



COMMERCIAL LANDLORD INSURANCE

POLICY WORDING

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IMPORTANT INFORMATION

About Strata Unit Underwriting

Strata Unit Underwriting Agency Pty Ltd ABN 30 089 201 534 AFSL 246719, trading as Strata Unit Underwriters (SUU), is an insurance intermediary acting as an agent for Insurance Australia Limited ABN 1100 016 722 AFSL 227681, trading as CGU Insurance (CGU).

SUU has an authority from CGU, pursuant to a binder agreement, to arrange, enter into/bind and administer this Policy. This means that when issuing this Policy, SUU will be acting as an agent for CGU, not for You.

SUU's contact details are:

Level 14, 141 Walker Street
North Sydney NSW 2060
Telephone: 1300 668 066
Visit: www.suu.com.au

About the Insurer

Insurance Australia Limited ABN 11 000 016 722 AFSL 227681, trading as CGU Insurance is the insurer of the Policy.

CGU's contact details are:

Level 13, Tower Two, Darling Park
201 Sussex Street
Sydney NSW 2000
Telephone: 131 532
Visit: www.cgu.com.au

In the first instance, You should contact SUU in relation to this Policy.

Intermediary Remuneration

CGU pays remuneration to insurance intermediaries when We issue, renew or vary a policy the intermediary has arranged or referred to Us. The type and amount of remuneration varies and may include commission and other payments. If You require more information about remuneration, We may pay Your intermediary. You should ask Your intermediary.

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us of 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 of common knowledge;
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, we may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

General Insurance Code of Practice

We proudly support the General Insurance Code of Practice (Code). The purpose of the Code is to raise the standards of practice and service in the general insurance industry. The objectives of the Code are:

- to commit Us to high standards of 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 resolving complaints 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.

Our commitment to You

We have adopted and support the Code and are committed to complying with it. Please contact Us if you would like more information about the Code or the Code Governance Committee.

GST

The amount payable by You for the Policy includes an amount for GST.

The Sum Insured and all other limits applicable to the Policy are GST inclusive.

When We pay a claim, Your GST status will determine the amount We pay.

If You are:

- not registered for GST, the amount We pay is the Sum Insured or the other limits applicable to the Policy being inclusive of GST.
- registered for GST, We will pay the Sum Insured or the other limits applicable to the Policy less any Input Tax Credit (ITC) to which You are entitled or would be entitled if You made a relevant Acquisition. This ITC may be claimable within Your Business Activity Statement (BAS).

You must advise Us of Your correct Australian Business Number and Taxable Percentage. Any GST liability arising from Your incorrect advice is payable by You.

Where the settlement of a claim is less than the Sum Insured or the other limits applicable to the Policy We will only pay the GST (less Your ITC credit) applicable to the settlement. This means that if these amounts are not sufficient to cover the claim, We will only pay the GST relating to Our settlement of the claim. We will pay the claim by reference to the GST exclusive amount of any supply made by any business of Yours which is relevant to the claim.

GST, ITC, BAS and Acquisition all have the same meaning as given to those words or expressions in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and related or similar legislation, including any amendments to, delegated legislation thereof, or successor legislation (as applicable).

Taxable Percentage is Your entitlement to an Input Tax Credit on Your premium as a percentage of the total GST on that premium.

Complaints and Disputes Resolution Process

We will always do Our best to provide You the highest level of service but if You are not happy or have a complaint or dispute, here is what You can do.

If You experience a problem or are not satisfied with Our products, Our services or a decision We have made, let Us know so We can help.

Call Us on 1300 668 066 or go to Our website for more information: SUU.com.au.

We will try to resolve complaints at first contact or shortly thereafter.

If We are not able to resolve Your complaint when you contact Us or You would prefer not to contact the people who provided Your initial service, Our Customer Relations team can assist:

Free Call: 1800 045 517

Email: Customer.Relations@iag.com.au

Customer Relations will contact You if they require additional information or have reached a decision. Customer Relations will advise You of the progress of Your complaint and the timeframe for a decision in relation to Your complaint.

We expect Our procedures will deal fairly and promptly with Your complaint. If You are unhappy with the decision made by Customer Relations You may wish to seek an external review, such as referring the issue to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to customers. AFCA has authority to hear certain complaints. AFCA will confirm if they can assist You:

Free Call: 1800 931 678

Email: info@afca.org.au

Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

Visit: www.afca.org.au

Further information about Our complaint and dispute resolution process is available by contacting Us.

Privacy Statement

In this Privacy Statement the use of “We”, “Our” or “Us” means SUU and CGU unless specified otherwise.

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

We are committed to protecting the privacy of the personal information that You provide to Us.

The Privacy Act 1988 (Cth) contains the Australian Privacy Principles which require Us to tell You that We collect, handle, store and disclose Your personal and sensitive information for the specific purpose of:

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

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

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

Sensitive information includes, amongst other things, information about an individual’s racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates. You have given Us Your consent to collect, use and disclose Your personal information in order to provide You with the relevant services and/or products.

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

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

We disclose personal information to other parties and service providers whom We believe are necessary to assist Us and them in providing the relevant services and/or products. For example, in handling claims, We may have to disclose Your personal information to other parties and service providers such as Our claim management partner, other insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law. We will limit the use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it.

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

If You do not provide the personal information requested and/or do not provide Us with Your consent to the use and disclosure of Your personal information as set out in this Privacy Statement, Your insurance application may not be accepted, or We may not be able to administer Your Policy, or You may be in breach of Your duty of disclosure, the consequences of which are set out under the heading Duty of Disclosure in this document.

We will notify You as soon as possible if Your personal information is involved in a data breach that is likely to result in serious harm to You.

If You would like a copy of Our Privacy Policies, would like to seek access to or correct Your personal information, opt out of receiving materials We send, complain about a breach of Your privacy or You have any query on how Your personal information is collected, stored or used, or any other query relating to Our handling of Your personal information, please contact Us. Our contact details are provided under the 'About Strata Unit Underwriting' and 'About the Insurer' sections above. You can view a copy of Our Privacy Policy on Our website at www.suu.com.au. You can also access CGU's Privacy Policy on the website at www.CGU.com.au/privacy.

Excess

If You make a claim under the Policy, You may have to contribute some money towards the cost of the claim. This is known as an Excess. We will tell You if You need to pay an Excess when You make a claim. The Schedule, Policy and endorsements will detail the Excesses that may be applicable to a claim.

Acceptance of Application

This insurance will not be in force until the completed Application has been received and the risk accepted by Us. We reserve the right to decline any Application.

Under Insurance/Average

Some sections of this Policy include an "Average" clause.

This means that if You underinsure, You may not receive full compensation in the event of a loss occurring. The "Average" clause puts You in a position where You may be required to bear a proportion of the loss yourself.

Alterations to Your Business

To ensure continued cover under this Policy, it is important that You advise Us as soon as reasonably possible of any changes to Your Business, that may result in an increased chance of Damage to property insured or liability to third parties. Some examples of changes You should notify Us of are:

- a. changes in Your name or directors or partners;
- b. changes to the address or location of Your Business;
- c. changes in the nature of Your Business or trade or occupation;
- d. alterations in construction of the premises;
- e. new business products not previously disclosed to Us.

If You do not provide such notification before the happening of an occurrence giving rise to a claim under this Policy then, subject to the Insurance Contracts Act 1984 (Cth), We may refuse to pay a claim, either in whole or in part. The course of action We take when You fail to provide such notification will be considered in each circumstance based on what impact or effect Your failure caused or contributed to the claim or Our decision to issue Your Policy.

When We receive notification of a change We may decide to either:

- a. continue cover with no change to the premium payable;
- b. reduce the premium payable and return any refund to You;
- c. charge You an additional premium (You can cancel Your Policy if You do not accept the additional premium); or
- d. cancel the Policy if permitted in accordance with the provisions of the Insurance Contracts Act 1984 (Cth) and return to You a proportion of the premium for the unexpired Period of Insurance.

It is important for You to know that We may need to make changes to this Policy if You notify Us of any changes that alter Our risk under this Policy. When there is a change, We will inform You.

Worker's Compensation

The insurances provided by this Policy do not include Workers' Compensation. It is compulsory for all employees to be insured for Workers' Compensation and separate cover should be arranged.

Calculating Your Premium

In order to calculate Your premium, We take various factors into consideration, including the level of cover requested and the property to be insured.

Factors that increase the risk to Us generally increase the premium (for example, high claims experience or higher sums insured) and factors that reduce the risk to Us generally reduce the premium (for example, low claims experience or lower sums insured).

Your premium, including any discounts You may be eligible for, are subject to minimum premiums. We consider the minimum amount We are prepared to sell the Policy for and may adjust Your premium to ensure it does not fall below the minimum amount. Any discounts will be applied to Your Policy, only to the extent any minimum premium is not reached. This means that any discount You may be eligible for may be reduced. When We determine Your premium on renewal, We may also limit any increases or decreases in Your premium by considering factors such as Your previous year's premium amount.

Your premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example stamp duty, GST and fire services levy). Where We are required to pay an estimated amount (for example, for fire services levies) based on criteria set by the State Governments, We allocate to the Policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year, but We will not adjust Your premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the premium payable, when it needs to be paid and how it can be paid. The premium payable by You for this Policy will be clearly set out in Your Schedule.

Our Agreement

The Policy wording, Schedule (which expression includes any Schedule substituted for the original Schedule) and endorsements (if any) are to be read together.

There are six different types of insurance cover available under this Policy, which are set out in Sections 1 to 6. The General Definitions, General Exclusions and the General Conditions of the Policy apply to all six types of cover. You are insured for those items, including Variations and Extensions, for which a Sum Insured is shown in the Schedule, or which are otherwise indicated in the Schedule as being operative. If the Schedule states that a Policy section is 'Not Insured', then that section is not included in this Policy.

In issuing this Policy, We have relied upon the information provided by the Insured and/or contained in the Application and/or any other written statements made by the Insured or anyone acting on their behalf.

In return for You having paid or agreed to pay the premium to Us, then subject to the terms, conditions, exclusions and limitations contained in, or endorsed on or otherwise expressed in this Policy or the Schedule, We will insure You during the Period of Insurance, or any further period for which We may accept payment of the premium, and indemnify You in the manner and to the extent described in this Policy.

GENERAL DEFINITIONS

In this Policy the intended meaning of some of the important words are shown below. These defined terms will apply to all sections of the Policy and are distinguished by a capital letter. Other words may be defined in an endorsement or within each section that form part of this Policy. If there is a definition in Policy section or any endorsement, it will override the definitions set out below.

Application means the form(s) completed by You giving answers, particulars, and statements in respect of the insured required by You.

Business means Your activities as a commercial property landlord for the property insured at the Situation.

Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas between organisms; and
3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, Electronic Data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

To the extent that Damage to property insured under the Policy and any Time Element Loss directly resulting therefrom is directly occasioned by theft, burglary or forcible entry involving the use or operation of any Computer System to facilitate any physical entry or exit, such use or operation shall not be considered a Cyber Act.

Cyber Incident means:

1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Electronic Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

Damage (with “Damaged” having a corresponding meaning) means physical loss, damage or destruction.

Data Processing Media means any property insured by this Policy on which Electronic Data can be stored but not the Electronic Data itself.

Excess means the ‘Excess’ shown in the Schedule, this Policy, or any endorsement to this Policy (if any) which any loss or claim must exceed before We will be liable under this Policy and which We will not be liable to pay in respect of each claim.

Where an Excess is expressed as:

1. a specified sum — it means the amount specified;
2. a percentage — it means the monetary equivalent of such percentage;
3. a specified time — it means the monetary amount accruing during the period specified, provided that:
 1. where a claim is made in respect of more than one occurrence, the Excess will apply as though a claim was made for each individual occurrence;
 2. where a claim or series of claims, that result from one original source or cause, are made in respect of Sections 1 – Property Cover or Section 2 – Loss of Rent the Excess applicable shall not be aggregated and the highest single level of Excess only shall apply.

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

1. a lake (whether or not it has been altered or modified);
2. a river (whether or not it has been altered or modified);
3. a creek (whether or not it has been altered or modified);
4. another natural watercourse (whether or not altered or modified);
5. a reservoir;
6. a canal;
7. a dam.

Human Infectious or Contagious Disease means:

1. influenza but not Highly Pathogenic Avian Influenza in humans or human influenza with pandemic potential; or
2. viral gastroenteritis, norovirus and rotavirus; or
3. legionnaires’ disease (legionellosis).

Indemnity Value means the cost to reinstate, replace or repair the property insured under the Policy to a condition substantially the same as but not better or more extensive than its condition at the time of the Damage, taking into consideration, age, condition and remaining useful life.

Period of Insurance means the 'Period of Insurance' shown in the Schedule.

Policy means this document, Your most current Schedule, endorsements, special terms, conditions or alterations advised by Us in writing.

Schedule means the schedule to this Policy.

Situation means the 'Situation' shown in the Schedule.

Sum Insured means the amount shown in the Schedule for the relevant Policy section or specific benefit.

Time Element Loss means business interruption, contingent business interruption or any other consequential losses insured under Your Policy.

Vehicle means any type of machine on wheels, on skis or on self-laid tracks, designed to be moved other than by manual or animal power, and any trailer or other attachment to be utilised in conjunction with or drawn by such machine.

Watercraft means any vessel, craft or thing designed to float on or in, or travel on or through, water.

We, Us, Our means Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance and Strata Unit Underwriting Agency Pty Ltd ABN 30 089 201 534 AFSL 246719, trading as Strata Unit Underwriters (SUU), acting as agent for CGU Insurance.

You, Your, Insured means the person(s) or entity named in the Schedule as the 'Insured'.

GENERAL CONDITIONS

1. Your Duty

The extent of Our liability is conditional upon:

a. Your Payment of the Premium

Your payment of the premium. We may not pay any claim until You have paid the premium. Otherwise, any outstanding premiums may be deducted from the amount We pay You.

b. Notification of Changes

notification as soon as reasonably possible by You to Us of any change materially varying any of the facts or circumstances existing at the commencement of this Policy or following any renewal of this Policy.

If You do not provide such notification before the happening of an occurrence giving rise to a claim under this Policy then, subject to the Insurance Contracts Act 1984 (Cth), We may refuse to pay a claim, either in whole or in part. The course of action We take when You fail to provide such notification will be considered in each circumstance based on what impact or effect Your failure caused or contributed to the claim or Our decision to issue Your Policy.

c. Reasonable Precautions

You taking all reasonable precautions to prevent Damage to property or bodily injury and complying and taking reasonable steps ensure that Your employees, servants and agents comply with all relevant statutory obligations and bylaws or regulations imposed by any public authority for the safety of property or person.

d. Observance of Policy Terms

the observance of the terms of the Policy by You and by any other person entitled to indemnity under this Policy. The course of action We take when You fail to follow a condition will be considered in each circumstance based on what impact or effect Your failure to comply caused or contributed to the claim or Our decision to issue Your Policy.

2. Transfer of Interest

No interest in this Policy can be transferred without Our written consent.

3. Our Rights of Conduct and Recovery

Subject to the provisions of the Insurance Contracts Act 1984 (Cth), We have the right to recover or obtain contribution from any person against whom You may be able to claim and the right to take action in Your name. We shall have full discretion in the conduct, defence or settlement of any claim. We will act reasonably in exercising Our discretion.

You and any other person entitled to benefit under this Policy must not unreasonably hinder these rights and must give all such information and co-operation as We may reasonably require. We will only request information relevant to handling Your claim and will explain why the information and co-operation is required. We will keep You reasonably informed and updated with the progress of proceedings.

4. Adjustment of Premium

If the first or renewal premium for the Policy or any section or part thereof is calculated on estimates furnished by You, for example, a change in gross rentals, then You will keep an accurate record containing all particulars relative thereto and will allow Us to inspect such record at a reasonable time and place. You must, as soon as reasonably possible after the expiry of each Period of Insurance, furnish to Us such particulars and information as We may require and the premium for such period will then be adjusted and any difference paid by or allowed to You as the case may be, subject to receipt and retention of the minimum premium charged by Us. We will only request information relevant to the adjustment of Your premium and will explain why the information is required.

Notwithstanding the termination or cancellation of the Policy You must furnish such particulars as We may require for the adjustment of the premium.

5. Jurisdiction

Any dispute arising from this Policy will be determined by Australian courts, and in accordance with the laws, of the state or territory of Australia in which the Policy was issued.

6. Cancellation

- a. Under section 60 of the Insurance Contracts Act 1984 (Cth), We may cancel this Policy or any section at any time by giving notice in writing to You of the date from which cancellation is to take effect, where You have:
 - i. failed to comply with Your duty of utmost good faith; or
 - ii. failed to comply with Your duty of disclosure at the time when this Policy or any section of the Policy was entered into, varied, altered or renewed; or
 - iii. made a misrepresentation to Us during the negotiations for this Policy, but before We agreed to issue this Policy; or
 - iv. failed to comply with a provision of the Policy; or
 - v. failed to pay the premium for this Policy; or
 - vi. made a fraudulent claim under this Policy, or any other contract of insurance (whether with Us or another insurer) that provided cover during any part of the Period of Insurance of this Policy; or
 - vii. failed to comply with a requirement in this Policy that You notify Us of an act or omission which occurred after this Policy was entered into; or
failed to notify Us of any specific act or omission or such a notification as is required under the terms of this insurance Policy.We may deliver such notice to You personally or by post at Your address last notified to Us.
- b. Under section 60 of the Insurance Contracts Act 1984(Cth), We may cancel this Policy at any time where:
 - i. it is in force by virtue of section 58 of the Insurance Contracts Act 1984 (Cth); or
 - ii. it is an interim contract of general insurance.
- c. You may cancel this Policy at any time by notifying Us in writing.
- d. After cancellation, We will refund the premium for the time remaining on the Policy, less any non-refundable duties.

7. Inspections

We (or agents appointed by Us) have the right to inspect and examine, by mutual appointment, any property insured at a reasonable time and place. Any such inspection will not amount to a representation as to the ownership, fitness for purpose, quality or safety of the property inspected.

8. Joint Insurance

A claim made by anyone of the people or entities named as the Insured in the Schedule is a claim made by all of the people or entities named as the Insured. Similarly, any statement, act or omission made by any person or entity named as the Insured in the Schedule is assumed to be made by all people or entities named as the Insured.

GENERAL EXCLUSIONS

We will not be liable for:

1. War

any loss, damage, destruction or liability directly or indirectly caused by, arising from or as a consequence of any war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.

2. Confiscation

any loss, damage, destruction or liability directly or indirectly caused by or arising from confiscation or nationalisation, or requisition or destruction of or damage to property by or under the orders of any government or public or local authority. However, We will pay for Damage which occurs as a result of such an order if it prevents or attempts to prevent fire or other damage covered by this Policy.

3. Nuclear and radiation

any Damage to property, personal injury, consequential loss, liability of any nature, directly or indirectly caused by, contributed to, by or arising from:

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste; or
- b. nuclear weapons or nuclear material.

4. Terrorism

any loss, damage, destruction, liability, cost or expense directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

- a. any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- b. any action taken to control, prevent, suppress, retaliate against, or respond to an Act of Terrorism.

However, this exclusion 3 will not apply to Section 3 – Theft and Section 4 – Glass.

5. Intentional Damage

any Damage intentionally caused or liability intentionally incurred by:

- a. You; or
- b. any person acting with Your express or implied consent.

6. Cyber and Electronic Data

any loss, Damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

- a. any Cyber Act, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act;

- b. any Cyber Incident, including but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Incident, unless any Damage to Property Insured (as defined by Section 1 – Property Cover) and any Time Element Loss are the direct result of a Cyber Incident, which has not been directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act, and such Damage is directly caused by the following perils if otherwise covered under the Policy:
 - i. theft, burglary or forcible entry;
 - ii. storm, windstorm, hail, tornado, cyclone, hurricane;
 - iii. fire, lightning or explosion;
 - iv. earthquake, volcanic eruption or tsunami;
 - v. Flood, freeze or weight of snow;
 - vi. aircraft impact or Vehicle impact or falling objects;
 - vii. water damage;
 - viii. a change in temperature affecting refrigerated goods; or
 - ix. machinery or electronic breakdown, including collapse or explosion of pressure equipment, or
- c. any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Electronic Data, including any amount pertaining to the value of such Electronic Data.

Provided however should Data Processing Media owned or operated by the Insured suffer Damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Electronic Data from back up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Electronic Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Electronic Data, the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

This exclusion does not apply to Section 5 – Broadform Liability.

7. Communicable Diseases

any actual or alleged loss, damage, liability, cost, expense or any other amounts of whatever nature directly or indirectly caused by, arising from, contributed to by, resulting from, or otherwise in connection with:

- a. disease;
- b. a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease;
- c. any Time Element Loss that is directly caused by any competent public authority closing or evacuating Your Property Insured (as defined by Section 1 – Property Cover) as a result of the outbreak and presence of any of the following human diseases at the Your Property Insured (as defined by Section 1 – Property Cover) to the extent that such Time Element Loss is covered under the Policy:

- i. any disease determined to be a 'listed human disease' under, or any disease in respect of which a 'biosecurity emergency' or 'human biosecurity emergency' is declared under, the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation;
 - ii. any disease determined by the World Health Organization to be a Public Health Emergency of International Concern (PHEIC);
 - iii. Highly Pathogenic Avian Influenza (HPAI) in humans; or
 - iv. Influenza with pandemic or epidemic potential; or
- d. any costs to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for such diseases, conditions or circumstances described in this exclusion.

Provided that this exclusion 7 will not apply to Damage to Your Property Insured (as defined by Section 1 – Property Cover) under Section 1 – Property Cover or loss and additional costs or expenses insured under Section 2 – Loss of Rent, as a consequence of Damage covered under Section 1 – Property Cover, caused by the following perils if covered under the Policy:

fire, lightning, thunderbolt, aircraft or other aerial devices or articles dropped therefrom, earthquake, tsunami, subterranean fire, volcanic eruption, storm, tempest, rainwater, snow, sleet, wind, hail, water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other systems, riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances, explosion, impact by Vehicles, animals or trees or branches of trees, communication masts, towers, antennae, satellite dishes, Watercraft, meteorites.

This exclusion does not apply to clause '4. Murder, Suicide or Disease' in the Additional Benefits of Section 2 – Loss of Rent but only in respect of any Human Infectious or Contagious Disease not otherwise excluded by sub-clauses c. i.- iv. (as it relates to any pandemic or epidemic above).

This exclusion does not apply to Section 5 – Broadform Liability.

8. Sanctions

any claim or provide any benefit, to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the Commonwealth of Australia, the United Kingdom or the United States of America.

CLAIMS PROCEDURE

General – All Sections

1. As soon as reasonably possible after the happening of any occurrence, accident or event which may give rise to a claim against Us, You or Your legal representative must:
 - a. advise details to Us and send written confirmation as soon as reasonably possible;
 - b. take all reasonable steps to minimise the loss, damage or liability and to prevent any further loss, damage, or liability. We will not be liable in respect of any further damage arising out of the continued use of damaged property, until such property is repaired to Our satisfaction;
 - c. use best endeavours to preserve any damaged or defective appliances, plant or things which might prove necessary or useful by way of evidence in connection with any claim and so far as possible, with due regard for safety, no alteration or repair shall be made without Our consent, other than essential emergency repairs;
 - d. retain all damaged property for inspection by Us, provided that it is reasonable and safe to do so;
 - e. advise the nearest police station in the case of property lost, stolen or vandalised, and obtain a written police report if requested by Us. Where the police are unable to assist You, please contact Us to discuss alternatives;
 - f. advise Us of any impending prosecution or inquest;
 - g. forward to Us every communication, writ or summons as soon as reasonably possible of receipt by You or service upon You.

NOTE: We may refuse to pay for legal expenses, or indemnify You, or may reduce the extent of indemnity We provide You, if You fail to notify Us as soon as reasonably possible of any letter, notice of claim, writ, summons, or process served upon You, and it adversely impacts claims settlement under this Policy.

2. Where a claim arises, You must not authorise repairs to, or arrange replacement of, any of the property relevant to the claim without Our consent other than as provided for under 1c. above.
3. Subject to the provisions of the Insurance Contracts Act 1984 (Cth), You or any person making a claim under this Policy must not make any admission of liability or payment or promise or offer of payment in connection with any such claim, without Our written consent.
4. At Your own expense You will furnish Us with such books of account and other business books, computer records, vouchers, invoices, balance sheets, and other documents, proofs, information, explanations and other evidence together with a statutory declaration as We may reasonably require for the purpose of investigating or verifying a claim under this Policy and You and Your accountants must cooperate fully in this regard. We will only request information and assistance where relevant to handling the claim and will explain why the information and assistance is required.
5. You, or any other person entitled to claim under this Policy, must furnish Us with a statement giving details of other insurances which may also provide cover on any property or liability hereby insured.

SECTION 1 – PROPERTY COVER

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for ‘Section 1: – Property Cover’ and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Accidental Damage means Damage to Property Insured but does not include Damage:

1. caused by, or as a consequence of:
 - a. Fire and Perils;
 - b. breakage of glass;
 - c. theft;
 - d. demolitions ordered by any government, public or local authorities as a result of Your failure or the failure of Your agents to comply with any lawful requirement;
 - e. erosion, subsidence, landslide, collapse or any other movement of earth;
 - f. testing, intentional overloading or experiments of any kind;
 - g. faults or defects known to You or any employee whose knowledge in law would be deemed to be Your knowledge and not disclosed to Us at the time this insurance was arranged, extended, varied or renewed;
 - h. welding, grinding, cutting, drilling, shaping or the application of tools to the Property Insured;
 - i. inherent defect, inherent vice, latent defect;
 - j. mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any instrument, machine, device, or temperature controlling equipment;
 - k. moths, termites, other insects, vermin. However, Accidental Damage does include any Damage to other Property Insured caused by;
 - l. rust or oxidation, mould and/or fungi, mildew, Pollution or Contamination, wet or dry rot, corrosion, change of colour, dampness, variations in temperature, evaporation, change in flavour texture or finish, stain or smoke from industrial operations, unless arising from Fire and Perils;
 - m. wear and tear, fading, scratching or marring, gradual deterioration, developing flaws, normal upkeep or making good;
 - n. faulty materials or faulty workmanship;
 - o. kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt at any of these;

- p. computer virus, being an executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained, and which destroys or alters the host program or other computer code or Electronic Data, causing undesired program or Computer System operation;
- q. legal liability of any nature other than as provided for herein;
- r. consequential loss of any kind, meaning We will not pay for any direct or indirect financial or economic loss, for example loss of use or enjoyment, loss of profits or depreciation.

The above clauses 1.e.,1.j., 1.k., 1.l., 1.m. and 1.n., are limited to the Property Insured immediately affected and do not apply to Damage to other Property Insured occasioned by a peril not otherwise excluded and caused by any of the circumstances referred to in the above exclusions to the definition of Accidental Damage.

- 2. to Property Insured while undergoing any process where the Damage results from it being processed.

Contents means the following items belonging to You or for which You are legally responsible, or have assumed a responsibility to insure:

- 1. furniture, furnishings, carpets, curtains, internal blinds;
- 2. machinery, machinery foundations settings and beddings, plant, tools, instruments and utensils of trade, unfixed or portable equipment, office equipment, safes, strong rooms, fire extinguishment equipment and electronic surveillance equipment;
- 3. Computer Systems;
- 4. paintings, curios, works of art, tapestries, Persian and similar rugs or carpets to an amount not exceeding \$5,000 any one item, pair set or collection. If an item forms part of a pair, set or collection the value of the entire pair, set or collection is to be regarded as the value and not the value of the item alone.
- 5. plants, shrubs and trees whilst indoors at the Situation to an amount not exceeding \$2,500 any one item.

Debris means the residue of Damaged Property Insured excluding any material which is itself a pollutant or contaminant.

Fire and Perils means:

- 1. fire resulting from explosion or otherwise, but excluding spontaneous combustion, fermentation, heating or any process involving the direct application of heat. This exclusion shall be limited to the item or items immediately affected and shall not extend to other property Damaged as a result of such spontaneous combustion, fermentation, heating or any process involving the direct application of heat;
- 2. lightning or thunderbolt;
- 3. attempts by civil authorities to prevent the spread of fire;
- 4. aircraft or other aerial devices or articles dropped therefrom, sonic boom;
- 5. earthquake, subterranean fire, volcanic eruption (subject to the Excess imposed by Special Clause 2 'Earthquake, Subterranean Fire, Volcanic Eruption Excess' of this section);

6. storm, tempest, rainwater, snow, sleet, wind, hail but not:
 - a. by water from or action of the sea, tsunami, tidal wave, storm surge, high water, Flood;
 - b. erosion, subsidence, landslide, collapse or any other movement of earth;
 - c. from water seeping, percolating or otherwise penetrating into the building at the Situation as a result of structural defects, faulty design or faulty workmanship in the construction;
 - d. caused by water entering the buildings at the Situation through an opening in the wall or roof made for the purpose of alterations; additions, renovations, or repairs;
7. water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other systems;
8. riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances or whereby Damage occurs to Property Insured as a result of vandalism by persons not being tenants (including damage or destruction to property caused by theft or any attempt thereof) or any lawfully constituted authority in connection with the foregoing acts but not by:
 - a. cessation of work whether total or partial;
 - b. cessation, interruption, or retarding, of any process or operation as a direct result of strikes, labour disturbances or locked out workers.Vandalism is subject to the Excess imposed by Special Clause 3 'Vandalism Excess' of this section;
9. explosion, but not Damage to boilers (other than boilers used for domestic purposes only), economisers, vessels under pressure or their contents resulting from their own explosion;
10. impact by:
 - a. Vehicles designed primarily for use on land;
 - b. animals, but not Damage by eating, chewing, clawing or pecking of animals or birds;
 - c. trees or branches of trees. This cover includes the reasonable costs associated with the removal and disposal of the tree or branches which caused the Damage but does not include Damage caused by felling or lopping of trees either by You or by someone acting with Your permission;
 - d. communication masts, towers, antennae or satellite dishes.

Full Insurable Value means the amount necessary to fully indemnify You for Damage to Property Insured within the terms of this section.

Pollution or Contamination means the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any water course or body of water (including ground water).

Property Insured means the property shown in the Schedule under this section.

Removal of Debris means:

1. the removal, storage and disposal of Debris and of anything which caused insured Damage, from the Situation;
2. the removal, storage and disposal of Debris from premises, roadways, services, railways or waterways owned by any other person or entity where You are liable at law to remove, store or dispose of such Debris as a result of insured Damage, together with the cost of cleaning up, but provided that such liability has not arisen as a result of any agreement made by You unless liability would have attached in the absence of such agreement;
3. the demolition, dismantling, shoring up, propping or underpinning of Property Insured or the carrying out of other temporary repairs to Property Insured as a result of insured Damage;
4. the demolition and removal of Property Insured which is necessary for the purpose of repair or replacement as a result of insured Damage.

Specified Items means property specifically described in the Schedule under 'Specified Items'.

Cover

We will indemnify You for Damage caused by Fire and Perils to Property Insured during the Period of Insurance, whilst at the Situation.

Limitation

Our total liability during any one Period of Insurance, for any claim arising out of one event or series of events arising directly or indirectly from one source or original cause will not exceed, for each item specified in the Schedule, the Sum Insured shown in the Schedule for that item.

Additional Benefits

Following a claim under this section, for which We have agreed to indemnify You, the cover under this section is extended to include the following additional benefits. Unless otherwise specified, the amount We will pay for these additional benefits is not in addition to the Sum Insured and is subject to any limit specified in the applicable additional benefit.

1. Architects', Surveyors' and Legal Fees

Where the Sum Insured is not otherwise exhausted, the cover under this section is extended to include legal fees, fees of architects', surveyors', consulting engineers', and clerks of work salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement or repair of the Contents and Specified Items insured as a result of such Damage, but not costs, fees or other expenses for preparing a claim made under this section.

2. Reinstatement of Sum Insured

Following a claim under this section, other than a claim for total loss, whether actual or constructive, We will reinstate the Sum Insured from the date of loss, provided You pay or agree to pay any additional premium that may be required by Us.

3. Change in Description

If You:

- a. change Your machinery; or
 - b. make structural changes to Contents or Specified Items,
- then, We will hold You covered under this section for 30 days from the date the changes are commenced.

The most We will pay for any change under this additional benefit is \$50,000. You must notify Us of the Change within 30 days of the change. At the time You notify Us of the change, We will decide whether or not to accept Your proposed alteration to the Policy and in response We may:

- c. continue cover with no change to the premium payable;
- d. reduce the premium payable and return any refund to You;
- e. charge an additional premium (You can cancel Your Policy if You do not accept the additional premium; or
- f. cancel the Policy if permitted in accordance with the provisions of the Insurance Contracts Act 1984 (Cth) and return to You a portion of the premium for the unexpired Period of Insurance.

It is important for You to know that We make changes to this Policy as a result of notification of changes. When there is a change, We will inform You.

4. Discharge of Mortgage(s)

Legal costs up to an amount not exceeding 10% of the total Sum Insured on Buildings, associated with the discharge of a mortgage or mortgages on the Situation following settlement of a claim on the basis of a total loss whether actual or constructive.

5. Fire Extinguishment Costs

We will pay costs and expenses, including wages of Your employees, up to an amount not exceeding \$10,000 necessarily and reasonably incurred:

- a. in extinguishing fire at or in the vicinity of, and threatening to involve, the Property Insured;
- b. in preventing or diminishing imminent Damage to the Property Insured;
- c. in gaining access consequent upon Damage to the Property Insured;
- d. in the replenishment of fire fighting appliances and apparatus;
- e. for the purpose of shutting off the supply of water or other substances which are accidentally discharged from any fire protective equipment; or
- f. in the Removal of Debris from the Situation by fire brigade services.

We will also pay for this additional benefit where there has been no Damage to Property Insured.

6. Temporary Protection and Security Guard

If Property Insured has been Damaged and is covered by this section, We will pay the costs of temporary protection and employment of security guards to safeguard the Property Insured:

- a. where the Sum Insured is not otherwise exhausted, We will pay the reasonable costs and expenses necessarily incurred; and
- b. when the Sum Insured becomes exhausted, We will pay an additional amount of up to \$10,000.

7. Temporary Removal Cover

Cover under this section is extended to include Contents and Specified Items whilst temporarily removed from the Situation but excluding Contents or Specified Items which have been removed for a period in excess of 90 days without Our written agreement to continue over.

In respect of Contents, or Specified Items in transit or in the open air:

- a. Accidental Damage cover does not apply; and
- b. cover is limited to Fire and Perils (excluding clause 10 from the Fire and Perils definition).

Our maximum liability for this additional benefit is limited to an amount not exceeding 20% of the total Sum Insured for Contents and Specified Items, up to \$50,000 during the Period of Insurance.

8. Exploratory Costs

We will pay the reasonable cost of identifying and locating the source of the Damage for which a claim is payable, where such Damage is caused by the discharge, overflowing or leakage from fixed apparatus, fixed appliances, fixed pipes or other systems used to hold or carry liquid of any kind, but We will not pay for the repair or replacement of such apparatus, appliances, pipes or other systems which give rise to the Damage.

Our maximum liability under this additional benefit is limited to an amount not exceeding \$10,000 for any one event.

9. Removal of Debris

We will pay the reasonable costs associated with the Removal of Debris.

Our maximum liability under this additional benefit is limited to an amount not exceeding \$10,000.

The amount payable under this additional benefit will be in addition to any amount payable under a Removal of Debris Sum Insured shown in the Schedule.

Variations and Extensions

The cover set out below only applies if shown in the Schedule.

1. Accidental Damage

Cover under this section is extended to include Accidental Damage and where the term Fire and Perils appears in this section it is deemed to include Accidental Damage. Cover under this extension is subject to:

- a. the specific cover limit set out in the Schedule for 'Accidental Damage'; and
- b. payment of the Excess specified in the Schedule in respect of Accidental Damage.

2. Flood

The word 'Flood' is deleted from the clause 6.a of the definition of 'Fire and Perils'.

Settlement of Claims

The word defined below has a special meaning and apply to these Settlement of Claims clauses only.

Replacement Cost means the cost necessary to replace, repair or rebuild the Property Insured to a condition substantially the same as but not better or more extensive than its condition when new.

1. Replacement Costs

Where Contents or Specified Items are Damaged in part only, Our liability will not exceed the sum representing the Replacement Cost, which We would have been called upon to pay if the Contents or Specified Items had been wholly destroyed.

No payment beyond the amount which would have been payable under this Settlement of Claims clause will be made, until a sum equal to the Replacement Cost has actually been incurred.

2. Extra Cost of Reinstatement

Where the Schedule indicates that 'Extra Cost of Replacement' applies, We will also pay the extra cost of replacement including any demolition or dismantling of the Contents or Specified Items, incurred to comply with the requirements of any lawful authority, provided that:

- a. the work of reinstatement (which may be carried out wholly or partially upon another site if the lawful authority so requires, but subject to Our liability not being thereby increased), must be commenced and carried out with due diligence, failing which, We will not be liable to make any payment beyond the amount which would have been payable under '1. Replacement Costs';
- b. the amount payable will not include the additional cost incurred in complying with requirements of any lawful authority, or requirements which You had been duly required to comply prior to the happening of the event causing the Damage;
- c. Special Clauses '1. Underinsurance/Average' will not be applied to the amount payable under this clause 2.; and
- d. if the cost Damage is less than 50% of the Replacement Cost of the Contents or Specified Items, the amount recoverable under this clause 2. is limited to the extra cost necessarily incurred in reinstating the Damaged portion only.

3. Indemnity Value

Where the Schedule does not indicate that 'Replacement Cost' or 'Extra Cost of Replacement' apply, We will at Our option:

- a. reinstate, replace or repair Contents or Specified Items insured or any part thereof, subject to an allowance for age, condition and remaining useful life;
- b. pay the reasonable cost of such reinstatement, replacement or repair of such Contents or Specified Items to a condition substantially the same as but not better or more extensive than its condition at the time of Damage, taking into consideration age, condition age, condition and remaining useful life;

- c. pay You the reasonable cost of such reinstatement, replacement or repair; or
- d. pay You the Indemnity Value of such Contents or Specified Items at the time of the Damage.

Our choice will have regard to the circumstances of Your claim and consider any preference You may have.

Exclusions

1. Artificial Power Surge

We will not be liable for Damage to any electrical appliance or device including wiring caused by electric current artificially generated. Should fire ensue, We will be liable only for that Damage directly caused by the ensuing fire.

2. Unattended Situations

We will not pay any Damage to Property Insured if the occurrence happens whilst Your Situation has been unattended or unoccupied for a period of more than 60 consecutive days, unless Our written agreement to continue cover has been obtained.

Special Clauses

1. Underinsurance/Average

In the event of Damage, insured under this section, We will not be liable for more than that proportion of the Damage that:

- a. in respect of Contents and Specified Items:
the Sum Insured for Contents and Specified Items at the Situation at the time of Damage bears to 80% of the Full Insurable Value of such Contents and Specified Items;
- b. in respect of Rent:
the Sum Insured for rent at the Situation, bears to 80% of the amount of rent for the Period of Insurance, at the Situation at the time of the Damage.

Conditions

- c. Our liability is limited to the Sum Insured at the Situation as shown in the Schedule for this section.
- d. This clause will not apply if the amount of any Damage does not exceed 10% of the Sum Insured at the Situation.

An illustrative but not exhaustive example of the application of this clause is set out below.

Example:

| | |
|------------------------------------|-----------|
| Item Full Insurable Value = | \$200,000 |
| 80% of that Full Insurable Value = | \$160,000 |
| Sum Insured = | \$144,000 |

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

We would pay \$90,000 (less any applicable Excess) for this example.

2. Earthquake, Subterranean Fire, Volcanic Eruption Excess

An Excess of \$20,000 or 1% of the total Sum Insured at the Situation, whichever is the lesser, applies in respect of Damage to property caused by earthquake, subterranean fire, volcanic eruption, or fire occasioned by or happening through or in consequence of earthquake, subterranean fire or volcanic eruption, occurring during any period of 72 consecutive hours.

3. Vandalism Excess

An Excess of \$250 applies in respect of vandalism to Property Insured.

4. Release Clause

Without prejudicing Your position under this section, You may release any railway authority, statutory governmental authority, semi-governmental authority or municipal authority from any liability if the terms of any written and executed contract require You to do so.

5. Storage Premises

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

Special Condition

Sprinkler Installations

1. This Special Condition applies to any Property Insured in which an automatic sprinkler system is installed and which is owned by You or You are responsible for the operation or maintenance of the automatic sprinkler system.
2. You shall ensure that the property is protected as required by law by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station or other legally approved monitoring organisation.
3. You shall exercise due diligence to ensure that any system and alarm signal are at all times maintained in good working order.
4. It is a condition of this insurance that such system will be regularly maintained in accordance with any relevant acts, regulations, or compliance code of the Commonwealth or state or territory government and/or standards issued by Standards Australia.
5. Any alterations or additions to the automatic sprinkler installation must be notified by You, to Us, in writing as soon as reasonably practicable.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.

SECTION 2 — LOSS OF RENT

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for 'Section 2: – Loss of Rent' and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Adjustment means the adjustment as necessary to provide for the trend of the Business and variations in, or other circumstances affecting, the Business, either before or after the date of occurrence of the Damage, or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted represent, as nearly as may be reasonably practicable, the results that, but for the Damage, would have been obtained during the relative period after the Damage.

Gross Rentals means the amount of rent received or receivable by You in accordance with a written lease or agreement existing at the date of the occurrence of the Damage.

Indemnity Period means the period beginning with the date of the occurrence of the Damage and ending not later than the last day of the period specified in the Schedule, during which the results of the Business are interrupted or interfered with as a result of the Damage.

Standard Gross Rentals means the Gross Rentals earned during the period in the 12 months immediately before the date of the occurrence of the Damage that corresponds with the Indemnity Period (appropriately adjusted where the Indemnity Period exceeds or is less than 12 months), after Adjustment.

Cover

We will cover You, if the Business carried on by You is interrupted or interfered with as a result of Damage occurring during the Period of Insurance to:

1. property insured under Section 1 – Property Cover for which a claim has been paid or liability admitted, or such claim would have been paid or liability admitted but for the application of an Excess; or
2. property insured by this Policy under another insurance policy, and
 - a. the insurer has paid or admitted liability under their policy or would have paid or admitted liability but for the application of an excess; and
 - b. the Damage would have been covered Section 1 – Property had You elected to take such cover;

We will, after taking into account any sums saved during the Indemnity Period in respect of such charges and expenses of the Business as may cease or be reduced in consequence of the interruption or interference, indemnify You in respect of the loss arising from such interruption or interference in accordance with the settlement of claims clause below, where the Schedule notes that cover has been selected.

Settlement of Claims

Item 1. Gross Rentals

- a. The amount by which the Gross Rentals earned during the Indemnity Period fall short of the Standard Gross Rentals; and
- b. Any additional expenditure necessarily and reasonably incurred by You for the sole purpose of minimising the reduction in Gross Rentals during the Indemnity Period, but not exceeding the reduction in Gross Rentals thereby avoided.

Item 2. Accountants' Fees

The reasonable cost of accountants' and other professionals', fees and other expenses, necessarily incurred by You in producing or certifying the bills, accounts or particulars required by Us, in respect of any claim made under this section.

Limitation

Our total liability during any one Period of Insurance or for any claim arising out of the one event or series of events arising directly or indirectly from one source or original cause, in respect of each item specified on the Schedule, will not exceed the Sum Insured shown on the Schedule for that item.

Additional Benefits

Unless otherwise specified, the amount We will pay for these additional benefits is not in addition to the Sum Insured and is subject to any limit specified in the applicable additional benefit.

1. Return Premium Clause

In the event that the:

- a. Gross Rentals earned, in accordance with the indemnity afforded in respect of such items, in the course of the Business during the accounting period of 12 months (or a proportionately increased multiple thereof where the Indemnity Period exceeds 12 months) most nearly concurrent with the Period of Insurance, being certified by Your accountant or auditor as being less than the respective Sum Insured, a pro rata return of premium not exceeding 50% of the premium paid for such Period of Insurance, will be made in respect of the difference.

Provided that if a claim has been paid or became payable in the Period of Insurance, for which an Adjustment is to be made under this clause, the amount of the claim will be included in the calculation of Gross Rentals earned for such period.

2. Departmental Clause

If the Business is conducted in departments, divisions or locations, the independent trading results of which are ascertainable, in the event of Damage giving rise to a claim under this section, the provisions of this cover apply separately to each department, division or location affected by the Damage.

3. Reinstatement of Sum Insured

Following a claim under this section (other than a claim for total loss), We will reinstate the Sum Insured from the date of loss, provided You pay or agree to pay any additional premium that may be required by Us.

4. Murder, Suicide or Disease

We will pay You for loss that results from interruption or interference with Your Business directly arising from closure or evacuation of the whole or part of the Insured Premises by order of a competent public authority consequent upon:

- a. a Human Infectious or Contagious Disease at the Insured Premises, not otherwise excluded under the Policy;
- b. the discovery of vermin or pests or defects in the drains or other sanitary arrangements at the Insured Premises; or
- c. murder or suicide occurring in or at the Insured Premises,

Provided that:

- a. for the avoidance of doubt, '7. Communicable Diseases' within the General Exclusions section of the Policy applies to the cover provided by this additional benefit; and
- b. the maximum amount payable under this additional benefit in the aggregate for the Period of Insurance is \$250,000 unless otherwise specified in the Schedule; and
- c. We will not cover the first 48 hours of any interruption or interference with Your Business unless otherwise specified in the Schedule; and
- d. We will not pay for any cost to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for any diseases, conditions or circumstances described in this additional benefit.

For the purpose of this additional benefit only the following definition applies:

Insured Premises means only the premises at the Situation shown in the Schedule that are directly owned, leased or controlled by You and does not include any extension to the definition of Situation elsewhere in the Policy or Schedule.

5. Prevention of Access, Public Utilities, Computer Installations, Commercial Complexes

Any loss insured by Section 1 – Property Cover of this Policy resulting from interruption of, or interference with, the Business as a consequence of Damage to:

- a. property within 20km of the Business which prevents or hinders access to, or use of, the Situation; or
- b. property, either at or away from the Situation, within Australia, belonging to or under the control of suppliers of electric power, gas, communications, water or sewage reticulation control systems, from which You obtain services; or

- c. computer installations, including ancillary equipment, data processing media utilised by You anywhere in Australia; or
- d. property in any commercial complex of which the Business forms a part or in which the Business is contained, that results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of custom, shall be deemed to be loss resulting from Damage to property used by You at the Situation.

6. Accountants Fees

In the event of Damage giving rise to a claim under this section, We will pay the reasonable cost of accountants' and other professionals', fees and other expenses, necessarily incurred by You in producing or certifying the bills, accounts or particulars required by Us, in respect of any claim made under this section.

Our maximum liability under this additional benefit will not exceed \$5,000 plus any amount shown on the Schedule for 'Accountant's Fees'.

The following additional benefit applies whether or not the Sum Insured shown on the Schedule has been exhausted.

Exclusion

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

Special Clause

Underinsurance/Average

Where at the date of the occurrence of the Damage the Sum Insured as shown in the Schedule for Gross Rentals is less than 80% of the Standard Gross Rentals, then, the amount payable for those Items will be proportionately reduced.

This clause shall not apply if the claim does not exceed 10% of the Sum Insured for that Item.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.

SECTION 3 — THEFT

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for 'Section 3: – Theft' and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Business Hours means Your usual trading hours or whilst You or employees authorised by You are on the Premises for the purposes of the Business.

Computers means Electronic Data processing equipment including software programs, but does not include equipment used for gaming, gambling, amusement, audio or visual entertainment, or vending.

Contents means the following items belonging to You or for which You are legally responsible, or have assumed a responsibility to insure:

1. furniture, furnishings, carpets, curtains and internal blinds;
2. machinery and plant, unfixated or portable equipment, office equipment, safes, strong rooms; and
3. Computers, including all equipment connected to and operating from Computers, and all disks, tapes, cards or other materials used for storing Electronic Data;

but does not mean:

1. Specified Items;
2. Vehicles or trailers (including their accessories) registered or licensed to travel on a public road, other than mobile plant and equipment which is so registered or licensed not being cars, sedans, panel vans and trucks while on Your Premises;
3. Watercraft, aircraft, locomotives or rolling stock, including their accessories.

Premises means the buildings at the Situation including outbuildings but excluding any garden, yard, open veranda, or other fixed attachments and fixed accessories thereof.

Property Insured means Contents and Specified Items.

Specified Items means property specifically described in the Schedule under 'Specified Items'.

Theft means the dishonest appropriation of Property Insured belonging to You, with the intention of permanently depriving You of it.

Cover

The Property Insured is covered whilst at the Premise against Damage (other than breakage of glass) during the Period of Insurance caused by:

1. Theft or attempted Theft involving forcible and violent entry into the Premises;
2. Theft or attempted Theft occurring after Business Hours where a person is unlawfully concealed on the Premises, provided that there is evidence of forcible and violent exit from the Premises; or
3. Theft, consequent upon threat of immediate violence or violent intimidation.

Limitation

Our total liability during under this section for any one Period of Insurance, will not exceed the Sum Insured for each item specified in the Schedule for this section.

Additional Benefit

Unless otherwise specified, the amount We will pay for these additional benefits is not in addition to the Sum Insured and is subject to any limit specified in the applicable additional benefit.

1. Permanently Fixed (Non-Portable) Apparatus

Where a Sum Insured is shown on the Schedule for Contents, and where that Sum Insured has not been otherwise exhausted, cover under this additional benefit is extended to include the Theft, whether following forcible and violent entry or otherwise, of permanently fixed (non-portable) apparatus or appliances, owned by You or for which You are legally responsible or have assumed a responsibility to insure, attached to the Premise other than by means of a flexible or tensile cord to a power point.

The most We will pay under this Additional Benefit 1 is the balance of the Contents Sum Insured, but not more than \$2,500.

2. Damage to Premises, or Safe or Strongroom

If the Sum Insured under this section has not been exhausted, We will pay up to the balance of the Sum Insured shown in the Schedule, but not more than \$3,000 in respect of any one event, for Damage (other than breakage of glass) to the Premises due to Theft or attempted Theft. In the event of such Damage We will:

- a. at Our option, pay for or repair or make good the damage for which You are legally responsible. Our choice will have regard to the circumstances of Your claim and consider any preference You may have;
- b. indemnify You in respect of the cost of temporary protection reasonably necessary for the safety and protection of the Property Insured, pending repair of the damaged Premises.

When the Sum Insured is exhausted, We will pay up to \$2,000 over and above the Sum Insured in respect of this Additional Benefit 2.

3. Locks and Keys

If the Sum Insured under this section has not been exhausted, We will pay up to the balance of the Sum Insured, but not more than, \$3,000 in respect of any one event, for the cost of replacing locks and keys, if keys are stolen, or there are reasonable grounds to believe that the keys have been stolen and duplicated. In such event We will:

- a. at Our option, pay for or repair or make good the damage for which You are legally responsible. Our choice will have regard to the circumstances of Your claim and consider any preference You may have;
- b. indemnify You in respect of the cost of temporary protection reasonably necessary for the safety and protection of the Property Insured, pending repair of the damaged Premises.

When the Sum Insured is exhausted, We will pay up to \$2,000 over and above the Sum Insured in respect of this Additional Benefit 3.

4. Reinstatement of Sum Insured

Following a claim under this section, We will reinstate the Sum Insured from the date of loss, provided You pay any additional premium that may be required by Us. Such reinstatement will be automatic only once during any one Period of Insurance.

5. Temporary Protection and Security Guard

If Premises or security protection equipment installed at the Premises are damaged during a Theft or attempted Theft, We will pay the costs reasonably and necessarily incurred for the temporary protection and the employment of security guards to safeguard the Property Insured until the Premises or security protection equipment are repaired or replaced. Our maximum liability under this additional benefit is \$2,000 for any one event.

Settlement of Claims

In the event of a claim for Contents or Specified Items, We will:

1. where Contents or Specified Items are destroyed or lost, pay the cost to replace items of such Contents or Specified Items with similar items, to a condition equal to but not better or more extensive than the condition when new.
2. where Contents or Specified Items are damaged in part only, pay the cost to repair the damage or restore the damaged portion to a condition substantially the same as, but not better or more extensive than, the condition when new, provided that:
 - a. the work of replacing or repairing must be commenced and carried out with due diligence, failing which We will not be liable to pay more than the amount We would have been liable to pay had the work of replacing or repairing the item been carried out with such due diligence;
 - b. We will not be liable to make any payment until the cost of replacement or repair is incurred; and
 - c. if the property is not replaced or repaired, We will only be liable to pay the Indemnity Value of the property at the time of the damage, but not exceeding the replacement cost.

Conditions

Burglar Alarm Systems

Where the Situation is protected by a burglar alarm system, You must ensure that:

1. the burglar alarm system is made operative whenever the Premises are left unattended; and
2. you exercise all due care to maintain all burglar alarm systems under Your control so that they are in good working order at all times and are tested daily except during non-business days.

If You do not meet both of these conditions, We may reduce Your payment of or deny the claim to the extent that any harm, damage or liability arose as result of You not complying with the above conditions.

Exclusions

We will not be liable for:

1. any consequential loss whatsoever, meaning We will not pay for any direct or indirect financial or economic loss, for example loss of use or enjoyment, loss of profits or depreciation.
2. loss arising out of:
 - a. the sale or delivery of Property; or
 - b. the payment of Money;
for or in consideration of a cheque or negotiable instrument which is subsequently dishonoured.
3. loss or destruction or damage due to, or sustained by, or through Theft or any attempted Theft, or any act of fraud or dishonesty committed by:
 - a. any members of Your family who normally live with You at Your home, including Your legal or de facto spouse and any member of their family who normally lives with You at Your home; or
 - b. persons in Your service, other than loss or destruction or damage through Theft or any attempted Theft following forcible and violent entry to the Premises committed by persons in Your service.
4. Damage if the Premises become unattended and remain so for any period of more than 60 consecutive days, unless Our written agreement to continue cover has been obtained prior to the loss.
5. Damage as a result of trickery.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.

SECTION 4 – GLASS

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for ‘Section 4: – Glass’ and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Breakage means:

1. for plate or sheet Glass or porcelain, a fracture extending through the entire thickness of the Glass or porcelain; or
2. for laminated Glass, a fracture extending through the entire thickness of a lamination, but not:
 - a. any other damage or disfiguration; or
 - b. caused by or in consequence of fire or artificial heat.

Glass means Internal Glass and Specified Glass.

Internal Glass means all internal glass, sinks, wash basins and sanitary ware and mirrors (other than hand mirrors) whilst in the Premises, but does not include:

1. glass forming part of stock in trade or merchandise;
2. glassware, crystal, crockery or china; or
3. imperfect glass.

Premises means the lot at the Situation.

Specified Glass means glass specifically described in the Schedule under Specified Glass.

Cover

We will indemnify You in the event of Breakage of the Glass shown in the Schedule while the Glass is at the Premises during the Period of Insurance.

Additional Benefits

Unless otherwise specified, the amount We will pay for these additional benefits is not in addition to the Sum Insured and is subject to any limit specified in the applicable additional benefit.

1. Internal Glass

In the event of Breakage of Internal Glass during the Period of Insurance, We will indemnify You up to an amount not exceeding \$3,000 for replacing showcase frames, display cabinets and counter frames.

Settlement of Claims

In the event of a Breakage of the Glass shown in the Schedule, We will, at Our option:

1. replace the broken Glass in compliance with the requirement of the Standards Association of Australia and any Statutory Authority; or
2. pay the cost of replacement of such Glass.

Our choice will have regard to the circumstances of Your Claim and consider any preference You may have.

Exclusion

Unattended Premises

We will not pay a claim where the Premises become unattended and remain so for any period of more than 60 consecutive days, unless Our agreement to continue the cover has been obtained.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.

SECTION 5 – BROADFORM LIABILITY

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for ‘Section 5: – Broadform Liability’ and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Cover

We will indemnify You against:

1. Public Liability; or
2. Products Liability if shown in the Schedule as an insured item.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Aircraft means any vessel, craft or thing designed to transport people or goods in, or through, the air or space.

Business means Your activities as a commercial property landlord for the property insured at the Situation, and is extended to include:

1. a canteen, social or sporting club or first aid, fire or ambulance service, provided by You and incidental to Your business; and
2. private work undertaken by Your employees for any of Your directors or senior executives.

Damage to Property means:

1. Damage to Property, including any loss of its use following such Damage; or
2. loss of use of Property that has not been Damaged provided that the loss of use has been caused by an Occurrence,

that happens during the Period of Insurance anywhere in Australia.

Event means:

1. a single incident;
2. a series or number of incidents either having the same original cause or attributable to the one source; or
3. continuous or repeated exposure to substantially the same general conditions.

Geographical Limits means anywhere in the world, but excludes North America for Occurrences in connection with:

1. the performance of manual work;
2. the ownership, occupancy or tenancy of any building, land or structure;
3. an Unknown Defect in Your Products, exported to, sold in or supplied in North America, by You or on Your behalf.

Hovercraft means any vessel, craft or thing designed to transport people or goods over land or water, supported on a cushion of air.

Legal Costs means:

1. the legal costs and expenses, that You incur with Our written agreement (such agreement will not be unreasonably withheld or delayed) in defending a claim of Public Liability or Products Liability made against You; and
2. the legal costs and expenses of any claimant against You for Public Liability or Products Liability that You are liable to pay.

Loading or Unloading Goods Onto or From a Vehicle means the single action of transferring the weight of the goods (or a portion of a consignment of goods) onto or from the Vehicle.

Managed Organisations means any organisation other than subsidiary companies (or their subsidiaries) whose daily activities and daily decision making You are directly controlling and managing.

North America means:

1. the United States of America and Canada; and
2. any state or territory incorporated in, or administered by, or from, either the United States of America or Canada.

Occurrence means Personal Injury or Damage to Property that:

1. is neither intended nor expected from the standpoint of a reasonable person in Your position;
2. is caused by an Event; and
3. occurs:
 - a. within the Geographical Limits; and
 - b. during the Period of Insurance.

Personal Injury means:

1. bodily injury, death, sickness, disease, disability;
2. shock, fright, mental anguish;
3. false arrest, false imprisonment, wrongful detention, malicious prosecution;
4. libel, slander, defamation of character, humiliation;
5. wrongful eviction, wrongful entry or other invasion of privacy.

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

Product Liability means Your legal liability to pay damages for an Occurrence (and for consequential loss caused by the Occurrence), caused by an Unknown Defect in Your Products but excludes Public Liability.

Products means anything (after it has passed from Your possession and control), including its packaging, that was manufactured grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, re-supplied or distributed by You in the course of Your Business.

Property means:

1. physical property not in Your possession or control;
2. premises that You occupy for the purpose of the Business; and
3. Vehicles in Your possession or control while in a car park:
 - a. owned, occupied, or leased by You;
 - b. not forming part of a building construction or work site; and
 - c. for the use of which You do not charge a fee.

Public Liability means Your legal liability to pay damages for an Occurrence (and for consequential loss caused by the Occurrence) in the course of Your Business, but excludes Products Liability.

If Products Liability is not insured, Public Liability includes liability to pay damages for an Occurrence caused by a defect, unknown to You, in food or drink sold or supplied from Your staff canteen.

Unknown Defect in Your Products means:

1. a defect in, or the harmful nature of, Products;
2. a defect or deficiency in any direction or advice provided by You concerning the use or storage of Products; or
3. a failure by You to provide direction or advice concerning the use or storage of Products, that was not known to, or reasonably suspected by, You or Your directors, partners or senior executives, before Your Products left Your possession or control.

Use as a Working Tool means use of a tool for excavating, digging, grading, drilling, lifting, pumping, spraying, vacuuming and the like.

It does not include tools used for:

1. loading or Unloading goods onto or from a Vehicle, by use of a crane mounted on the Vehicle; or
2. transit to or from or within a work site; or
3. transport or haulage.

Limitations

1. Public Liability

The maximum amount that We will pay for Public Liability:

- a. for one Occurrence (other than an Occurrence in connection with Pollutants) shall be the Sum Insured for Public Liability shown in the Schedule.
- b. for one Occurrence in connection with Pollutants, shall be the Sum Insured for Public Liability shown in the Schedule, less the sum of the indemnities that We have already paid for Public Liability in connection with Pollutants, that arose during the Period of Insurance.

2. Products Liability

The maximum amount that We will pay for Products Liability for one Occurrence, shall be the Sum Insured for Products Liability shown in the Schedule, less the sum of the indemnities that We have already paid for Products Liability that arose during the Period of Insurance.

3. Where Personal Injury or Damage to Property is caused repeatedly or continuously by one Event, the Personal Injury or Damage to Property:
 - a. shall be an Occurrence only if the Personal Injury or Damage to Property was first discovered during the Period of Insurance; and
 - b. if so, shall be deemed to be a single Occurrence.
4. Personal Injury or Damage to Property that is first discovered:
 - a. before the Period of Insurance; or
 - b. or after the Period of Insurance,shall not be an Occurrence.
5. Where We are indemnifying more than one legal entity, for Public Liability or Products Liability in respect of the one Occurrence, the maximum amount We will pay in total for all legal entities We are indemnifying, shall be the applicable Sum Insured for Public Liability or Products Liability shown in the Schedule.

Excess

The Excess shall apply to each Occurrence.

Additional Benefits

Unless otherwise specified, the amount We will pay for these additional benefits is not in addition to the Sum Insured and is subject to any limit specified in the applicable additional benefit.

1. Your Legal Costs

If We agree to provide indemnity for Public Liability or Products Liability under this section, and:

- a. the law outside of North America applies to the claim, Legal Costs will be paid in addition to the Sum Insured shown on the Schedule for this section; or
- b. the law in North America applies to the claim, the Sum Insured shown in the Schedule for this section is inclusive of Legal Costs.

2. Cover for Others

Provided that they observe, fulfil and are subject to the definitions, terms, conditions and exclusions of this section, We will also indemnify, as though they were You, the following that are not named in the Schedule:

- a. any party with whom You have entered into an agreement for the purpose of Your Business, but only for Occurrences for which You would be liable in the absence of the agreement and only to the extent that the agreement requires You to indemnify that party in relation to that Occurrence.
- b. any of Your directors, partners, officers or employees, but only for liability incurred by them while acting within the scope of their duties in such capacity.
- c. any canteen, or social or sporting club, or first aid, fire or ambulance service provided by You and incidental to the Business.
- d. all Your subsidiary companies (and their subsidiaries) and all Your Managed Organisations, existing at the commencement of the Period of Insurance, for the whole Period of Insurance or until they cease to be Yours before the end of the Period of Insurance; and
- e. all Your subsidiary companies (and their subsidiaries) and all Your Managed Organisations, that became Yours after the commencement of the Period of Insurance, for 30 days from becoming Yours (unless the Period of Insurance ends sooner or they cease to be Yours, whichever shall first occur).
Cover under this clause 2.e during the 30 day period of cover is limited to:
 - i. to the Business;
 - ii. to business operations carried out within Australia; and
 - iii. Public Liability for Occurrences within Australia.

3. Cross Liabilities

Where more than one legal entity is insured under this section, We shall indemnify You against Public Liability or Products Liability to another Insured as if that other Insured were not a party to the Policy.

4. Loss of Goods in Your Possession or Legal Control

- a. We will also indemnify You against Public Liability for physical loss of, or loss of use of, goods that are in Your possession or legal control, as though it were Damage to Property, if the loss was not caused by physical damage or destruction.
- b. The maximum amount that We will pay under this additional benefit for all the Public Liability, of all of the parties We are indemnifying, arising during the Period of Insurance, shall be \$10,000.

5. Damage to Goods in Your Possession or Legal Control

- a. We will also indemnify You against Public Liability for:
 - i. physical damage to;
 - ii. or physical destruction of,goods that are in Your possession or legal control as though it were Damage to Property.
- b. The maximum amount We will pay under this additional benefit for all the Public Liability, of all of the parties We are indemnifying, arising during the Period of Insurance, shall be \$100,000.

Exclusions

We will not indemnify You for:

1. Employer's liability (Workers' Compensation)

- a. Liability for Personal Injury to any person arising out of, or sustained in the course of, the employment of such person in Your service, or through the breach of any duty owed to that person, where You:
 - i. are indemnified or entitled to be indemnified (either in whole or in part) in respect of claims for damages under a policy of insurance (which expression includes arrangements made by You to provide accident insurance for Your workers under a licence to self insure) arranged in accordance with any worker's compensation legislation or accident compensation legislation; or
 - ii. would have been indemnified or entitled to be indemnified had You arranged a policy of insurance as required by such legislation;
- b. Liability for Personal Injury to any person arising out of, or sustained in the course of, the employment of such person in Your service in Western Australia, other than a person of whom by reason only of section 175 of the Worker's Compensation and Rehabilitation Act 1981 (WA);
- c. Liability for mental anguish suffered by any person arising out of, or in the course of, that person's employment by, or service to, You;
- d. Liability for Personal Injury arising out of the harassment, libel, slander, defamation or humiliation of, or discrimination against, any person while in Your service or while employed by You.
- e. Liability of a type in respect of which indemnity previously would have been provided under a policy of insurance arranged in accordance with any worker's compensation legislation or accident compensation legislation, but in respect of which indemnity has been withdrawn or reduced as a consequence of a change to the scope, terms, provisions, or requirements of such legislation made after the commencement of the current Period of Insurance of this Policy; or
- f. any other liability imposed by the provisions of any workers' compensation legislation or accident compensation legislation or any industrial award, agreement or determination.

2. Discrimination and harassment

Liability for discrimination or harassment in violation of statute.

3. Assault and battery

Liability for assault or battery committed by You or at Your direction, unless it was committed for the purpose of preventing or eliminating danger to persons or property.

4. Waiver of rights

Liability in respect of all or part of which You, by an agreement, have released or waived Your right to recover indemnity or contribution from another.

5. Contractual liability

Liability assumed by You under an agreement, unless such liability would have attached to You in the absence of that agreement.

6. Intentionally or recklessly caused Personal Injury or Damage to Property

Liability in connection with Personal Injury or Damage to Property intentionally or recklessly caused by You or the risk of which You deliberately courted.

7. Faulty Workmanship

Liability to perform, complete or rectify any work undertaken by You or on Your behalf, or to pay the cost of performing, completing or rectifying such work.

8. Product recall and repair

Liability to pay:

- a. for the cost of recall, withdrawal from sale, inspection, repair or replacement of Your Products;
- b. for the cost of investigation into the cause of any defect; or
- c. in connection with the loss of use of Your Products.

9. Reinstatement, repair or replacement of Your Products

Liability:

- a. to reinstate, repair or replace Products; or
- b. to pay the cost of reinstating, repairing or replacing Products, where the damage was caused by those Products.

10. Loss of use of Property

Liability for loss of use of Property that has not been physically damaged or destroyed, caused by or arising out of:

- a. a delay in, or lack of, performance, by You or on Your behalf, of any contract or agreement; or
- b. the failure of Your Products to meet warranties or representations as to performance, fitness, quality or durability (but this exclusion shall not apply to liability for Damage caused to other Property by a Product.)

11. Aircraft Products

Liability in connection with Products that:

- a. are incorporated into the structure, machinery or controls of Aircraft; and
- b. You know are used in Aircraft.

12. Aircraft, Watercraft and Hovercraft

Liability in connection with Your ownership or physical or legal control of, or use by You or on Your behalf of, any:

- a. Aircraft;
- b. land, building or structures in an area where Aircraft land or take off, or are housed, maintained or operated;
- c. Watercraft greater than eight metres in length, except while stored on land;
- d. Hovercraft.

13. Vehicles

- a. Liability for Personal Injury or Damage to Property in connection with a Vehicle when that Vehicle is required by law to be registered, or to have compulsory indemnity cover against Your Liability, or when such indemnity cover is in force; or
- b. Liability for Damage to Property in connection with a Vehicle that is registered.

However, this exclusion 13 will not apply where the liability arises from:

- i. the delivery of goods to the Vehicle before the Loading of the goods onto the Vehicle, or arises from the collection of goods from the Vehicle after the Unloading of the goods from the Vehicle; or
- ii. the Use of the Vehicle, or plant or attachment to the Vehicle, as a Working Tool.

14. Earthquake, etc and civil commotion, etc.

Liability in connection with:

- a. earthquake, subterranean fire, or volcanic eruption; or
- b. riot, strike, or civil commotion.

15. Pollution

Liability:

- a. in connection with pollution occurring in North America or subject to jurisdiction of North America;
- b. to pay the cost of preventing the discharge, dispersal, release or escape of Pollutants; or
- c. for:
 - i. an Occurrence in connection with the discharge, dispersal, release or escape of Pollutants; or
 - ii. the cost of testing, monitoring, containing, removing, cleaning up or neutralising Pollutants.

Exclusion 15.c. shall not apply where discharge, dispersal, release or escape of Pollutants:

- a. is caused by a single incident;
- b. is instantaneous;
- c. is clearly identifiable; and
- d. is confined to one specific location.

16. Asbestos

Liability caused by, arising out of, or in connection with the use or presence of, asbestos.

17. Building and demolition

Liability in connection with:

- a. the erection or demolition of buildings;
- b. the alteration of or addition to buildings not owned or occupied by You; or
- c. the alteration of or addition to buildings owned or occupied by You where the total cost of the alteration or addition exceeds \$100,000.

18. Vibration and removal of support

Liability for Damage to Property in connection with:

- a. vibration; or
- b. removal or weakening of, or interference with, support to land, buildings or any other property.

19. Defamation

Liability in connection with the publication or utterance of a libel, slander or defamation:

- a. made before the commencement of the Period of Insurance;
- b. made by You, or at Your direction, with knowledge of its falsity; or
- c. related to publishing, advertising, broadcasting or telecasting activities conducted by You, or on Your behalf.

20. Fines and punitive damages

Liability for fines or penalties, or punitive, exemplary or aggravated damages.

21. Foreign non-admitted cover

Liability under the law of any country, state or territory (outside the Commonwealth of Australia) that requires such liability to be insured or secured with an insurer or organisation licensed in that country, state or territory to grant such insurance or security.

22. Cranes

Liability in connection with the operation of a crane in an unsafe condition.

23. Pandemic and epidemic

Any liability whether actual or alleged, directly or indirectly caused by, or contributed to by, or in consequence of, or in any way connected with any:

- a. disease determined to be a 'listed human disease' or in respect of which a 'human biosecurity emergency' is declared under the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; or
- b. outbreak of infectious disease declared as a pandemic or epidemic by the World Health Organization or any Australian government or Australian government agency; or
- c. disease determined by the World Health Organization to be a Public Health Emergency of International Concern (PHEIC).

24. Cyber

- a. Any liability arising out of Damage to Property, defamation, humiliation, shock, fright, mental anguish, mental injury or breach of privacy directly or indirectly caused by, contributed to be or as a consequence of a Cyber Act;
- b. Any liability arising out of Your Products directly or indirectly caused by, contributed to by or as a consequence of a Cyber Act;
- c. Any liability directly or indirectly caused by, contributed to by or as a consequence of Electronic Data Loss caused by a Cyber Act; or

- d. Any liability directly or indirectly caused by, contributed to by, or as a consequence of an act, error or omission by or on behalf of You in controlling, preventing, suppressing, retaliating against, or responding to a Cyber Act or Electronic Data Loss caused by a Cyber Act.

However, this exclusion does not apply to claims for:

- a. Personal Injury, excluding mental anguish or mental injury; or
- b. Damage to Property, excluding Data, directly caused by a Cyber Act.

For the purpose of this exclusion only, the following definitions apply:

Computer System means any computer, hardware, software, communications system (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, Electronic Data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

Cyber Act means any actual or alleged illegal, malicious, reckless, wilful or criminal act or series of related illegal, malicious, reckless, wilful or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Electronic Data Loss means the loss of use of, loss of access to, total or partial destruction of, corruption of, alteration of, misappropriation of, reduction in functionality of, repair of, replacement of, restoration of, reproduction or, error in the creation of, error in the amendment of, error in the entering of, deletion of, or theft of Electronic Data including any monetary amount pertaining to the value of such Electronic Data, the infringement of intellectual property rights and breach of confidentiality.

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

25. Silica

Any liability arising out of or in any way connected with the inhalation of, or exposure to silica in any form.

Special Conditions

1. Reasonable care

You shall:

- a. take all reasonable precautions to prevent:
 - 1. Public Liability and Products Liability;
 - 2. Personal Injury and Damage to Property; and
 - 3. the manufacture, sale or supply of defective Products;

- b. comply with, and take reasonable steps to ensure that Your employees, servants and agents comply with, all relevant laws, by-laws, regulations and recognised standards for the safety of persons or property;
- c. ensure that only competent employees use, operate, maintain and service plant and equipment;
- d. maintain all premises, fittings, plant and equipment in sound condition; and
- e. take action as soon as reasonably possible to trace, recall or modify all Products that You know or have reason to suspect contain a defect or deficiency.

2. Cranes

You shall at all times, in the operation of cranes, observe and enforce observance of, all relevant laws, by-laws, regulations and recognised standards for the safety of persons or property.

3. Welding, Flame Cutting, Application of Heat

You shall ensure that all welding and flame cutting complies with any relevant acts, regulations, compliance codes of the Commonwealth or any state or territory government and/or standards issued by Standards Australia or the International Organization for Standardization.

4. Conduct of Your Defence

In the event of payment under this section to You or on Your behalf for Public Liability or Products Liability, We shall have the right to conduct of Your defence, to instruct lawyers to provide advice as to Your liability and to represent You.

5. Payment of Limit of Indemnity

We may at any time pay to You the appropriate Limit of Indemnity (after deducting from it any amounts already paid by Us) or any lesser amount for which a claim or claims may be settled. In doing so, We will relinquish the conduct of, and shall be under no further liability in connection with, such claim or claims but will also cover costs and expenses incurred before We made such payment, except in relation to Public Liability or Products Liability subject to or determined by the law in North America, Your Legal Costs, which are included in the Limit of Indemnity.

6. New Subsidiaries and Managed Organisations

If You obtain any subsidiary companies (and their subsidiaries) or Managed Organisations after the commencement of the Period of Insurance, You may request Our agreement to insure such subsidiary companies or Managed Organisations. When We receive a request under this Special Condition 6, We may decide to:

- a. continue cover with no change to the premium payable;
- b. reduce the premium payable and return any refund to You;
- c. charge You an additional premium (You can cancel Your Policy if You do not accept the additional premium); or
- d. cancel the Policy if permitted in accordance with the provisions of the Insurance Contracts Act 1984 (Cth) and return to You a proportion of the premium for the unexpired Period of Insurance.

It is important for You to know that We may need to make changes to this Policy if You notify Us of any changes that alter Our risk under this Policy. When there is a change, We will inform You.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.

SECTION 6 – MACHINERY

Introduction

This section forms part of the Policy only if a Sum Insured is shown in the Schedule for 'Section 6 – Machinery' and, if so, must be read together with the General Definitions, General Conditions, General Exclusions and all other terms of the Policy and the Schedule.

Definitions

The words defined below have a special meaning and apply to the cover provided under this section of the Policy. Where they appear in this section, they are capitalised. The singular shall include the plural and vice versa.

Breakdown means sudden and unforeseen Damage to Machinery, which requires repair or replacement to enable normal working to continue.

Cold Chamber means the cold storage chamber including all parts of the refrigeration or controlled atmosphere gas generating and scrubbing plant system including the controlling switch gear necessary for the purpose of maintaining the temperature or gas concentration in the cold storage chamber.

Collapse means unforeseen and unexpected Damage, distortion bending, or crushing of any part of Pressure Equipment, caused by vacuum or reduced pressure in the Pressure Equipment, including insufficiency of water.

Deterioration means unforeseen and unexpected putrefaction, decay or contamination of refrigerated Goods within Cold Chambers as specified in the Schedule, caused by a rise or fall in temperature due to:

1. Breakdown of Cold Chamber Machinery, for which a claim has been admitted under this section, or would have been admitted other than for the application of the Excess.
2. a change in the concentration of gases in the Cold Chamber caused by Breakdown.
3. contamination of Goods caused directly by contact with refrigerant gas leaking from the insured Machinery.
4. failure of the public electricity supply to the terminal point of the suppliers feed at the Situation caused by a:
 - a. Breakdown of the suppliers system; or
 - b. scheme of rationing necessitated solely by Breakdown of a part of the supply authority's system or;
 - c. deliberate act of the supplier performed for the sole purpose of safeguarding life or protecting a part of the suppliers system.

Explosion means unforeseen and unexpected Damage caused by sudden and violent rending of the permanent structure of the Pressure Equipment by force of internal steam, gas or fluid pressure (including pressure of ignited flue gases) or vacuum causing displacement of any part of the Pressure Equipment together with forcible ejection of its contents.

Goods means the perishable goods specified in the Schedule, including their packaging material, belonging to You or for which You are responsible or have assumed a responsibility to insure.

Machinery means the electric, electronic, mechanical or hydraulic machinery belonging to You or for which You are responsible or have assumed a responsibility to insure, but does not include:

1. wiring, fittings and outlet sockets of electric lighting or electric power circuits.
2. calculators, photocopiers, typewriters, mobile phones, pagers, computers and other office machinery.
3. telephone and closed circuit television installations.
4. any Mobile Machinery, vessel, craft or thing made or intended to fly, float or travel, or stored in or mounted upon such Mobile Machinery, vessel, craft or thing.
5. Pressure Equipment.
6. gaming, gambling, amusement, vending machinery, audio or visual entertainment equipment.
7. machinery hired by You.

Mobile Machinery means any mechanically operated or driven machine on wheels or self-laid tracks.

Pressure Equipment means those parts of the permanent structure of a boiler, pressure vessel, economiser and superheater and attaching pipe systems which are subject to steam, gas or fluid pressure or vacuum, all belonging to You or for which You are responsible or have assumed a responsibility to insure.

Cover

The property shown in the Schedule, is insured whilst at the Situation during the Period of Insurance, as follows:

1. for Machinery, against Breakdown.
2. for Pressure Equipment, against Collapse and Explosion.
3. for Goods in Cold Chamber, against Deterioration.

Limitation

Our total liability during any one Period of Insurance, for any claim arising out of one event or series of events arising directly or indirectly from one source or original cause will not exceed the Sum Insured shown in the Schedule.

Additional Benefits

1. Increased Cost of Working

If the Sum Insured under this section is not otherwise exhausted, in respect of each event resulting in a claim, admitted under this section for Breakdown of Machinery or Explosion or Collapse of a Pressure Equipment, We will pay the reasonable expenses necessarily incurred for:

- a. temporary repairs;
- b. hiring of substitute Machinery or Pressure Equipment;
- c. overtime; and
- d. express freight including overseas airfreight.

We will not be liable for:

- a. the costs and expenses for specialists or consultants to travel to or from Australia;
- b. air freight by aircraft specifically chartered for the purpose;
- c. overtime charges which exceed fifty percent (50%) of the cost of carrying out the repairs at ordinary rates; or
- d. Breakdown of Machinery or Explosion or Collapse of Pressure Equipment which has been hired or is on loan to You from a third party.

The most We will pay under this Additional Benefit 1 for any one event is 15% of the Sum Insured for this section, but not more than \$25,000. is the balance of the Contents Sum Insured, but not more than \$2,500.

2. Cover for Additional Machinery and Pressure Equipment

Cover is extended to include other Machinery or Pressure Equipment, delivered and installed, after the inception of this section at any of the Situations described in the Schedule, excluding items hired by You. Provided that:

- a. such additions must be of a similar type and class as described in the Schedule.
- b. such additions must be free from known defects and comply with all applicable statutory requirements.
- c. cover will not attach until such additions have become Your responsibility and have operated satisfactorily at design load, for eight hours in total.
- d. section limits and Excesses will remain the same for such additions.
- e. You must notify Us of such additions in writing as soon as reasonably possible of the commencement of such additions.
- f. You pay the extra premium that may be required by Us for the insurance of such additions.

3. Reinstatement of Sum Insured – Goods

Following a claim for Deterioration of Goods in Cold Chambers under this section, We will reinstate the Sum Insured from the date of the loss, provided You pay or agree to pay any additional premium that may be required by Us.

Settlement of Claims

In the event of a claim for:

1. Breakdown

Breakdown of Machinery or Pressure Equipment, We will at Our option, repair or replace the damaged items or pay the cash equivalent of such repair or replacement. We will also pay the cost of liquids or refrigerant gas or insulating oil necessary to complete the repairs.

The amount payable will include the cost of transport, labour and the on-site cost of parts.

If it is necessary to replace parts which are unavailable or obsolete, We will not pay more than the estimated cost of similar parts for similar type of plant currently available. If similar parts are found to be unobtainable, We shall not pay more than the manufacturers or suppliers latest list price.

We will not be responsible for the costs of any alterations, improvements, maintenance or overhauls carried out on the occasion of the repair or replacement.

2. Explosion or Collapse of Pressure Equipment

Explosion or Collapse of Pressure Equipment, We will at Our option, repair or replace the damaged items or pay the cash equivalent of such repair or replacement as follows:

- a. In the case of repairable damage, We will pay the cost of repairs necessary to restore the Pressure Equipment to its condition immediately before the Explosion or Collapse.
- b. In the case where the Pressure Equipment cannot be repaired at a cost less than the value of a new equivalent unit, We will pay the cost of installing and commissioning replacement Pressure Equipment of equivalent quality and size. If the Pressure Equipment is replaced with one that is of a better kind, quality or size, We will pay the cost that would have been incurred if an exact replacement had been installed.
- c. If the repair or replacement is not effected within 12 months of the Explosion or Collapse, We will only pay the Indemnity Value of the Pressure Equipment immediately prior to the Explosion or Collapse.

The amount payable will include the costs of transport, labour, the on-site cost of parts and airfreight.

We will not be responsible for the costs of any alterations, improvements maintenance or overhauls carried out on the occasion of the repair or replacement.

3. Deterioration of Goods in Cold Chambers

Deterioration of Goods in Cold Chambers, We will at Our option:

- a. replace the Deteriorated Goods; or
- b. pay the actual cost price of the Deteriorated Goods, however, We will not pay for any Deteriorated Goods that had passed their “use by” dates at the date of the loss,

In respect of each event for which a claim is made under this section, We will deduct the Excess and the value of any salvage obtained following repair or replacement.

Exclusions

We will not pay for:

1. consequential financial loss, meaning We will not pay for any direct or indirect financial or economic loss, for example loss of use or enjoyment, loss of profits or depreciation.
2. liquidated damages or penalties for delay or detentions or in connection with guarantees of performance or efficiency.
3. repair or replacement necessitated by:
 - a. wasting or wearing out of parts, caused by or resulting from ordinary use or working or gradual deterioration;
 - b. corrosion, cavitation, erosion, deposits of scale, sludge or other sediment;
 - c. any direct consequences of progressive or continuous influences from working or atmospheric or chemical action other than accidental contact with acids or other corrosive substances causing damage which manifests itself within 24 hours of such accidental contact; or
 - d. rusting or scratching of painted or polished surfaces,

however, this exclusion 3 will not apply to other Damage to Machinery or Pressure Equipment insured by this section, resulting from such causes.

4. the cost of removal of Machinery from a borehole and subsequent replacement.
5. in respect of Machinery:
 - a. Damage directly or indirectly caused by, arising from or in consequence of:
 - i. fire resulting from explosion or otherwise, lightning, thunderbolt, spontaneous combustion, fermentation, heating or any process involving the direct application of heat;
 - ii. aircraft or other aerial devices or articles dropped therefrom, or sonic boom;
 - iii. earthquake, subterranean fire, volcanic eruption;
 - iv. storm, tempest, rainwater, snow, sleet, wind, hail, water from or action of the sea, tsunami, tidal wave, high water, Flood;
 - v. water, liquids, or substances discharged, overflowing or leaking from apparatus, appliances, pipes or other systems unless such apparatus, appliances, pipes or other systems form part of the Machinery;
 - vi. riots, civil commotions, strikes or locked out workers, or persons taking part in labour disturbances, or acts of vandalism, or acts of any lawfully constituted authority in connection with the foregoing acts, cessation of work whether total or partial;
 - vii. Explosion;
 - viii. attempts by civil authorities to prevent the spread of fire;
 - ix. theft or attempted theft;
 - x. unexplained inventory shortages or disappearances;
 - xi. unloading on delivery to, or loading prior, to dispatch from the Situation;
 - xii. incorrect siting, demolitions ordered by Government or Public or Local Authorities;
 - xiii. erosion, subsidence, or collapse or any other movement of earth;
 - xiv. testing and commissioning, intentional overloading or experiments;
 - xv. faults or defects known to You or any employee whose knowledge in law would be deemed to be Yours and not disclosed to Us at the time this insurance was arranged;
 - xvi. any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to the property other than for the purpose of lifting the insured machine or item; or
 - xvii. damaged or faulty doors, lids, catches, latches, locks or any door lid closing or securing mechanism or device of a Cold Chamber; or
 - b. Damage caused to any of the following:
 - i. bits, drills, knives, saw blades, heating elements, fuses, electronic valves and tubes, magnetron units, contacts which spark or arc;
 - ii. dies, moulds, patterns, blocks, stamps, punches;
 - iii. coating or engraving on cylinders and rolls;

- iv. crushing, hammering or grinding surfaces, wear plates, screens, tyres, batteries, burner jets or other parts which by their use and nature, suffer a high rate of wear or gradual deterioration;
 - v. sieves, flexible pipes, seals, jointing and packing materials, filters, ropes, chains, belts, elevator and conveyor belts or bands, cables (other than electrical conductors) brushes, refractory materials, fire bars, unless as a result of Breakdown;
 - vi. fuels, chemicals, filter substances, heat transfer media, cleansing agents, lubricants, oils, catalysts or other operating materials. We will not pay for loss or damage to refrigerants or transformer oils due to defective valves, glands, seals, gauges, or loose connections of pipes. However, We will pay for the loss or damage to refrigerants or transformer oils due to breaking of pipes or flared joints;
 - vii. materials in the course of or undergoing processing;
 - viii. foundations and masonry – unless specifically included and described in the Schedule;
 - ix. below ground turbine pump, submersible pump or motor unless such pump or motor is fitted with an effective pressure or flow cut out switch which will stop the motor if the normal pumping pressure or flow is interrupted; or
 - x. any unattended engine unless such engine is fitted with an effective automatic safety engine monitoring device and such device stops the engine in the event of a lubricating or cooling fault or failure.
6. in respect of Pressure Equipment
- a. repair or replacement following Damage directly or indirectly caused by, arising from, or in consequence of:
 - i. wasting or wearing away whether by leakage, corrosion or by the action of the fuel or otherwise;
 - ii. slowly developing deformation or distortion; or
 - iii. cracks, fractures, blisters, lamination separation, flaws or grooving which has not penetrated the entire thickness of the material,
 however, this exclusion 6. a. will not apply to subsequent Explosion or Collapse.
 - b. any Explosion or Collapse of any Pressure Equipment, if at the time of such Explosion or Collapse:
 - i. the load on the safety valve upon the particular Pressure Equipment was in excess of the manufacturer's specification, and it caused or contributed to the Damage;
 - ii. any safety valve limiting the pressure was removed or rendered inoperative; or
 - iii. the particular Pressure Equipment was not certified in accordance with the applicable Pressure Equipment inspection regulations.
 - c. Damage to Pressure Equipment where:
 - i. such equipment is operated in an unsafe condition to the extent that it caused or contributed to loss;
 - ii. such equipment does not comply with Australian Standards, codes or laws; or
 - iii. an inspection by a competent person has not been carried out in accordance with the applicable Australian Standards, codes or laws.

7. in respect of Machinery and Pressure Equipment, any increase in the cost of repair or replacement necessitated by compliance with any ordinance or law regulating repair, alterations, construction, installation or operation of the insured Machinery or Pressure Equipment.

Special Clauses

1. Loss Minimisation – Goods

If the Sum Insured for Deterioration of Goods is not exhausted and Deterioration occurs to Goods insured under this section, or if Deterioration is likely to occur to such Goods because of a Breakdown, We will pay any reasonable expenses incurred by You to prevent or minimise the loss of insured goods, if:

- a. as a result, Our liability is reduced;
- b. the expenses were incurred with Our consent (which will not be unreasonably withheld); or
- c. You reasonably considered it expedient to incur these expenses but were not able to obtain Our consent.

2. Underinsurance/Average – Goods

In the event of Deterioration of Goods, We will not pay for more than that proportion of the Damage that the Sum Insured for Goods in Cold Chambers bears to 80% of the actual total cost price of the Goods in Cold Chambers specified in the Schedule.

An illustrative but not exhaustive example of the application of this clause is set out below.

Example:

| | |
|----------------|----------|
| Value of Goods | \$20,000 |
| 80% of value = | \$16,000 |
| Sum Insured | \$14,400 |

Therefore, if a \$10,000 loss occurs, We would pay $\$14,400 / \$16,000 \times \$10,000 = \$9,000$

We would pay \$9,000 (less any applicable Excess) for this example.

Claims Procedure

Please refer to the 'Claims Procedure' section in the Important Information section of this Policy for details of Your obligations in the event of a claim.



You may contact us to give us instructions by mail, telephone or e-mail.

Strata Unit Underwriting Agency Pty Ltd
T/A Strata Unit Underwriters
ABN 30 089 201 534 | AFSL 246719

Level 14/141 Walker Street, North Sydney, New South Wales 2060

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If you need any further information or have any questions please contact us.