another vehicle to complete journey for delivery of freight, up to a maximum of \$5,000 per <i>event</i> in certain circumstances	28
Locks / keys	Up to a maximum of \$10,000 per <i>vehicle</i> / \$50,000 per <i>event</i>	28

Summary of covers available	Benefits of cover available	Page no
New vehicle replacement (if <i>vehicle</i> is stolen or declared as a <i>total loss</i>)	<p>A new replacement <i>vehicle</i> if your <i>vehicle</i> is a sedan, station wagon, 4WD, utility, mini-bus or goods carrying vehicle including a van, rigid body truck, rigid body tipper, table-top truck or prime mover including attaching articulated trailer:</p> <ul style="list-style-type: none"> that is less than two years old that is two or more years old and less than three years old and you are the first registered owner and you have insured the <i>vehicle</i> under this policy before the vehicle is two years old <p>Other <i>vehicles</i> less than one year old: replacement cost or <i>sum insured value</i> plus 20% or <i>market value</i> plus 20%, whichever is the lesser</p>	28
Re-delivery following theft	Reasonable costs of returning your <i>vehicle</i> following theft, up to a maximum of \$50,000 per <i>event</i>	29
Removal and delivery expenses	Reasonable costs of removing and delivering your <i>vehicle</i> , if your <i>vehicle</i> suffers loss or damage, up to a maximum of \$100,000 per <i>event</i>	29
Removal of debris / load	Reasonable costs incurred for clean-up and removal of debris up to a maximum of \$100,000 per <i>event</i>	29
Retrieval costs	Where your <i>vehicle</i> becoming unintentionally immobilised, retrieval costs up to a maximum of \$50,000 per <i>period of insurance</i>	30
Rewards	Up to a maximum of \$10,000 for all rewards offered to recover your stolen <i>vehicle</i>	30
Signwriting	Reasonable replacement costs in respect of signwriting or artwork	30
Substitute vehicle	Coverage for substitute <i>vehicle</i> whilst your <i>vehicle</i> is out of operation	30
Total loss of encumbered vehicles	Up to an additional 25% limit of <i>market value</i> or 25% limit of <i>sum insured value / agreed value</i> (as applicable), whichever is the lesser	30
Two wheel trailers or box trailers	Coverage for two wheel trailers or box trailers with a carrying capacity less than two tonne, which are owned by you, and are not included in your Declaration of Vehicles, only whilst attached to and damaged in an <i>event</i> involving your <i>vehicle</i> , limited to the lesser of <i>market value</i> or \$5,000	31
Windscreen	Costs in respect of loss or damage to windscreen or windows of your <i>vehicle</i>	31
Extensions of Cover – Section 2 – Third Party Liability		
Employer or principal	Covering employer's or principal's liability for an <i>event</i> involving your <i>vehicle</i>	33
Legal costs and authorised expenses	Legal costs and expenses incurred with our consent (which consent will not be unreasonably withheld or delayed), in addition to the Limit of Liability	33
Non-owned or supplied vehicles	Coverage for non-owned or supplied <i>vehicles</i> being used in connection with your <i>business</i>	34
Non-owned trailers liability	Coverage for non-owned trailers whilst in your lawful custody or control, and being used by you in conjunction with your <i>business</i>	34
Vehicles under tow	Covering disabled <i>vehicle</i> being towed by your <i>vehicle</i>	34

Summary of covers available	Benefits of cover available	Page no
Additional cover available to All Sections – Section 3		
Acquired companies / firms	Coverage for <i>vehicle</i> of acquired companies and firms	37
Automatic additions to your fleet vehicles	Automatically covering additions to your fleet to a maximum of \$500,000 per <i>vehicle</i>	37
Claims preparation costs	Up to a maximum of \$20,000 for reasonable costs incurred by you in producing and certifying details relating to the 'Claims procedures' as a result of loss or damage involving your <i>vehicle</i>	37
Cover for other owners	Coverage for other owners <i>vehicles</i> as declared to us in your Declaration of Vehicles attaching to the <i>schedule</i>	38
Crash scene / site management	Up to a maximum of \$10,000 to pay reasonable costs and expenses incurred by you or on your behalf, with the coordination and/or management of the location of the <i>event</i>	38
Crisis coverage	Coverage provides reasonable costs to pay <i>public relations expenses</i> , with our consent (which consent will not be unreasonably withheld or delayed), as a result of an <i>event</i> involving your <i>vehicle</i> , up to a maximum of \$75,000	38
Difference in excess / hired-in or rental vehicles	Covering any difference in excess between that payable under the terms of the hire agreement and the excess level under your policy	38
No fault excess after an accident	If the total <i>excesses</i> applicable to your claim are \$5,000 or less and the other driver in the accident was at fault, you may not need to pay any <i>excess</i>	39
Police, Fire Brigade and other regulatory authorities	Covering costs levied in respect of Police Force, Fire Brigade or other <i>regulatory authorities</i> as a result of loss or damage to your <i>vehicle</i> , to a maximum of \$100,000 per <i>event</i>	39
Psychological counselling	Coverage provides reasonable costs incurred in your driver obtaining professional counselling as a result of an <i>event</i> involving your <i>vehicle</i> , up to a maximum of \$20,000	39
Registration of vehicles	Coverage is maintained in the event of <i>vehicle</i> registration being cancelled or suspended due to traffic or parking fines	39

Zurich Motor Fleet Insurance – Policy Wording

Subject to the terms and conditions contained in this policy, and after you have paid or agreed to pay us the premium, we will insure you against loss or damage or any liability incurred as described, occurring within the *territorial limits* during the *period of insurance*.

1. Definitions

The following definitions shall apply to your policy.

1.1 Act of terrorism

act of terrorism means 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 groups of persons whether acting alone or on behalf of or in connection with any organisations or governments de jure or de facto, and which:

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

1.2 Agreed value

agreed value means the amount specified as the Agreed Value, exclusive of GST, in the *schedule*.

1.3 Airside activities

airside activities means any *vehicle* being used for the following:

- 1.3.1 movement within or on airport taxi-ways, parking stations, landing grounds, tarmac or any temporary landing ground;
- 1.3.2 the refuelling or towing of any aircraft;
- 1.3.3 any operation on any of the airport areas involving landscaping, site clearance, earthmoving, excavation, tunnelling, boring, laying of foundations, erection or dismantling of scaffolding, site restoration and the provision of roadways and other access works;
- 1.3.4 the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of buildings, runways or structures (whether permanent or not) forming, or to form part of the airport areas; or
- 1.3.5 the installation, alteration, repair, or maintenance or fittings, including lighting, power supply, drainage, sanitation, water supply, gas supply, fire protection, security and communications systems in any of the airport areas.

For the purposes of this definition only, *airport areas means* the parts of an airport used for the surface movement of aircraft, take-offs, landings, taxiing of aircraft, enabling passengers to board or disembark from aircraft, loading cargo on to or unloading cargo from aircraft, refuelling, parking, storing or carrying out maintenance on aircraft and adjacent land, roadways and buildings and parts thereof which upon which aircraft travel or traverse.

1.4 Basis of Settlement

Basis of Settlement means the basis of settlement specified in the Schedule and the corresponding provisions for that basis of settlement set out in each section of the policy.

1.5 Business

business means the Business specified in the Schedule.

1.6 Constructive total loss

constructive total loss means where your *vehicle* is lost or stolen and not recovered within 28 days or abandoned by you, on the basis that the cost of recovering the *vehicle* and repairing it exceeds the *market value* or the *agreed value* or the *sum insured* value of the *vehicle* (as the case may be for the cover for the *vehicle* specified in the *schedule*).

1.7 Dangerous goods

dangerous goods means dangerous goods or explosives as defined:

- 1.71 where the *event* happens in Australia: in either the current Australian Code for the Transport of Dangerous Goods by Road and Rail or the current Australian Code for the Transport of Explosives by Road and Rail;
- 1.72 where the *event* happens in New Zealand: the current New Zealand Standard 5433 Transport of Dangerous Goods on Land, the Land Transport Rule: Dangerous Goods 2005 and 2016 amendments, as well as any amendments, successor Codes or Standards or similar replacements to the Codes and Standards.

1.8 Endorsement

endorsement means an individual Endorsement document that we give you that attaches to and forms part of your policy. This document varies the terms and conditions of your policy.

1.9 Event

event means an incident or accident or series of accidents or incidents resulting from the one original cause.

1.10 Excess

excess means:

1.10.1 Basic excess

This is the first amount of each claim for which you must pay when you make a claim under this policy, unless we state that an *excess* does not apply. We will pay for amounts above any *excess* amounts to be met by you. The amount of the basic *excess* is shown in the *schedule*. The basic *excess* will apply separately to each *vehicle* and each claim on that *vehicle*.

Where a trailer is attached to a *vehicle*, and the *vehicle* and trailer are damaged in the same *event*, you will pay the basic *excess* for the *vehicle* and the trailer.

Where the *vehicle* is not damaged but the trailer is damaged or causes damage to property not owned by the *insured* in the same *event*, you will pay the basic *excess* for the *vehicle* and the trailer.

Where the *trailer* is not damaged but the *vehicle* is damaged or causes damage to property not owned by the *insured* in the same *event*, you will pay the basic *excess* for the *vehicle* only.

Where the *vehicle* and trailer are not damaged or cause damage to property not owned by the *insured* in the same *event*, you will pay the basic *excess* in respect of the *vehicle* only.

1.10.2 Age and inexperienced driver's excess - excluding rigid and/or articulated vehicles

If at the time of loss or damage, your *vehicle* (providing your *vehicle* was not a rigid and/or articulated *vehicle* with a carrying capacity in excess of 10 tonnes *payload*) was being operated or driven by a person as set out below, the following additional *excess* per event shall apply:

- (a) driver under 21 years of age: \$850;
- (b) driver aged 21 years of age and under 25 years of age: \$750;
- (c) driver aged 25 years and over, having held a licence less than two years: \$750.

However this *excess* will not apply in the event of hail.

1.10.3 Age and inexperienced driver's excess applying to rigid and/or articulated vehicles

If at the time of loss or damage, your rigid and/or articulated *vehicle* with a carrying capacity in excess of 10 tonnes *payload*, was being operated or driven by a person as set out below, the following additional *excess* per event shall apply:

- (a) driver under 21 years of age: \$2,500;
- (b) driver aged 21 years of age and under 25 years of age: \$2,500;
- (c) driver aged 25 years of age and over, having held a rigid and/or articulated vehicle licence less than two years: \$2,500.

However this *excess* will not apply in the event of hail.

1.10.4 Tipping excess

If your *vehicle* is a rigid body tipper or a tipping trailer, and at the time of loss or damage, the tipping hoist was in use and was fully or partially elevated, the basic *excess* shall be increased by 100% to each *vehicle* and each claim on that *vehicle*.

1.11 Immediate family

immediate family means a spouse, de-facto partner (in accordance with the meaning given to that phrase in the Family Law Act 1975 (Cth)), parent, sibling or child.

1.12 Insured

insured means you, your, the party or parties named as the Insured in the *schedule* and including any subsidiary company, organisation and other entities in which *you* have a controlling interest at the commencement of the *period of insurance*.

1.13 Legislative requirement

legislative requirement means any applicable statute, regulation, by-law, ordinance, policy or subordinate legislation in force from time to time in the territorial limits whether made by a State, Territory, the Commonwealth or a local government, and includes standards, guides, information bulletins or industry codes that apply by reason of statute or regulations.

1.14 Market value

market value means the value of your *vehicle* just before the loss or damage occurs, based upon the make, model, age, kilometres travelled and condition of your *vehicle* exclusive of GST at that time.

1.15 Payload

payload means the maximum load that the *vehicle* is designed to carry. *Payload* is calculated from the gross vehicle mass (GVM) subtracting the *vehicle's* own weight and without any cargo or passengers.

1.16 Public relations expenses

public relations expenses mean the reasonable fees and related expenses of a public relations firm or consultant, crisis management firm or law firm which an *insured* in the reasonable exercise of their discretion may engage with our consent (which consent shall not be unreasonably withheld or delayed) to prevent or limit adverse effects or negative publicity in respect of a claim.

1.17 Period of insurance

period of insurance means the Period of Insurance stated in the *schedule*.

1.18 Pollutants

pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals or waste. Waste includes but is not limited to material to be recycled, reconditioned or reclaimed.

1.19 Regulatory authority

regulatory authority means State Territory and Commonwealth departments, agencies or corporations charged with the development, regulation or supervision of laws.

1.20 Schedule

schedule means the Schedule which we issue to you that forms part of this policy. At any point of time, this will be the most current *schedule* we have issued.

1.21 Sum insured value

sum insured value means the amount specified as the *sum insured value* exclusive of GST, in the *schedule*.

1.22 Territorial limits

territorial limits mean anywhere in the Commonwealth of Australia and/or the Realm of New Zealand.

1.23 Tool of trade

tool of trade means the use or operation of a *vehicle* and/or any attachment, equipment, tool or apparatus which forms part of the *vehicle*, but only whilst engaged in and undertaking its designed purpose of digging, scraping, shovelling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, vacuuming or suction activities, pumping, spraying or similar activities.

1.24 Total loss

total loss means where the *vehicle* is so damaged that the cost of repairs, plus the salvage value exceeds the *market value* or the *agreed value* or the *sum insured value* of the *vehicle* (as the case may be for the cover for the *vehicle* specified in the *schedule*), taking into account State and Territory legislation relevant to this determination. *Total loss* includes a *constructive total loss*.

Salvage value means the market value of the vehicle in its damaged state, less any costs of realising that value.

1.25 Vehicle or vehicles

vehicle or vehicles means a mechanically propelled vehicle and/or attached trailer designed for use on land only (not being for use upon rails, tram tracks or cables), owned by you or for which you have assumed liability, as specified in the *schedule*, and includes:

- 1.25.1 standard accessories, standard tools, standard appliances, standard electronic / electrical equipment (including electric vehicle charging cables) or standard options including, GPS units and other forms of satellite navigation systems, built-in radio receiver, citizen band radio, vehicle entertainment systems, air conditioning unit, refrigeration unit, generator, fixed microwave, fixed car telephone (excluding mobile phones except for those components that are fixed to the *vehicle*);
- 1.25.2 chains, cables, chain dogs, tarpaulins, curtains, straps, ropes, binders, bull bars, pogo sticks, ramps, fences and gates and the like when these items form part of the *vehicle* and are in or on or attached to your *vehicle*; or
- 1.25.3 non-standard accessories, but not limited to winches and any other form of lifting or pulling device, post hole borer, buckets, chain trencher, blade, hammer, ripper, laser, rock breaker, sweeper, pallet forks and like that are permanently affixed to the *vehicle*,

to a maximum limit of \$10,000 per *vehicle* in total for the items noted in 1.25.2 and 1.25.3, unless otherwise specified in the *schedule*.

2. Exclusions applicable to All Sections

We will not be liable to pay any claim:

2.1 Alteration of your business

if at the time of the loss or damage or when any liability was incurred, your *vehicle* was being used other than for your *business*.

2.2 Caravans / trailers

in respect of caravans and trailers where:

2.2.1 any loss or damage to annexes, camping equipment, is caused by wind or storm;

2.2.2 any liability in respect of death or bodily injury, or loss or damage to property of any person occurs as a result of entering or alighting from the caravan; or

2.2.3 any loss or damage occurs as a result of theft or burglary of equipment and/or contents from the caravan or trailer, unless the theft or burglary is due to visible violent and forcible entry to the locked caravan or trailer, including windows thereto.

2.3 Contractual liability

if loss or damage or any liability arises from any agreement, or undertaking or indemnity given by you, without our consent (which consent shall not be unreasonably withheld or delayed), unless such liability would have attached notwithstanding such agreement, undertaking or indemnity

2.4 Dry hire

if at the time of the loss or damage or when any liability was incurred, your *vehicle* is let out on hire, unless operated by you or one of your employees.

This Exclusion does not apply to trailers covered under this policy.

2.5 Dual / multi lifts

if loss or damage occurs to, or is caused by, your *vehicle*, or liability is incurred, whilst your *vehicle* is being used in any raising or lowering operation in which a single load is shared between two or more cranes or lifting devices.

2.6 Hire, fare or reward

if at the time of the loss or damage or when any liability is incurred, your *vehicle* was being used for the conveyance of passengers for hire, fare, or reward, other than under a private pooling arrangement.

This Exclusion will not apply where the only benefit received or paid is an allowance for travelling paid by you to an employee.

2.7 Non-approved fuel systems

if the loss or damage or liability incurred, resulted from the use of a fuel system in your *vehicle* that does not comply with the relevant *legislative requirements* in the country in which the *vehicle* is operating.

2.8 Non-compliance of dangerous goods codes

if loss or damage or any liability incurred, resulted from carrying *dangerous goods* in contravention of *legislative requirements* in the country in which the *vehicle* is operating.

2.9 Setting of concrete / bitumen

if the loss or damage to your *vehicle* (or any concrete agitator barrel, bowl or concrete pumper) was caused by the setting or hardening of any concrete, bitumen or similar products being carried at the time of the loss, unless you or any other covered persons have taken all reasonable steps to remove the concrete, bitumen or similar product from the *vehicle*.

2.10 Stock in trade

if at the time of the loss or damage or when any liability was incurred, your *vehicle* formed part of your stock in trade of your *business*.

2.11 Underground mining

if at the time of the loss or damage or when any liability was incurred, your *vehicle* or any attachment to the *vehicle* was:

- 2.11.1 used in drilling or tunnelling whilst underground; or
- 2.11.2 used or driven in an underground mine or mining shaft.

2.12 Unlawful acts (including unlicensed drivers)

if at the time of the loss or damage or when any liability was incurred:

- 2.12.1 any person driving your *vehicle* was doing so:
 - (a) for any unlawful purpose;
 - (b) whilst participating in an illegal enterprise;
 - (c) to steal, convert, abscond with, or otherwise misappropriate the *vehicle*, or
 - (d) to deliberately inflict loss or damage with, or to the *vehicle*.
- 2.12.2 any person driving the *vehicle*:
 - (a) had faculties impaired by any drug and/or intoxicating liquor;
 - (b) had a percentage of alcohol or drugs in their breath, saliva, blood or urine in excess of the percentage permitted by the relevant *legislative requirement* where the incident occurred;
 - (c) refused to provide or allow the taking of a sample of breath, saliva, blood or urine for testing or analysis; or
 - (d) left the place where the event arose, before being legally allowed to do so.
- 2.12.3 any person driving the *vehicle* with your consent and knowledge was not licensed to drive the *vehicle*, or was disqualified from holding or obtaining such a licence.
- 2.12.4 your *vehicle* was being operated or driven by a person who was not licensed to drive the *vehicle* in Australia or New Zealand (as applicable), except where the *vehicle* is being operated or driven by a person aged 12 years or over on rural land owned or occupied by you.

Exclusion 2.12.3 shall not apply to any claim for loss or damage that you cause, liability you incur or damage to the *vehicle* if your *vehicle* is being operated or driven by a person who is involved with the servicing of your *vehicle* on premises you occupy.

Further, Exclusions 2.12.1 to 2.12.4 inclusive shall not apply to any claim for loss or damage that you cause, liability you incur or damage to the *vehicle* if:

- (i) you had no reason to suspect that your *vehicle* was being used in that manner;
- (ii) you did not authorise or allow such use of the *vehicle*; or
- (iii) the driver's licence had unintentionally lapsed, was fraudulently produced to you, or the licence was cancelled as a result of unpaid parking fines and that cancellation was unbeknown to you and the driver was the holder of a licence in the 12 months immediately prior to the lapsing of the licence,

however, the Exclusion will apply to any claim by the driver for loss or damage caused, and where we make any payment for a claim, you agree to allow us to use all remedies available to recover all costs associated with any loss or damage occasioned, or liability incurred, from the driver of your *vehicle*.

2.13 Unroadworthy or unsafe vehicles

if at the time of the loss or damage or when any liability was incurred, your *vehicle* was being used while in an unroadworthy or unsafe condition.

This Exclusion will not apply if the loss or damage or liability incurred, was not caused or contributed to, by the unroadworthy or unsafe condition of your *vehicle*, or such unroadworthy or unsafe condition could not have been detected by you acting reasonably.

2.14 Vehicles on rails / cables

if at the time of the loss or damage or when any liability was incurred, your *vehicle* was being used to run on rails, tram tracks or cables.

2.15 Vehicle overloading

if at the time of the loss or damage or when any liability was incurred:

- 2.15.1 your *vehicle* was being used to carry a number of passengers in excess of that for which it was constructed, registered or licensed, or contrary to the manufacturer's recommendations; or
- 2.15.2 your *vehicle* or any caravan or trailer being towed by your *vehicle* was used to carry, lift, haul or tow a load in excess of that for which it was designed, constructed, registered or licensed, or used contrary to the manufacturer's recommendations.

Exclusion 2.15.1 and 2.15.2 shall not apply if:

- (a) you did not allow such use of your *vehicle*;
- (b) you had no reason to suspect that your *vehicle* was being used in that manner; or
- (c) the loss or damage or liability incurred was not caused by, or contributed to, by such excess of passengers and/or load.

2.16 Vehicle racing, testing, experimentation

if at the time of the loss or damage or when any liability was incurred, your *vehicle* was being used in:

- 2.16.1 any test or trial, other than for resale purposes on public roads;
- 2.16.2 any experiments; or
- 2.16.3 preparation for or involvement in racing, speed testing, speed trial, pace making, reliability trial, stunt, rallying or motor sport activities.

2.17 War, act of terrorism, confiscation, radioactivity, nuclear perils

if loss, damage, destruction, death, personal 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 resulting from:

- 2.17.1 war, invasion, acts of foreign enemies, hostilities or warlike 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;
- 2.17.2 any *act of terrorism*;
- 2.17.3 any order of any Government, Public or Local Authority involving the confiscation, nationalisation, requisition, damage or destruction of any property unless such destruction was undertaken to reduce the spread of fire;
- 2.17.4 any chemical, biological, bio-chemical or electromagnetic weapon; or
- 2.17.5 radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

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.

3. Terms and Conditions applicable to All Sections

3.1 Cancellation

3.1.1 You may cancel this policy at any time by notifying us

3.1.2 We may cancel this policy by notifying you in writing, if you are in breach of any of the terms or conditions, or for any other reason available at law.

Our notice of cancellation takes effect at the earlier of the following times:

(a) the time when another policy of insurance has been entered into by you, being a policy that is intended to replace this policy; or

(b) at 4.00pm, local standard time, on the 30th business day after the day on which notice was given to you.

3.1.3 (a) After cancellation by you, we will be entitled to retain:

(i) the pro rata premium for the period during which the policy has been in force; and

(ii) any tax or duty paid or owing for which we are unable to obtain a refund.

(b) After cancellation by us, you will be entitled to a refund on a pro rata basis in relation to the unexpired *period of insurance*, excluding any tax or duty paid or owing for which we are unable to obtain a refund.

3.2 Change of risk

You must notify us of all changes materially affecting the facts or circumstances existing at the commencement of this policy, or at any subsequent renewal date, as soon as such change comes to your notice. Any additional premium as a result of the change must be paid by you.

3.3 Claims procedures

You and any person entitled to cover under this policy must:

3.3.1 notify us with full details as soon as possible after any event which may become the subject of a claim under this policy;

3.3.2 promptly send us any communication received from other parties in relation to any event which may become the subject of a claim under this policy;

3.3.3 tell us promptly on becoming aware of the impending prosecution in relation to any event which may become the subject of a claim under this policy;

3.3.4 provide all information and cooperation which we may reasonably require, including signing any statutory declaration or other documents;

3.3.5 not admit or negotiate any claim without our consent;

3.3.6 allow us full discretion in the conduct, defence and settlement of any claim. Where settlement of a claim will have reputational impact on you, we will consult you before we settle any claim;

3.3.7 subject to the Insurance Contracts Act 1984 (Cth), help us to recover any money paid by us from any person whom you may be able to hold liable. We will have the right to take any action in your name;

3.3.8 not authorise repairs to your *vehicle* (other than emergency mitigation costs or expediting expenses) without our written consent;

3.3.9 notify the Police as soon as possible after you first become aware of the theft or attempted theft of, or malicious damage to your *vehicle*; or

3.3.10 pay as soon as possible, any *excess* as defined under Definition 1.10 'Excess', unless we state that an *excess* does not apply. We will not pay and you will be liable for any additional costs incurred or resulting from your non-payment of any *excess*, if payment is not received within 30 days after we have requested payment of same.

3.4 Cross liability

Where the *insured* comprises more than one legal entity, the word 'you' shall be considered as applying to each entity as if that entity were the only entity named as you. We waive all rights of subrogation or action which we may have acquired against any such entities. The Limits of Liability stated elsewhere in this policy are not affected or increased as a consequence of this condition.

3.5 Declaration of vehicles

At the end of each *period of insurance*, depending upon the Basis of Adjustment set out in the policy *schedule*, you must declare to us in writing the total number of *vehicles* or current *market value / agreed value / sum insured value* of all *vehicles* (as the case may be) at risk, at such expiry date.

Upon receipt of this Declaration, we shall make a premium adjustment of 50% of the annual premium or rate per *vehicle* (as the case may be), applied to the difference in the number of *vehicles* or their value (as the case may be) at inception of this *period of insurance* and the number or value (as the case may be) at the end of the *period of insurance*, as set out in your Declaration.

3.6 Fraud

We will not pay any claim if any fraudulent means or devices have been used by you, or anyone acting on your behalf, to obtain a benefit under this policy.

3.7 Other insurance

If you are entitled to indemnity under any other insurance policy, you must advise us of the particulars of that other insurance policy when making a claim.

3.8 Payments in respect of Goods and Services Tax

When we make a payment to you, or on your behalf, under this policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth), in relation to that acquisition, whether or not that acquisition is actually made.

When we make a payment to you, or on your behalf, under this policy as compensation instead of payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) had the payment been applied to acquire such goods, services or supply.

3.9 Proper law and jurisdiction

The construction, interpretation and meaning of the provisions of this policy will be determined in accordance with the laws of the State or Territory of Australia in which the policy was issued.

Where there is any dispute arising under this policy, including but not limited to its construction, interpretation, validity or performance, the parties to the policy submit to the exclusive jurisdiction of the courts of Australia.

3.10 Reference to any statute

A reference to any statute, regulation or subordinate legislation in this policy includes any amendment, replacement, successor or subsequently enacted equivalent statute, regulation or subordinate legislation.

3.11 Reasonable care

You must exercise all reasonable care, precautions and use all due diligence to prevent loss or damage to the insured *vehicles* and prevent any liability, and comply with all statutory obligations and by-laws or regulations imposed by any *regulatory authority* for the safety of the *vehicles* and for the carriage of passengers, goods or merchandise.

We may decline cover where you or the driver recognises a danger and deliberately courts the danger by taking measures which you or the driver know, or should know, acting reasonably, are inadequate to avert the danger; similarly where you or your driver recognise or are aware that a danger exists, and use or operate the vehicle with disregard to whether or not the danger is averted.

3.12 Salvage

If your *vehicle* becomes a *total loss* and we pay you according to the cover provided by this policy, your cover for that *vehicle* comes to an end and the *vehicle* will become our property.

Where there is a *total loss* you must transfer the title and interests of your *vehicle* to us and we shall be entitled to dispose of the remains. We shall de-identify your *vehicle* before the damaged *vehicle* is sold or otherwise disposed of. We will retain the proceeds of the disposal of the salvage. In States or Territories where we are entitled to do so, we will also retain any proceeds from any registration and compulsory third party insurance.

If we do not take possession of your damaged *vehicle*, you cannot abandon your responsibilities for the *vehicle*. After a declared *total loss* there will be no refund of the premium for that *vehicle*.

3.13 Sanctions regulation

Notwithstanding any other terms or conditions under this policy, we shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to you or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of yours which would violate any applicable trade or economic sanctions, law or regulation.

3.14 Vehicle alterations

If the suspension, wheels or engine of a *vehicle* are altered to increase performance, then all cover under this policy will be cancelled with respect to that *vehicle*, unless:

- 3.14.1 we have previously agreed to such alteration;
- 3.14.2 you have paid any additional premium we require;
- 3.14.3 you have authorised such *vehicle* alterations to meet specific operational requirements; and
- 3.14.4 you have agreed to accept any alteration or addition to the terms and conditions of this policy.

Section 1 – Own Damage

1. Cover

If during the *period of insurance*, an *event* occurs to your *vehicle*, then we will pay in accordance with the following *Basis of Settlement*.

2. Cover For Others

We will provide cover to any party who has an insurable interest in any *vehicle* insured by this policy by way of mortgage, lease, hire purchase or any other encumbrance over an insured *vehicle*.

3. Basis of Settlement

3.1 Repair

When your *vehicle* is damaged and is not a *total loss* we will pay for the reasonable cost of repairs to your *vehicle*.

3.2 Total Loss

3.2.1 Market value / Sum insured value

When your *vehicle* is stolen and not recovered, lost and not recovered, or damaged and is a *total loss*, then if *market value* or *sum insured value* is stated in the *schedule* as the *Basis of Settlement*, the maximum amount we will pay for your *vehicle* is:

- (a) where you have not specified a *sum insured value*, the *market value*; or
- (b) where you have specified a *sum insured value*, the lesser of:
 - (i) that value; or
 - (ii) the *market value*.

3.2.2 Agreed value

When your *vehicle* is stolen and not recovered, lost and not recovered, or damaged and is a *total loss*, then if *agreed value* is stated in the *schedule* as the *Basis of Settlement*, the maximum amount we will pay for your *vehicle* is the *agreed value*.

4. Limits of Cover

Following loss or damage to the *vehicle*, the maximum amount we will pay under this Section for your *vehicle* is:

4.1 if *market value* or *sum insured value* is stated in the *schedule* as the Basis of Settlement:

- (a) the cost of repairs to your *vehicle*;
- (b) the *market value* of your *vehicle* at the time of loss; or
- (c) the *sum insured value* stated in the *schedule*,

whichever is the least; or

4.2 if *agreed value* is stated in the *schedule* as the Basis of Settlement:

- (a) the cost of repairs to your *vehicle*; or
- (b) the *agreed value* of your *vehicle*,

whichever is the lesser.

The most we will pay for any one *event* for loss or damage to all your *vehicles* is \$15,000,000, which is inclusive of the following Additional Covers – Section 1.

5. Additional Covers – Section 1

All Additional Covers are subject to the applicable *excess* for each *vehicle* at the time of the loss or damage.

When Additional Cover 5.14 'New vehicle replacement' and Additional Cover 5.22 'Total loss of encumbered vehicles' both become operative in a claim, the maximum amount we will pay for your *vehicle* will be the greater benefit of either Additional Cover, and shall not be deemed cumulative.

5.1 Disability modifications

Should your driver suffer injuries as a result of an *event* involving your *vehicle* and such injuries render your driver with a permanent disability that necessitates vehicle modifications to your *vehicle* or your driver's private vehicle, the policy extends to pay up to \$10,000 per *event* for costs associated with effecting such modifications.

5.2 Emergency mitigation costs

In the case of an emergency, we give you the authority to arrange on our behalf, and at a reasonable and necessary cost, the following:

- 5.2.1 repair or replacement of your *vehicle's* windscreen and/or windows; or
- 5.2.2 the towing of your *vehicle* to the nearest repairer or place of safety, or to any other place already approved by us.

5.3 Employee's personal property

If your *vehicle* suffers loss or damage, we will pay for any uninsured personal property of your employees as a result of loss or damage to that property:

- 5.3.1 damaged in an *event* involving your *vehicle*;
 - 5.3.2 if stolen from your *vehicle* if locked;
 - 5.3.3 if stolen at the same time as your *vehicle*,
- up to the maximum amount of \$5,000 per *event*; and
- 5.3.4 including your employee's trailer whilst attached and damaged in an *event* involving your *vehicle*,

up to the maximum amount of \$1,000 per *event*.

Any payment will be subject to due allowance for depreciation, age and wear and tear. However this Additional Cover will not cover cash, negotiable instruments, jewellery, computers, laptops and personal navigation equipment belonging to your employees.

5.4 Employees' vehicles

Your policy is extended to cover loss of, or damage to, *vehicles* belonging to your employee, their spouse or de facto partner or a volunteer *vehicle*, whilst such *vehicles* are being used in connection with your *business*, with your prior consent.

However:

- 5.4.1 the maximum we will pay under Section 1 – Cover for Loss or damage to your employee's *vehicle*, is the *market value* of the *vehicle* or up to a maximum value of \$100,000 for any one loss, any one *event*; and
- 5.4.2 as far as allowed by law, this Additional Cover will only provide cover in excess of any amount for which your employee is otherwise insured.

5.5 Expediting expenses

If loss or damage to your *vehicle* occurs, we will pay you for the reasonable additional costs necessary to effect immediate temporary repairs, or to expedite permanent repairs of the damage to the *vehicle*.

However we will only be liable for costs per *event* of up to 50% of the normal repair costs or \$10,000, whichever is the lesser.

5.6 Family expenses when your driver is hospitalised

Should your driver sustain personal injury requiring hospitalisation as a result of an *event* involving your *vehicle*, we will pay you the reasonable costs for transport, accommodation, meals and related expenses (within Australia only) incurred by you or your injured driver's *immediate family* to attend the hospital, up to a maximum amount of \$10,000 per *event*, and \$25,000 any *period of insurance*.

However this Additional Cover will only provide cover when:

- 5.6.1 the loss or damage was covered under this policy;
- 5.6.2 the *vehicle* was being used in connection with your *business*; and
- 5.6.3 your driver is hospitalised more than 100 km from his or her primary place of residence.

5.7 First aid

If your *vehicle* suffers loss or damage, we will pay up to a maximum of \$5,000 per *event* to replace or restock any first aid kits or equipment in your *vehicle* damaged or used as a result of that *event*.

5.8 Funeral expenses

Should your driver suffer a fatal injury as a result of an *event* involving your *vehicle* (irrespective of whether or not death occurs at the time of the *event*), the policy extends to pay to the deceased driver's next of kin up to a maximum amount of \$25,000 per *event* for expenses associated with the funeral, for transportation of the body of the deceased person and for travel by any member of the deceased person's *immediate family* for the purpose of attending the funeral.

5.9 Hire of vehicle following theft

Where your *vehicle* has been stolen, we will arrange hire of, pay the cost of, or reimburse you the reasonable cost of, the hire of a *vehicle*:

- 5.9.1 up to \$200 per day to hire a sedan, station wagon, 4WD, utility, or Other Goods Carrying Vehicle with a *payload* carrying capacity no greater than two tonnes; and
- 5.9.2 up to \$500 per day for all other hire *vehicles*,

subject to a maximum amount of \$10,000 per *event*, per *vehicle*; and on the basis that:

- (a) the payment / reimbursement is limited to costs incurred by you after you have notified us of the loss; and
- (b) the substitute *vehicle* is of a similar like and kind to that stolen; and
 - (i) the payment / reimbursement will cease on the day the stolen *vehicle* is recovered or is found, but is not driveable; or
 - (ii) the day we offer settlement to you for the stolen *vehicle*,whichever occurs first.

5.10 Journey disruption

Following loss or damage to your *vehicle*, we will pay you the reasonable and necessary costs of:

- 5.10.1 returning your driver and their non-paying passengers to the point of departure or, at your option, to the driver's destination;
- 5.10.2 overnight accommodation for your driver and their non-paying passengers if the journey cannot be completed in the same day as the loss or damage occurs; or
- 5.10.3 hiring another vehicle of similar make and model to complete the journey for delivery of freight, or to return your driver and their non-paying passengers to where the journey first commenced, up to a maximum amount of \$5,000 per *event*, provided:
 - (a) the loss or damage was covered under this policy;
 - (b) the *vehicle* was being used in connection with your *business*; and
 - (c) your *vehicle* was more than 100 km from its usual place of garaging.

5.11 Locks / keys

If the keys to your *vehicle* are lost, stolen, destroyed or damaged, or if there are reasonable grounds to believe that the keys may have been duplicated, we will reimburse the costs of replacing the key ignition barrel, all locks and keys if required, up to a maximum amount of \$10,000 per *vehicle* / \$50,000 per *event*.

Nil excess will apply if no other loss or damage has occurred to your *vehicle*.

5.12 Medical and related expenses

We will refund you for all reasonable expenses up to a maximum of \$1,000 for any one *event*, which you or your driver has paid for medical (outside of Medicare), dental, hospital, chemist or ambulance expenses in connection with personal injury sustained to any person travelling in your *vehicle* at the time of the *event*, which is covered under this policy.

This Additional Cover will not apply:

- 5.12.1 if the person injured is entitled to recover such expenses under any workers' compensation law, statutory scheme or from any other source; or
- 5.12.2 of a sum prohibited to be paid by law, including any costs prohibited under the Health Insurance Act 1973 (Cth) or the Private Health Insurance Act 2007 (Cth).

5.13 New vehicle replacement

5.13.1 Sedans, station wagons, 4WDs, utilities or Other Goods Carrying Vehicles

Where your *vehicle* is stolen and not recovered, lost and not recovered or damaged and is a *total loss*:

- (a) Vehicles less than two years old:
 - where your *vehicle* is a sedan, station wagon, 4WD, utility, mini-bus or Other Goods Carrying Vehicle including a van, rigid body truck, rigid body tipper, table-top truck or prime mover including attaching articulated trailer, that is less than two years old from the date of its first registration, at the time it first suffers loss or *damage*, we will replace it with a new *vehicle* of the same make, model and series (or if unavailable a *vehicle* of similar make and model) and shall include registration fees, delivery charges and stamp duty, subject to 5.13.1(c) below;
- (b) Vehicles from two to less than three years old:
 - where your *vehicle* is a sedan, station wagon, 4WD, utility, mini-bus or goods carrying vehicle including a van, rigid body truck, rigid body tipper, table-top truck or prime mover including attaching articulated trailer:
 - (i) that is two or more years old and less than three years old, from the date of its first registration, at the time it first suffers loss or damage; and
 - (ii) you are the first registered owner of the *vehicle* or you purchased your *vehicle* as a demonstration model from a licensed motor dealer who was the *vehicle's* first registered owner,

we will replace it with a new *vehicle* of the same make, model and series (or if unavailable an alternate vehicle of similar make and model) including registration fees, delivery charges and stamp duty, subject to 5.13.1(c) below.

To qualify for this Additional Cover 5.13.1(b) you must have insured your *vehicle* with us within two years of the date of its first registration and you must have maintained that insurance with us continuously from that time until the time of the loss or damage.

- (c) Deleted, superseded, run-out and demonstration models, where:
- (i) your *vehicle's* model has been deleted from a manufacturer's range;
 - (ii) your *vehicle's* model is superseded by a vehicle that significantly different to your *vehicle*; or
 - (iii) your *vehicle* was bought as an end of series, run-out or demonstration model,
- then under 5.13.1(a) or 5.13.1(b) above we will pay the actual purchase price that you paid for your *vehicle* including any registration fees, delivery charges and stamp duty as though these items were included in the purchase price.

5.13.2 Other Vehicles

If your *vehicle* is:

- (a) a *vehicle* not referred to in 5.13.1(a) or (b) above, including, but not limited to a tanker, refrigerated tanker, vacuum or sweeping application vehicle, garbage compactor, concrete agitator, concrete pumping truck or trailer, plant and equipment or any other specialised rigid body type vehicle and it is less than one year old from the date of its first registration or, if not registerable, from the date of first purchase after new manufacture, at the time it first suffers loss or damage; and
- (b) it is stolen and not recovered, lost and not recovered, or damaged and is a *total loss*, we will pay you the:
 - (i) replacement cost including any registration fees, delivery charges and stamp duty;
 - (ii) amount you have specified as the *sum insured value* plus 20%; or
 - (iii) current *market value*, plus 20%, where you have not specified a *sum insured value*, whichever is the lesser.

However the maximum amount we will pay under this Additional Cover will not exceed \$1,000,000 for any one *vehicle*.

5.14 Re-delivery following theft

If your *vehicle* suffers no loss or damage following theft, we will pay you the reasonable cost of returning your *vehicle* to your usual place of garaging when the *vehicle* has been recovered following its theft, up to a maximum amount of \$50,000 per *event*.

5.15 Removal and delivery expenses

If your *vehicle* suffers loss or damage, we will pay the reasonable costs necessarily incurred by you in removing your *vehicle* (excluding any debris or load) and, where applicable, relocating your *vehicle* to the nearest repairer which we have approved and/or delivering your *vehicle* to you at your usual place of garaging after its repair or recovery, up to a maximum amount of \$100,000 per *event*.

5.16 Removal of debris / load

We will pay you for reasonable costs necessarily incurred for the clean-up and removal of your *vehicle's* debris and your *vehicle's* load arising from an *event* or resulting from goods falling or leaking from your *vehicle*, up to a maximum amount of \$100,000 per *event*.

However this Additional Cover will only provide cover for any amount in excess of which your *vehicle's* load is otherwise insured.

5.17 Retrieval costs

Where your *vehicle* becomes unintentionally immobilised in any situation, other than as a result of mechanical, electrical, electronic failure, impact or *event* related damage, we will pay you for the necessarily incurred costs of recovery and/or retrieval of your *vehicle*.

However:

- 5.17.1 our liability in respect of such cost will not exceed \$50,000 during the *period of insurance*; or
- 5.17.2 where you provide your own equipment, for the purpose of recovery, settlement shall be at cost, without allowance for profit.

Nil excess will apply if no other loss or damage has occurred to your *vehicle*.

5.18 Rewards

If your *vehicle* is stolen and is covered under Section 1 – Cover for Loss or Damage to your Vehicle, this Extension covers any reward offered, with our prior approval (which approval shall not be unreasonably withheld or delayed), to secure the return of the *vehicle*.

Our total liability will not exceed \$10,000 for all rewards offered for any *event*.

5.19 Signwriting

We will pay for the reasonable replacement cost of any signwriting or artwork (including advertising signs), affixed to the *vehicle*, at the time of loss or damage.

5.20 Substitute vehicles

We will cover any substitute *vehicle*, being used as a result of loss or damage to your *vehicle* covered under Section 1 – Cover for Loss or Damage to your Vehicle, where you are liable to insure the substitute *vehicle*.

However the cover only applies until your *vehicle* is repaired or where we make a final offer of settlement in respect of your *vehicle*.

5.21 Total loss of encumbered vehicles

If:

- 5.21.1 your *vehicle* is stolen and not recovered, lost and not recovered, or damaged and is a *total loss*; and
- 5.21.2 your *vehicle* is the subject of a lease agreement or other similar agreement; and
- 5.21.3 the terms of the lease agreement, or other similar agreement, require you to make a payment (the termination payment) to the other party to the lease agreement, or other similar agreement, in order to terminate that agreement; and
- 5.21.4 the amount of the termination payment is greater than the amount we will pay you in respect of your *vehicle*, calculated in accordance with the *Basis of Settlement*,

then we will pay you or any other party whom you direct us to pay, the difference between the amount of the termination payment, excluding any amounts in arrear at the time of the loss or damage, and the amount we will pay to you in respect of your *vehicle*, calculated in accordance with the *Basis of Settlement*.

The maximum amount we will pay under this Additional Cover is:

- (a) 25% of *market value*; or
- (c) 25% of *sum insured value / agreed value* (as applicable),

whichever is the lesser.

5.22 Two wheel trailers or box trailers

We will cover two wheel trailers or box trailers with a carrying capacity less than two tonne, which are owned by you, and are not included in your Declaration of Vehicles, only whilst attached to and damaged in an *event* involving your *vehicle*.

The maximum amount we will pay per *event* under this Additional Cover is:

- (i) the *market value* of the two wheel trailer or box trailer just before the actual physical damage, based on its age and condition at that time; or
- (ii) \$5,000,

whichever is the lesser.

However this Additional Cover will not provide cover for loss of or damage to any property in or on the trailer.

5.23 Tyre replacement

We will pay the reasonable cost of replacing a tyre with a new tyre of similar make and specifications to the tyre that is damaged, when a tyre is damaged and unable to be used again as the direct result of an *event* or a malicious act involving your vehicle which is covered under this policy.

This Additional Cover only applies when:

- 5.23.1 the condition of the damaged tyre's tread conforms with the *legislative requirement* at the time of damage; and
- 5.23.2 in the case of a tyre, it was not a recapped or retread tyre.

5.24 Windscreen

We will pay you for loss or damage to the windscreen or windows of your *vehicle* (including incidental scratching to bodywork from such loss or damage to the windscreen or windows).

Nil excess will apply if no other loss or damage has occurred and only if your *vehicle* is a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicle no greater than 3.5 tonnes *payload* carrying capacity.

6. Special Terms and Conditions – Section 1

6.1 Maritime contribution

We will pay amounts for which you are held legally responsible to contribute in respect of your *vehicle*, for expenses and salvage costs incurred by a shipowner, where necessary for the safety of cargo and ship, provided:

- 6.1.1 such conditions under maritime law apply; and
- 6.1.2 the ship is sailing between places within the *territorial limits* of this policy.

7. Exclusions – Section 1

We will not pay:

7.1 Lawful seizure

for loss or damage to your *vehicle* caused by lawful seizure, confiscation or acquisition.

7.2 Loss of use

for any consequential loss, inconvenience or other detriment of any kind, resulting from loss or damage to your *vehicle*.

7.3 Obsolete parts

any amount greater than the manufacturer's latest list price for the supply of any part that is not available locally.

7.4 Repossession

for loss or damage to your *vehicle* caused by any person lawfully repossessing or attempting to lawfully repossess your *vehicle*, where your *vehicle* is used as security for a debt or financial accommodation or obligations.

7.5 Safeguarding your vehicle

for loss or damage to a *vehicle* where the *vehicle* has not been locked or secured after it has broken down or been damaged and a person has entered the *vehicle* and caused the loss or damage.

7.6 Theft by hirer

for theft or attempted theft of your *vehicle* by any hirer.

7.7 Tyres

for loss or damage to the tyres of your *vehicle* caused by the application of brakes or by road punctures, cuts, blow-outs or bursting.

7.8 Vehicle breakdown

for loss or damage to your *vehicle* or any resultant mechanical damage:

7.8.1 due to failure or breakdown of a structural, electrical, mechanical or electronic element of the *vehicle*; or

7.8.2 to any part of your *vehicle*, due to faulty design or workmanship.

However we will cover loss or damage to your *vehicle*, if an event results from any such failure or in consequence of the faulty design or workmanship.

In addition to these Exclusions, please refer to the Exclusions applicable to All Sections, which are applicable to the whole policy.

Section 2 – Third Party Liability

1. Cover

If your *vehicle* is registered or licensed as required by any law relating to the use of motor vehicles on public roads (or if your *vehicle* is a towed *vehicle* for which registration or licensing is not required by any such law), we will pay the amount for which:

- 1.1 you;
 - 1.2 any person legally licensed to drive, or be in charge of your *vehicle*, with your permission;
 - 1.3 any person in or on, or getting in or on, or getting out of, or off your *vehicle* with your permission; or
 - 1.4 following the death of any person entitled to indemnity in 1.1 to 1.3 above, the legal representatives of that person,
- may be held legally liable to pay as compensation, resulting from an *event* occurring during the *period of insurance* and caused by or arising out of the use of your *vehicle*, for:
- (a) damage to property;
 - (b) the costs incurred as a result of fire, explosion, goods falling, leaking or spilling, in or on, or from your *vehicle*;
 - (c) the operation of loading and unloading your *vehicle*; and/or
 - (d) death or bodily injury.

2. Additional Covers – Section 2

The following Additional Covers are subject to the Limits of Liability for Section – 2, unless otherwise stated.

2.1 Employer or principal

We will pay the amount which:

- 2.1.1 your employer, principal or partner; or
- 2.1.2 the Commonwealth, State or Local Government,

becomes legally liable to pay as compensation caused by, or arising out of the temporary use of your *vehicle*.

2.2 First aid costs

In addition to the Limits of Liability, we will pay for expenses incurred by you for first aid to others, who suffered bodily injury as a result of an *event* involving your *vehicle*.

However, we will not pay any expenses that would result in us contravening the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or the National Health Act 1953 (Cth).

2.3 Legal costs and authorised expenses

When an *event* is covered under this Section, we will pay, in addition to the Limits of Liability, all legal costs and expenses incurred by you, with our consent (which consent shall not be unreasonably withheld or delayed), in settlement or defence of claims for compensation arising out of that accident. Furthermore, we will pay reasonable legal expenses incurred with our consent (which consent shall not be unreasonably withheld or delayed) for representation at any formal legal enquiry or at any Coroners inquest.

However if the Limits of Liability shown in the *schedule* are less than the total amount paid, or payable, to settle or dispose of all claims that arise out of an *event*, then we will only pay a corresponding proportion of the legal costs and expenses. Our proportion will be that proportion that the Limits of Liability represent to the total amount paid, or payable, to settle or dispose of all claims that arise out of the one *event*.

2.4 Movement of other vehicles

We will provide cover under this Section for loss or damage to property resulting from you moving another vehicle parked in a position which prevents or impedes the loading, unloading or legitimate passage of your *vehicle*.

2.5 Non-owned or supplied vehicles

We will pay the amount which you may be held legally liable to pay as compensation, resulting from an *event* occurring during the *period of insurance*, caused by, or arising out of the use of another *vehicle* not owned by you but used by you, or your employee, or some other person with your consent, in connection with your *business*.

However as far as is allowed by law, this Additional Cover will only provide cover for any amount in excess of the liability for which you are entitled to indemnity under any other insurance policy.

2.6 Non-owned trailers liability

We will pay the amount which you or any other person entitled to cover under this Section 2 – Third Party Liability may be held legally liable to pay for physical damage to any non-owned trailer whilst such trailer is in your lawful custody or control, and is being used by you in conjunction with your *business*.

However:

- 2.6.1 this Additional Cover only applies if the trailer is not owned, rented, hired or leased by you, and at the time of the *event*, the trailer is being towed or used in the course of your *business*; and
- 2.6.2 the cover provided does not extend to the contents of any non-owned trailer, nor clean-up costs associated with the contents of any non-owned trailer.

When cover is provided by this Additional Cover, Exclusion 4.7 in Section 2 of this policy 'Property in custody or control' does not apply.

The maximum amount we will pay per *event* under this Additional Cover is:

- (a) the *market value* of the trailer just before the actual physical damage, based on its age and condition at that time; or
- (b) \$150,000,

whichever is the lesser.

Any cover provided by this Additional Cover is subject to an additional excess of \$2,500 per non-owned trailer.

2.7 Uninsured motorist

If your *vehicle* is only insured for Section 2 – Third Party Liability, we will pay up to \$10,000 per *event*, less any applicable *excess* for damage to your *vehicle* caused in a collision with an uninsured vehicle, if the driver of the other vehicle was at fault and you provide details us with details identifying the driver of the other vehicle.

A vehicle is uninsured if neither the driver nor the owner of that vehicle had an insurance policy that would cover them for legal liability to pay compensation for property damage.

2.8 Vehicles under tow

We will provide cover under this Section for loss or damage caused whilst your *vehicle* is towing any disabled vehicle, provided the disabled vehicle is not being towed for reward or financial gain.

3. Limits of Liability – Section 2

Our total liability under this Section is \$35,000,000, unless otherwise shown in the *schedule*, for all claims arising from an *event*, unless your *vehicle* is being used for transportation of *dangerous goods* in which case our total liability under this Section is limited to \$1,000,000.

The limits of liability include all costs and expenses for all claims arising from the one event, or series of *events* resulting from the one original cause.

4. Exclusions – Section 2

We will not pay for:

4.1 Airside activities

any liability of whatsoever nature in connection with, directly or indirectly caused by or contributed to, by or arising from loss or damage from *airside activities*.

4.2 Asbestos

any liability of whatsoever nature in connection with, directly or indirectly caused by or contributed to, by or arising from asbestos or asbestos products or asbestos contained in any products.

4.3 Death / bodily injury

any liability for death or bodily injury:

- 4.3.1 if you or any other person entitled to cover under this Section 2 – Third Party Liability, has been, or is entitled to be, partially or wholly indemnified by any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- 4.3.2 for any claim for which you or any other person entitled to cover under this Section 2 – Third Party Liability, would have been partially or wholly indemnified, but for your failure to insure or register your *vehicle* in accordance with a requirement of any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- 4.3.3 to you or any person in charge of your *vehicle*;
- 4.3.4 (a) to any person related to you; or
(b) any person related to the person in charge of your *vehicle*,
by way of birth, marriage or defacto relationship;
- 4.3.5 to any person with whom you ordinarily reside or who ordinarily resides with you;
- 4.3.6 to any employee, agent, contractor, or sub-contractor employed or engaged by any person entitled to indemnity under this policy;
- 4.3.7 to any person in or on, getting in or on, or getting out of, or off any bus, coach or caravan, whether registered or deemed to be registered;
- 4.3.8 arising out of, or in any way connected with a defect in your *vehicle* which causes loss of control of the *vehicle* whilst it is being operated or driven;
- 4.3.9 to any person injured by a Queensland or New South Wales registered trailer only, either whilst in tow and/or unattached;
- 4.3.10 to any person injured by a Northern Territory registered *vehicle*; or
- 4.3.11 where at the time of the *event*, you did not have in force a current general liability or public liability policy pertaining to the *business*.

4.4 Employer's liability

any liability for death or bodily injury to any person:

- 4.4.1 caused by or arising out of the employment of the person by you; or
- 4.4.2 in your service that arises from any liability imposed by:
 - (a) any workers compensation legislation; or
 - (b) industrial award, agreement or determination.

4.5 Fines / penalties

finest, penalties, and aggravated, exemplary, punitive damages or liquidated damages.

4.6 Pollution

- 4.6.1 liability for death or bodily injury or property damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of *pollutants* or contaminated substances into or upon any property, land, the atmosphere or any watercourse or body of water (including ground water);
- 4.6.2 liability for death or bodily injury or property damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of *pollutants* or contaminated substances caused by any product that has been discarded, dumped, abandoned or thrown away by others;
- 4.6.3 the cost of removing, nullifying or cleaning up *pollutants* or contaminated substances; or
- 4.6.4 the cost of preventing the escape of *pollutants* or contaminated substances.

This Exclusion shall not apply where loss or damage arises from a sudden identifiable *event* that is unintended and unexpected by you, and this *event* takes place in its entirety at a specific time and place during the *period of insurance*.

4.7 Property in custody or control

- 4.7.1 damage to property that is owned by you;
- 4.7.2 damage to property which is in your physical or legal control; or
- 4.7.3 any liability for loss of use arising out of or from the loss or damage to any property in your physical or legal control.

For the purpose of this Exclusion only:

- (a) employees' or visitors' vehicles whilst contained within your car park or premises;
- (b) premises leased or rented to you; or
- (c) *vehicles* referred to in Additional Covers – Section 2, 2.4 'Movement of other vehicles' and 2.6 'Non-owned trailers liability',

are not deemed to be in your physical or legal control.

4.8 Tool of trade

any liability whilst the *vehicle* is being used as a *tool of trade*.

This Exclusion will not apply whilst your *vehicle* is in transit or whilst being used for transport or haulage.

4.9 Unregistered vehicles

any liability arising out of the use of any unregistered *vehicle*.

We will, however, cover your liability in respect of the unregistered *vehicle* in a place that requires registration, provided you have complied with the appropriate *legislative requirements* and obtained necessary permits to operate the unregistered *vehicle* in places that require registration.

In addition to these Exclusions, please refer to the Exclusions applicable to All Sections, which are applicable to the whole policy.

Section 3 – Additional cover applicable to All Sections

1. Additional Covers – Section 3

1.1 Acquired companies / firms

This policy will provide cover, in respect of the *vehicles* of any subsidiary company or firm or business purchased, formed or acquired by, or in your name, during the *period of insurance*, if you hold a controlling interest in the subsidiary company, firm or business so purchased, formed or acquired, as follows:

- 1.1.1 if you advise us of your interest in the subsidiary company, firm or business within 30 days of the purchase, formation or acquisition, we will hold you covered in respect of those *vehicles* for a period of 45 days from the date of such purchase, formation or acquisition; and
- 1.1.2 if, within 45 days of such purchase, formation or acquisition, you also provide us with a *schedule* of the additional *vehicles* to be insured and details of their prior claims history, we will extend the hold covered period until 60 days from the date of such purchase, formation or acquisition; subject to:
- 1.1.3 you paying the premium we assess as applicable for the hold-covered period.

No cover is provided for such *vehicles* beyond the hold covered period(s), unless you agree to any further terms specified by us, and pay any additional premium applicable beyond the hold-covered period(s).

1.2 Automatic additions to your fleet of vehicles

We will pay for loss or damage or any liability incurred by you that relates to newly acquired *vehicles*, purchased, leased, borrowed or hired by you (and for which you are legally liable) during the *period of insurance*, provided that:

- 1.2.1 the *vehicle* is of a like and similar kind to those currently insured under this policy;
- 1.2.2 the basic excess payable on the newly acquired or hired *vehicles* shall be the same as the basic excess payable for other like and similar kind of *vehicles* currently insured by the policy;
- 1.2.3 the Limit of Cover (which applies under Section 1) does not exceed \$500,000 for each newly acquired or hired *vehicle* (unless we have otherwise agreed in writing); and
- 1.2.4 the premium for the newly acquired or hired *vehicles*, which shall be calculated in accordance with the Declaration of Vehicles clause in the Conditions applicable to All Sections, has been paid.

However any *vehicle* acquired by virtue of the purchase or other acquisition of, or the formation of any company or firm or business (including the purchase or acquisition of the business of any sole trader or sub-contractor) or any *vehicles* acquired or hired by you from any of your sub-contractors, will not be treated as newly acquired *vehicles* purchased or hired by you, as required by this Additional Cover – Automatic additions to your fleet of *vehicles*.

1.3 Breach of conditions

We agree that a breach or an act of non-compliance by one party insured by this policy, shall not prejudice the rights of any other party insured by the policy.

Provided that such other party was not aware of, and did not participate in such breach or non-compliance.

1.4 Claims preparation costs

We agree to pay reasonable costs incurred by you, with our consent (which consent shall not be unreasonably withheld or delayed), up to a maximum of \$20,000 in producing and certifying details relating to the 'Claims procedures', as a result of loss or damage involving your *vehicle*.

1.5 Cover for other owners

This policy extends to provide cover to:

- 1.5.1 an owner of any *vehicle* where you are a hirer or lessee of that *vehicle*; or
- 1.5.2 you where you are a hirer or lessee of any *vehicle* and not the owner of that *vehicle* where you are responsible or have assumed responsibility for that *vehicle* or in which you have an insurable interest, or which you are required to insure by the owner or the hirer/lessor, as the case may be.

It is an inherent requirement of cover under this section of cover that the *vehicles* are declared to us as requiring insurance before any *event* that gives rise to a claim in respect of that *vehicle*.

1.6 Crash scene / site management

This policy extends to cover you, up to a maximum of \$10,000 to pay reasonable costs and expenses incurred by you or on your behalf, with the coordination and/or management of the location of the *event*, as a result of loss or damage involving your *vehicle*.

1.7 Crisis coverage

This policy extends to cover you, up to a limit of \$75,000 to pay *public relations expenses*, with our consent (which consent shall not be unreasonably withheld or delayed), in respect of any claim made during the *period of insurance*.

When your *vehicle* is stolen and not recovered, this clause will have no application.

1.8 Currency and rates of exchange

The currency applicable to this policy shall be Australian dollars. When conversion from or to any other currency is required, the exchange rate applicable shall be:

- 1.8.1 in respect of claims, the market rate at the time of settlement;
- 1.8.2 in respect of premiums, the market rate at the time of payment by you; and
- 1.8.3 in respect of 'declared values', the market rate at the date on which such declarations are made.

However all payments are subject to the Limits of Liability of this policy.

1.9 Difference in excess / hired-in or rental vehicles

Where you hire in or rent a *vehicle* in connection with your *business* and the hire agreement deems the owner of the *vehicle* responsible for insurance, your policy extends to cover any difference in the basic *excess* level between your policy and the *excess* level under the insurance coverage provided by the owner of the *vehicle*.

1.10 Errors and omissions

This insurance shall not be prejudiced by an unintentional or inadvertent omission, error or incorrect description in respect of any *vehicle* provided to us by you, provided notice is given to us as soon as practicable upon discovery of such error, omission or incorrect description, and you shall pay any additional premium required.

However, the cover provided by this Additional Cover will not exceed \$500,000 in total, during the *period of insurance*.

1.11 No fault excess after an accident

If the total excess applicable to your claim is:

- 1.11.1 \$5,000 or less; and
- 1.11.2 your basis of cover does not involve either an aggregate limit or under excess or self-insured claims handling agreement,

then you will not have to pay any excess towards a claim if:

- (a) you successfully identify the third party or driver of the other vehicle at fault and responsible for the *event* giving rise to the claim; and
- (b) the amount of your claim exceeds the applicable excess under the policy.

Where the third party or the driver of the other vehicle disputes who was at fault, the applicable excess will then become payable, but will be refunded if we are successful in establishing that the other driver or the third party was 100% at fault. The excess is payable if it is determined by a Court that the driver or third party was not 100% at fault.

1.12 Novated leases

This policy extends to cover employees, and *immediate family vehicles*, which are the subject of a novated lease or similar agreement, arranged under the auspices of and specifically agreed to by the *insured*.

1.13 Police, fire brigade and other regulatory authorities

This policy extends to cover you up to a limit of \$100,000 per *event* for all costs levied by the following authorities, as a result of loss or damage involving an insured *vehicle*, requiring or resulting in the attendance of any members of:

- 1.13.1 any police force at the accident site;
- 1.13.2 any fire brigade; or
- 1.13.3 any other *regulatory authority*.

1.14 Psychological counselling

This policy extends to cover you, up to a limit of \$20,000, for reasonable costs incurred by you for professional counselling for the driver of a *vehicle* involved in an *event* where you are liable for compensation as a consequence of the *event*. Where no loss or damage has occurred to your *vehicle* and there is no third party property damage claim involved, then nil excess will apply to this Additional Cover.

However, this Additional Cover does not cover any costs incurred that are covered by Medicare, any compensatory scheme or private health insurance, which we are not permitted by law to insure.

1.15 Registration of vehicles

The cover granted by this policy shall not be prejudiced where of the registration of the *vehicle* insured has been cancelled or suspended, as a consequence of traffic or parking default.

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