



OFFICE PACK

INSURANCE POLICY

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Welcome To The Security Of CGU Insurance

About CGU

Insurance Australia Limited trading as CGU Insurance is the underwriter of this insurance Policy. Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Licence Number is 227681. In this Policy Insurance Australia Limited trading as CGU Insurance is called “We,” “Us”, “Company”, “CGU” or “Our”.

About Steadfast

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

Steadfast Group Limited does not issue, guarantee or underwrite this Policy.

Important information about Steadfast’s advice

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

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.

Important information

Your duty of disclosure

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

You have this duty until We agree to insure You.

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

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell us something

If You do not tell Us anything You are required to, We may cancel Your contract if We would not have issued You cover on the same terms had You complied with Your duty of disclosure, or reduce the amount We will pay You if You make a claim to the extent We are prejudiced by Your noncompliance, or both.

The course of action We take if You fail to tell Us something will be considered in each circumstance based on what impact or effect Your failure caused or contributed to a claim or Our decision to issue Your Policy.

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

How CGU protects Your privacy

We use information provided by Our customers to allow Us to offer Our products and services. This means We may need to collect Your personal information, and sometimes sensitive information about You as well (for example, health information for travel insurance). We will collect this information directly from You where possible, but there may be occasions when We collect this information from someone else.

CGU will only use Your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give Us Your information, but this may affect Our ability to provide You with insurance cover.

We may share this information with companies within Our group, government and law enforcement bodies if required by law and others who provide services to Us or on Our behalf, some of which may be located outside of Australia.

For more details on how We collect, store, use and disclose Your information, please read Our Privacy Policy located at www.cgu.com.au/privacy. Alternatively, contact Us at privacy@cgu.com.au or 13 24 81 and We will send You a copy.

We recommend that You obtain a copy of this Privacy Policy and read it carefully.

By applying for, using or renewing any of Our products or services, or providing Us with Your information, You agree to this information being collected, held, used and disclosed as set out in this Privacy Policy.

Our Privacy Policy also contains information about how You can access and seek correction of Your information, complain about a breach of the privacy law, and how We will deal with Your complaint.

General Insurance Code of Practice

We proudly support the General Insurance Code of Practice (‘the Code’). The purpose of the Code is to raise 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.

Our service commitment

CGU Insurance is proud of its service standards and supports the General Insurance Code of Practice. In an unlikely event that You are not satisfied with the way in which We have dealt with You, as part of Our commitment to customer service, CGU have an internal dispute resolution process in place to deal with any complaint You may have.

Please contact Your nearest CGU Insurance office if You have a complaint, including if You are not satisfied with any of the following:

- one of Our products;
- Our service;
- the service of Our authorised representatives, loss adjusters;
- or investigators; or
- Our decision on Your claim.

Our staff will help You in any way they can. If they are unable to satisfy Your concerns, they will refer the matter to their supervisor or manager. If the manager cannot resolve the matter, the manager will escalate the matter to Our internal dispute resolution department.

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

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. This amount will be clearly set out in Your Schedule, which will be sent to You within 5 days of the issue of this Policy. If You fail to pay, We may reduce any claim payment by the amount of premium owing and/or cancel the Policy.

You may also be required to pay an Excess in the event of a claim under this Policy. The amount of any Excess will be shown on Your Schedule.

Interest on unallocated premium

If We are unable to issue Your insurance when We receive Your application, We are required to hold Your premium in a trust account on Your behalf until Your insurance can be issued. We will retain any interest payable by Our bank to meet, among other things, bank fees and other bank costs We incur in operating the account.

Underinsurance

- It is Your responsibility to ensure that the sums insured for any Vehicle or Property Insured under this Policy are adequate. Sums insured should reflect the new replacement value of any Vehicle or Property Insured. If sums insured are not adequate, claims may not be paid in full.

You should review the adequacy of sums insured periodically during the Period of Insurance and prior to renewal each year. Inadequacy of sums insured can present significant issues of financial hardship. If You are unable to establish the adequacy of sums insured, You should seek assistance from Your insurance adviser.

CGU Office Insurance Policy

The following **general provisions** apply to all sections of this Policy document:

Our agreement

The Policy including the Schedule and Endorsements (if any) and are to be read together.

In return for You having paid or agreed to pay the premium to Us, subject to the terms, conditions, exclusions and limitations contained in, or endorsed on or otherwise expressed in this Policy, We will insure You to the extent described in this Policy 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.

In issuing this Policy, CGU rely upon the information contained in the application and/or any written statements made by the Insured or anyone acting on their behalf.

You are insured for those items, including variations and extensions, for which a sum insured or limit of indemnity is shown in the Schedule or which are otherwise indicated in the Schedule as being operative. However:

1. The sum insured under any item is as shown in the Schedule or as otherwise expressed in the Policy; and
2. Where the insurance is varied or extended by any additional benefit, optional additional benefit, special clause, variation and extension or Endorsement, the insurance provided by such additional benefit, optional additional benefit, special clause, variation and extension or Endorsement is subject to the terms, conditions, exclusions and limitations of the Policy in so far as they can apply.

The Policy, Schedule and Endorsements together form the agreement between You and Us.

General definitions

In this Policy the following general definitions will apply to all sections, but if there is a specific definition in any section it shall take precedence over these general definitions. Aside from the headings of the Policy, where definitions appear in the Policy they are shown with a capital letter,

In this Policy the singular shall include the plural and vice versa as the context requires and any reference to one gender includes reference to the other.

Act of Terrorism means an act including, but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of, or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Business means:

all activities stated in the Schedule including:

- a) the ownership and occupation of the Business Premises by the Insured;
- b) the provision of any sponsorship, charitable donations, or attendance at any charitable event or gala;
- c) canteen, social, sports, welfare, child care services or other activities for the Insured's employees;
- d) first aid, fire and ambulance services provided by the Insured for the Insured's own internal purposes; and
- e) private work undertaken by employees for any director, partner, officer or executive of the Insured.

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

Business Premises means the buildings, outbuildings, yards and land used by You for Your Business 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:

- a) 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;
- b) 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
- c) 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.

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

Consequential Loss means any direct or indirect financial or economic loss, for example, loss of use or enjoyment, loss of profits or depreciation, loss of earning capacity and any other consequential loss or indirect loss of any kind, including but not limited to loss, Damage, cost or expense caused directly or indirectly by or resulting from:

- a) delay or interruption of the Business;
- b) lack of power, light, heat, steam or refrigeration; or
- c) any other indirect result or consequence of a breakdown.

except if specifically covered by this Policy.

Contamination means the discharge, dispersal, release or escape of Pollutants into or upon any property or land or into the atmosphere or any watercourse or body of water (including ground water).

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 physical loss or 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:

- a) 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
- b) 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.

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.

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

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.

Endorsement means documentary evidence of an alteration to the Policy which forms part of the Policy.

Excess means the sum shown in the Policy, which You will be required to pay in respect of each occurrence or event giving rise to a claim.

Where a claim or series of claims, that result from one original source or cause is made in respect of sections 1, 2, 3, 4, and 8 part A, or any of them, the Excess applicable shall not be aggregated and the highest single level of Excess only shall apply.

Where a sum insured or limit is provided under an additional benefit, the Excess amount will be deducted from the claim before the sum insured limit is applied.

With respect to 'Section 5 General & Products Liability', the Excess applies to all amounts for which We will be liable, including the indemnity provided under 'Defence costs and supplementary payments', or any investigation costs associated with the claim.

Family means Your family members 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.

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

- a) a lake (whether or not it has been altered or modified);
- b) a river (whether or not it has been altered or modified);
- c) a creek (whether or not it has been altered or modified);
- d) another natural watercourse (whether or not it has been altered or modified);

e) a reservoir;

f) a canal;

g) a dam.

Human Infectious or Contagious Disease means:

- a) influenza but not Highly Pathogenic Avian Influenza in humans or human influenza with pandemic potential; or
- b) viral gastroenteritis, norovirus and rotavirus; or
- c) legionnaires' disease (Legionellosis).

Money means current coin, bank notes, currency notes, cheques, credit card sales vouchers, securities, postal orders, money orders, negotiable and nonnegotiable securities and other like documents of value, phone cards and/or stored value cards, unused postage and revenue stamps, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, lottery tickets, authorised gift vouchers, discount vouchers from external parties, contents of franking machines, and includes cash boxes, alarm bags, or any other portable container used to convey money all belonging to You, or for which You are legally responsible, or have assumed a responsibility to insure, but does not mean any of these in the possession of or carried by professional money carriers, professional carriers or common carriers.

Period of Insurance means the time period during which cover under this Policy is provided set out as the period of insurance in the Schedule.

Policy means this document, the Schedule and any Endorsement, attachment or memoranda affixed and any future documents issued to You by Us or on Our behalf which amends the policy wording or Schedule. Together they form the insurance contract.

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

Property Insured means buildings, contents, specified items, stock, total contents, tobacco, cigars, cigarettes, and items listed on the Schedule and used in Your Business.

Schedule means the most current schedule of insurance or any future renewal schedule, including any Endorsements issued by Us in connection with this Policy.

Situation means the locations set out as the situation in the Schedule.

Specified Items means property specifically described in the Schedule under specified items.

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

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

Watercraft means any vessel, craft or thing made or intended to float on or in or travel through water, other than model boats.

'We', 'Us', 'Our', 'Ours', 'Company' 'CGU' means CGU Insurance Limited, the insurer of this Policy.

'You', 'Your', 'Yours', 'Insured' means the person or entity named in the Schedule as the insured.

Other words may be defined within specific sections that form part of this Policy. If so, they are shown under the heading of 'definitions' within that section and only apply to that section.

General exclusions

1. War, terrorism, confiscation & nuclear

We will not be liable for any loss, Damage, destruction or liability, caused by, or arising directly or indirectly from:

- a) any liability arising out of or in any way connected with loss, Damage or destruction directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or Damage to property by or under the order of any government or public or local authority;
- b) any liability arising out of or in any way connected with:
 - i. death, injury, illness, loss, Damage or destruction directly or indirectly caused by, contributed by, resulting from or arising out of or in connection with any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the death, injury, illness, loss or Damage; or
 - ii. any action in controlling, preventing, suppressing, retaliating against or responding to any Act of Terrorism;

However, this exclusion 1. b) will not apply to: 'Section 3 Theft Of Money'; 'Section 4 Glass'; or 'Section 9 General Property'.

- c) 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, this exclusion will not apply to Damage that occurs as a result of such an order if it prevents or attempts to prevent fire or other Damage covered by this Policy; or

- d) any liability, loss, Damage or destruction arising out of or in any way connected with operations employing the process of nuclear fission or fusion or handling of radioactive material, which operations include but are not limited to:
 - i. the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices;
 - ii. the use, handling or transportation of radioactive materials; or
 - iii. the use, handling or transportation of any weapon of war or explosive device employing nuclear fission or fusion.

This exclusion does not apply to liability arising from radio-isotopes or radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits.

2. Cyber

We will not be liable for 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 physical loss or damage to Property Insured 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 physical loss or 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 physical loss or 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, to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

This exclusion clause does not apply to 'Section 5 General & Products Liability' and 'Section 6 Employee Dishonesty'.

3. Territorial limitations

Unless We agree in writing to the contrary, We will not pay for any loss, theft or Damage to or of a Vehicle or Property Insured by this Policy that is outside the Commonwealth of Australia at the time of its loss, theft or Damage, except as specifically stated otherwise in the appropriate part of the Policy.

4. Unoccupancy

Unless We otherwise agree in writing, We will not pay for any loss or Damage to Your Property Insured if the occurrence happens whilst Your Business Premises have been unoccupied for more than ninety (90) consecutive days. This exclusion does not apply to Damage caused by:

- a) lightning, earthquake, volcanic eruption, tsunami and subterranean fire; or

- b) impact by road Vehicle or their loads, animals, trees, or branches, meteorite, aircraft or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling building or structures or parts thereof which do not belong to You; or
- c) riots, civil commotions and strikes.

This exclusion will not apply if the Business Premises are partly occupied.

5. Known defects

We will not pay for loss or Damage caused by 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.

6. Intentional acts

We will not pay for loss or Damage caused by either Your intentional act or by the intentional act of another party committed with Your knowledge and consent and which You were capable of preventing.

7. Communicable diseases

Your Policy does not cover any actual or alleged loss, damage, liability, claim, cost, expense or any other amounts of whatsoever 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 a result of the outbreak and presence of any of the following human diseases at Your Property Insured, 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 cost 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 will not apply to Damage to Your Property Insured under 'Section 1 Property' or loss and additional costs or expenses insured under 'Section 2 Business Interruption', as a consequence of Damage covered under 'Section 1 Property', 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 or meteorites.

This exclusion does not apply to the additional benefit clause '2. Murder, suicide & infectious disease' in 'Section 2 Business Interruption' 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 General & Products Liability'.

8. Sanctions

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy (including any refund of premium), to the extent that such cover, claim, benefit or refund may contravene or expose Us to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanctions, laws or regulations of any country.

General conditions

1. Your duty

Our liability is conditional upon the following:

Payment of the premium

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

Changing Your policy

If You want to make a change to this Policy the change becomes effective when, and only if, We agree to it in writing.

Reasonable precautions

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

Observance of policy terms

You and any other person who may seek indemnity from Us, must observe the terms of 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. Other persons or organisations

If any person or entity shall have any interest in the Property Insured, We shall protect that interest in the event of a claim, provided that interest is disclosed in Your Business records and You shall have disclosed the nature and extent of that interest to Us at the time of notification of the claim.

Where the separate interests of more than one party in the Property Insured are insured under this Policy, any act or neglect of one party will not prejudice the rights of the remaining party or parties provided that the remaining party shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of loss, Damage or destruction has increased, give notice in writing to Us and pay such reasonable additional premium as We may require to reflect the increased risk of loss or Damage.

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

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

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

3. Our rights of conduct and recovery

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

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

4. 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.

5. Cancellation

The Policy may be cancelled by:

- a) You at any time by notifying Us in writing. We will refund the premium for the unexpired Period of Insurance;
- b) Us, only where allowed by the Insurance Contracts Act 1984. We will refund the premium for the unexpired Period of Insurance; and
- c) a premium funding company only in accordance with the power of attorney You granted to such company.

We will refund the premium for the unexpired Period of Insurance to the premium funding company, from the date We receive the request or, the date they specify if that is a later date.

6. Inspections

We (or agents appointed by Us) have the right to inspect and examine, by mutual appointment, any Property Insured. Any such inspection shall not amount to a representation as to the ownership, fitness for purpose, quality or safety of the Property Insured inspected.

7. Non imputation insurance

Where this insurance is arranged in the joint names of more than one Insured, as described in the definitions of You, it is hereby declared and agreed that:

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

Provided that nothing in this clause results in any limits of liability or sums insured of the Policy being increased.

8. Payment by instalments

When You take out insurance, You need to pay Your annual Premium or any instalments by the due date specified on Your Certificate of Insurance.

An instalment is unpaid if it cannot be deducted from Your nominated account or credit card.

If Your Premium is overdue We will send You a notice outlining the overdue amount and when it needs to be paid.

If Your Premium remains unpaid after the time period specified in the notice We send, We will:

- i. cancel Your Policy for non-payment; and
- ii. refuse to pay any claim for an incident occurring after the cancellation date.

If You pay by instalment, We will send You a second notice either before cancellation informing You of the effective date of cancellation, or within 14 days after cancellation confirming the effective date of cancellation.

If You need to make a claim when Your Policy is overdue, and before Your Policy has been cancelled for non-payment, We will require You to pay the overdue amount as part of the claim settlement process. Alternatively, where the settlement method allows We can reduce the settlement payment by the overdue amount.

All outstanding instalments will be deducted from any total loss settlement.

9. Payment of rewards

In addition to the amount of cover provided in each section, We will pay You up to \$5,000 or any higher amount shown in the current Schedule for the reasonable cost of any reward paid by You to recover any property belonging to You or for which You are responsible that is lost, destroyed or Damaged and which is insured under the property, theft of money, glass or computer & electronic equipment cover sections of this Policy.

However provided that:

- a) the terms of the reward are agreed by Us before it is offered; and
- b) no such payment shall be made by You unless the value of the property recovered exceeds the reward.

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

10. Claim preparation expenses

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

Provided that before You incur these claim preparation costs You obtain Our written approval to incur these costs.

This benefit is in addition to the sum insured for the particular section of the policy we agree to indemnify You under.

11. Breach of condition or warranty

Breach of a condition or warranty without Your knowledge or consent or error in name, description or Situation of property will not prejudice Your rights under this Policy provided notice in writing is given to Us when such breach or error comes to Your knowledge and provided that reasonable extra premium shall be paid if required by Us, to reflect any increased risk of loss or Damage, from the date of such breach or error.

12. Designation of property

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

13. Premium funders

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

14. Reinstatement of sum insured

In the event of Damage insured under one or more of the property, business interruption, theft of money, glass or computer & electronic equipment sections of this Policy, the amount by which the sum insured or limit of indemnity is reduced as a consequence of the loss or Damage will be automatically reinstated as from the date of loss or Damage provided that:

- a) there is no written request from You or written notice by Us to the contrary;
- b) the section is an operative section of the Policy; and
- c) You pay the premium which We require for the reinstatement.

We will not reinstate the sum insured on the property or the business interruption sections if We have paid a total loss under either of these cover sections.

15. Sale of salvage

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

16. Waiver of subrogation rights

We will not be liable to pay any benefits under this Policy for loss, Damage or liability if You agree, or have agreed, to limit or exclude any right of recovery against any third party who would be liable to compensate You with respect to that loss, Damage or liability however:

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

17. Our maximum liability

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

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

18. Currency

The currency applicable to this Policy shall be in Australian Dollars (AUD) and all references to dollar amounts will be taken to be AUD unless otherwise stated.

19. Delay of cover

We will not provide any cover, for a period of forty-eight (48) hours from the time of the commencement of Your insurance, for Damage or loss caused by:

- a) bushfire or grassfire; or
- b) a named cyclone.

This exclusion does not apply, however, if this insurance commences directly after:

- i. another insurance policy covering the same property expired, without a break in cover;
- ii. You have entered into a contract of sale to purchase the property; or
- iii. You have entered into a contract to lease the property.

20. 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 destruction, loss or Damage to Property Insured or liability to third parties. Some examples of changes of which You should notify Us are:

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

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

- i. continue cover with no change to the premium payable;
- ii. reduce the premium payable and return any refund to You;
- iii. charge You additional premium (You can cancel Your policy if You do not accept the additional premium); or
- iv. cancel the Policy if permitted in accordance with the provisions of the Insurance Contracts Act 1984 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.

21. Acquisition of companies

Provided that You notify Us in writing within thirty (30) days of Your acquisition of:

- a) any company or other legal entity acquired during the Period of Insurance; or
- b) any property or liability associated with such company or any other legal entity or Business undertaking or operation and the Business is of a similar occupation to that stated in the Schedule,

We will provide cover subject to Your acceptance of Our terms and undertaking to pay the additional premium We may require to reflect any increased risk in loss or Damage. Our liability shall not exceed the sum insured amount or limit of liability, or any sub-limit of liability applicable under the relevant Policy section making up Your Policy for each category of property.

22. Single occurrence

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

Claims procedures

NOTE: We may refuse to indemnify You if the Policy does not respond to the claim, or reduce the extent of indemnity We provide You to the extent We have been prejudiced, if You fail to forward Us any writ or summons served upon You within the time stipulated, and it adversely impacts the claim settlement under this Policy.

1. As soon as reasonably possible after the happening of any occurrence, accident or event that may give rise to a claim against You or Us, You or Your legal representative must:
 - a) advise details to Us, and then 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 reasonable endeavours to preserve any Damaged or defective appliances, plant or things that might prove necessary or useful by way of evidence in connection with any claim provided it is reasonable and safe to do so and, so far as reasonably possible, with due regard for safety, no alteration or repair shall be made without Our consent;
 - d) retain all Damaged property for inspection by Us, provided 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. In the event the police station is unable to assist You, please contact Us to discuss alternatives;
 - f) advise Us, as soon as reasonably possible, of any impending prosecution or inquest; and
 - g) forward to Us every communication, writ or summons as soon as reasonably possible after receipt by You or service upon You.

Section 1

Property

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

This section of the Policy covers You for Damage to Your Property Insured occurring during the Period of Insurance, subject to the terms, conditions, exclusions and limitations of the Policy, whilst at the Situation.

Our maximum liability will not exceed the sum insured shown in the Schedule for the relevant item of Property Insured.

Definitions

In this section the following definitions apply:

Audit Costs means professional fees paid to accountants or registered tax agents who are not Your employees, for work undertaken in connection with a tax audit or investigation.

Buildings means the property belonging to You or for which You are legally responsible, or for which You have assumed a responsibility to insure, described below.

1. The building together with outbuildings, foundations, annexes and gangways.
2. Structural improvements including:
 - a) fixtures, lifts, elevators, escalators and equipment all permanently fixed and non-portable;
 - b) paths, driveways, car parks, driveway aprons, terraces, walls, gates, fences, letterboxes, signs, exterior lights, masts, antennae and aerials, storage tanks including fixed attachments and fixed accessories thereof; and
 - c) swimming pools, saunas and spas all permanently fixed including fixed attachments and fixed accessories thereof.
3. Materials and supplies intended for use in the construction, erection, repair of, or alteration and addition to, the building to an amount not exceeding twenty per cent (20%) of the sum insured on buildings, or \$500,000, whichever is the lesser.
4. Pipes, ducts, wires, cables, meters, and switches used in connection with the provision of lighting, heating, cooling, communication, water supply, drainage, sewerage and other services.
5.
 - a) Room heaters, stoves, air-conditioners, fans, light fittings and hot water services permanently fixed and non-portable;
 - b) Other fixed (non-portable) apparatus or appliances attached to the gas, plumbing, drainage or sewerage system, or to the electrical system (other than by means of a flexible or tensile cord to a power point); and
 - c) Fuel tanks (above or underground).
6. Exterior blinds, awnings and shadecloth.
7. Fixed coverings to walls, floors and ceilings but excluding fixed carpets other than landlord's fixed carpets.

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 1(c) above.
3. Subject to the provisions of the Insurance Contracts Act 1984, 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. We will 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 that may also provide cover on any property or liability hereby insured.
6. If We agree to indemnify You under any section of this Policy in respect of a claim, We will make progress payments to You on account of that claim at such intervals and for such amounts as may be mutually agreed.
7. Where We make a payment under this Policy for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any input tax credit that You are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999, in relation to that acquisition, whether or not that acquisition is actually made.

Where We make a payment under this Policy as compensation instead of payment for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

8. Fire extinguishment equipment or electronic surveillance equipment installed in or on the building.
9. Customised and modified shipping containers or transportable buildings permanently located at the Business Premises used as workshops, lunchrooms or storage which are permanently fixed to the ground and with electrical or plumbing services as necessary at the premises.

But Buildings does not include:

1. bridges, canals, roadways and tunnels, dams and reservoirs (other than storage tanks) and their contents;
2. railway tracks, (other than on the premises occupied or used by You for the purpose of Your Business);
3. land, water, unmined or unrecovered oil, gas and mineral deposits, provided that this exclusion shall not apply to structural improvements on or in the land if they are not otherwise excluded in this Policy;
4. Contents; or
5. Stock.

This definition of Buildings is subject to the Designation of property General condition.

Catastrophe means an event causing Damage to property and declared by a government authority as a catastrophe or emergency.

Computers means Electronic Data processing equipment including software programs

Contents means the items belonging to You or for which You are legally responsible, or have assumed a responsibility to insure, described below.

1. Furniture, furnishings, carpets, curtains, internal blinds.
2. Machinery, machinery foundations settings and beddings, plant, tools, instruments and utensils of trade, non-fixed or portable equipment, office equipment, safes, strongrooms.
3. Fire extinguishment equipment and electronic surveillance equipment.
4. Computers, all equipment connected to and operating from Computers and all disks, tapes, cards or other materials used for storing data.
5. Advertising material and display equipment.
6. a) Documents, but only for their value as stationery.
b) Patterns, models, moulds, designs.
c) Unused books, books of reference, stationery.
7. a) Paintings, curios, works of art, tapestries, persian and similar rugs or carpets not exceeding \$25,000 any one item, pair set or collection;
b) jewellery, furs, bullion, stamp or coin collections to an amount not exceeding \$10,000 any one item, pair, set or collection;
unless the item, pair, set or collection is insured for a separate sum as a Specified Item.

If an item forms part of a pair, set or collection, the value of the entire pair, set or collection is to be considered in determining the value of any item alone.

8. Plants, shrubs and trees whilst in the Buildings to an amount not exceeding \$2,500 any one item.
9. Where You are a tenant of leased or rented premises:

- a) landlord's fixtures and fittings other than breakage of glass for which You are liable under the terms of a lease or similar agreement; and
- b) fixtures and fittings, or materials and supplies intended for use in the construction of fixtures and fittings, installed or to be installed for Your own use.

10. Property of Your welfare, sports or social clubs.

11. Money up to \$500.

12. Stock.

But Contents does not include:

1. Specified Items;
2. a) Watercraft, aircraft, registered mobile plant, Vehicles, motorcycles, trailers or caravans, including accessories, tools and spare parts whilst attached to or within the Watercraft, aircraft, registered mobile plant, Vehicle, motorcycle, trailer, caravan and rolling stock;
b) any living creature or organism, except laboratory cultures, Stock of foodstuffs, Stock of nursery plants, or Stock of a pet shop;
c) growing crops and pastures;
d) plants, shrubs and trees growing in the open air; other than as provided for under additional benefit 13 in this section; or
e) bullion, precious metals or unset precious stones; or
3. Buildings.

This definition of contents is subject to the Designation of property General condition.

Debris means the residue of Damaged Property Insured excluding any material which is itself a Pollutant or contaminant and which is deposited beyond the boundaries of the Situation.

Full Insurable Value means the amount that would be required as the sum insured, sufficient to allow Us to fully indemnify You for a total loss within the terms of this section.

Increase in Building Costs means the difference between the cost of reinstatement actually incurred in accordance with the settlement of claims provisions of this Policy section and the cost of reinstatement that would have applied had the event not occurred.

Removal of Debris means:

1. the removal, storage and disposal of debris and of anything that 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; and
4. the demolition and removal of Property Insured that is necessary for the purpose of repair or replacement as a result of insured Damage.

Rent means:

1. the amount receivable by You in accordance with a lease or agreement existing at the time of Damage to the Buildings; or
2. the amount at reasonable market value payable by You for alternative accommodation where at the time of Damage to the Buildings, the Buildings are occupied wholly or in part by You.

Stock means the items belonging to You or for which You are legally responsible, or have assumed a responsibility to insure, described below:

1. Merchandise or materials of trade manufactured, unmanufactured or in the course of manufacture;
2. Materials used in manufacture and packing;
3. Consignment stock;
4. Goods held in trust or on commission;
5. Pallets and containers;
6. Consumable materials used in the operation of machinery; or
7. Goods on lay-by, or held for repair or service, and including Your liability for customs, excise and other duties which You may become liable to pay as a result of Damage to stock.

But Stock does not mean:

1. in respect of Theft cover only in this section, tobacco, cigars and cigarettes unless specified on the Schedule; or
2. Specified Items.

Supply Authority means a corporation or government agency which supplies electricity, water, gas, oil, coal, chemicals, gases, telecommunications services, computing services or any other product required by an Insured or a supplier or agent of the Insured.

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

Settlement of claims

For the purpose of these settlement of claims clauses:

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.

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

In the event of a claim:

1. Buildings, contents or specified items

for Buildings, Contents or Specified Items where the Schedule indicates that Replacement Cost applies, the amount payable will be the Replacement Cost. The work of rebuilding, or replacing, or repairing, or restoring (which may be carried out upon another site in Australia and in any manner suitable to Your requirements, 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 that would have been payable had Replacement Cost not been shown in the Schedule.

2. Extra cost of reinstatement

where the Schedule indicates that Replacement Cost applies, We will also pay the extra cost of reinstatement including any demolition or dismantling of the Buildings, 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 in Australia 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 that would have been payable under settlement of claims clause 3;
- b) the amount payable will not include the additional cost incurred in complying with requirements of any lawful authority, or requirements with which You had been duly required to comply prior to the happening of the event causing the Damage;
- c) underinsurance/average will not be applied to the amount payable under this clause 2; and
- d) if the cost of reinstatement, repair or replacement is less than fifty per cent (50%) of the Full Insurable Value of the Buildings, Contents or Specified Items, the amount payable under this clause 2(d) is limited to the extra cost necessarily incurred in reinstating the Damaged portion only or the sum insured shown in the Schedule for extra cost of reinstatement; whichever is the greater.

3. Indemnity value

where the Schedule indicates that Indemnity Value applies, We will, at Our option:

- a) reinstate, replace or repair Buildings, Contents or Specified Items insured or any part thereof, subject to an allowance for age, condition and remaining useful life; or
- b) pay the cost of such reinstatement, replacement or repair of such Buildings, Contents or Specified Items 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; or
- c) pay You the cost of such reinstatement, replacement or repair, whichever is less; or
- d) pay You the Indemnity Value of such Buildings, Contents or Specified Items at the time of the Damage.

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

We will pay for rebuilding at another situation in Australia following Damage to a Building that is insured by this section. Provided that:

- a) We will not pay more than the cost that would have been incurred if reinstatement of the Buildings that is Damaged had taken place at the Situation where the Damage happened; and
- b) if the actual cost of rebuilding is less than the cost of reinstatement at the Situation where the Damage happened, then Our payment is limited to the actual cost of rebuilding.

We will also pay, in accordance with the 'Extra cost of reinstatement' clause, the additional costs required to comply with the requirements of any statutory authority or by-laws, provided You were not required to comply with any of the by-laws prior to the loss or Damage occurring.

4. Stock

for Stock We will pay:

- a) in the case of raw materials, supplies and other merchandise not manufactured by You, the Replacement Cost calculated at the time and place of replacement, provided that replacement shall have been carried out with reasonable dispatch, or, if not replaced, the original cost to You of such property or the Indemnity Value, whichever is the lesser. Any additional Replacement Cost that You, or a person You chose to carry out the works, caused due to a failure to carry out a replacement with reasonable dispatch, is not covered;
- b) in the case of materials in process of manufacture, the Replacement Cost of the raw materials and the cost of labour and other overhead charges expended on them, calculated at the time and the place of the Damage;
- c) in the case of finished goods:
 - i. the Replacement Cost of the raw materials and the cost of labour and other overhead charges expended on them, without any allowance for profit, calculated at the time and place of the Damage; or
 - ii. the cost of restocking such goods within a reasonable time,whichever is the lesser.

5. Rewriting of documents

for Documents We will pay:

- a) the reasonable costs necessarily incurred in reinstating, replacing, reproducing or restoring Documents including information thereon or therein; or
- b) if You so request, the current cost of replacement of materials as blank stationery; but excluding the value to You of the information contained on or in the Documents.

We will not be liable for reinstatement of Electronic Data stored or created more than thirty (30) days before the date of the loss.

6. Removal of debris

We will pay the reasonable costs necessarily incurred for removal of Debris.

7. Floor space ratio index

where Buildings are Damaged and the cost of reinstatement is more than fifty per cent (50%) of the cost of reinstatement if the Buildings had been totally destroyed and reinstatement of such Damage is limited or restricted by:

- a) any Act of Parliament or regulation thereunder; or
- b) any by-law or regulation of any municipal or other statutory authority,

resulting in either case in the reduction of the floor space ratio index (plot ratio) of the site, then We shall pay in addition to the amount payable on reinstatement of such Buildings the difference between:

- i. the actual costs incurred in reinstatement subject to the reduced floor space ratio index (plot ratio); and
- ii. the estimated cost of reinstatement at the time of Damage had the reduced floor space ratio index (plot ratio) not applied.

This is provided that Our total liability for reinstatement or replacement value, additional costs of compliance and under this 'Floor space ratio index' clause shall not exceed the sum insured in respect of the Buildings which are the subject of the claim.

8. Extra cost of reinstatement heritage buildings

if You are insured under this Policy section on a Replacement Cost basis for loss or Damage to any Building that is subject to any heritage listing or protection and You choose to rebuild, replace or repair the Building at the same Situation, We will pay:

- a) the extra costs of repairing, replacing, or reinstating the Building, that are related to obtaining special materials or employing specialised labour to match up or reproduce unique or distinctive ornamental or architectural features of the Building to comply with standards imposed by any lawful heritage protection authority.

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

9. Output replacement

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

- a) where any Property Insured is to be replaced with any item or items which have the same or a lesser total function, capability or output, then the basis of settlement is the new installed cost of such replacement item or items as would give the same total function, capability or output as the Property Insured; or
- b) where any Property Insured is to be replaced with an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the replacement value of that Property Insured, then the basis of settlement is the new installed cost of the item or items so replaced; or
- c) where any Property Insured is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the Property Insured, then the basis of settlement will be as follows:

- i. the lesser of the reinstatement value or that proportion of the new installed cost of the replacement item or items which the output of the Property Insured damaged bears to the output of the replacement item or items.

Notwithstanding (i) above the amount payable shall not be of less than the estimated cost which would have been payable if such damaged property could have been replaced by an item or items that would have given the same total function, capability or output as the damaged Property Insured; or

- d) if the reinstatement value of the damaged Property Insured is not reasonably ascertainable, then the basis of settlement is the new installed cost of the replacement item or items.

10. Inventory costs

We will pay the costs and expenses incurred by You in taking inventory (including unpacking, repacking and restacking), to identify, quantify and value any Property Insured damaged during the Period of Insurance including examination of Property Insured not belonging to You but in Your care, custody or control.

11. Branded goods

any salvage of branded goods or merchandise owned by You or held by You in trust or on commission or on consignment and any goods sold but not delivered shall not be disposed of by sale without Your consent. If such salvage is not disposed of by sale, then the basis of settlement of the claim shall be the Indemnity Value of the goods after brands, labels or names have been removed by You or on Your behalf.

Additional benefits

If You have selected this section, We also provide the following additional benefits subject to the exclusions and conditions in this cover section.

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

1. Architects, surveyors & other professional fees

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

If the sum insured has been exhausted, then We will pay up to \$50,000 in addition to the sum insured for these costs.

2. Undamaged foundations

Where a Building or an installation constructed on its own foundations is Damaged in circumstances for which a claim is payable under this section but its foundations are not destroyed and, due to legal requirements, reinstatement of the Building has been carried out upon another site, the abandoned foundations shall be considered as having been destroyed.

If, however, the resale value of the original Building site is increased by virtue of the presence of the abandoned foundations, then such increase in resale value shall be regarded as salvage and that amount shall be paid to Us by You upon completion of the sale of the site, or shall be deducted from the final amount of any moneys payable by Us under this section, whichever shall occur later.

3. Change in description

If You:

- a) change Your processes or machinery; or
- b) make structural changes to Buildings, Contents or Specified Items,

We will hold You covered for thirty (30) days from the date the changes commence (unless the Period of Insurance ends sooner). The most We will pay under this additional benefit is \$50,000. You must notify Us of the change within thirty (30) days of the change and at that time

We will 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 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.

4. Rewriting of records

We will pay You, for clerical and professional costs incurred by You to re-write Your necessary Business records if they are lost, destroyed or damaged, whilst located at Your Business Premises or offsite anywhere in the Commonwealth of Australia, by an occurrence which You are covered for in this section. We will not pay You for any financial loss caused by the loss of Your records under this additional benefit.

The most We will pay under this additional benefit is the greater of:

- a) ten per cent (10%) of the Contents and Stock sum insured or \$50,000, whichever is the lesser; or
- b) the amount shown in the Schedule.

This amount shall be in addition to the sum insured for Contents and Stock.

5. Discharge of mortgage

Where the sum insured for Buildings or Contents is not otherwise exhausted, We will pay up to the balance of the sum insured for the reasonable legal costs to discharge a mortgage or mortgages on Buildings or Contents following settlement of a claim on the basis of a total loss whether actual or constructive total loss.

When the sum insured is exhausted, then in respect of the discharge of a mortgage on Buildings only, We will pay up to ten per cent (10%) of the total sum insured on Buildings or \$30,000 (whichever is the greater), following settlement of a claim on the basis of a total loss, whether actual or constructive total loss.

6. Fire extinguishment costs

We will pay costs and expenses, including wages of Your employees, up to \$100,000, which is in addition to any sum insured shown on Your Schedule for this section necessarily and reasonably incurred during the Period of Insurance:

- a)
 - i. in extinguishing fire at or in the vicinity of the Situation, and threatening to involve the Situation; or
 - ii. in preventing or diminishing imminent Damage, including the removal of Property Insured from the Situation; or
 - iii. in gaining access consequent upon Damage to the Property Insured;
- b) in the replenishment of fire-fighting appliances and apparatus;
- c) for the purpose of shutting off the supply of water or other substances that are accidentally discharged from any fire protective equipment or otherwise;
- d) in the Removal of Debris from the Situation by fire brigade services;
- e) for which You are liable under any fire brigade act or similar legislation following circumstances described in (a) above.

Payment under this additional benefit is not dependent on Damage to Property Insured.

7. Removal of debris

If Property Insured has been Damaged or destroyed and a claim is covered by this section, We will pay the reasonable costs incurred for the Removal of Debris from the Business Premises. We will also pay for Your legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site. We will pay You up to:

- a) \$100,000 or twenty per cent (20%) of the total sum insured on Building and Contents shown on the Schedule for the Damaged Business Premises whichever is the greater (in addition to the sum insured); or
- b) any higher amount shown in the current Schedule for Removal of Debris; or
- c) if this is insufficient and You have not exhausted Your sum insured on the Damaged Property Insured's requiring demolition and/or Removal of Debris, We will pay up to the remaining balance of the sum insured.

8. Clothing, tools & personal effects

Cover under this section is extended to include clothing, tools and personal effects (excluding Money), not otherwise insured, belonging to Your social clubs, or belonging to the owners, partners, proprietors, directors or employees of Your Business whilst at the Situation. We will not be liable for any amount exceeding \$5,000 any one person, or \$10,000 in respect of any one claim This amount is in addition to the sum insured on Contents shown on the Schedule.

9. Temporary protection

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

- a) where the sum insured of Property Insured is not otherwise exhausted We will pay the reasonable costs and expenses reasonably incurred; and
- b) when the sum insured of Property insured becomes exhausted, We will pay an additional amount of up to \$100,000, pending repair or replacement, consequent upon damage for which a claim is payable.

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

10. Temporary removal

Cover is extended to include Contents and Specified Items whilst temporarily removed from the Situation to anywhere in Australia, including whilst in transit, but excluding:

- a) Theft from a Vehicle, unless consequent upon forcible and violent entry into the Vehicle;
- b) Theft of property located in the open air;
- c) Money;
- d) Property Insured that is removed from the Situation for a period greater than ninety (90) days without Our written consent; and
- e) clothing, tools of trade and personal effects belonging to the owners, partners, proprietors, directors or employees of Your Business.

The most We will pay for this additional benefit is twenty per cent (20%) of the sum insured for any Property Insured.

11. Exploratory costs

Where the sum insured for Buildings has not otherwise been exhausted, 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 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 that give rise to the Damage.

12. Government fees

We will pay any fee, contribution or other impost payable to any government, local government or other statutory authority, incurred by You because payment of such fee, contribution or impost is a condition precedent to the obtaining of consent to repair or replace any Buildings insured under this section for which a claim is payable. We shall not be liable for payment of any fine or penalty imposed by such authorities.

The most We will pay under this additional benefit is \$10,000, or the unexhausted portion of the sum insured for Buildings.

13. Landscaping

We will pay the cost of repairing Damage occurring during the Period of Insurance to landscaping caused by an insured event other than storm, tempest, rainwater, wind, snow, sleet and hail. Landscaping includes growing plants, shrubs, garden plots and lawns (including rock work, retaining walls, ornamentation and edging pertaining thereto), and resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like, all contained in or on or forming part of or implicitly pertaining to the Buildings insured.

The most We will pay under this additional benefit for any one event is the lesser of:

- a) \$50,000; or
- b) twenty per cent (20%) of the sum insured for Buildings; or
- c) the unexhausted portion of the sum insured for Buildings.

14. Loss of land value

We will pay up to \$100,000, for reduction in land value, which shall be the value certified by the Valuer General or other competent person or authority selected by Us, that results from the requirements of any statutory authority that does not allow rebuilding (or only partial rebuilding), at the Business Premises following loss or Damage covered by this section.

Provided that:

- a) the reduction in land value shall be calculated by subtracting the land value after rebuilding or after We have agreed that rebuilding is not possible, from the land value before the Damage; and
- b) We will not pay more than twenty per cent (20%) of the sum insured for Buildings at the Situation where the Damage happened.

The underinsurance condition does not apply to this additional benefit, which is in addition to the sum insured.

15. Locks and keys

If during the Period of Insurance keys are stolen, or there are reasonable grounds to believe that keys have been stolen and duplicated, We will:

- a) pay for the keys and locks to be replaced and the reasonable and necessary cost to have the security restored to the same level of security as existed immediately prior to the loss;
- b) indemnify You in respect of the cost of temporary protection reasonable and necessary for the safety and protection of the Property Insured, pending restoration of the security; and

- c) pay the reasonable cost of developing and replacing security film exposed because of Theft or attempted Theft.

The most We will pay under this additional benefit is \$10,000 for any one event. This amount is in addition to any sum insured shown on Your Schedule for this section.

16. Additional premises

We will temporarily extend cover provided by this section to property at any new Situation first occupied by You during the Period of Insurance provided that:

- a) this temporary cover period is limited to the lesser of:
 - i. sixty (60) days from the date You acquire or commence using the premises; or
 - ii. the expiry date of the current Period of Insurance; or
 - iii. the date on which the property ceases to belong to You;
- b) the property is used for the Business described in the Schedule;
- c) the property is of similar type to that already insured under this cover section;
- d) the new premises comprise buildings of similar construction, fire and security protection as featured in any premises currently described in the Schedule; and
- e) You must provide to Us full details of the new premises within sixty (60) days of the commencement of this temporary cover requested. If We agree to continue the cover, We will advise You of any additional premium that We may require, to reflect any increased risk of loss.

The most we will pay under this additional benefit is fifty per cent (50%) of the highest sum insured shown on the Schedule for each item of property.

17. Catastrophe property

If:

- a) any of Your Buildings are destroyed or Damaged by any event insured against by this cover section; and
- b) We classify such destruction or Damage as a total loss; and
- c) the event giving rise to the destruction or Damage has resulted in any competent authority declaring a state of emergency affecting the area in which Your Building is situated;

We will:

- d) increase the sum insured applicable to such Buildings under this section by up to twenty per cent (20%) provided that Your Building is rebuilt; and
- e) increase the amounts payable under the Buildings definition subclause 3 and 'Temporary protection' additional benefit of this section by twenty per cent (20%);

to cover any increase in building costs for labour and materials and any other additional costs which may apply after the event.

Provided that:

- i. We shall not pay more than the increased building costs;
- ii. Increase in building costs means the difference between the cost of reinstatement actually incurred in accordance with the settlement of claims provisions of this section and the cost of reinstatement that would have applied had the event not occurred; and
- iii. The sum insured for the Property Insured accurately reflects the Full Insurable Value.

- c) contamination of the refrigerated Stock by leakage of refrigerant; or
- d) sudden and unforeseen failure of the public power supply; or
- e) accidental failure of supply services which directly affects the refrigeration or freezer unit; or
- f) a Supply Authority intentionally interfering with a public or private service, but only to the extent that this is necessary to safeguard life or any part of the public supply.

But this does not include loss caused directly or indirectly by:

- i. mechanical breakdown caused as a result of needing to replace any expendable items within any refrigeration or freezer unit; or
- ii. the incorrect manual operation or manual setting of control or protective devices, within any refrigeration or freezer unit; or
- iii. Your failure to make a payment to a Supply Authority or comply with a condition required by the Supply Authority for the provision of its services.

18. Environmental upgrade

If You elect to repair or replace Property Insured (including any part of the property), that is lost, destroyed or Damaged in the Period of Insurance (and such loss or Damage is covered by this section), using, or with, more environmentally friendly technology, products or materials, that improve the energy and water efficiency of the Property Insured, We will pay You up to ten per cent (10%) more than the amount We would otherwise have paid to repair or replace the item that is being upgraded subject to the sum insured for that item of Property Insured not being increased.

19. Fusion of electric motors

We will pay the reasonable replacement cost of any part or parts of the electrical electro-mechanical and electronic machines, switchboards, installations, or apparatus forming part of the Property Insured (excluding radios, televisions or amplifying equipment of any description), which are lost or Damaged as a result of the actual burning out of such part or parts by the electric current therein during the Period of Insurance.

The maximum amount that We pay under this additional benefit is \$10,000 for any one loss, or series of losses, arising out of any one event or occurrence at any one Situation. This is payable in addition to the sums insured of the Property Insured shown in the Schedule.

We will not pay for:

- a) loss of use, wear and tear, or depreciation for equipment over fifteen (15) years old; or
- b) loss, destruction of or damage to:
 - i. lighting or heating elements, fuses or protective devices; or
 - ii. electrical contacts at which sparking or arcing occurs in the course of its ordinary operation; or
 - iii. any motor with a power output greater than 1.8 kilowatts (2.5 horse power).

20. Refrigerated and frozen stock

We will pay You for up to \$5,000 for loss of or Damage to perishable Stock that spoils during the Period of Insurance due to a change in temperature of the refrigeration or freezer unit caused by any of the following:

- a) sudden and unforeseen mechanical breakdown of a refrigeration or freezer unit in which the refrigerated Stock is kept; or
- b) malfunctioning or failure of the thermostats, controls, fuses, circuit breakers or overload devices which are owned by You and are operating a refrigeration chamber; or

21. Documents in permanent storage

Where You have insured Contents We will pay for Damage to Your Business records occurring during the Period of Insurance whilst stored at a permanent storage facility or bulk storage facility.

The most We will pay under this additional benefit is \$50,000, for any one event and this limit is in addition to the sum insured for Contents.

However where loss or Damage caused by Flood the most We will pay is \$10,000.

22. Tax audit

We will cover the reasonable and necessary Audit Costs You incur following notification received during the Period of Insurance of an audit or investigation by a federal or state Commissioner of Taxation relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect of Your Business.

We shall not be liable under this additional benefit:

- a) for the imposition of any tax, fines, penalties, court costs, penalty tax or interest; or
- b) for costs incurred after completion of the audit or investigation; or
- c) where any proceedings were initiated, threatened or started prior to the commencement of the Period of Insurance; or
- d) arising from Your unjustified refusal or failure to comply with any lawful request made by a state or federal commissioner of taxation or his or her agents or employees for the production of Documents or the supply of information; or
- e) for costs from audits or investigations under customs legislation; or

- f) for costs from audits or investigations of income received or earned, or where the source of income is, outside the Commonwealth of Australia or where the services giving rise to the claim are performed by persons or entities ordinarily resident outside Australia; or
- g) arising out of any fraud or fraudulent act or omission committed by You or on Your behalf or by Your agent or employee; or
- h) arising from audits or investigations which result in You, or any person acting on Your behalf, becoming aware of any error or deficiency in any return of income or other documentation supplied to a state or federal commissioner of taxation, and You or Your agent failed to notify the commissioner of taxation as soon as reasonably possible on becoming so aware of the error or deficiency.

This additional benefit is subject to the following conditions:

- a) You must lodge taxation and other returns within the time limits applicable to those returns as prescribed by statute or through extension of time granted by a Commissioner of Taxation; and
- b) You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation; and
- c) In the event of a claim arising:
 - i. You must keep Us fully informed of all material developments in relation to the claim and in relation to any audit; and
 - ii. You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit; and
 - iii. We or Our duly appointed agent may make Our own investigation into any matter which is or may be the subject of a claim; and
 - iv. You must use reasonable endeavours to ensure that Your accountants, registered tax agent and solicitor cooperate with Us and where necessary, assist Us in relation to any claim and assist Us with any matter We wish to pursue with the Commissioner of Taxation, which is or may be the subject of a claim.

The most We will pay for this additional benefit is \$10,000 for any one Period of Insurance and for any one claim. Where cover is available under 'Section 10 Taxation Investigation' of this Policy, this amount will be in addition to any sum insured provided under that section.

23. Temporarily floating stock

We will provide temporary cover for loss of Stock at any one Situation during the Period of Insurance up to the total value of all sum insured for Stock at all Situations provided the following conditions are met:

- a) We agree to pay a claim for loss or Damage to Stock; and
- b) there are at least two geographically distinct Situations specified on the Schedule and each Situation has a separate sum insured for Stock; and
- c) You temporarily transfer Stock between these two or more Situations as a usual Business practice; and

- d) either:
 - i. the Stock levels at the Situation where the loss or Damage occurs have not exceeded for a consecutive period of ninety (90) days or more the sum insured on Stock for that Situation; or
 - ii. We have agreed to extend the period of (ninety) 90 days mentioned in (i) above during which Stock in excess of the sum insured for at the Situation will be covered; and
- e) the operation of this temporarily floating stock clause will not result in Our paying more than the Stock sum insured at all Situations.

24. Seasonal increase

The sum insured for Stock will automatically increase by fifty per cent (50%) during the following three periods:

- a) sixty (60) days before Christmas Day and for twenty-one (21) days following Christmas Day;
- b) forty two (42) days before Good Friday and ten (10) days following Good Friday; and
- c) forty two (42) days before any celebrated event of a festive, religious or ethnic nature other than Christmas or Easter where You can reasonably demonstrate that the Stock levels during that period have risen by more than twenty per cent (20%) above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with the happening of that festive, religious or ethnic event; and ten (10) days following the same festive, religious or ethnic event or celebration; or
- d) as otherwise shown in the Schedule.

If Your sum insured for Stock is included in another item on the current Schedule We will only apply the increase to the portion of the sum insured which relates to Stock.

25. Damage to glass in vacant buildings

If You own but do not occupy any Buildings shown as insured under this Policy section at a premises, We will cover You for the following costs directly related to the breakage of glass in the Period of Insurance in a rentable area of the Building that is vacant at the time of the breakage:

- a) the cost of temporary shuttering pending replacement of the broken glass;
- b) the costs incurred in replacing reflective materials and burglar alarm tapes and connections attached to the glass;
- c) the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings, but not to bars, grilles or shutters; or
- d) the cost incurred in repairing or replacing tiles on shop and office fronts and around the glass.

We will not pay more than \$5,000 during any one Period of Insurance for all claims under this additional benefit and this limit is in addition to the sum insured on Buildings.

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

- a) of glass caused by or arising out of fire or the application of heat;

- b) of glass:
 - i. when in transit or whilst being fitted into position or removed from its fitting;
 - ii. in light fittings;
 - iii. that is cracked or imperfect prior to breakage;
 - iv. that is not fit for the purpose intended; or
- c) of glass that is in a glasshouse; or
- d) for tiles on shopfronts and office fronts, other than around broken glass; or
- e) plastic or perspex signs; or
- f) where You have selected and taken out the glass section of the Policy; or
- g) Your insured Building is leased to a tenant; or
- h) the Building has remained unoccupied or untenanted for a continuous period longer than sixty (60) days at the time of the loss and We have not agreed to an extended period in writing.

This additional benefit is subject to an Excess which is the greater of:

- a) the Excess shown on the Schedule, where a higher Excess has been selected or imposed; or
- b) \$500.

26. Damage to rented premises

We will cover You for Damage to the premises that You occupy as a tenant if:

- a) You are legally liable to pay in accordance with the terms of Your lease for the Damage; and
- b) such Damage occurs as a result of Theft of Your Business property occurring during the Period of Insurance.

The most We will pay under this additional benefit is \$10,000, for any one event and this limit is in addition to the sum insured for Contents and Specified Items.

27. Employee dishonesty

We will cover You for loss to Stock, Contents or electronic equipment as a direct result of dishonesty by any of Your employees occurring during the Period of Insurance, which is discovered within forty-five (45) days of the occurrence of the dishonesty.

This additional benefit does not cover any of the following:

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

We will not cover You for more than \$5,000 for any one occurrence. This additional benefit is provided in addition to the insured amount of Contents.

28. Funeral expenses

If any person is injured while protecting or attempting to protect Your Contents or Stock from theft during the Period of Insurance and death results from that injury within twelve (12) months, We will pay \$10,000 to the estate of that deceased person. If You are also insured under the 'Theft of Money' cover section, the benefits payable for death following assault shall not be cumulative; and so the amount recoverable under this additional benefit and the 'Theft of Money' cover section shall be limited to \$10,000 in the aggregate for any one claim. The amount payable under this additional benefit is in addition to the sum insured of Contents and or Theft of Money.

29. Illegal use of corporate financial transaction card

In respect of any one loss or event We will pay up to \$5,000 for Your financial loss arising from the illegal use of a credit card by an unauthorised person during the Period of Insurance where the following conditions are satisfied:

- a) the Policy covers Contents; and
- b) a corporate credit and/or debit card used by the Business is lost or stolen during the Period of Insurance; and
- c) Your financial loss does not arise from the misuse or illegal use of corporate credit cards by You, or Your employees or any other person acting in collusion with Your employee or by any member of Your Family; and
- d) the credit or debit card provider is required or agrees not to raise a charge for the improperly used credit or debit card.

The amount payable under this additional benefit is in addition to the sum insured of Contents.

Exclusions

We will not pay You under this section 1 for Damage caused by, or as a consequence of any of the following:

1. Property undergoing processing

Property Insured while it is undergoing any process where Damage results from it being processed.

2. Action by the sea

Action of the sea, tidal wave or high water unless it happens immediately following and is as a result of an earthquake, earth tremor or seismological disturbance under the sea.

3. Storm surge

Storm surge –being the increase in sea level that usually occurs with an intense storm or cyclone.

4. Flood

Flood.

5. Employee dishonesty

Fraudulent misappropriation, embezzlement, fraud or dishonest acts committed by You or by any of Your employees acting alone or in collusion with any other person or persons, forgery, erasure, and/or counterfeiting, except where cover is provided under additional benefit 27 'Employee dishonesty'.

6. Unexplained disappearance

Unexplained disappearance or unexplained inventory shortage, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by You.

7. Incorrect siting of buildings

Incorrect siting of Buildings as a result of error in architectural design or specification, faulty workmanship or non-compliance with the requirements of any government, local government or statutory authority.

8. Demolition ordered by government

Demolitions ordered by government, public or local authorities as a result of Your failure or the failure of Your agents to comply with any lawful requirement.

9. Erosion, subsidence or collapse

Erosion, subsidence, landslide, collapse or any other movement of earth unless it happens immediately following and is as a result of an earthquake, explosion or a storm, or water leaking or escaping from pipes, gutters, drainpipes or other fixed plumbing apparatus.

10. Machinery or electronic breakdown

Mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any instrument, machine, device, or temperature controlling equipment.

11. Insects, rust, mould, etc

Moths, termites, other insects, rust or oxidation, mould, mildew, wet or dry rot, corrosion, change of colour, dampness, variations in temperature, variation in humidity, variation in controlled atmosphere, evaporation, inherent vice or latent defect, structural defect, loss of weight, loss of volume, change in flavour, texture or finish, stain or smoke from industrial operations.

12. Animals

Birds, animals or vermin that peck, bite, chew or scratch.

13. Wear and tear

Wear and tear, fading, scratching or marring, gradual deterioration, developing flaws, normal upkeeping or making good.

14. Error in design

Error or omission in design, plan or specification, or failure of design plan or specification.

15. Normal settling

Normal settling, seepage, shrinkage or expansion in Buildings or foundations, walls, pavements, roads, and other structural improvements leading to creeping, heaving, and/or vibration.

16. Faulty workmanship

Faulty materials or faulty workmanship.

17. Legal liability

Any legal liability You incur to pay compensation, damages, fines, or penalties.

18. Consequential loss

Consequential Loss of any kind.

19. Boiler explosion

Self-explosion of boilers or other pressure vessels. We do not cover Damage to the boiler or pressure vessel where the boiler or pressure vessel:

- a) is not solely used for domestic purposes; or
- b) has a value of more than \$200,000.

20. Weather damage to property in open air

Storm, tempest, rainwater, snow, sleet, wind or hail to:

- a) gates, fences, retaining walls, shadecloth, exterior textile awnings or blinds; or
- b) Property Insured in the open air, unless such Property Insured is a permanent structure designed to function without the protection of walls or roof.

However, We will pay for such Damage to gates, fences, retaining walls, shadecloth, exterior textile awnings or blinds, up to \$25,000, or the amount shown in the Schedule, whichever is greater, in total, any one event.

21. Pollution

Pollution or Contamination unless it is sudden and unforeseen.

22. Computer access

The gaining of access by any person other than You or Your employees to Your Computer system via data communication media.

23. Computer virus

Computer Virus.

24. Industrial dispute

The cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute.

25. Breakage of glass

Glass or signs except where You are a tenant of a Building and are required by the lease to insure glass and as provided for under additional benefit 25 'Damage to glass in vacant buildings'.

Write back to exclusions

Specific exclusions 1, 9-16, 19 and 20 above apply to the items immediately affected and do not apply to Damage to other property occasioned by a peril not otherwise excluded and caused by any of the circumstances referred to in these exclusions

Variations & extensions

The following cover only applies if shown in the Schedule.

1. Flood

Exclusion 4 of this section is deleted if Flood is shown on the Schedule.

2. Underinsurance removal

Underinsurance/average is deleted for Buildings at the Situation nominated in the Schedule for this clause to apply. If no Situations nominated, this clause will apply to all Situations shown in the Schedule.

3. Rent lost or payable

We will pay:

- a) the Rent lost by You for such period as the Buildings (or proportionally in the case of any part thereof), are untenable; or
- b) where the whole or any part of the Buildings are occupied by You, the Rent payable by You at reasonable market value for such period as the Buildings (or proportionally in the case of any part thereof), are untenable less the amount of any charges saved in relation to maintaining the Buildings in a tenable condition (such as wages of caretaker, cost of power, lighting).

The period for which We will pay You for Rent lost or payable will not exceed the number of months shown in the Schedule.

This is subject to the following conditions:

- i. due diligence is used in the repair or reconstruction of the Buildings; and
- ii. if, due to any cause, repair or reconstruction of the Buildings is delayed, the amount payable will be determined by the time that would have sufficed for the purpose, had due diligence been used.

4. Mortgage protection

In regard to a unit or lot contained in a Building registered under a strata titles act or similar legislation, whereby what is owned by You is title to a unit or lot on a plan of subdivision of such Building, We will, if the unit or lot is Damaged during the Period of Insurance by any event for which cover has been taken under this section, pay the amount necessary to indemnify You against liability under the mortgage affecting that unit or lot.

This is subject to the following conditions:

- a) The insurance is restricted to the unit or lot, including structural improvements intended for separate ownership or use with the unit or lot, of which You are owner or proprietor.

- b) The insurance, having been effected in respect of destruction of or Damage to a unit or lot, for the purpose of indemnifying You against liability under the mortgage affecting the unit or lot, is subject to the provisions of the legislation applicable to the state or territory in which the property is situated.
- c) In the event of a claim:
 - i. Our liability is limited to the outstanding amount of Your mortgage and this amount will be paid to Your mortgagee; and
 - ii. We will then become the mortgagee and You will be required to pay all future loan repayments to Us.
- d) This cover shall not be brought into contribution with any other policy of insurance other than a policy in respect of destruction of or Damage to a unit or lot authorised by the provision of the relevant legislation and taken out for the purpose of indemnifying You against liability under any mortgage affecting the unit or lot.

5. Theft reduction cover

Theft coverage to Property Insured shall be limited to the percentage amount specified in the Schedule.

Special terms & conditions

1. Underinsurance/average

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

- a) in respect of Buildings, Contents, Stock and Specified Items the sum insured on Buildings, Contents, Stock and Specified Items at the Situation bears to eighty per cent (80%) of the Full Insurable Value of such Buildings, Contents, Stock and Specified Items; and
- b) in respect of Rent the sum insured on Rent at the Situation bears to eighty per cent (80%) of the amount of Rent for the period specified in the Schedule at such Situation at the time of the Damage.

Conditions

1. Our liability is limited to the sum insured at the Situation as shown in the Schedule.
2. This clause will not apply if the amount of any Damage does not exceed ten per cent (10%) of the sum insured at the Situation.

Example

Item value \$200,000. 80% of value = \$160,000. Sum Insured \$144,000.

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

We would pay \$90,000 (less any applicable Excess), to the Insured to undertake such work.

2. Earthquake, subterranean fire, volcanic eruption excess

An Excess of \$20,000 or one per cent (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, tsunami, or fire occasioned by or happening through or in consequence of earthquake, subterranean fire or volcanic eruption or tsunami, occurring during any period of seventy-two (72) consecutive hours.

3. Tenants actions

If a tenant of Yours without Your consent, causes or contributes to any Damage covered by this section which is in breach of any terms or conditions, We will cover You for Your Damage as per this section, provided:

- a) You have taken all reasonable actions, as soon as You become aware of conditions causing the breach, to have the tenant comply with the terms; and
- b) You have in place a legally enforceable lease with Your tenant which requires them to comply with any insurance policy You may effect and that lease also requires the tenant to take reasonable care of the leased premises; and
- c) You notify Us within a reasonable amount of time of becoming aware of the breach; and
- d) the breach does not involve any matters covered by a general exclusion or an exclusion in this property damage cover section; and
- e) You agree to pay a reasonable increase in premium for the additional risk.

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Section 2 Business Interruption

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

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 any of the following sections of this Policy:
 - a) 'Section 1 Property'; or
 - b) 'Section 3 Theft of Money'; or
 - c) 'Section 4 Glass'; or
 - d) 'Section 8 Part A – Computer and electronic equipment', for fire and perils or accidental Damage (as Defined in section 8); or
 - e) 'Section 9 General Property',
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 at the Situation, used by You but not owned by You:
 - a) for which You are not legally responsible, and for which You have not assumed a liability to insure; and
 - b) such Damage would have been insured under one of the sections of this Policy shown in 1 above had the property been owned by You; or
3. property insured by You under section 1, as a result of explosion or implosion of boilers (other than boilers used for domestic purposes only), economisers, or vessels under pressure, including their own explosion or implosion;

We will, after taking into account any sum 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 to the sum insured expressed against the relevant item on the Schedule, where the Schedule notes that cover has been selected.

Definitions

In this section the following definitions apply:

Actual Average Weekly Income means the average of the Annual Turnover in that period during the fifty-two (52) weeks immediately before the date of the Damage which corresponds with the Indemnity Period, after Adjustment.

Adjustment means 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.

Annual Gross Profit means the Gross Profit during the twelve (12) months immediately before the date of the occurrence of the Damage, after Adjustment.

Annual Gross Rentals means the Gross Rentals earned during the twelve (12) months immediately before the date of the occurrence of the Damage, after Adjustment.

Annual Revenue means the Revenue earned during the twelve (12) months immediately before the date of the Damage.

Annual Turnover means the Turnover during the twelve (12) months immediately before the date of the Damage.

Business means Your Business at the Situation and specified in the Schedule.

Client means the persons, partnerships or bodies whether incorporated or unincorporated, to whom You owe money or by whom money is owed to You, for services rendered in the course of the Business.

Goodwill means the amount by which the purchase price or the market value exceeds the net tangible assets of the Insured and which is attributable to intangible factors including but not limited to reputation.

Gross Profit means the amount by which the sum of the Turnover and the amount of the closing stock and work in progress exceeds the sum of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

The amount of the opening and closing stocks will be arrived at in accordance with Your normal accounting methods, due provision being made for depreciation.

Gross Rentals means the amount of the rent received or receivable (including base rental, Turnover rental and contributions to outgoings), from the letting of property at the Business Premises.

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 affected as a consequence of the Damage.

Initial Period means the period shown in the Schedule which immediately follows the date of the Damage.

Output means the sale and/or invoice value of goods manufactured and/or processed by You in the course of the Business at the Situation.

Outstanding Debit Balances means the total of the outstanding debit balances of all Clients appearing in Your books of account as at the date of the occurrence or the event giving rise to a claim, adjusted for:

1. bad debts;
2. amounts debited (or invoiced but not debited), and credited (including credit notes and cash not passed through the books at the time of the occurrence of the Damage), to Your Clients' accounts in the period between the date to which the last entry relates and the date of occurrence of the Damage; and
3. any abnormal condition of trade that had, or could have had, a material effect on the Business, so that the figure thus adjusted represents as nearly as reasonably practicable, the debit balances that would have been recovered had the Damage not occurred.

Payroll means the remuneration (including but not limited to wages, salaries, payroll tax, fringe benefits tax, bonuses, holiday pay, sick pay, workers' compensation insurance premiums, accident compensation levies, superannuation and pension fund contributions and the like), paid to all of Your employees.

Property means the property at the Situation belonging to or used by You, or for which You are legally responsible or have assumed a responsibility to insure.

Rate of Gross Profit means the Gross Profit, expressed as a percentage, earned on the Turnover during the financial year immediately before the date of the Damage.

Rate of Payroll means the proportion that the Payroll bears to the Turnover during the financial year immediately before the date of occurrence of the Damage.

Remaining Period means the period, shown in the Schedule which immediately follows the Initial Period.

Revenue means the money paid or payable to You for services provided (and stock in trade, if any, sold), in the course of operation of Your Business at the premises.

Shortage in Turnover means the amount by which the Turnover during a period following Damage falls short of that part of the Standard Turnover that relates to that period in consequence of that Damage, after Adjustment.

Standard Gross Rentals means the Gross Rentals earned during that period in the twelve (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 twelve (12) months), after Adjustment.

Standard Revenue means the Revenue earned within that period during the twelve (12) months immediately before the date of the Damage which corresponds with the Indemnity Period.

Standard Turnover means the Turnover during that period in the twelve (12) months immediately before the date of the Damage which corresponds with the Indemnity Period.

Turnover means the amount (less discounts allowed), paid or payable to You for goods sold and delivered and for services rendered in the course of Your Business at the Business Premises.

Uninsured Working Expenses means the working expenses of Your Business which You have elected not to insure under this section, and which are specified in the current Schedule.

Weekly Income means the sum insured for each week, which You have selected and which is shown in the Schedule.

Settlement of claims

Item 1 – Gross profit

- a) In respect of reduction in Turnover the amount produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period in consequence of Damage falls short of the Standard Turnover; and
- b) The additional expenditure necessarily and reasonably incurred by You for the sole purpose of avoiding or minimising the reduction in Gross Profit during the Indemnity Period in consequence of the Damage, but not exceeding the reduction in Gross Profit thereby avoided.

If, during the Indemnity Period, services are rendered other than at the Situation, for the benefit of the Business, either by You or by others on Your behalf, the money received or receivable in respect of those services will be brought into account in arriving at the amount of the Gross Profit during the Indemnity Period.

Salvage sale

If, following Damage giving rise to a claim under this Policy, You hold a salvage sale during the Indemnity Period:

- a) clause (a) of Item 1 "Gross profit" of this section shall, for the purpose of such claim, read as follows: In respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale), shall, in consequence of the Damage, fall short of the Standard Turnover, from which shall be deducted the Gross Profit actually earned during the period of the salvage sale; and
- b) the definition of Shortage in Turnover shall, for the purpose of such claim, mean: the amount by which the Turnover during a period (less the Turnover for the period of the salvage sale), shall, in consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period, from which shall be deducted the pay-roll paid out of the proceeds of the salvage sale.

Item 2 – Payroll

- a) Loss of Payroll calculated as follows:
 1. during the Initial Period:

the amount produced by applying the Rate of Payroll to the Shortage in Turnover, less any Payroll saved in consequence of the Damage.
 2. during the Remaining Period:

the amount produced by applying the Rate of Payroll to the Shortage in Turnover, less any Payroll saved in consequence of the Damage, but not exceeding the amount produced by applying the insured percentage of the Rate of Payroll to the Shortage in Turnover, plus any Payroll saved in consequence of the Damage during the Initial Period.
 3. option to consolidate:

At Your option, the Initial Period may be increased to the period shown in the Schedule as the consolidated period. This means that the cover for the rest of the Remaining Period will be restricted to the amount of Payroll saved during the consolidated period.
- b) Additional expenditure calculated as follows:

the additional expenditure necessarily and reasonably incurred by You for the sole purpose of minimising the loss of Payroll during the Indemnity Period but not exceeding the loss of Payroll thereby avoided.

Item 3 – Additional increased cost of working

The cost of further expenditure not otherwise payable under this section, necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage, for the purpose of avoiding or minimising a reduction in Gross Profit, Revenue, Payroll, Gross Rentals, Actual Average Weekly Income or resuming or maintaining the normal operation of the Business.

Item 4 – Reinstatement of documents

The necessary and reasonable cost of legal, clerical and other charges incurred in reinstating Documents.

Item 5 – Book debts / accounts receivable

- a) The loss of Your book debts or book debts, of a Client where You are responsible for them, which are, or become, irrecoverable as a result of Damage to books of accounts or other Business records, calculated on the difference between:
 1. the Outstanding Debit Balances; and
 2. the total of the amounts received or traced in respect thereof;
- b) The additional expenditure, incurred with Our prior consent, in tracing and establishing Client debit balances after the date of the occurrence of the Damage; and
- c) The interest charges at the ruling rate of Your bank on any loan to offset impaired collections of such sums that become irrecoverable as a result of the Damage.

Item 6 – 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 avoiding or minimising the reduction in Gross Rentals during the Indemnity Period, but not exceeding the reduction in Gross Rentals thereby avoided.

Item 7 – Weekly income

The percentage reduction in the Actual Average Weekly Income during the Indemnity Period, applied to the Weekly Income sum insured.

Under this item:

- a) the Indemnity Period commences with the occurrence of the Damage that gives rise to the interruption or interference; and
- b) no payments will be made once the Weekly Income exceeds ninety-five per cent (95%) of the Actual Average Weekly Income; and
- c) if the Weekly Income is less than ten per cent (10%) of the Actual Average Weekly Income, then the Weekly Income will be treated as being nil.

Item 8 – 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. This amount is in addition to the amount payable under General Condition 'Claim preparation expenses' of this Policy.

Item 9 – Gross revenue

This item is limited to loss of Revenue and increase in cost of working. The amount payable as indemnity under this item will be:

- a) in respect of loss of Revenue, the amount by which the Revenue earned during the Indemnity Period falls short of the Standard Revenue in consequence of the Damage; and

- b) in respect of increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Revenue which, but for the additional expenditure, would have taken place during the Indemnity Period in consequence of the Damage. However, Our payment will not exceed the amount of reduction in Revenue thereby avoided, less any sum saved during the Indemnity Period in respect of such charges and expenses of Your Business payable out of Revenue as may cease or be reduced in consequence of the Damage.

Accumulated stocks

In adjusting any loss, We will take account of and make equitable allowance for any reduction in Turnover or loss of Revenue or weekly Revenue in consequence of the Damage postponed by reason of the Turnover or Revenue or weekly Revenue (as the case may be) being temporarily maintained from accumulated stocks of finished goods.

Additional benefits

This section is extended to include the following additional benefits.

Unless expressly stated in the additional benefit, additional benefits 1 to 13 inclusive are payable provided that the sum insured expressed against the relevant item in the Schedule is not otherwise exhausted.

For additional benefits 1 to 9 inclusive We will pay You (depending on the part of this section which is applicable to You) for:

- a) 'Item 1 Gross profit'; or
- b) 'Item 2 Payroll; or
- c) 'Item 6 Gross rentals'; or
- d) 'Item 7 Weekly income'; or
- e) 'Item 9 Gross revenue,

resulting from interruption of or interference with Your Business as a result of Damage occurring during the Period of Insurance to, or as a direct result of:

1. Unspecified customers and/or suppliers premises

any loss to property for which a claim would have been payable under section 1 of this Policy if such property had been insured under this Policy, resulting in interruption of or interference with the Business, as a consequence of Damage occurring within Australia to property:

- a) at suppliers' and/or customers' premises; or
- b) preventing movement of goods to, or from, a suppliers' or customers' premises which shall be deemed to be loss resulting from Damage to Property used by You at the Situation.

The most We will pay under this additional benefit, is twenty per cent (20%) of the sum insured for that item specified in the Schedule.

2. Murder, suicide & infectious diseases

Any 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;
- c) poisoning directly caused by the consumption of food or drink provided on the Insured Premises; or
- d) murder or suicide occurring in or at the Insured Premises,

occurring during the Period of Insurance (this shall be deemed to be Damage to Property Insured under Section 1 Property).

Provided that:

- i. 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
- ii. 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
- iii. We will not cover the first 48 hours of any interruption or interference with Your Business unless otherwise specified in the Schedule; and
- iv. 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.

3. Prevention of access, public utilities, computer installation, commercial complexes

any loss to property for which a claim would have been payable under section 1 of this Policy if such property had been insured under this Policy, resulting in interruption of or interference with the Business as a consequence of Damage to:

- a) property within fifty (50) kilometres of the Situation, which prevents or hinders access to, or use of, the Property; or
- b) land based 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 sewerage reticulation control systems, from which You obtain services, subject to the limitation below; or
- c) computer installations, including ancillary equipment and 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, which 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 Business Premises.

In relation to additional benefit 3(b), We will not be liable for the first two (2) usual trading days of any loss.

4. Roads, bridges and railway lines

interruption of or interference with Your Business as a result of Damage to roads, bridges and/or railway lines within the Commonwealth of Australia over which raw materials and other stock are conveyed to or from the Business Premises.

5. Storage sites

any loss resulting from interruption of or interference with the Business, as a consequence of Damage to Your Property sustained while it is stored or being processed at any premises in Australia not occupied by You, shall be deemed to be loss resulting from Damage to property used by You at the Situation.

The most We will pay under this additional benefit, is twenty per cent (20%) of the sum insured for that item specified in the Schedule.

6. Transit

any loss resulting from interruption of or interference with the Business as a consequence of Damage to Your Property while it is in transit by road, rail, sea or air within Australia and outside of the Situation occupied by You, shall be deemed to be loss resulting from Damage to Property used by You at the Situation.

The most We will pay under this additional benefit, is twenty per cent (20%) of the sum insured for that item specified in the Schedule.

7. Explosion of pressure equipment

Damage to pressure vessels including boilers, compressors or economisers by self-explosion or collapse, shall be deemed to be loss resulting from Damage to Property used by You at the Situation.

8. Documents

any loss resulting from interruption of or interference with the Business as a consequence of Damage to Documents that belong to You or are held in trust by You, while they are in transit or at premises not occupied by You, which shall be deemed to be loss resulting from Damage to Property used by You at the Situation.

The most We will pay under this additional benefit is twenty per cent (20%) of the sum insured for that item specified in the Schedule.

9. Motor vehicles owned or operated by you

any loss resulting from interruption of or interference with the Business as a consequence of Damage to any registered Vehicles or trailers owned or operated by You, but not while such Vehicles are on a public thoroughfare, shall be deemed to be loss resulting from Damage to Property used by You at the Situation.

10. Fines and damages

Following a claim under 'Item 1 - Gross profit' or 'Item 2 - Payroll' for which We have agreed to indemnify You, this insurance extends to include Your liability, incurred during the Indemnity Period, to pay cancellation charges, or fines or damages other than aggravated, punitive or exemplary damages:

- a) for breach of contract resulting from non-completion or late completion of orders for Your goods or services; or in discharge of contract purchases of Your goods or services; and
- b) for breach of contract for the purchase by You of goods or services that cannot be utilised by You, during the Indemnity Period, less any value to You of such goods or services or the amount received from sale of such goods and services.

The most We will pay under this additional benefit is twenty per cent (20%) of the total sum insured for Gross Profit and Payroll.

This additional benefit applies in addition to the sum insured for that item shown in the Schedule.

11. Return premium clause

In the event of the:

- a) Gross Profit earned; or
- b) Payroll paid; or
- c) Gross Rentals earned; or
- d) gross Revenue earned,

in accordance with the indemnity afforded in respect of such items, in the course of the Business during the accounting period of twelve (12) months (or a proportionately increased multiple thereof where the Indemnity Period exceeds twelve (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 fifty per cent (50%) of the premium paid for such Period of Insurance will be made in respect of the difference, but:

- a) 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 Profit, gross Revenue or Gross Rentals earned or Payroll paid for such period.

12. Turnover output

In the event of Damage giving rise to a claim under this section, at Your option, the term 'Output' may be substituted for the term 'Turnover' wherever appearing in this section, but that only one such term will operate in connection with any one occurrence involving Damage.

13. Government incentives

The pecuniary loss under 'Item 1 - Gross profit and 'Item 2 - Payroll' of this section includes the loss of any government - approved incentives, subsidies or market development allowances to which You are entitled in relation to the Business resulting from interruption of or interference with Your Business in consequence of Damage giving rise to a claim.

Exclusions

We will not be liable for any claim under this section if:

1. the Damage occurs after the Business has been dissolved or wound up or is being carried on by a liquidator or receiver or has ceased to operate; or
2. Your interest in the Business ceases, other than by death.

Variations & extensions

The following cover only applies if shown in the Schedule.

1. Suppliers premises

This section extends to include loss resulting from interruption of or interference with the Business as a consequence of Damage, for which insurance is provided under settlement of claims items 1, 2, 7 or 9, to property (including Your Property while it is temporarily deposited at premises anywhere in Australia), at the premises of Your suppliers of materials or where work is done in connection with Your Business, and which is shown in the Schedule.

Our liability under this extension shall not exceed the percentage of the sum insured shown against each supplier's premises in the Schedule.

2. Customers premises

This section extends to include loss resulting from interruption of or interference with the Business as a consequence of Damage, for which insurance is provided under settlement of claims items 1, 2, 7 or 9, to property at the premises of Your customers shown in the Schedule.

Our liability under this extension shall not exceed the percentage of the sum insured shown against each customer's premises in the Schedule.

3. Goodwill

Following Damage to any building at Your Business Premises We will pay, up to the limit of liability shown in the current Schedule for 'Goodwill', for the actual cost of Goodwill incurred by You when purchasing a business in order to maintain Your Business activities. Provided that:

- a) We will only pay these Goodwill costs when the building that is Damaged cannot or will not be repaired or rebuilt due to any refusal by any owner or lessor other than You to repair or rebuild; and any restrictions imposed by any legal authority; and
- b) the purchase of the business is incurred because You were unable to continue Your Business at the Business Premises as a result of the Damage to the buildings not being repaired; and
- c) the cause of the Damage to the buildings would have been covered by section 1 of Your Policy had that building been insured under that section, and
- d) the business that is purchased is similar to Your Business.

Special terms and conditions

1. Departmental clause

If the Business is conducted in departments, divisions or Situations, 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 insurance will apply separately to each department, division or Situation affected by the Damage.

2. New business clause

If Damage occurs at the Business Premises before the completion of the first year's trading of Your Business, the defined terms "Standard Revenue", "Annual Revenue", "Weekly Income", "Rate of Gross Profit", "Standard Turnover" and "Annual Turnover" shall instead have the following meanings wherever they appear in this section:

"Standard Revenue" means the Revenue achieved between the date of commencement of Your Business and the date of the Damage, converted to the selected Indemnity Period.

"Annual Revenue" means the actual Revenue achieved during Your first year of operations, from the commencement of Your Business to the date of the Damage, converted to a twelve (12) month equivalent figure.

"Weekly Income" means the amount calculated by averaging the actual weekly income obtained during the period from the date of the commencement of Your Business to the date of the Damage.

"Rate of Gross Profit" means the proportion that the Gross Profit bears to the Turnover during the period between the date of commencement of Your Business and the date of the Damage.

"Annual Turnover" means the actual Turnover achieved, from the commencement of Your Business to the date of the Damage, converted to a 12-month equivalent figure.

"Standard Turnover" means the Turnover achieved between the date of commencement of Your Business and the date of the Damage, converted to the selected Indemnity Period.

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

3. Underinsurance/average

Where at the date of the occurrence of the Damage the sum insured as shown in the Schedule for:

- a) Gross Profit is less than eighty per cent (80%) of the Annual Gross Profit (appropriately increased if the Indemnity Period exceeds twelve (12) months);
- b) Payroll is less than the amount produced by applying the Payroll limits set out in the Schedule to eighty per cent (80%) of the amount produced by applying the Rate of Payroll to the Annual Turnover (appropriately increased if the Indemnity Period exceeds twelve (12) months);
- c) 'Book Debts' is less than eighty per cent (80%) of the total amount of Outstanding Debit Balances;
- d) Gross Rentals is less than eighty per cent (80%) of the Annual Gross Rentals (appropriately increased if the Indemnity Period exceeds twelve (12) months); or
- e) 'Gross Revenue' is less than eighty per cent (80%) of the Annual Revenue (appropriately increased if the Indemnity Period exceeds twelve (12) months),

then the amount payable for those items will be proportionately reduced.

This clause shall not apply if the claim does not exceed ten per cent (10%) of the sum insured for the respective item.

4. Alternative trading

If during the Indemnity Period, goods are sold, work is performed or services are rendered elsewhere than at the Business Premises for the benefit of Your Business either by You or by others acting on Your behalf, the money paid or payable in respect of such sales, work or services will be brought into account in arriving at the Annual Revenue, weekly Revenue or Turnover (as the case may be), during the Indemnity Period.

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Section 3 Theft Of Money

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

The items shown in the Schedule are insured against:

1. theft; or
2. loss, destruction or Damage caused by any accident, not otherwise excluded,

occurring during the Period of Insurance and discovered within ten (10) working days of the occurrence of such theft or accident.

Limitation

The most We will pay during any one Period of Insurance or for any claim arising out of one event or series of events arising directly or indirectly from one source or original cause, for each item specified in the Schedule, is the sum insured shown in the Schedule for that item.

Definitions

In this section the following definitions apply:

Bank means a bank, building society, credit union, agency or similar financial institution.

Combined Money means the combined sum insured for:

- a) Money in Private Residence; and
- b) Money in Secure Safe or Strongroom; and
- c) Money in Transit; and
- d) Money on Premises During Business Hours; and
- e) Money on Premises Outside Business Hours,

for the specific sum insured in the Schedule however in respect of e) above, this is limited to a maximum of \$1,000.

Money in Private Residence means Money contained in:

- a) Your home; or
- b) the home of a person authorised by You when it has been taken home for safe keeping from Your Business Premises or the place of collection.

Our liability ceases when Your financial service provider ceases trading on its next full trading day.

Money in Secure Safe or Strongroom means Money in a securely locked safe or securely locked Strongroom on the Business Premises, provided that the key and details of the combination are removed from the Business Premises whilst closed for business. For the purpose of this definition, Business Premises does not include such area within the Business Premises occupied by You as a residence.

Money in Transit means:

1. Money in Your personal custody or in the custody of persons authorised by You whilst in transit within Australia but not Money in Private Residence or loss from any Vehicle left unattended; and
2. Money whilst contained in the night safe, night depository chute, or automatic teller machine of any Bank. Our liability ceases at Bank closing time on the next business day following deposit therein.

Money on Premises During Business Hours means Money when held at Your Business Premises during the hours when Your Business is normally open to the public, and the manner in which the Money is kept is appropriate, and amounts to reasonable precautions to protect that Money against theft or loss.

Money on Premises Outside Business Hours means Money when held at Your Business Premises during the hours when Your Business is not normally open to the public, and the manner in which the Money is kept is appropriate, and amounts to reasonable precautions to protect that Money against theft or loss.

Personal Money means current coin, bank notes, currency notes, cheques, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens and stored value or similar type cards belonging to the owners, partners, proprietors, directors or employees of Your Business.

Specified Money means Money specifically described in the Schedule under specified money.

Strongroom means a burglar-resistant structure constructed of masonry and steel that has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of Money and valuables.

Additional benefits

If You have selected this section, We also provide the following additional benefits subject to the exclusions and conditions in this cover section.

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

1. Counterfeit currency

We will pay You for losses sustained by You due to the acceptance in good faith, in exchange for merchandise, Money or services, of counterfeit Australian currency notes, up to \$500 in any one Period of Insurance.

There is no cover under this additional benefit if:

- a) You and Your employees fail to take reasonable steps to detect forged notes; or
- b) the forgery in question would be apparent to a reasonable person.

2. Seasonal increase

The sum insured shown in the Schedule for Combined Money, Money in Private Residence, Money in Secure Safe or Strongroom, Money in Transit, Money on Premises During Business Hours and Money on Premises Outside Business Hours will automatically increase by fifty per cent (50%) during the following periods:

- a) Sixty (60) days before Christmas Day and twenty-one (21) days following Christmas Day;
- b) Forty two (42) days before Good Friday and ten (10) days following Good Friday; and
- c) Forty two (42) days before any celebrated event of a festive, religious or ethnic nature other than Christmas or Easter where You can reasonably demonstrate that the stock levels during that period have risen by more than twenty per cent (20%) above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with the happening of that festive, religious or ethnic event; and ten (10) days following the same festive, religious or ethnic event or celebration; or
- d) as otherwise shown in the Schedule.

3. Bank holiday increase

The sum insured shown in the Schedule for Combined Money, Money in Transit, Money On Premises During Business Hours, Money on Premises Outside Business Hours, Money in Securely Locked Safe or Strongroom, and Money in Private Residence will automatically increase by one hundred per cent (100%) on:

- a) bank holidays; or
- b) gazetted public holidays (other than bank holidays), that fall on days adjacent to a weekend. If such a weekend occurs during the period specified in this section for seasonal increase or the period specified in the Schedule for seasonal increase, only the increase under this additional benefit 'Bank holiday increase' will apply.

Cover under this additional benefit will apply until the close of trading of Your Bank on the next business day following such bank holiday or gazetted public holiday.

4. Traveller's money

Cover under this section is extended to include loss of Money belonging to You occurring while such Money is in Your personal custody or in the custody of Your employee while travelling outside Australia in connection with Your Business. We will not pay more than \$10,000 or the amount specified on the Schedule for "Money in Transit" (whichever is the greater).

5. Damage to premises, safe or strongroom

In respect of Damage (other than breakage of glass) to the Business Premises occurring during the Period of Insurance due to theft of Money or attempted theft of Money, We will pay You, up to a sublimit of \$10,000 for any one occurrence, for:

- a) the cost of opening the safe or Strongroom and to repair or replace any loss or Damage to the safe or Strongroom that was caused by a theft or attempted theft; and
- b) if Money is stolen or if there is an attempted theft of Your Money, We will pay for loss of or Damage to Your cash carrying bag that was caused by the theft or attempted theft.

6. Locks and keys

If keys are stolen, or there are reasonable grounds to believe that keys have been stolen and duplicated during the Period of Insurance, We will:

- a) pay for the keys and locks to be replaced and the reasonable and necessary cost to have the security restored to the same level of security as existed immediately prior to the loss;
- b) indemnify You in respect of the cost of temporary protection reasonable and necessary for the safety and protection of the Property Insured, pending restoration of the security; and
- c) pay the reasonable cost of developing and replacing security film exposed because of theft or attempted theft.

The most We will pay under this additional benefit is \$10,000 for any one event.

7. Injury during theft

If an injury is suffered by an owner, partner, proprietor or director of Your Business, during a theft or attempted theft of Money insured under this section for which We have agreed to pay Your claim, and such injury is the sole cause of:

- a) death (Item 1);
- b) total and permanent loss of sight in one or both eyes (Item 2); or
- c) total and permanent loss of one or both hands or feet (Item 3),

occurring within twelve (12) months of such owner, partner, proprietor or director sustaining the injury; or

- d) temporary or permanent total disablement from attending to usual business (Item 4),

We will, in respect of such injury, pay to such owner, partner, proprietor or director or his or her legal representative, in respect of:

- a) Items 1, 2, and 3: \$10,000, in respect of all injury sustained by any one person during any one theft or attempted theft; or
- b) Item 4: \$200 per week or eighty per cent (80%) of the average weekly earnings of such owner, partner, proprietor or director, whichever is the lesser, to a maximum period of thirteen (13) weeks from the date of sustaining the injury.

No amount will be payable in respect of:

- a) death attributable to, or consequent upon, or accelerated by; or
- b) disablement aggravated by, attributable to, or consequent upon,

any pre-existing physical defect, illness or disease or injury.

8. Temporary protection and security guard

If the Business Premises or security protection equipment installed at the Business Premises are Damaged during a theft or attempted theft occurring during the Period of Insurance, We will pay the costs reasonably and necessarily incurred for the temporary protection of, and the employment of security guards to safeguard the Property Insured, until the Business Premises or security protection equipment are repaired or replaced. The most We will pay under this additional benefit is \$10,000 for any one event.

9. Additional premises – provisional cover

Cover is extended to include all Money within Australia from any new Business Premises that becomes Yours after the commencement of the Period of Insurance, for thirty (30) days from first being used by You (unless the Period of Insurance ends sooner or the Property ceases to be Yours, whichever shall first occur), but the cover is limited to:

- a) the Business described in the Schedule; and
- b) Property Insured described in the Schedule.

The most We will pay under this additional benefit is twenty per cent (20%) of the highest sum insured shown in the Schedule in relation to each item of Property Insured.

Full details of such additional property are to be supplied to Us within thirty (30) days of Your commencement of the use of the property. If We agree to provide continuing cover for such additional property, You may be required to pay an additional premium to reflect any increased risk of loss.

10. Clothing, tools and personal effects

If, during theft or attempted theft of Money (other than Personal Money), in circumstances for which cover is provided in this section, clothing, tools and personal effects (excluding Money), not otherwise insured under another policy entered into by a third party or a policy required by law, belonging to the owners, partners, proprietors, directors or employees of Your Business is destroyed, lost or Damaged, We will indemnify such owners, partners, proprietors, directors or employees for the cost of repairing or replacing such clothing, tools or personal effects.

The most We will pay under this additional benefit is \$5,000 per person and \$10,000 for any one event.

11. Theft by employee

We will pay You for loss of Money by theft or dishonesty by any of Your employees occurring during the Period of Insurance, which is discovered within forty-five (45) days of its occurrence. Exclusion 4, of this section, so far as it relates to loss or Damage due to theft or attempted theft committed by an employee, does not apply to this additional benefit. However, We will not pay more than \$5,000 under this additional benefit for any one occurrence.

Exclusions

We will not be liable for:

1. Consequential loss

any Consequential Loss whatsoever.

2. Dishonoured cheques

loss arising out of the payment of Money, for or in consideration of a cheque or negotiable instrument that is subsequently dishonoured.

3. Unexplained disappearances

unexplained disappearances or unexplained shortages, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by You.

Section 4

Glass

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

We will indemnify You in the event of Breakage of Glass occurring during the Period of Insurance at the Situation shown in the Schedule.

The amount of indemnity will be determined in accordance with the settlement of claims clauses.

Definitions

In this section the following definitions apply:

Breakage means:

- a) for plate or sheet Glass or porcelain, a fracture extending through the entire thickness of the Glass or porcelain; and
- b) for laminated Glass, a fracture extending through the entire thickness of a lamination but not any other Damage or disfiguration.

External Glass means:

1. external fixed glass, or plastic material used as glass, and any shatter resistant or reflective film affixed thereto, forming part of the Business Premises including external windows, doors or skylights; and
2. ceramic tiled shop fronts.

Glass means Internal Glass, External Glass, Signs and Specified Glass.

Internal Glass means:

1. all internal glass, sinks, wash basins and sanitary ware and mirrors (other than hand mirrors), whilst in the Business Premises; and
2. showcase frames, display cabinets and counter frames whilst in the Business Premises,

but does not include:

- a) glass forming part of stock in trade or merchandise;
- b) glassware, crystal, crockery or china; or
- c) imperfect glass.

Premises means the buildings at the Situation.

Signs means glass or plastic that forms part of a sign.

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

4. Employee dishonesty

loss, destruction or Damage due to, or sustained by or through theft or any attempted theft, or any act of fraud or dishonesty committed by any:

- a) members of Your Family; or
- b) persons in Your service, other than loss or destruction or Damage through theft, or any attempted theft committed by persons in Your service, following forcible and violent entry by such persons to the Business Premises.

5. Money

Money:

- a) whilst contained in an unlocked and unattended Vehicle;
- b) stolen from a safe or Strongroom opened by a key or by use of a combination which has been left on the Business Premises outside Business Hours, unless obtained through violence or a threat or violence; or
- c) except as provided under Additional Benefit – 'Traveller's Money', whilst it is outside the Commonwealth of Australia.

6. Workers Compensation

for bodily injury to any worker in respect of which You are or would be entitled to indemnity under any policy of insurance, fund, scheme or self- insurance pursuant to or required by any legislation relating to workers compensation or accident compensation whether or not such policy, fund, scheme or self insurance has been effected.

Variations & extensions

The following cover only applies if shown in the Schedule.

Personal money

Insurance under this section for Money on Premises – Business Hours, and Money in Securely Locked Safe or Strongroom is extended to include Personal Money.

The most We will pay under this extension is the percentage, shown in the Schedule for Personal Money, of the sum insured in respect of such Money on premises – Business Hours or Money in Securely Locked Safe or Strongroom.

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Settlement of claims

In the event of a Breakage of Glass, 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; or
3. for Specified Glass Our maximum liability during the Period of Insurance will not exceed be the sum insured stated on the Schedule

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

Additional benefits

The following additional benefits are available if You have selected this section:

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the Sum Insured

1. External glass

In the event of Breakage of External Glass occurring during the Period of Insurance , We will indemnify You for up to \$7,500 or the amount specified in the Schedule, whichever is the higher, for each of the following:

- a) replacing sign writing or ornamentation affixed to the broken Glass;
- b) replacing burglar alarm tape or wiring affixed to the broken Glass;
- c) temporary shuttering, boarding up or other protection reasonably necessary for the safeguarding of the Business Premises or contents therein, pending replacement of the broken Glass;
- d) replacing Damaged window frames and tiled shop fronts, but with due allowance for wear and tear; and
- e) replacing shatter resistant or reflective film affixed to broken Glass.

2. Destruction of stock or contents

We will indemnify You for loss as a result of destruction of, or Damage to, Your stock or contents, caused by broken Glass following the Breakage of Glass where such Breakage constitutes an admissible claim under this section.

The most We will pay under this additional benefit during any one Period of Insurance, is the lesser of:

- a) the value at cost, of the stock or contents destroyed or Damaged, less any amount realised from the sale of any salvage; or
- b) \$7,500.

3. Overtime

We will pay the reasonable costs for after-hours service by repairers, express delivery and overtime charges to repair or replace broken Glass where such Breakage constitutes an admissible claim under this section.

4. Malicious damage

We will pay for the cost of replacement of External Glass which has suffered malicious Damage during the Period of Insurance. This additional benefit is payable even where there is no Breakage of External Glass.

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Section 5

General & Products

Liability

About this cover section

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Your insurance under this cover section

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

1. Personal Injury; and/or
2. Damage to Property; and/or
3. Advertising Injury,

happening during the Period of Insurance within the Geographical Limits in connection with Your Business and caused by or arising out of an Occurrence.

Defence costs and supplementary payments

With respect to the indemnity provided by this cover section of the Policy, We will:

1. defend, in Your name and on Your behalf, any claim or suit against You alleging such Personal Injury, Damage to Property or Advertising Injury and seeking damages on account thereof even if any of the allegations of such claim or suit is groundless, false or fraudulent;
2. pay all charges, expenses and legal costs incurred by Us and/ or by You with Our written consent (which consent shall not be unreasonably withheld):
 - a) in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of Your attendance at hearings or trials at Our request; or
 - b) in bringing or defending appeals in connection with such claim or suit;
3. pay:
 - c) all charges, expenses and legal costs recoverable from or awarded against You in any such claim or suit;
 - d) pre-judgment interest awarded against You on that part of the judgment payable by Us; and
 - e) all interest accruing on Our portion of any judgment until We have paid, tendered or deposited in court that part of such judgment which does not exceed the limit of Our liability thereon;
4. pay premiums on:

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

provided that Our liability under clauses 6c) and d) shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one Occurrence.

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

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

Where We are prevented by law or otherwise from making payments on Your behalf, We will indemnify You for legal liability incurred to the extent that such liability is covered by this cover section of the Policy.

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

Limits of liability and excess

Subject to:

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

for General Liability the limit of indemnity specified in the Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims arising out of any one Occurrence.

For Products Liability the limit of indemnity specified in the Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims, and in the aggregate during any one Period of Insurance.

The applicable limit of indemnity will not be reduced by the amount of any Excess payable by You.

Definitions

In this section the following definitions apply. Aside from the headings of the section where they appear in the section, they are shown with a capital letter.

Advertising Injury means injury arising out of:

- a) defamation; or
- b) any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010(Cth) or any fair trading or similar legislation of any country, state or territory; or
- c) any infringement of copyright or passing off of title or slogan; or
- d) unfair competition, piracy, misappropriation of advertising ideas or style of doing business; or
- e) invasion of privacy,

committed or alleged to have been committed in any advertisement, publicity article, broadcast or telecast and caused by or arising out of Your advertising activities.

Aircraft means any craft or object designed to travel through air or space, other than a model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.

Business means the business as described in the Schedule (or as further described in any more specific underwriting information provided to Us at the time when this insurance was proposed to Us or at the time of any renewal of this Policy) and shall also include:

- a) the ownership of premises and/or the tenancy thereof by You;
- b) participation in any exhibition by You or on Your behalf;
- c) the hire or loan of plant and/or equipment to other parties;
- d) conducted tours of Your premises;
- e) the provision of any sponsorships, charities, galas, first aid (for Your own internal purposes), medical, ambulance or fire fighting service (for Your own internal purposes) by You or on Your behalf;
- f) private work undertaken by Your Employees for any of Your directors, partners, proprietors, officers or executives; and

- g) the provision of any canteen, social and/or sporting clubs or welfare and/or child care facilities by You or on Your behalf, which are primarily for the benefit of Your Employees.

Compensation means monies paid or agreed to be paid by judgment, award or settlement in respect of Personal Injury and/or Damage to Property and/or Advertising Injury. Provided that such Compensation is only payable in respect of an Occurrence to which this insurance applies.

Damage to Property means:

- a) physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or
- b) loss of use of tangible property which has not been physically lost, destroyed or damaged; provided that such loss of use is caused by or arises out of an Occurrence.

Employment Practices means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of Your employees.

Excess means the amount of each claim or series of claims, arising out of any one Occurrence, which You will be required to pay.

The Excess applicable to this section appears in the Schedule. The Excess applies to all amounts for which We will be liable, including the indemnity provided by 'Defence costs and supplementary payments'.

General Liability means Your legal liability for Personal Injury, Damage to Property or Advertising Injury caused by or arising out of an Occurrence happening in connection with Your Business other than Products Liability.

Geographical Limit means:

- a) anywhere in the world except North America; and
- b) North America but only with respect to:
 - i. overseas business visits by any of Your directors, partners, officers, executives or employees, who are non-resident in North America but not where they perform manual work in North America; and
 - ii. Products exported to North America without Your knowledge.

Hovercraft means any vessel, craft, or device made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

Incidental Contracts means:

- a) any written rental agreement or lease of real or personal property other than with respect to any term or condition contained in such rental, lease and/or hiring agreement that requires You to insure such property;
- b) any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities;
- c) any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings;
- d) those contracts designated in the Schedule.

Medical Persons includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.

Named Insured means:

- a) the person, corporations and/or other organisations specified in the Schedule
- b) all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured at part a) of this definition incorporated in the Commonwealth of Australia and/or any other organisations under the control of the Named Insured
- c) all subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured and/or any other organisations under the control of the Named Insured incorporated in the Commonwealth of Australia and which are constituted or acquired by the Insured after the commencement of the Period of Insurance; and
- d) every subsidiary and/or controlled corporation and/or other organisation of the Named Insured which is divested during the Period of Insurance, but only in respect of claims made against such divested subsidiary, related or controlled corporation or organisation caused by or arising out of Occurrences insured against by this section, which occurred prior to the divestment

North America means:

- a) the United States of America and the Dominion of Canada;
- b) any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and
- c) any country or territory subject to the laws of the United States of America or the Dominion of Canada.

Occurrence means an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury and/or Damage to Property and/or Advertising Injury that is neither expected nor intended (except for the matters set out in item e) of the definition of 'Personal Injury') from Your standpoint.

With respect to Personal Injury or Damage to Property, all events of a series consequent upon or attributable to one source or original cause shall be deemed to be one Occurrence.

All Advertising Injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one Occurrence.

Personal Injury means:

- a) bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom;
- b) false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation;
- c) wrongful entry or wrongful eviction;
- d) defamation or invasion of privacy, unless arising out of Advertising Injury;
- e) assault and battery not committed by You or at Your direction, unless committed for the purpose of preventing or eliminating danger to persons or property; or
- f) discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or otherwise (unless insurance thereof is prohibited by law) not committed by You or at Your direction, but only with respect to liability other than fines and penalties imposed by law.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste material. 'Waste material' includes materials that are intended to be recycled, reconditioned or reclaimed.

Products means anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, re-supplied or distributed, imported or exported, by You or on Your behalf (including Your predecessors in Your Business), including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, You are deemed to have manufactured in the course of Your Business including discontinued products.

Provided always that for the purpose of this insurance the term 'Products' shall not be deemed to include:

- a) food and beverages supplied by You or on Your behalf primarily to Your employees as a staff benefit; or
- b) any vending machine or any other property rented to or located for use of others but not sold by You, and any claims made against You in respect of Personal Injury and/or Damage to Property arising out of any Occurrence in connection therewith shall be regarded as General Liability claims hereunder.

Products Liability means Your legal liability for Personal Injury and/or Damage to Property caused by or arising out of any Products or the reliance upon a representation or warranty made at any time with respect to such Products; but only where such Personal Injury and/or Property Damage occurs away from premises owned or leased by or rented to You and after physical possession of such Products has been relinquished to others.

Tool of Trade means a Vehicle that has tools, implements, machinery or plant attached to or towed by the Vehicle and is being used by You at Your premises or on any Work Site. Tool of Trade does not include any Vehicle whilst travelling to or from a Work Site or Vehicles that are used to carry goods to or from any premises.

Work Site means any premises or site where any work is performed for and/or in connection with Your Business together with all areas surrounding such premises or site and/or all areas in between such premises or site that You shall use in connection with such work.

You, Your and Insured means the person, companies or firms named on the current Schedule as the 'Insured'.

Each of the following is an Insured to the extent specified below:

- a) the Named Insured;
- b) every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive or employee of the Named Insured (including the spouse or any family member of any such person while accompanying such person on any commercial trip or function in connection with the Business), or work experience persons or volunteers while such persons are acting for or on behalf of the Named Insured and/or within the scope of their duties in such capacities;
- c) any employee superannuation fund or pension scheme managed by or on behalf of the Named Insured, and the trustees and the directors of the trustee of any such employee superannuation fund or pension scheme which is not administered by corporate fund managers;

- d) every principal in respect of the principal's liability arising out of:
- i. the performance by or on behalf of the Named Insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy;
 - ii. any Products sold or supplied by the Named Insured, but only in respect of the Named Insured's own acts or omissions in connection with such Products and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy.
- e) every person, corporation, organisation, trustee or estate to whom or to which the Named Insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this Policy, but only to the extent required by such law, and in any event only for such coverage and limits of liability as are provided by this Policy;
- f) every officer, member, employee or voluntary helper of the Named Insured's canteen, social and/or sporting clubs, first aid, medical, ambulance or fire-fighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such;
- g) any director, partner, proprietor, officer or executive of the Named Insured in respect of private work undertaken by the Named Insured's employees for such person and any employee whilst actually undertaking such work;
- h) the estates, legal representatives, heirs or assigns of:
- i. any deceased or insolvent persons; or
 - ii. persons who are unable to manage their own affairs by reason of mental disorder or incapacity, who would otherwise be indemnified by this cover section of the Policy,
- but only in respect of liability incurred by such persons as described in clauses h(i) and h(ii) above; and
- i) every party including joint venture companies and partnerships to whom the Named Insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this cover section of the Policy; but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy.
- b) any other property temporarily in Your possession for the purpose of being worked upon, but no indemnity is granted for damage to that part of any property upon which You are or have been working if the damage arises solely out of such work;
3. any Vehicle (including its contents, spare parts and accessories while they are in or on such Vehicle) not belonging to or used by You, whilst any such Vehicle is in a car park owned or operated by You provided that You do not operate the car park for reward, as a principal part of Your Business;
 4. the personal property, tools and effects of any of Your directors, partners, proprietors, officers, executives or Employees, or the clothing and personal effects of any of Your visitors; and
 5. any property (except property that You own) not mentioned in clauses 1, 2, 3 and 4 of this additional benefit whilst in Your physical or legal care, custody or control where You have accepted or assumed legal liability for such property. Provided that our liability under this clause shall not exceed \$250,000 or the amount stated in the Schedule, in respect of any one claim or series of claims arising out of any one Occurrence.

Optional extensions

The following cover applies where indicated on the Schedule as applying:

Products exported to North America with Your knowledge (applicable only where this optional extension is confirmed in the schedule)

The definition of "Geographical Limit" is amended to mean:

- a) anywhere in the world except North America; and
- b) North America but only with respect to:
 - i. overseas business visits by any of Your directors, partners, officers, executives or employees, who are non-resident in North America but not where they perform manual work in North America; and
 - ii. Products exported to North America.

Cover section exclusions

We do not cover any liability:

1. Advertising Injury

for Advertising Injury:

- a) resulting from statements made at Your direction with knowledge that such statements are false;
- b) resulting from failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
- c) resulting from any incorrect description of Products or services;
- d) resulting from any mistake in advertised price of Products or services;

Additional benefit

The following additional benefit is available if You have selected this section.

Property in Your physical and legal control

Exclusion 17 will not apply to the following property:

1. premises or part of premises (including their contents) leased or rented to, or temporarily occupied by, You for the purpose of Your Business, but no cover is provided by this cover section of the Policy if You have assumed the responsibility to insure such premises;
2. a) premises (and/or their contents) temporarily occupied by You for the purpose of carrying out work in connection with Your Business; or

- e) resulting from failure of the Insured's Products or services to conform with advertised performance, quality, fitness or durability; or
- f) incurred by any Insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

2. Aircraft, hovercraft

for Personal Injury and/or Damage to Property arising from:

- a) the ownership, maintenance, operation, or use by You of any Aircraft or Hovercraft; or
- b) any property used for the purpose of an airport or any Aircraft landing strip.

3. Aircraft products

arising out of any Products which an insured person knew or has reasonable cause to believe would be or is intended for incorporation into any critical part, the structure, machinery or controls of any Aircraft.

4. Asbestos

for Personal Injury, Damage to Property (including loss of use of property) or Advertising Injury directly or indirectly caused by, arising from or in any way connected to asbestos.

5. Breach of professional duty

arising out of any breach of duty owed in a professional capacity by You and/or any person(s) for whose breaches You may be held legally liable, but this exclusion shall not apply to claims for Personal Injury and/or Damage to Property:

- a) arising out of the rendering of or failure to render professional medical advice by Medical Persons employed by You to provide first aid and other medical services on Your premises;
- b) arising out of advice which is given by You for no fee; or
- c) arising out of advice given in respect of the use or storage of Your Products.

6. Contractual liability

which has been assumed by You under any contract or agreement that requires You to:

- a) effect insurance over property, either real or personal;
- b) assume liability for Personal Injury and/or Damage to Property and/or Advertising Injury regardless of fault,

provided that this exclusion shall not apply with regard to:

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

7. Damage to products

for Damage to Property to any Products where such damage is directly caused by a fault or defect in such Products; but this exclusion shall be interpreted to apply with respect to damage to the specific part and only that part of such Product to which the damage is directly attributable.

8. Defamation

for libel and slander:

- a) resulting from statements made prior to the commencement of the Period of Cover;
- b) resulting from statements made at Your direction with knowledge that such statements are false; or
- c) incurred by You if Your Business is advertising, broadcasting, publishing or telecasting.

9. Cyber

- a) 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 by or as a consequence of a Cyber Act;
- b) arising out of the Insured's Products directly or indirectly caused by, contributed to by or as a consequence of a Cyber Act;
- c) directly or indirectly caused by, contributed to by or as a consequence of 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 the Insured in controlling, preventing, suppressing, retaliating against, or responding to a Cyber Act or 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;
- b) Damage to Property, excluding Data; or
- c) Advertising Injury,

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, 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.

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.

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 of, error in the creation of, error in the amendment of, error in the entering of, deletion of, or theft of Data including any monetary amount pertaining to the value of such Data, the infringement of intellectual property rights and breach of confidentiality.

10. Employers liability

- a) for bodily injury to any worker in respect of which You are or would be entitled to indemnity under any policy of insurance, fund, scheme or self- insurance pursuant to or required by any legislation relating to workers compensation or accident compensation whether or not such policy, fund, scheme or self insurance has been effected.

Provided that this Policy will respond to the extent that Your liability would not be covered under any such policy, fund, scheme or self-insurance arrangement had You complied with its obligations pursuant to such law.

- b) imposed by:
 - i. the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement; or
 - ii. any law relating to Employment Practices.
- c) For the purpose of exclusions 9a) and 9b):
 - i. the term 'worker' means any person deemed to be employed by You pursuant to any workers compensation law. Voluntary workers and work experience students (if any) shall not be deemed to be Your employees; and
 - ii. the term 'bodily injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.

11. Faulty workmanship

for the cost of performing, completing, correcting or improving any work undertaken by You.

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

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

13. Information technology hazards, computer data, program and storage media exclusion

- a) for Personal Injury and/or Damage to Property and/or Advertising Injury arising directly or indirectly out of, or in any way involving Your internet operations; or
- b) for Damage to Property to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
 - i. the use of any computer hardware or software;
 - ii. the provision of computer or telecommunication services by You or on Your behalf; or
 - iii. the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

But this exclusion does not apply to:

1. Personal Injury and/or Damage to Property and/or Advertising Injury arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site; or
2. liability which arises irrespective of the involvement of Your internet operations.

Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.

14. Liquidated damages

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

15. Loss of use

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

- a) a delay in or lack of performance by You or on Your behalf of any contract or agreement, or
- b) failure of any Products or work performed by You or on Your behalf to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You; but this exclusion 15b) shall not apply to Your liability for loss of use of other tangible property resulting from sudden and accidental physical loss, destruction of or damage to any Products or work performed by You or on Your behalf after such Products or work have been put to use by any person or organisation other than You.

16. Pollutants

- a) for Personal Injury and/or Damage to Property directly or indirectly arising out of the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere or any watercourse or body of water; or
- b) for the cost of testing and monitoring for, removing, nullifying, or cleaning up of Pollutants.

Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 16a) and 16b) shall not apply where such discharge, dispersal, release or escape is caused by a sudden, identifiable, unintended and unexpected event from Your standpoint which takes place in its entirety at a specific time and place.

17. Property in Your physical or legal control

- a) for damage to property owned by, leased or rented to You; or
- b) for damage to property not belonging to You but in Your physical and legal control other than the property described in 'Additional benefit – Property in physical and legal control'.

18. Product guarantee

for any Products warranty or guarantee given by You or on Your behalf, but this exclusion shall not apply to the requirements of any Federal or state legislation as to product safety and information.

19. Product recall

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

20. Vehicles

for Personal Injury or Damage to Property arising out of the ownership, possession or use by You of any Vehicle:

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

but exclusions a) and b) shall not apply in relation to:

1. Personal Injury where:
 - i. that compulsory liability insurance or statutory indemnity does not provide indemnity; and
 - ii. the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by You of legislation relating to Vehicles;
2. any Vehicle (including any tool or plant forming part of or attached to or used in connection with such Vehicle) whilst being operated or used by You or on Your behalf as a Tool of Trade at Your premises or on any Work Site;
3. the delivery or collection of goods to or from any Vehicle;
4. the loading or unloading of any Vehicle;
5. any Vehicle temporarily in Your custody or control for the purpose of parking; or

6. caused by or arising out of the movement of any Vehicle (which is required to be conditionally registered in accordance with the law of any state or territory in Australia) in the event of Your inadvertent and unintentional failure to effect conditional registration.

21. Watercraft

for Personal Injury and/or Damage to Property arising from the ownership, maintenance, operation or use by You of any Watercraft exceeding ten (10) metres in length.

Provided that exclusion this exclusion shall not apply with regard to claims arising out of:

- a) Watercraft used in operations carried out by any independent contractors for whose conduct You may be held liable; or
- b) Watercraft operated and owned by independent contractors and used by You for business entertainment.

22. Pandemic and epidemic

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;
- 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).

Conditions

1. Notification of occurrence, claim or suit

You shall give:

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

2. Our rights regarding claims

- a) We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If We do this We will do it in Your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim.

You must co-operate by giving Us any statements, documents or assistance We reasonably require. This may include giving evidence in any legal proceedings. We will only request information and Your co-operation where relevant to handling Your claim and We will explain why the information and Your co-operation is required.

- b) We may at any time pay to You, in respect of all claims against You arising directly or indirectly from one source or original cause:
 - i. the amount of the limit of indemnity or such other amount specified in respect thereof (after deduction of any sum already paid by Us, which sum would reduce the amount of Our unfulfilled liability in respect thereof); or
 - ii. any lesser sum for which the claim can be settled.
- c) Upon making such payment, We shall relinquish conduct and control of, and be under no further liability under this Policy in connection with, such claim except for defence costs and supplementary payments:
 - i. recoverable from You in connection with such claim in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently); or
 - ii. incurred by Us, or by You with Our written consent, prior to the date of such payment.

3. Cross liabilities

This insurance extends to indemnify:

- a) each of the parties comprising the Named Insured; and
- b) each of the Insureds hereunder,

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

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

Provided always that:

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

4. Inspection and audit

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

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

5. Release

Where You are required by contractual agreement to release any government or public or local authority or other statutory authority or any landlord from liability for loss, destruction or damage or legal liability insured against under this cover section of the Policy, such release is allowed without prejudice to this insurance.

Notwithstanding general condition 'Waiver of subrogation rights' of this Policy, We agree to waive all Our rights of subrogation against any such authority or landlord in the event of any Occurrence for which a claim for indemnity may be made under this cover section of the Policy.

6. Subrogation and allocation of the proceeds of recoveries

Subject to condition 7 'Subrogation waiver', any corporation, organisation or person claiming under this insurance shall, at our request and at Our expense, do and concur in doing and permit to be done all such acts and things that may be necessary or may reasonably be required by Us for the purpose of enforcing any rights and remedies, or for obtaining relief or indemnity from any other organisation or person, to which We shall be or would become entitled upon Us paying for or indemnifying You in respect of legal liability under this cover section of the Policy.

Should You incur any legal liability which is not covered by this cover section of the Policy:

- a) due to the application of an Excess; and/or
- b) where the amounts of any judgments or settlements exceed the applicable limit of indemnity,

You will be entitled to the first call on the proceeds of all recoveries made, by either You or Us, on account of such legal liability until fully reimbursed for such uninsured amount or amounts (less the actual costs of making such recoveries where those costs are incurred by Us) and any remaining amount will be applied to reimburse Us.

7. Subrogation waiver

Notwithstanding condition 6 of this section, We hereby agree to waive all Our rights of subrogation under this section of Policy against:

- a) each of the parties described as an Insured; and
- b) any corporation, organisation or person which or who owns or controls the majority of the capital stock of any corporation or organisation to which or to whom protection is afforded under this cover section of the Policy.

Where such corporation, organisation or person is protected from liability insured against hereunder by any other policy of indemnity or insurance, Our right of subrogation is not waived to the extent and up to the amount of such other policy.

Section 6

Employee Dishonesty

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

1. After You have:
 - a) provided to Us the Claim Documents; and
 - b) made available to Us for interview all persons nominated by Us who in Our opinion will be helpful to assist Us to investigate Your claim or a Loss;then We will indemnify You against Loss.
2. The amount of the indemnity will be determined in accordance with the clauses under the heading "Settlement of claims".

Definitions

In this section the following definitions apply:

Claim Documents means:

1. the documentation created in the preparation of, or evidencing, a claim; and
2. all records and documents that may assist Us to investigate:
 - a) a claim; or
 - b) a Loss; or
 - c) Your right of recovery in consequence of a Loss; including electronic records, computer records, video and audio recordings, working papers, internal memoranda, reports, accounting records and audit documents.

Employee means:

1. a person:
 - a) employed by You under a contract of service; or
 - b) assigned, by any agency whose business it is to furnish personnel, to perform employee duties for You, in the ordinary course of Your Business, during the Period of Insurance, and whom You have the right to direct in the detail of that person's performance of work;
2. a former employee during a period of not more than six (6) months following the cessation of that person's service;
3. a group of employees, which means:
 - a) two or more employees acting in collusion;
 - b) an employee acting alone and also acting as a member of a group of employees; or
 - c) two or more groups of employees having an employee in common.

An Employee does not include:

1. a person who is not directly paid remuneration by You other than as described in 1(b) above; or

2. a person who is one of Your directors or trustees, except when performing acts within the scope of the usual duties of an employee; or
3. a person who is a member of any committee that examines or audits or has custody of or access to Your Money, negotiable instruments or goods.

Limit of Indemnity means the limit of indemnity of Employee dishonesty insurance shown in the Schedule for all Losses during the Period of Insurance.

Limit per Employee means the limit per employee for Employee dishonesty insurance, shown in the Schedule, in respect of any Loss or all Losses caused by an act or acts of the one Employee.

Loss means direct loss:

1. of:
 - a) Money;
 - b) negotiable instruments; or
 - c) goods, which belong to You, or are in Your possession and for the loss of which You are liable;
2. occurring in the ordinary course of Your Business;
3. caused directly by an act of fraud or dishonesty:
 - a) of an Employee; and
 - b) committed within twelve (12) months before discovery by You of the act of fraud or dishonesty; and
4. discovered by You:
 - a) during the Period of Insurance; or
 - b) if this section is not renewed or is cancelled, within twelve (12) months after the Period of Insurance or the date of cancellation for this section of the Policy, but in either case no later than twelve (12) months after the cessation of employment of the relevant Employee, and does not include cover for any indirect or Consequential Loss whatsoever; and the loss must occur within the Period of Insurance.

Settlement of claims

We will:

- a) pay You the amount of lost Money; or
- b) at Our option, replace lost contents or stock or pay the market value of the contents or stock.

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

Our total liability for all Losses and claims preparation fees during the Period of Insurance shall not exceed the sum insured shown on the Schedule.

Our liability for all Losses relating to acts of fraud or dishonesty committed by one Employee, or any group of Employees, or any number of groups of Employees that contain one common Employee, will not exceed the Limit per Employee shown on the Schedule.

Our liability will be reduced by the sum of all Moneys to which an Employee who caused a Loss would have been entitled, but which are retained by You or which You are entitled to retain.

We will be liable only for that part of the Loss that exceeds the Excess shown on the Schedule to this section.

Additional benefits

The following additional benefits are available if You have selected this section:

1. Superannuation funds

The definition of You, Your, include any superannuation or pension scheme formed by You and exclusively for the benefit of Employees, but does not include any scheme that is administered by a professional funds manager.

2. Welfare, social or sporting clubs

The definition of You, Your, includes any welfare, social or sporting club formed with Your knowledge and consent exclusively for the benefit of Employees and their families.

3. Unidentified employee

We will cover You for Loss caused by an unidentifiable Employee, provided that:

- a) You can prove that the Loss was caused by fraud or dishonesty of an Employee; and
- b) You bear any cost in proving that the Loss was caused by fraud or dishonesty.

4. Costs of recovery

If You sustain a loss greater than the sum insured shown in the Schedule for this Policy section, We will pay up to an additional twenty per cent (20%) of the sum insured shown in the Schedule for costs and expenses that You have reasonably incurred in an attempt to recover the lost contents, stock or Money.

5. Retroactive cover

If this Policy section replaces any previous fraud and dishonesty policy held by You that is terminated, cancelled or allowed to expire at the time of the replacement, We will cover any loss that is within the period of insurance of the previous policy provided that:

- a) the loss is not covered by the previous policy; and
- b) the loss would have been recoverable by You under the previous policy but for the fact that under the previous policy the time for discovery of that loss had expired; and
- c) the loss would have been covered under this Policy section if it had been in force when the acts or defaults causing the Loss were committed; and
- d) You are not in breach of Your duty of disclosure to Us in respect of any previous fraud or dishonesty arising before the Policy was entered into by You.

We will not cover You for any loss arising from any act of dishonesty committed more than twelve (12) months before the inception of this Policy section.

We will not cover You for more than the lesser of:

- a) the insured amount shown in the Schedule; or
- b) the amount that would have been recoverable under the previous policy had it continued in force until the discovery of the loss.

Exclusions

This section does not cover:

1. Loss arising from an act committed by an Employee after You have knowledge of, or reasonable cause to suspect, the commission by the Employee of an act of fraud or dishonesty, unless if, when You first obtained the knowledge or reasonable cause for suspicion:
 - a) the Money, negotiable instruments or goods that are the subject of the Loss were in the possession of the Employee; and
 - b) You, as soon as reasonably possible, took all reasonable action to regain possession of the Money, negotiable instruments or goods;
2. Loss arising from the dishonesty of an Employee outside the Commonwealth of Australia; or
3. fraud or dishonesty by any of Your Employees committed with Your connivance.

Special terms & conditions

1. Notification of loss

You must:

- a) notify Us in writing as soon as reasonably possible after discovery by You of Loss, or any act of fraud or dishonesty that may give rise to a Loss or after You first have reasonable cause for suspicion thereof; and
- b) deliver to Us as soon as reasonably possible, but no later than three (3) months after the notice in (a), the Claim Documents and full details in writing of the Loss and of Your claim under this section.

2. Observance of system of audit, supervision and checks

You must observe the system of audit, supervision and checks which, in connection with this section, You stated to Us that You observe.

3. Notification of alteration of risk

You must as soon as reasonably possible, notify Us in writing of any change that will or might increase the risk, including:

- a) a change in the nature of Your Business; or
- b) Your non-observance of the system of audit, supervision and checks which, in connection with this section, You stated to Us that You observe,

so that We may either cancel the section or agree to the variation of its terms and conditions in accordance with the Insurance Contracts Act 1984.

4. Prevention of further loss after discovery

You must, as soon as reasonably possible when You discover Loss, take all reasonable steps to regain possession of the Money, negotiable instruments or goods and take all reasonable steps to prevent further Loss occurring.

5. Our rights of conduct and recovery

- a) We will, upon Your notice to Us of a Loss, have the right to recover the Loss and We will have full discretion in the recovery of the Loss.
- b) You must not in any way prejudice Our right or ability to recover a Loss.
- c) You must co-operate with Us in the recovery of a Loss.
- d) We will only request Your co-operation where relevant to handling the recovery and will explain why Your co-operation is required.

Section 7 Machinery

Introduction

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

The property for which a sum insured is shown in the Schedule, is insured whilst at the Situation, as follows:

1. Machinery, against Breakdown occurring during the Period of Insurance; and
2. Goods in Cold Chamber, against Deterioration occurring during the Period of Insurance.

The amount of indemnity will be determined in accordance with the clauses under the heading of settlement of claims.

Limitations

In respect of Machinery, or Pressure Equipment, Our total liability 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.

In respect of Deterioration of Goods in Cold Chamber, Our total liability during any one Period of Insurance or 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.

Definitions

In this section the following definitions apply:

Breakdown means sudden and unforeseen physical destruction or physical Damage to Machinery, including Collapse and Explosion of Pressure Equipment, 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 associated controls and pressure pipe systems necessary for the purpose of maintaining the temperature or gas concentration in the cold storage chamber.

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

Deterioration (in relation to Goods, with 'Deteriorated' having a corresponding meaning), 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 thermostats or operation or failure of pressure controls or other limiting devices. This will not include loss due to the manual operation of switches or valves;
5. failure of the public electricity supply to the terminal point of the suppliers feed at the Situation caused by:
 - a) an accidental failure of the supplier's system; or
 - b) a scheme of rationing necessitated solely by accidental Damage to a part of the supplier's system; or
 - c) a deliberate act of the supplier performed for the sole purpose of safeguarding life or protecting a part of the supplier's system.

Explosion means unforeseen and unexpected physical destruction or physical 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, Pressure Equipment, mechanical or hydraulic machinery together with associated controls 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. computers, office machines and portable and/or hand-held electronic equipment;
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. gaming, gambling, amusement, vending and/or coin/card-operated machinery, or audio or visual entertainment equipment; or
6. research, diagnostic and electro-medical equipment; unless specified in the Schedule as 'plant'.

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

Pressure Equipment means the permanent structure of a boiler, pressure vessel, economiser or superheater which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure), including all direct attachments connected to the permanent structure and includes with respect to boilers the rotating, reciprocating or electrical apparatus attached to them.

Settlement of claims

In the event of a claim for:

1. Breakdown

Breakdown of Machinery, 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.

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

The amount payable will include the cost of transport and labour and the onsite cost of parts.

If it is necessary to replace parts that are unavailable or obsolete, We will not pay more than the estimated cost of replacement 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 manufacturer's or supplier's latest list price.

We will not pay 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 as it was when last working safely before the Explosion or Collapse;
- b) in the case of the Pressure Equipment that 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 equipment 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; or
- c) if the repair or replacement is not effected within twelve (12) months of the Explosion or Collapse, We will not pay more than the indemnity value of the Pressure Equipment immediately prior to the Explosion or Collapse.

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

The amount payable will include the costs of transport and labour, the onsite cost of parts and air freight.

We will not pay 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, including their packaging and the cost of disposing of them, however, We will not pay for any Deteriorated Goods that had passed their 'use by' or 'best before' dates at the date of loss.

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

In respect of each settlement option above 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.

Additional benefits

The following additional benefits are available if You have selected this section:

1. Additional costs associated with repair

In respect of each event resulting in a claim that is admitted under this section for Breakdown of Machinery or Explosion or Collapse of Pressure Equipment, We will pay the reasonable expenses necessarily incurred for:

- a) temporary repairs;
- b) hiring of substitute Machinery or Pressure Equipment;
- c) overtime;
- d) express freight including overseas air freight; and
- e) removing, storing and disposing of debris being the residue of Damaged Property Insured, excluding any Pollutants deposited beyond the boundaries of the Situation.

We will not be liable for:

1. the costs and expenses for specialists or consultants to travel to or from Australia where these costs exceed \$5,000;
2. air freight by aircraft specifically chartered for the purpose;
3. overtime charges that exceed fifty per cent (50%) of the cost of carrying out the repairs at ordinary rates; or
4. Breakdown of Machinery or Explosion or Collapse of Pressure Equipment that has been hired or is on loan to You from a third party.

The most We will pay for any one event under this additional benefit is \$25,000 or fifty per cent (50%) of the total sum insured, whichever is the lesser. Any amount payable under this additional benefit is in addition to the sum insured.

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 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 within ninety (90) days of the commencement of such additions;
- f) You must pay the extra premium which may be required by Us for the insurance of such additions to reflect the increased risk of loss or Damage; and
- g) if such additions are unacceptable to Us, We shall, within seven (7) days of receiving Your notice, give You seven (7) days' notice that the additional plant is unacceptable to Us and on expiry of that period the additional plant shall no longer be covered.

3. Seasonal increase

The sum insured for Deterioration of Goods in Cold Chambers will automatically increase by fifty per cent (50%) during the following periods:

- a) Sixty (60) days before New Year's Day and ten (10) days following New Year's Day;
- b) Forty two (42) days before Good Friday and ten (10) days following Good Friday; and
- c) Forty two (42) days before any celebrated event of a festive, religious or ethnic nature other than Christmas or Easter where You can reasonably demonstrate that the stock levels during that period have risen by more than twenty per cent (20%) above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with the happening of that festive, religious or ethnic event; and ten (10) days following the same festive, religious or ethnic event or celebration; or
- d) as otherwise shown in the Schedule.

4. Inflation protection

The declared value of Machinery items shall at the time of loss be increased according to the Consumer Price Index by the proportion that the number of days since the commencement of the Period of Insurance shall bear to the whole of such Period of Insurance.

5. Loss minimisation

If the sum insured on 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:

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

Exclusions

We will not pay for any loss or Damage caused by, or arising out of:

1. Consequential loss

consequential financial loss, loss of use, or other indirect loss for example loss of use or enjoyment, loss of profits or depreciation.

2. Liquidated damages

liquidated damages or penalties for delay or detentions or in connection with guarantees of performance or efficiency.

3. Wear and tear

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, or deposits of scale, sludge or other sediment;
- c) any direct consequences of progressive or continuous influences from working, or from atmospheric or chemical action other than accidental contact with acids or other corrosive substances causing Damage that manifests itself within twenty-four (24) hours of such accidental contact; or
- d) rusting or scratching of painted or polished surfaces unless arising from loss or Damage which is otherwise covered by this Policy,

but this exclusion does not apply to other physical Damage to Machinery or Pressure Equipment insured by this section resulting from such causes.

4. In respect of machinery:

in respect of Machinery:

- a) loss, destruction or Damage directly or indirectly caused by or 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, tsunami;
 - iv. storm, tempest, rainwater, snow, sleet, wind, hail, water from or action of the sea, 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 (other than explosion of flue gas in boilers);
 - 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 to 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, renewed or reinstated;
 - xvi. any process of heat treatment, welding, grinding, cutting, drilling or 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-closing or lid-closing or securing mechanism or device of a Cold Chamber.
- b) loss of or physical destruction or Damage caused to:
 - i. bits, drills, knives, saw blades, heating elements, fuses, contacts that spark or arc, and electronic valves and tubes, lasers and magnetron units;
 - 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; 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;
 - v. 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,
 - vi. or loose connections of pipes. However, this exclusion 4 b) vi) does not apply to 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. any below ground turbine pump, submersible pump or motor, unless such pump or motor is fitted with an effective pressure or flow cut out switch that 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.

5. In respect of pressure equipment

in respect of Pressure Equipment repair or replacement following loss, destruction or Damage directly or indirectly caused by or arising from or in consequence of:

1. wasting or wearing away whether by leakage or corrosion or by the action of the fuel or otherwise;
2. slowly developing deformation or distortion; or
3. cracks, fractures, blisters, lamination separation, flaws or grooving that has not penetrated the entire thickness of the material,

however, these exclusions 5(a), (b) and (c) will not apply to subsequent Explosion or Collapse.

6. The cost of:

- a) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
- b) alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation; or
- c) modification or alteration of insured plant to enable it to operate with a more ozone-friendly refrigerant gas as required by the United Nations Montreal Protocol on Substances that Deplete the Ozone Layer, unless conversion is necessitated by a claim that We have agreed to pay under this section.

7. Maintenance agreements

anything to the extent You are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in Your favour by the manufacturer of the relevant item or any other person.

Claims procedure

See also the claims procedures in the general provisions of this Policy.

In the event of any Damage which might give rise to a claim under this insurance You must take reasonable steps to preserve the parts affected, provided it is reasonable and safe to do so and make them available for inspection by Us or Our representative at a reasonable time and place. Upon notification of any loss or damage being given to Us, You may carry out repairs or make good any minor damage, but in all other cases You must give Us or Our representative an opportunity to inspect the loss or damage before any repairs or alterations are affected at a reasonable time and place. If no inspection is carried out by Us or on Our behalf within a period of time which is reasonable having regard to the Situation of the risk, weather conditions and/or other relevant factors, You may proceed with such repairs or replacement.

Section 8 Computer & Electronic Equipment

Introduction

This section forms part of Your Policy only if shown in the Schedule and, if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

This section is made up of 2 parts:

Part A – Computer and Electronic Equipment and

Part B – Business Interruption

Definitions applicable to parts A & B

In this section the following definitions apply;

Accidental Damage means for the purpose of any cover or Excess as shown in the Schedule or this section, physical loss, destruction of or damage to the Property Insured caused by any peril or circumstance not more specifically covered or excluded by this Policy but does not include fire, lightning, thunderbolt, earthquake, subterranean fire and/or volcanic eruption, aircraft and/or other aerial devices and/or articles dropped or falling from them and/ or impact by space debris, sonic boom, explosion, implosion or collapse, smoke and/ or steam, spontaneous fermentation or heating, spontaneous combustion, subsidence, earth movement or collapse resulting therefrom, or landslip, Flood, water from or action by the sea, tsunami, tidal wave or high water, storm, tempest, wind, hail and/or rainwater, water and/or other substance discharged, overflowing and/or leaking from apparatus, appliances, pipes, sprinkler and/or any other system, the acts of persons taking part in riots or civil commotions or the acts of strikers or locked out workers or persons taking part in labour disturbances, the acts of malicious persons, the acts of any lawfully constituted authority in connection with any of the foregoing acts or in connection with any conflagration or other catastrophe, impact by any waterborne craft, land vehicles or animals, breakage of glass, loss of Money, fraudulent or dishonest acts, fusion.

Adjustment means 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.

Breakdown means sudden and unforeseen physical destruction, loss or Damage resulting from electronic, electrical or mechanical failure of the insured Computer System or Electronic Equipment, requiring its repair or replacement.

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.

Computer Systems means Computers, Peripheral Equipment, and Data Carrying Media, belonging to You, or for which You are legally responsible or have assumed a responsibility to insure.

Data Carrying Media means all disks, tapes, cards or other materials used for storing data.

Electronic Equipment means all parts of electronic equipment (including Computer Systems), belonging to You or for which You are legally responsible or have assumed a responsibility to insure.

Electronic Data means the information stored on the Data Carrying Media.

Fire and Perils means physical destruction, loss or Damage resulting from:

1. fire, lightning, thunderbolt, spontaneous combustion, fermentation, heating or any process involving the application of heat. This includes Damage from civil authorities through attempts to prevent the spread of fire; or
2. aircraft or other aerial devices or articles dropped therefrom, sonic boom; or
3. earthquake, subterranean fire, volcanic eruption, tsunami; or
4. storm, tempest, rainwater, snow, sleet, wind, hail, Flood, action of the sea, tidal wave, high water; or
5. water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other system; or
6. riots, civil commotions, strikes or locked out workers, or persons taking part in labour disturbances, or vandalism by persons, or acts of any lawfully constituted authority in connection with the foregoing acts; or
7. explosion; or
8. impact.

Gross Income means the total of:

1. the amount paid or payable to You for goods sold and services rendered; and
2. all other sources of income received by and in the course of the Business; and
3. the amount of closing stock and work in progress at the end of Your financial year,

less:

- a) purchases of stock and consumables; and
- b) the amount of opening stock and work in progress at the beginning of Your financial year; and
- c) Uninsured Working Expenses.

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 affected as a consequence of the Damage.

Insured Damage means:

1. Fire and Perils; or
2. Accidental Damage; or
3. Breakdown,

when shown as the type of cover in the Schedule, or any combination of the above shown as type of cover in the Schedule.

Peripheral Equipment means all other equipment connected to and operating from the Computer, excluding underground lines.

Software means a collection of programs which cause a Computer to perform a desired operation or series of operations.

Standard Income means the Gross Income during that period in the twelve (12) months immediately before the date of the occurrence of the Damage which corresponds with the Indemnity Period (appropriately adjusted where the Indemnity Period exceeds twelve (12) months). In the event of Damage occurring before the completion of the first year's trading of Your Business, standard income shall mean the proportional equivalent, for a period equal to the Indemnity Period of the Gross Income realised during the period between the commencement of the Business, and the date of the Damage, after Adjustment.

Total New Replacement Value means the installed price of a new Computer System or Electronic Equipment of equivalent make and model and current manufacture.

Uninsured Working Expenses means the uninsured working expenses stated in the Schedule.

Part A Computer & electronic equipment

Cover

Where Computers or Electronic Equipment for which a sum insured is shown in the Schedule, and where the type of cover in the Schedule, or any combination of the following is shown as a type of cover in the Schedule, such items will be insured whilst at the Situation, as follows for:

1. Fire and Perils; or
2. Accidental Damage; or
3. Breakdown;

occurring during the Period of Insurance

Settlement of claims under Part A

The basis of any claims settlement under this part A shall be as follows:

1. where the insured items are repairable, We will pay the cost of restoring the Damaged portion to a condition substantially the same as but not better or more extensive than its condition when new.
2. where the insured items are not repairable, We will pay the cost of replacing the item with a new item, of equivalent make and model, that is compatible with Your existing systems and programs.

The amount payable will include the costs of transport and labour, the onsite cost of parts and air freight within Australia.

Our maximum liability during the Period of Insurance will not exceed be the sum insured for section part A stated on the Schedule

Additional benefits applicable to Part A

The following additional benefits are available if You have selected Part A:

1. Consulting engineers fees

Where the sum insured of insured items under Part A have not been exhausted We will pay the cost of consulting engineers' fees (excluding fees for preparing a claim), necessarily incurred with Our written consent (which will not be unreasonably withheld), in the reinstatement of Computer Systems or Electronic Equipment. Where the sum insured is otherwise exhausted, the most We will pay under this additional benefit is \$5,000.

2. Additional costs associated with repair

In respect of each event resulting in a claim admitted under this section for Breakdown of Computer and Electronic Equipment, We will pay, up to the sum insured specified in the Schedule against increased cost of working, for the reasonable expenses necessarily incurred for:

- a) temporary repairs;
- b) hiring of substitute Computer and Electronic Equipment;
- c) overtime;
- d) express freight including overseas air freight; and
- e) removing, storing and disposing of debris being the residue of Damaged Property Insured, excluding any Pollutants deposited beyond the boundaries of the Situation.

We will not be liable for:

1. the costs and expenses for specialists or consultants to travel to or from Australia;
2. air freight by aircraft specifically chartered for the purpose;
3. overtime charges that are fifty per cent or more higher than the labour cost of carrying out the repairs at ordinary rates; or
4. Breakdown of Computer and Electronic Equipment that has been hired or is on loan to You from a third party.

3. Equipment on loan

We will pay for Damage to items that You have on loan temporarily, to replace insured Computer Systems and/or Electronic Equipment where We have admitted a claim under this section. The sum insured and cover for those items on loan will be limited to the cover that would have applied to the item it replaced.

4. Inflation protection

The declared value of Computer Systems and/or Electronic Equipment items shall at the time of loss be increased by the percentage rise in the Consumer Price Index for the period from the commencement of the Policy to the time of the loss.

5. Transit and temporary removal

Cover is extended to include Computer Systems and/or Electronic Equipment temporarily removed from the Situation to anywhere in Australia, but only to the extent of cover that is already provided. The most We will pay under this additional benefit is \$5,000 per event, which is in addition to the sum insured or the amount otherwise specified in the Schedule.

Variations & extensions applicable to Part A

Cover set out below only applies if shown in the Schedule.

Transit and temporary removal

For Computer Systems and/or Electronic Equipment that are indicated in the Schedule as having this variation and extension apply, cover is extended to include temporary removal from the Situation to anywhere in Australia (or worldwide if specified in the Schedule). Cover is provided in accordance with the extent of cover already provided and also includes theft but not:

- a) whilst in storage or whilst being transported for storage or during permanent removal from the Situation;
- b) if stolen from any unlocked Vehicle;
- c) whilst left unattended in the open air; or
- d) whilst in transit as checked baggage or cargo.

Part B Business interruption

Cover

If the Business carried on by You is interrupted or interfered with as a result of Insured Damage occurring during the Period of Insurance:

- a) to Property Insured under Part A of this section, 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 a supplier's or manufacturer's warranty, hardware maintenance agreement, or Excess; or
- b) to other property at, or within twenty (20) kilometres of, the Situation, which prevents or hinders access to, or use of, any Property Insured under Part A; or
- c) to property, either at or away from the Situation, belonging to or under the control of suppliers of electric power, gas, water or sewerage reticulation control systems from which You obtain services; or
- d) causing loss of data,

We will, after taking into account any sum saved during the Indemnity Period in respect of such charges and expenses of the Business as may cease, or be reduced as a consequence of the interruption or interference, indemnify You in accordance with the settlement of claims provision in this section.

Settlement of claims applicable to Part B

Item 1 - Increased cost of working

We will pay the additional expenses necessarily and reasonably incurred during the Indemnity Period, with Our written consent, for the sole purpose of resuming or maintaining the normal operation of the Business, but not the cost of reinstatement of data up to the sum insured less the applicable Excess specified in the Schedule.

Item 2 - Reinstatement of data

We will pay You up to the sum insured for this item under Part B less the applicable Excess specified in the Schedule for:

- a) the actual cost of replacement of lost or Damaged Software and Data Carrying Media by new unused materials; and
- b) any expenses which can be proved to have been incurred by You only for the purpose of restoring the Electronic Data by reproduction of data or information in a condition equivalent to that existing prior to Insured Damage and necessary to allow operation of the insured item to continue in the normal manner. Lost Electronic Data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form.

However:

- a) We shall only be liable for costs and expenses incurred within a period of twelve (12) months following the Insured Damage occurring within the Period of Insurance.
- b) This extension only applies whilst the insured Data Carrying Media is:
 - i. at the Situation;
 - ii. at a media storage situation;
 - iii. temporarily at an alternative situation for processing purposes; or
 - iv. in transit between any of these situations.

Item 3 - Gross income

We will pay You up to the sum insured less the applicable Excess specified in the Schedule for:

- a) the amount by which the Gross Income during the Indemnity Period as a consequence of the Damage falls short of the Standard Income; and
- b) the additional expenditure necessarily and reasonably incurred by You for the sole purpose of minimising the reduction in Gross Income during the Indemnity Period, but not exceeding the reduction in Gross Income thereby avoided, and not including the cost of reinstatement of data.

If, during the Indemnity Period, services are rendered elsewhere than at the Situation for the benefit of the Business, either by You or by others on Your behalf, the Money received or receivable in respect of those services will be brought into account in arriving at the amount of the Gross Income during the Indemnity Period.

Additional benefits applicable to Part B

The following additional benefits are available if You have selected part B:

1. Professional accountants' charges

To the extent that the total sum insured under this part B is not otherwise exhausted, 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.

Where the sum insured is otherwise exhausted, the most We will pay under this additional benefit is \$10,000, or five per cent (5%) of the total sum insured on increased cost of working and Gross Income, whichever is the lesser.

2. Additional rental charge

If, at the time of Damage to any Computer System or Electronic Equipment for which a claim is payable, there is a lease or hire contract in force which is cancelled and replaced by a new contract in respect of a Computer System or Electronic Equipment similar to the one that was lost or Damaged, We will pay the additional rental charges incurred that result directly from the Damage.

- a) The most We will pay under this additional benefit is twenty-five per cent (25%) of the sum insured for increased cost of working and loss of Gross Income.
- b) Our liability will cease when the Business is no longer affected by the Insured Damage, or after a period of two (2) years commencing from the time of the Insured Damage, whichever shall first occur.
- c) This additional benefit is only payable if the sum insured for increased cost of working and Gross Income is not otherwise exhausted.

3. Failure of electricity

We will also pay in respect of interruption to or interference with Your Business as a result of failure of the public supply of electricity to the terminal point of the supplier's feed at the Situation occurring in the Period of Insurance, but excluding failure caused by:

- a) a deliberate act of the electricity supplier, unless performed for the sole purpose of safeguarding life or protecting a part of the supplier's system;
- b) a scheme of rationing, unless necessitated solely by physical Damage to a part of the electricity supplier's system; or
- c) riot, strike, lock-out, or civil commotion unless arising solely out of Damage to or destruction of the electricity supplier's system (not being Damage or destruction resulting solely from cessation of work).

4. Return premium clause

If the Gross Income earned (as certified by Your accountants or auditors), during the financial year most nearly concurrent with the Period of Insurance, is less than the sum insured for Gross Income, a pro rata return of premium not exceeding fifty per cent (50%) of the premium paid for such Period of Insurance will be made in respect of the difference.

However:

- a) if a claim has been paid or became payable in the period for which an adjustment is to be made under this clause, the amount of the claim will be included in the calculation of Gross Income earned for the period.

5. Breakdown of essential air conditioning equipment

We will also pay in respect of interruption to or interference with Your Business as a result of the Breakdown of air-conditioning equipment, the operation of which is essential for the operation of Your Computer Systems, but only if:

- a) the equipment is insured under the machinery section of this Policy; and
- b) a claim has been paid or liability admitted, or such claim would have been admitted but for the application of an Excess.

6. Failure of telecommunications data transmission networks (hereinafter referred to as "Failure")

Cover for increase in cost of working or loss of Gross Income insured under part B of this section is extended to include failure of telecommunications data transmission networks in Australia, which failure is not caused by a deliberate act of the telecommunications network, unless performed for the sole purpose of protecting a part of their equipment, but:

- a) the insurance cover under this additional benefit is limited to a period of ten (10) days from the date of such failure;
- b) We will not be liable in respect of any increase in cost of working or loss of Gross Income incurred during the first thirty six (36) hours immediately following such failure; and
- c) We will not be liable in respect of failure caused by riot, strike, lock-out, civil commotion, or vandalism, unless arising solely out of physical destruction, loss or Damage to the telecommunications data transmission networks (not being physical destruction, loss or Damage resulting solely from cessation of work).

Conditions applicable to Part B

Back up of data

You will not be entitled to any payment under part B this unless You have duplicate copies of updated file media stored off site at alternative premises.

Additional benefits to parts A & B

The following additional benefits are available if You have selected this section:

Cover for additional computer systems or electronic equipment

Cover is extended to include other Computer Systems or Electronic Equipment, delivered and installed after the inception of this section at any of the Situations described in the Schedule, for a period of ninety (90) days (unless the Period of Insurance ends sooner) from the time of installation but excluding items hired by You, but:

- a) such Computer Systems or Electronic Equipment are insured only to the same extent as already described in the Schedule;
- b) only if such Computer Systems or Electronic Equipment are in satisfactory working order when installed;
- c) the limits and Excess as shown on the Schedule shall be the same as for similar items already insured; and
- d) You must pay any premium that We may require, to reflect any increased risk of loss or damage.

Exclusions to parts A & B

This section does not cover loss or Damage caused by, or arising out of:

1. Gradual deterioration

- a) the cost of repairs or replacements; or
- b) Consequential Loss resulting from interruption to or interference with the Business directly due to repairs or replacements, necessitated solely by wasting, wearing away or wearing out caused by or naturally resulting from ordinary use of working, rusting, corrosion, oxidation, gradual deterioration, chipping of painted surfaces or scratching of any surfaces of any part of an item of property.

2. Non visible damage to data carrying media

loss of or Damage to data, including operating systems or application programs that is not accompanied by evidence of visible and identifiable physical destruction, loss or Damage to the Data Carrying Media.

3. Maintenance agreement

the costs otherwise recoverable under any hardware maintenance agreement or hiring/leasing agreement or under any maker's or manufacturer's warranty.

4. Cost of alterations or improvements

the costs of any alterations, improvements, maintenance or overhauls carried out on the occasion of the repair or replacement.

5. Computer virus

loss of or Damage to data and operating systems resulting from Computer Virus.

6. Damage via change in atmospheric conditions

Damage caused by atmospheric conditions, moisture or change in temperature unless directly resulting from Damage to or the malfunctioning of air conditioning equipment.

7. The cost of:

the costs of:

- a) replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts; or
- b) replacement of component parts worn through normal use or operation, unless necessary as part of the rectification of Insured Damage not otherwise excluded under this section .

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Section 9

General Property

Introduction

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

Where property for which a sum insured is shown in the Schedule, and where the type of cover in the Schedule is indicated, such property will be insured anywhere within Australia, as follows for:

1. Accidental loss or damage

We cover You for physical loss of or Damage to Property Insured, up to the sum insured, which occurs during the Period of Insurance subject to the Policy's general exclusions and the specific exclusions of this section.

2. Fire, theft, collision and other expressed perils

We cover You for loss or Damage to the Property Insured, up to the sum insured, which occurs during the Period of Insurance subject to the general exclusions and the specific exclusions of this section, where the loss or Damage is caused by:

- a) fire, lighting, explosion, malicious damage or vandalism; or
- b) theft following forcible and violent entry which causes visible Damage to a locked Vehicle or building; or
- c) theft of equipment securely attached to a Vehicle through use of locks or padlocks, which results in visible Damage to the securing devices; or
- d) theft consequent upon threat of immediate violence or violent intimidation; or
- e) collision or overturning of the conveying Vehicle; or
- f) earthquake, subterranean fire, volcanic eruption, tsunami; or
- g) storm, tempest, rainwater, wind, hail but not Damage caused:
 - i. by water from or action of the sea, storm surge, high water, Flood; or
 - ii. to property in the open air unless such property is a permanent structure designed to function without the protection of walls or roof; or
 - iii. by erosion, subsidence, landslide or any other movement of earth; or
 - iv. from water seeping, percolating or otherwise penetrating into the building as a result of structural defects, faulty design or faulty workmanship in their construction; or
 - v. by water entering the buildings through an opening in the wall or roof made for the purpose of alterations, additions, renovations, or repair.

Definitions

In this section the following definitions apply:

Conveyance means the aircraft, train, Vehicle, vessel or Watercraft by which Property Insured is being transported.

General Average means any extraordinary sacrifice or expenditure relating to part of the ship or its cargo that is voluntarily and reasonably made or incurred for the purpose of preserving the whole ship or cargo at risk in a sea voyage.

Property Insured means the property listed on the current Schedule under the 'General Property' section. The current Schedule will show which of the cover options applies to Your Policy.

Transit means the time:

- a) when Property Insured first begins loading at the warehouse, premises or place of storage on or in to the Conveyance; and
- b) continues through the ordinary course of carriage, until the Property Insured is first placed inside the receiver's warehouse, premises or place of storage; but
- c) both the loading and the first placing inside the receivers' warehouse, premises or place of storage must occur during the Period of Insurance for the definition of transit to be satisfied.

Settlement of claims

We will at Our option either:

- a) pay You the replacement cost of the Property Insured at the time of loss or Damage; or
- b) repair the Property Insured to a condition equal to but not better or more extensive than its condition when new; or
- c) replace the Property Insured with a new item that has the same features or features that are nearly the same as, (but not less than), the item being replaced.

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

Additional benefit

The following additional benefit is available if You have selected this section:

Any amounts payable under this Additional benefit apply in addition to the sum insured.

Theft of other equipment

We will cover You for theft of any property not belonging to You but in Your physical or legal control for the purposes of Your Business occurring during the Period of Insurance anywhere in Australia.

This additional benefit does not cover theft committed by any member of Your Family, or by any employee of Yours, or committed by any person whilst lawfully at Your Business Premises.

We will not cover You under this additional benefit unless the Property Insured was:

- a) in a securely locked Vehicle and the theft was consequent upon forcible and violent entry to the Vehicle; or

- b) securely and permanently affixed to a building or Vehicle and theft is consequent upon forcible and violent removal of the Property Insured; or
- c) in a Vehicle, or was secured to that Vehicle by a steel chain having a link diameter of 10mm or greater with a padlock with a security rating of 6 or above under AS 4145.4 (or any subsequent amendment); or
- d) in Your private residence or the private residence of Your employee who has been authorised by You to have the custody and control of the Property Insured, but not if a tenant commits the theft; or
- e) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building, but not:
 - i. if committed by any person while lawfully in the building; or
 - ii. of Property Insured which is unattended in common areas of the building; or
- f) stolen as a consequence of armed hold-up or the threat of physical violence.

We will not cover You for more than \$2,000 in any one Period of Insurance under this additional benefit.

Exclusions

This section does not cover:

1. Employee dishonesty

destruction, loss or Damage due to, or sustained by or through theft or any attempted theft, or any act of fraud or dishonesty committed by any:

- a) members of Your Family; or
- b) person or persons in Your service, other than loss or destruction or Damage due to, or sustained by, or through theft or any attempted theft following forcible and violent entry to the premises committed by any person or persons in Your service.

2. Territorial limitations

destruction, loss or Damage occurring outside Australia.

3. Inventory shortages

destruction, loss or Damage arising from unexplained inventory shortages or disappearances resulting from clerical or accounting errors, or shortage in the supply or delivery of materials to or from You.

4. Consequential loss

any Consequential Loss whatsoever.

5. Computer virus

destruction, loss or Damage caused by Computer Virus.

6. Gradual deterioration, pests, intrinsic faults or breakdown

loss or Damage caused by:

- a) wear and tear, fading, scratching or marring, rust, corrosion, mildew, mould, contamination or pollution, wet or dry rot, change of colour, flavour, texture

or finish, dampness of atmosphere, variations in temperature, evaporation, inherent vice, latent defect, loss of weight, depreciation, gradual deterioration or developing flaws, normal upkeep or making good, smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);

- b) insects or vermin such as rats, mice, rabbits, possums and birds;
- c) faulty materials;
- d) faulty workmanship; or
- e) mechanical, electrical or electronic breakdown.

Exclusion 6 applies to the part first and immediately affected and does not extend to subsequent damage to other parts of the property occasioned by a peril which is not otherwise excluded.

7. Misuse of property

property not being used by You in accordance with the manufacturer's instructions if the misuse caused or contributed to loss.

8. Legal liability

any legal liability of whatsoever nature.

Variations & extensions

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

1. Worldwide cover

Exclusion 2 is deleted if worldwide cover is shown on the Schedule.

2. Goods in transit

When 'Goods in Transit Cover' option is stated on the Schedule, We will cover You in respect of Damage, as provided within with cover number 2 – 'Fire, theft, collision and other expressed perils', to Property Insured belonging to You or for which You are legally responsible, whilst it is in Transit within the Commonwealth of Australia.

Excluded property within this extension

We will not be liable under this extension for loss of or Damage to any of the following property:

- a) Money; or
- b) jewellery, watches, furs, antiques, paintings, works of art, precious metals or precious stones or articles composed of any of them; or
- c) explosives, petroleum products in bulk or gas in bulk; or
- d) pets or livestock; or
- e) cigarettes, tobacco, wines, spirits or other alcoholic beverages,

unless specified in the Schedule.

Excluded perils within this extension

We will not pay for loss or Damage:

- a) to refrigerated stock, arising from any variation in temperature, unless the variation in temperature is directly caused by electronic or mechanical breakdown resulting in stoppage or malfunction of refrigerating machinery and the subsequent failure to perform its normal refrigeration cycle for more than four (4) consecutive hours; or
- b) to Property Insured sent by post, unless by registered post; or
- c) that arises as a result of Property Insured being worked upon; or
- d) arising from insufficiency or unsuitability of packing, preparation or stowage of the Property Insured by You or Your employees; or
- e) arising from unfitness of any Conveyance or packaging for the safe carriage of the Property Insured.

Additional benefits within this extension

Where Damage to Property Insured is covered under this extension, We will also pay the following Additional benefits.

Any amounts payable under these Additional benefits are in addition to the sum insured.

1. On forwarding and transfer

the reasonable costs incurred for transferring, storing and/or forwarding Property Insured to a suitable place.

The most We will pay under this additional benefit for any one loss is limited to the lesser of fifteen per cent (15%) of the sum insured for Property Insured under this extension, or \$25,000.

2. Removal of debris

the reasonable costs incurred to remove, transport and dispose of Property Insured that is subject to the claim, provided that You are legally obliged to bear such costs.

The most We will pay under this additional benefit for any one loss is the lesser of fifteen per cent (15%) of the sum insured for Property Insured under this extension, or \$100,000.

Conditions to this extension

1. Benefit of insurance

The carrier or any other bailee of the Property Insured cannot claim any benefit under this section.

2. Claims procedure

In addition to general conditions, claims procedures, You must also:

- a) ensure that delivered containers and seals are examined as soon as reasonably possible, by a responsible official of the receiver; and
- b) if the container is delivered Damaged or with seals broken or missing or with seals other than stated in the shipping documents, note the delivery docket accordingly and retain all defective or irregular seals for subsequent identification; and

- c) if the Damage was not immediately apparent at the time of delivery, apply for surveys to be performed by the carrier or other person who had charge of the Property Insured to be conducted as soon as reasonably possible after delivery.

Any admissible claim under this section will not be prejudiced where:

- i. packages, excluding shipping containers, containing Property Insured, excluding shipping containers, are not opened and unpacked immediately upon receipt into store; and
- ii. Damage is only discovered by You when the packages are opened or unpacked; and
- iii. the Damage has been discovered no later than ninety (90) days after the receipt of packages by the receiver.

3. General average and salvage clause

If Your Property Insured is being transported by sea between Australian ports and a General Average is declared, We insure Your proportion of the General Average and/or salvage contribution irrespective of the amount insured being less than the contributory value, subject always to the limit stated in the Schedule.

In the event of a General Average contribution arising under this extension, You must contact Us and obtain Our authority to contribute before signing any General Average bond.

4. Pairs and sets

In respect of a claim payable under this extension, when a damaged or lost item is part of a pair or set, We will only pay for the value of the item itself. The most We will pay is the value that the item has as a proportion of the combined pair or set.

Where the loss or damage to an item that forms part of a pair or set results in the pair or set being completely inoperable, or if any replacement part does not function to enable operation with the remaining item/s in the pair or set, then We will pay You the cost to replace the entire pair or set.

Claims procedure

Please refer to the claims procedures in the general provisions of this Policy for details of Your obligations in the event of a claim.

Section 10

Taxation Investigation

This section forms part of Your Policy only if shown in the Schedule and if so, must be read together with the definitions, terms, conditions, exclusions and limitations expressed in the general provisions of the Policy and in the Schedule.

Cover

If You or any person on Your behalf has during the Period of Insurance, first received notification from the Australian Taxation Office or state revenue office relating to:

1. the conduct of a taxation audit; or
2. a detailed and in depth investigation,

relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, A New Tax System (Goods and Services Tax), payroll tax, superannuation payments tax, termination payments tax, or sales tax (including the amount of any such tax), in respect of Your Business, We will indemnify You for the necessary Costs which You reasonably incur up to the completion of the audit or investigation.

Limitations

1. Our total liability in respect of any one audit or investigation will not exceed the sum insured shown in the Schedule.
2. Our total liability in respect of all audits or investigations for which notice was first received during the Period of Insurance will not exceed the sum insured shown in the Schedule.

Definitions

In this section the following definitions apply::

Accountant or Registered Tax Agent means a person recognised by either the Chartered Accountants Australia and New Zealand, or the CPA Australia, or any other person registered by the Australian Taxation Office or government office as a tax agent, engaged by You for the purpose of preparing, or supervising the preparation of, or reviewing prior to dispatch, all returns and statements required by the Australian Taxation Office or government office, in respect of Your liability to pay tax, but does not mean You, or a person working for You under a contract of employment.

Costs means fees, charges and disbursements of an Accountant or Registered Tax Agent or any other external professional person or consultant engaged by or replacing the Accountant or Registered Tax Agent, for work undertaken in connection with the audit or investigation.

Unjustified Refusal or Failure to Comply means Your declining to do or omitting to do anything which in Our opinion is unreasonable with respect to a request from a commissioner of taxation or his or her agents or employees to provide evidence or information. However, Your refusal or failure to comply with such a request will not be deemed unjustified if it is based upon the reasonable advice of Your Accountant or Registered Tax Agent.

Exclusions

We will not be liable for Costs relating to, or arising from:

1. Unjustified refusal or failure to comply

Your Unjustified Refusal or Failure to Comply with any lawful request made by a state or federal commissioner of taxation or his or her agents or employees for the production of Documents or the supply of information.

2. Customs legislation

matters arising under customs legislation.

3. Prior audits

audits or investigations, notice of which or information as to their likely conduct, was received by You or by any person acting on Your behalf prior to the Period of Insurance. Receipt of such notice or information will have occurred where the Australian Taxation Office or government office makes communication with You or with any person acting on Your behalf.

4. Territorial limitations

any audit or investigation concerning income earned, or where the source of income is, outside Australia and its external territories, or where the services giving rise to the claim are performed by persons or firms ordinarily resident outside Australia.

5. Fraudulent acts

any fraudulent act or fraudulent omission committed by You, or on Your behalf, or any statement made by You, or on Your behalf that is false or misleading in a material particular and where the reason for such statement can be attributed to deliberate evasion, recklessness or carelessness by You or on Your behalf. This exclusion will not apply where a false or misleading statement results from You being misled by the Australian Taxation Office or government office, and where You did not and could not be expected to know that a statement was false or misleading.

6. Imposition of penalties

the imposition of or the seeking to impose any tax, penalty tax, costs, interest or any fine.

7. Non accountant prepared returns

a return of income that has not been prepared or reviewed prior to dispatch by the Accountant or Registered Tax Agent, but this exclusion does not apply to a return that is:

- a) a prescribed sales tax return; or
- b) in respect of income derived from:
 - i. a contract of employment or service between You and a third party (not being income from a company employing You where You are a director of such company or have a financial interest in that company); or
 - ii. any superannuation, pension or like benefit received by You; or
 - iii. personal investments made by or for You and upon which You are not wholly or mainly dependent for support, being income supplementary to that referred to in 7b)i and 7b)ii above.

8. Payment of taxes after due date

Your failure to pay all taxes by due date or within any extension of time granted by the Australian Taxation Office or government office.

9. Error in information

in respect of any audit or investigation that results from You, or any person acting on Your behalf, becoming aware of any error or deficiency in any information, return of income or other documentation furnished to the Australian Taxation Office or government office and choosing not to notify the Australian Taxation Office or government office without delay.

10. Subsequent objections

any subsequent objection lodged with the Australian Taxation Office or government office, the Administrative Appeals Tribunal, or the Federal or High Courts in respect of the audit, unless agreed to by Us prior to the lodging such objection.

11. Delay in response

Your delay in responding to the Australian Taxation Office or government office.

12. Costs after completion of audit

incurred after the audit or investigation has been completed.

Claims procedure

In the event of a claim arising:

- a) You must keep Us fully informed of all material developments in relation to the claim and in relation to any audit;
- b) You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit;
- c) We or Our duly appointed agent may make Our own investigation into any matter which is or may be the subject of a claim; and
- d) You must use reasonable endeavours to ensure that Your Accountant, Registered Tax Agent and/or solicitor co-operate with and assist Us in relation to any claim and/or any matter We wish to pursue with the Commissioner of Taxation which is or may be the subject of a claim

Conditions

1. All taxation and other returns must be submitted within the time limits prescribed by all relevant statutes and regulations or as required by or on behalf of the Australian Taxation Office or government office or within the extensions of time granted by the Australian Taxation Office or government office.
2. You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation and You must not omit from any such disclosure any matter or thing without which the disclosure is misleading in a material particular.

Notes

Notes

CONTACT DETAILS

ENQUIRIES 13 24 81

CLAIMS 13 24 80

MAILING ADDRESS

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ADELAIDE

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