

GIO Retail Business Protect

Product Disclosure Statement
and Policy Wording



Contents

About this Product Disclosure Statement and Policy Wording	3
Part A: Policy summary.....	4
Part B: Your rights and responsibilities.....	5
Other information.....	7
Privacy statement.....	7
Complaints resolution.....	10
Part C: Information for some policyholders insuring vehicles or home building.....	12
Part D: Your Retail Business Protect Policy Wording.....	15
General Policy Conditions.....	15
General Claims Conditions.....	17
General Exclusions.....	20
General Definitions.....	22
Policy section 1 – Property damage.....	28
Policy section 2 – Theft.....	46
Policy section 3 – Glass.....	54
Policy section 4 – Money.....	57
Policy section 5 – Business interruption.....	63
Policy section 6 – Public and products liability.....	72
Policy section 7 – Management liability.....	84
Policy section 8 – Portable and valuable items.....	100
Policy section 9 – Equipment breakdown.....	105
Policy section 10 – Tax Probe.....	113
Policy section 11 – Commercial motor.....	119
Policy section 12 – Goods in transit.....	145

About this Product Disclosure Statement and Policy Wording

We are required to give you a **Product Disclosure Statement (PDS)** if you are insuring **vehicles** (not exceeding 2 tonnes) under Policy section 11 – Commercial motor or a **home building** under Policy section 1 – Property damage, Policy section 2 – Theft or Policy section 3 – Glass and you are:

- ▶ an individual; or
- ▶ a small business, having:
 - ▶ in the case of a non-manufacturing business, less than 20 employees; or
 - ▶ in the case of a manufacturing business, less than 100 employees.

This **PDS** and Policy Wording has 4 parts:

- ▶ Part A contains your Policy summary. **You** can use this summary to decide which Policy sections you require.
- ▶ Part B contains information about **your** rights and responsibilities, **our** Privacy statement and how to contact **us** if you have a question or complaint. Part B applies to all Policy sections and should be read by all persons who take out this insurance.
- ▶ Part C contains information that only applies to some policyholders. This part only applies to you if you are insuring **vehicles** (not exceeding 2 tonnes) under Policy section 11 – Commercial motor or a **home building** under Policy section 1 – Property damage, Policy section 2 – Theft or Policy section 3 – Glass and you are an individual or a small business.
- ▶ Part D contains **your** GIO Retail Business Protect Policy Wording. It applies to all persons who take out this insurance.

To understand the full terms and conditions of **your policy**, you must read all parts of the **PDS** and Policy Wording.

If you are insuring vehicles under Policy section 11 – Commercial motor or a **home building** under Policy section 1 – Property damage, Policy section 2 – Theft or Policy section 3 – Glass and you are an individual or a small business, you should also read Part C.

Who is the insurer

This insurance is issued by AAI Limited ABN 48 005 297 807 AFSL 230859 trading as GIO.

Part A: Policy summary

GIO Retail Business Protect offers a range of insurance covers. These are listed below. Not all covers are available on their own and some are dependent on **you** taking out another cover as well. For covers **you** have selected please refer to what “We cover” and what “We do not cover” in the relevant Policy section.

Cover type	Summary of covers (See the relevant Policy section for details, relevant limits, and specific conditions and exclusions that apply)
Policy section 1 – Property damage	This Policy section covers loss of or damage to your property from a variety of causes including, but not limited to events such as fire, lightning and explosion, and provides a number of automatic Extra covers and Additional benefits.
Policy section 2 – Theft	This Policy section covers loss of or damage to your contents, stock and specified items due to theft and provides some Extra covers and Additional benefits.
Policy section 3 – Glass	This Policy section covers glass at your premises (including internal glass, external glass and sanitary fittings) and provides an Extra cover and Additional benefit.
Policy section 4 – Money	This Policy section covers your business's money while at your premises , in a safe or strongroom, in transit to or from your premises , in your personal custody, or custody of a trusted employee .
Policy section 5 – Business interruption	This Policy section covers you for a reduction in turnover and the increased costs of working as a result of damage to property caused by specified insured events and provides some automatic Extra covers and Additional benefits.
Policy section 6 – Public and products Liability	This Policy section covers your legal liability for personal injury to another person (other than employees), property damage to property owned or controlled by someone else, or advertising liability .
Policy section 7 – Management liability	This Policy section covers the management liability of you, your directors , officers and employees .
Policy section 8 – Portable and valuable items	This Policy section covers portable or valuable items that you usually carry around with you in the course of your business anywhere in the world.
Policy section 9 – Equipment breakdown	This Policy section covers the breakdown of insured equipment at the premises and any direct loss or damage to property insured . You have a choice of two types of cover in this Policy Section.
Policy section 10 – Tax Probe	This Policy section covers the professional fees incurred in connection with a tax audit of the business's financial or tax affairs by an authority authorised to do so, for example, the Australian Taxation Office.
Policy section 11 – Commercial motor	This Policy section covers vehicles with a choice of Comprehensive, Legal liability fire and theft, or Legal liability only covers.
Policy section 12 – Goods in transit	This Policy section covers loss of or damage caused to goods you sell, buy or use in your business when they are in transit . You have a choice of two types of cover in this Policy section.

Part B: Your rights and responsibilities

This part of **your PDS** applies to all Policy sections described in Part D of **your PDS**. All policyholders need to read Part B.

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;
- ▶ is common knowledge;
- ▶ **we** know or should know as an insurer; or
- ▶ **we** waive **your** duty to tell **us** about.

If you do not tell us something

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

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

Cooling off period

You have the right to cancel and return the insurance **policy** or a section of the **policy** by notifying **us** in writing within 30 days of the date it was issued to **you** (“cooling off period”), unless **you** have a claim under the **policy** within the cooling off period. If **you** cancel **your** policy or a section of the **policy** during the cooling offer period, **we** will return the amount **you** have paid.

In addition, if **you** vary **your policy** and add a section, **you** have the right to cancel that section within 30 days of the date it was added by notifying **us** in writing (“additional cooling off period”), unless **you** make a claim under that section within the additional cooling off period. If **you** cancel the added section during the additional cooling off period, **we** will return the amount **you** have paid for that section.

To cancel at other times, please see “Cancellations” below.

The amount of your premium

The premium is the amount **you** pay **us** for this insurance. It includes stamp duty, GST, other government charges and fire services levy (FSL) that applies. **Your** premium is shown on **your policy schedule**.

The premium does not include any service or administration fee charged to **you** by **your** insurance intermediary.

In addition to the factors **we** use to calculate **your** premium, the discounts **you** qualify for also affect **your** premium. **Your** premium includes any discounts **you** qualify for and these are applied before adding applicable government charges.

We might advertise special offers and benefits from time to time. If **we** have a special offer available that is not in this **PDS**, **we** can give **you** a separate terms and conditions brochure about the offer if **you** ask **us**. These offers might be short term and **we** can withdraw them at any time.

Paying your premiums

We will tell **you** how much **you** have to pay and how much time **you** have for payment.

You must pay **your** premium by the due date. For the first **period of insurance**, if **you** do not pay the premium owing by the due date, **we** can cancel **your policy** as set out in 'Cancellations' below. For renewal policies, if **you** do not pay **your** premium by the due date, then the renewal **policy** will not commence and **your** cover will end at the expiry of the previous **period of insurance**.

If **you** change **your policy** **you** may be entitled to a partial refund of premium or be required to pay an additional premium.

Where a change to **your policy** results in a premium reduction, **we** will refund the amount by which **your** premium has reduced less any non-refundable government charges if the refund is more than \$10.

Where a change to **your policy** results in a premium increase, **you** will have to pay the amount by which **your** premium has increased as a condition of **us** accepting the change to **your policy**.

Paying by monthly instalments

If **you** pay **your** premium by monthly instalments and **your** payment is overdue, **we** can:

- ▶ refuse to pay a claim if payment is 14 days (or more) late; and
- ▶ cancel **your policy** if payment is a month (or more) late.

Cancellations

You can cancel **your policy** at any time. The cancellation takes effect on the date **we** receive **your** request. If **you** cancel **your policy**, **we** will refund the proportion of **your** premium for the unexpired period of insurance less any non-refundable government charges if the refund is more than \$10.

We can cancel **your policy** at any time according to law. If **we** cancel **your policy**, **we** will refund the proportion of **your** premium for the unexpired period of insurance less any non-refundable government charges if the refund is more than \$10.

If **you** pay by monthly instalments and an instalment is unpaid for more than 1 month, **we** can cancel **your** cover. **We** will send **you** a notice in writing regarding **your** non-payment at least 14 calendar days before any cancellation by **us** for non-payment. If after sending the above notice **we** do not receive the instalment payment, **we** will send **you** a second notice in writing, either:

- a. prior to cancellation, informing **you** that **your** Instalment Policy is being cancelled for non-payment; or
- b. within 14 days after cancellation by **us**, confirming **our** cancellation of **your** Instalment Policy.

If **we** pay out a claim for the full **sum insured** on **your building**, that cover ends. Any Policy Section, Extra Cover, Additional Benefit or Optional Insurance for that cover also ends.

If **we** pay out a claim for a **total loss** on **your vehicle**, that cover ends. Any Policy Section, Extra Cover, Additional Benefit or Optional Insurance for that cover also ends.

When **your policy** ends as a result of **us** paying out a claim for the full **sum insured** on **your building** or **total loss** of **your vehicle**, **we** will not refund any premium for an unexpired **period of insurance**. If **you** have been paying **your** premium by monthly direct debit instalments, **we** will deduct the remaining instalment premiums due for the unexpired **period of insurance** from the amount **we** pay for the claim.

Claims made and notified basis of cover

Policy section 7 – Management liability (excluding Optional insurance 1 – Employee dishonesty) is issued on a 'claims made and notified' basis. This means that Policy section 7 – Management Liability (excluding Optional insurance 1 – Employee dishonesty) responds to:

- ▶ claims first made against **you** during the **period of insurance** and notified to **us** during the **period of insurance**, provided that **you** were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in **your** position on notice that a claim may be made against them; and
- ▶ written notification of facts pursuant to section 40(3) of the *Insurance Contracts Act 1984*. The facts that **you** may decide to notify are those which might give rise to a claim against **you**. Such notification must be given as soon as reasonably practicable after **you** become aware of the facts and prior to the time at which **your policy** expires. If **you** give written notification of facts **your policy** will respond even though a claim arising from those facts is made against **you** after **your policy** has expired.

When the **period of insurance** expires, no new notification of claims or facts can be made under Policy section 7 – Management liability (excluding Optional insurance 1 – Employee dishonesty) of the expired **policy** even though the event giving rise to the claim against **you** may have occurred during the **period of insurance**. An exception to this is under Additional benefit 13 -Automatic Discovery Period, if any, under which some cover for new notification of claims or facts is available.

Excess

This is the amount **you** have to pay if **you** suffer **loss**, **damage** or incur liability which leads to a claim under **your policy**.

The amount and type of **excess** that applies to **your policy** is shown either in Part D of this document or on **your policy schedule**. If **you** claim under more than one (1) Policy section for one incident or **event**, then **you** only pay the largest applicable **excess**, unless expressly stated otherwise in the **policy**. For example, Additional benefits may have their own **excess** which may be in addition to any **excess** that may apply to a claim.

Fraudulent claims

If **you**, or anyone acting on **your** behalf, or with **your** knowledge, makes a claim that is false or causes **loss** or **damage** deliberately, **we** may do one or more of the following:

- ▶ refuse to pay a claim;
- ▶ cancel **your policy**; or
- ▶ take legal action against **you**.

Other information

The Goods and Services Tax (GST) and your sum insured

In addition to the premium, **we** will charge **you** an amount on account of GST.

You must inform **us** of the extent to which **you** are entitled to an **input tax credit** (ITC) for your premium and each time that **you** make a claim. No payment will be made to **you** for any GST liability that **you** may incur on the settlement of a claim if **you** do not inform **us** of **your** entitlement or correct entitlement to an **input tax credit**.

GST has an impact on the way in which claim payments are calculated under **your policy**. **We** will calculate the amount of any payment **we** make to **you** having regard to your GST status. The amount **we** pay **you** for any claim will be calculated taking into account any **input tax credit** to which **you** are entitled for any acquisition which is relevant to **your** claim, or to which **you** would have been entitled were **you** to have made a relevant acquisition.

If **you** are not entitled to an **input tax credit** on **your policy** premium, all **sums insured** and **limits of liability** stated in **your policy** are GST inclusive (unless **your policy** states otherwise).

If **you** are entitled to an **input tax credit** on any part of **your policy** premium, the **sums insured** and **limits of liability** stated in **your policy** are exclusive of GST to the extent of **your input tax credit** entitlement.

In respect of **your policy**, where **you** are registered for GST purposes **you** should calculate the **sums insured** having regard to **your** entitlement to **input tax credits**. **You** should, therefore, consider the net amount (after all **input tax credits** have been taken into account) which is to be insured and calculate and advise to us a **sums insured** amount on a GST exclusive basis.

This outline of the effect of the GST on **your policy** is for general information only. **You** should not rely on this information without first seeking expert advice on the application of the GST to **your** particular circumstances.

'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

Privacy statement

AAI Limited trading as GIO is the insurer and issuer of this product, and is a member of the Suncorp Group (the Group).

Why do we collect personal information?

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

We collect personal information so that **we** can:

- ▶ identify **you** and conduct appropriate checks;
- ▶ understand **your** requirements and provide **you** with a product or service;
- ▶ set up, administer and manage **our** products and services and systems, including the management and administration of underwriting and claims;
- ▶ assess and investigate any claims **you** make under one or more of **our** products;
- ▶ manage, train and develop **our** employees and representatives;
- ▶ manage complaints and disputes, and report to dispute resolution bodies; and
- ▶ get a better understanding of **you**, **your** needs, **your** behaviours and how **you** interact with **us**, so **we** can engage in product and service research, development and business strategy including managing the delivery of **our** services and products via the ways **we** communicate with **you**.

What happens if you don't give us your personal information?

If **we** ask for **your** personal information and **you** don't give it to **us**, **we** may not be able to provide **you** with any, some, or all of the features of **our** products or services.

How we handle your personal information

We collect **your** personal information directly from **you** and, in some cases, from other people or organisations. **We** also provide **your** personal information to other related companies in the Group, and they may disclose or use **your** personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to **you**. They may also use **your** personal information to help them provide products and services to other customers, but they'll never disclose **your** personal information to another customer without **your** consent.

Under various laws **we** will be (or may be) authorised or required to collect **your** personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Income Tax Regulations 1936, Tax Administration Act 1953, Tax Administration Regulations 1976, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose **your** personal information for the purposes **we** collected it as well as purposes that are related, where **you** would reasonably expect **us** to. **We** may disclose **your** personal information to and/or collect **your** personal information from:

- ▶ other companies within the Group and other trading divisions or departments within the same company (please see **our** Group Privacy Policy for a list of brands/companies);
- ▶ any of **our** Group joint ventures where authorised or required;
- ▶ customer, product, business or strategic research and development organisations;
- ▶ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▶ social media and other virtual communities and networks where people create, share or exchange information;
- ▶ publicly available sources of information;
- ▶ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▶ a third party that **we**'ve contracted to provide financial services, financial products or administrative services – for example:
 - ▶ information technology providers,
 - ▶ administration or business management services, consultancy firms, auditors and business management consultants,
 - ▶ marketing agencies and other marketing service providers,
 - ▶ claims management service providers,
 - ▶ print/mail/digital service providers, and
 - ▶ imaging and document management services;
- ▶ any intermediaries, including **your** agent, adviser, a broker, representative or person acting on **your** behalf, other Australian Financial Services Licensee or **our** authorised representatives, advisers and **our** agents;
- ▶ a third party claimant or witnesses in a claim;
- ▶ accounting or finance professionals and advisers;
- ▶ government, statutory, or regulatory bodies and enforcement bodies;
- ▶ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where **you** are an insured person but not the policy or product holder;
- ▶ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▶ the Financial Ombudsman Service or any other external dispute resolution body;
- ▶ credit reporting agencies;
- ▶ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▶ legal and any other professional advisers or consultants;
- ▶ hospitals and, medical, health or wellbeing professionals;

- ▶ debt collection agencies;
- ▶ any other organisation or person, where **you**'ve asked them to provide **your** personal information to **us** or asked **us** to obtain personal information from them, e.g. **your** mother.

We'll use a variety of methods to collect **your** personal information from, and disclose **your** personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. **We** may collect and disclose **your** personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, **we** need to provide **your** personal information to – or get personal information about **you** from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in **our** Group Privacy Policy, which can be accessed at www.gio.com.au/privacy, or **you** can contact **us** for a copy.

From time to time, **we** may need to disclose **your** personal information to, and collect **your** personal information from, other countries not on this list. Nevertheless, **we** will always disclose and collect **your** personal information in accordance with privacy laws.

Your personal information and our marketing practices

Every now and then, **we** and any related companies that use the GIO brand might let **you** know – including via mail, SMS, email, telephone or online – about news, special offers, products and services that **you** might be interested in. **We** will engage in marketing unless **you** tell **us** otherwise. **You** can contact **us** to update **your** marketing preferences at any time.

In order to carry out **our** direct marketing **we** collect **your** personal information from and disclose it to others that provide **us** with specialised data matching, trending or analytical services, as well as general marketing services (**you** can see the full list of persons and organisations under 'How we handle your personal information'). **We** may also collect **your** personal information for marketing through competitions and by purchasing contact lists.

We, and other people who provide **us** with services, may combine the personal information collected from **you** or others, with the information **we**, or companies in **our** Group, or **our** service providers already hold about **you**. **We** may also use online targeted marketing, data and audience matching and market segmentation to improve advertising relevance to **you**.

How to access and correct your personal information or make a complaint

You have the right to access and correct **your** personal information held by **us** and **you** can find information about how to do this in the Suncorp Group Privacy Policy.

The Suncorp Group Privacy Policy also includes information about how **you** can complain about a breach of the Australian Privacy Principles and how **we**'ll deal with such a complaint. **You** can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in Contact Us.

Contact us

For more information about **our** privacy practices including accessing or correcting **your** personal information, making a complaint, obtaining a list of overseas countries, or giving **us your** marketing preferences **you** can:

- ▶ Visit www.gio.com.au/privacy.
- ▶ Speak to us directly by phoning us on 13 10 10
- ▶ Email: privacyaccessrequests@gio.com.au

Complaints resolution

We are committed to:

- ▶ Listening to what **you** tell **us**;
- ▶ Being accurate and honest in telling **you** about **our** products and services;
- ▶ Communicating with **you** clearly; and
- ▶ Resolving any complaints or concerns **you** have in a fair, transparent and timely manner.

If **you** have a complaint concerning this product or **our** services, please tell the people who provided **your** initial service or **you** can contact **us** by:

- ▶ Telephone: 1800 689 762
- ▶ Mail: Reply Paid 1453 Customer Relations Unit RE058
GPO Box 1453 BRISBANE QLD 4001
- ▶ Email: customer.relations@suncorp.com.au

What we will do to resolve your complaint

When **you** first let **us** know about **your** complaint or concern, **we** will review **your** complaint, consider the facts and attempt to resolve **your** complaint by the end of the next working day.

If **we** cannot resolve **your** complaint to **your** satisfaction within 5 working days **we** will contact **you** to agree reasonable alternative timeframes. **We** will endeavour to send **you our** decision within 15 working days from the date **you** first made **your** complaint provided **we** have all necessary information and have completed any investigations required.

If **you** are not satisfied with **our** decision, at **your** request **we** will refer **your** complaint to **our** Internal Dispute Resolution (IDR) team. **Our** IDR team will review **your** complaint and endeavour to send **you** their final decision within 15 working days from the date **your** complaint was referred to them. If **our** IDR Team require further information, assessment or investigation of **your** complaint, they will contact **you** to agree on a reasonable alternative timeframe to resolve **your** complaint.

For more information on **our** complaints handling process, please contact **us**.

What if you are not satisfied with our final IDR decision

We expect **our** procedures will provide **you** with a fair and prompt resolution to **your** complaint. If however **you** are not satisfied with **our** final decision or if **we** have not been able to resolve the complaint to **your** satisfaction within 45 days, **you** may be able to take the complaint to the Financial Ombudsman Service (the FOS).

The FOS is an independent external dispute resolution scheme and its service is free to **our** customers.

You can contact the FOS by:

- ▶ Telephone 1300 780 808
- ▶ Address Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001
- ▶ Email info@fos.org.au
- ▶ Website www.fos.org.au

The FOS will tell **you** if they can help **you**, as their services are not available to all customers.

We agree to accept a FOS determination however **you** have the right to take legal action if **you** do not accept their decision.

Financial Claims Scheme

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

The FCS only applies in the unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA. Information about the FCS can be obtained from APRA by:

- ▶ Telephone 1300 55 88 49
- ▶ Website www.apra.gov.au

General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- ▶ Telephone (02) 9253 5100 or 1300 728 228
- ▶ Website www.insurancecouncil.com.au

Terrorism Insurance Act 2003

Some sections of this **policy** exclude cover for **damages** as a result of terrorism.

In the event that **damage** to property occurs and the cause of the **damage** is declared a terrorist incident by the responsible Minister, then **you** may be afforded protection within the limits of indemnity of this **policy** by virtue of the Terrorism Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of **your loss** to a percentage of the otherwise recoverable **loss**. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 can be obtained at www.arpc.gov.au.

Updating information

The information in this **PDS** and Policy Wording was current at the date of preparation. **We** may update some of the information in the **PDS** and Policy Wording that is not materially adverse from time to time without needing to notify **you**.

You can obtain a copy of any updated information by contacting us on 13 10 10. **We** will give **you** a free paper copy of any updates if **you** request them. If it becomes necessary, **we** will issue a supplementary or replacement **PDS**.

Part C: Information for some policyholders insuring vehicles or home building

This Part applies to **you** if **you** are insuring **vehicles** (not exceeding 2 tonnes) under Policy section 11 – Commercial motor or a **home building** under Policy section 1 – Property damage, Policy section 2 – Theft or Policy section 3 – Glass and you are an individual or a small business.

You need to read this Part if it applies to **you**.

Home building means a **building** which is used or intended to be used principally and primarily as a place of residence.

An example of what is considered a **home building** is where the **building** is a commercial premise, but **you** may also live in the **building**, or **you** rent part of the **building** for residential use. If the **building** is only used by **you** for residential purposes, it cannot be insured under this product.

Policy section 1 – Property damage

You may insure a **home building** under this Policy section, if used for a business, for **loss** or **damage** arising from an insured **event** during the **period of insurance**. If **you** lease out **your building** then **your** landlord's fixtures and fittings, including floor coverings, are insured as part of **your building**. **You** cannot insure a **home building** under this Policy section unless **you** own the **building**.

Provided none of the exclusions listed in Policy section 1 – Property damage apply, **you** are covered for **accidental loss** or **damage** from **events** such as, but not limited to:

- ▶ fire;
- ▶ escape of molten material from its intended confines at the situation;
- ▶ lightning or thunderbolt;
- ▶ explosion or implosion;
- ▶ storm, wind and rain (including snow, sleet or hail but excluding **flood**);
- ▶ water damage;
- ▶ impact;
- ▶ riot or civil commotion;
- ▶ malicious damage (including by vandals and thieves); and
- ▶ earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these.

Policy section 2 – Theft

If **you** insure **electronic equipment**, **stock** or **contents** against **theft** under this Policy section **we** will also cover **you** for some **damage** that occurs to the **home building** as a result of the **theft**.

We will also cover **you** for **damage** to the building **you** rent, if the **building** is **damaged** as a result of a **theft** during the **period of insurance**.

Policy section 3 – Glass

Under this Policy section **you** may insure against the **breakage** of **glass** which forms part of **your home building** during the **period of insurance**.

Please refer to the General definitions on page 22 to 26 for an explanation of what **glass** means.

The amount you pay for Policy sections 1, 2 or 3 (home building) or Policy section 11 (vehicles)

The premium is the amount **you** pay **us** for this insurance. The premium payable by **you** will be shown on **your policy schedule**. Premiums include applicable Commonwealth and State taxes and charges. These include the Goods and Services Tax (GST), Fire Services Levy (FSL) and Stamp Duty. The amount of these taxes and charges will be shown on **your policy schedule**.

How various factors may affect your premium for Policy sections 1, 2 and 3 (home building)

The following table is a guide to the significant factors which impact generally on **your** premium in relation to Policy sections 1, 2 or 3 (for a **home building**).

Factor	Lower premium	Increases premium
Sum insured	Lower sum insured	Higher sum insured
Postcode	Low risk postcode	High risk postcode
Optional insurance	None taken	One or more taken
Claims experience	Low claims experience	High claims experience
Voluntary excess	Higher	Lower
Occupation	Low risk occupation	High risk occupation
Location	Low risk location	High risk location
Number of premises	Fewer premises	More premises
Building materials	More fire resistant materials	Less fire resistant materials
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Our expenses of doing business including payments we make to intermediaries	Low expenses	High expenses

How various factors may affect your premium for Policy section 11 (vehicles)

The following table is a guide to the significant factors which impact generally on **your** premium in relation to Policy section 11 (for a **vehicle**).

Factor	Lower premium	Increases premium
Type of cover	Legal liability only	Comprehensive or legal liability, fire and theft
Type of vehicle	Low risk vehicle	High risk vehicle
Market or agreed value	Market value	Agreed value
Vehicle accessories/ modifications	None specified	Accessories and modifications that increase the risk of insurance
Age of driver(s)	Over 25 years of age	Under 25 years of age
No claim bonus	Higher rating	Lower rating
Vehicle use	Low risk use	High risk use
Sum insured	Lower sum insured	Higher sum insured
Postcode	Low risk postcode	High risk postcode
Claims experience	Low claims experience	High claims experience
Optional insurance	None taken	One or more taken
Voluntary excess	Higher	Lower
Occupation	Low risk occupation	High risk occupation
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Our expenses of doing business including payments we make to intermediaries	Low expenses	High expenses

When determining **your** premium **we** also take into account the age of the **vehicle**. This factor may lower or increase the premium depending on whether it means there is a higher chance of **you** making a claim and if so, for how much.

Why the cost of insurance can change

Your insurance premium can change during the **period of insurance** if the circumstances or risks covered by **your policy** change. For example **your** premium will change if **you**:

- ▶ change the use of the **vehicle** or add new covers to **your policy**; or
- ▶ change the use of **your premises** or add new covers to **your policy**.

Also, each time **you** renew **your** insurance **your** premium is likely to change, even if **your** circumstances or the risks covered by **your policy** have not changed. This is because premiums are affected by:

- ▶ the total cost of current and future claims;
- ▶ the cost of claims **we** expect to pay in the future;
- ▶ any changes in government taxes or charges;
- ▶ whether indexation is shown on **your policy schedule**; and
- ▶ **our** expenses of doing business.

At renewal, **we** might decide to pass on all, or part of, any premium increase or decrease.

Premium discounts

At times **we** may offer premium discounts to particular customers as part of a promotion or to take account of market conditions. The amount and type of discounts can change at any time before **you** take out this **policy**, or at **your** next renewal. **We** can vary or withdraw a discount at any time. Changes will not affect the premium for an existing **policy** during its current **period of insurance**.

For details of any discounts that may be available and the dollar difference these would make to **your** premium, please ask **us** when **you** obtain a quote or before renewing **your policy**.

Excesses

If **you** make a claim, **you** may be required to pay one or more **excesses**.

The description of those **excesses** and the circumstances in which they are applied are shown in the relevant Policy section in Part D of this **PDS** under 'Excess' or in **your policy schedule**.

Policy sections 1, 2 and 3: Excesses

The amount of **excess** applying to each of these Policy sections is shown on **your policy schedule**. **We** take into consideration a number of factors when setting the amount of **your excess**, such as:

- ▶ **your** occupation;
- ▶ any voluntary **excess** that **we** may allow **you** to choose;
- ▶ **your** claims history; and
- ▶ any additional risk factors that are unusual or unique to **your business** circumstances.

Policy section 11: Excesses

There are a number of **excesses** which apply to this Policy section. The amount of each **excess** (other than the basic **excess**) is shown in Policy section 11 in Part D of this **PDS** and Policy Wording. The amount of the basic **excess** will be shown on **your policy schedule**.

We take into consideration a number of factors when setting the amount of **your** basic **excess**, such as:

- ▶ the make, model and type of **vehicle** being insured, including modifications made to the **vehicle**;
- ▶ any voluntary **excess** that **we** may allow **you** to choose;
- ▶ the age and driving experience of people who will be driving the **vehicle**;
- ▶ the **sum insured** of the vehicle;
- ▶ where and how the **vehicle** is used;
- ▶ the type of cover chosen;
- ▶ the place where **your vehicle** is garaged;
- ▶ **your** previous insurance and claims history; and
- ▶ Optional insurance, Extra covers, Additional benefits and **endorsements**.

Part D: Your Retail Business Protect Policy Wording

Important information

1. Your policy

Your policy is a legal contract between **you** and **us**. The contract is based on the information **you** gave **us** when **you** applied for the insurance and any subsequent information which **you** have supplied.

Based upon the information provided by **you** and subject to the premium being paid, **we** agree to insure **you** during the **period of insurance**.

Your period of insurance starts on the date shown on **your policy schedule** and finishes at 4:00pm on the expiry date shown on **your policy schedule**.

Your policy is made up of this **PDS** and Policy Wording, any applicable **SPDS**, the **policy schedule** and any **endorsements**. These should be read and kept together.

We will provide cover under those Policy sections that are shown on **your policy schedule** and for those Optional insurances that are shown in **your policy schedule**.

2. Who is insured?

The **policy** provides insurance only for the parties shown in **your policy schedule** unless otherwise stated in individual Policy sections.

3. Policy limits

We will not pay any more than the **sum insured** or **limit of liability** or sub-limit for each Policy section, part of a Policy section or individual item or cover that is shown in **your policy schedule**, unless **we** specifically state otherwise in **your policy**.

4. General provisions

The General Policy Conditions, General Definitions, General Claims Conditions, and General Exclusions form part of this **policy**. Unless otherwise expressly stated these apply to each of the Policy sections, including any Extra covers, Additional benefits or Optional insurances in those Policy sections.

Specific Conditions, definitions and exclusions also apply to individual Policy sections and any Extra covers, Additional benefits or Optional insurances in those Policy sections.

Some words used in this **policy** have special meanings. These words are in bold. The words **we** have defined are listed in either the General Definitions section on pages 22 to 26 or the Definitions section in the applicable Policy section.

The headings in each Policy Section are not part of the **policy** itself. Their purpose is to provide **you** with a general guide about the content of the text.

General Policy Conditions

These conditions apply to all Policy sections.

1. Change to risk

Our decision to insure **you**, and the premium that **we** charge **you**, is based on information provided by **you** about **you**, **your business** and **property insured**. **Your** insurance, including the amount of premium, may be affected if any of the facts or circumstances that existed at the start of the **policy** change during the **period of insurance**, including, for example:

- ▶ the nature of or type of **business** carried on by **you** or **your** tenants;
- ▶ the occupation and activities carried on by the tenants of **your buildings** is material to the premium that **we** charge **you** and our decision to insure **you**;
- ▶ other circumstances that affect the **premises** or the **property insured** in such a way as to increase the risk of **damage** or **losses**;
- ▶ **your** interest in the **policy** ceases, including by operation of law;
- ▶ **you** have been declared bankrupt or the **business** is wound up or carried on by an insolvency practitioner or permanently discontinued;
- ▶ **you** have been convicted of a criminal offence;
- ▶ details of any conversion or modification to **your vehicle** made by someone other than the manufacturer;
- ▶ if there is anyone under the age of 25 years who is likely to be a regular driver of the **vehicle**; and
- ▶ change of **your** address, **your vehicle**, **your vehicle's** garage postcode or the way **you** use **your vehicle**.

You must immediately notify **us** of any of the above changes or any other changes that may increase the risk insured under **your policy**.

If **you** are a property owner insuring **buildings** that **you** lease, **our** decision to insure **you** and the premium **we** charge **you** will take into account information about **your** tenants and how the **building** is used that **you** tell **us** when **you** apply for insurance with **us**, during the **period of insurance** and at each renewal. For this reason it is important that **you** tell **us** as soon as these things change.

For example, if **your building** has three tenants (an accountant's office, a jeans retailer and a sandwich bar), **we** will calculate **your** property premium on the sandwich bar, as it is more hazardous than either of the other two occupations. If during the **period of insurance** the sandwich bar closes down and a menswear shop opens, then **you** must notify **us** of the change and **we** will calculate **your** property premium either using the jeans retailer or menswear shop, whichever is the more hazardous occupation.

If **we** agree to the changes **you** tell **us** about, **we** will confirm this in writing. In some cases, **we** may only agree to continue to insure **you** under this **policy** if **you** agree to pay **us** additional premium.

2. The amount of cover

If **you** are not entitled to an **input tax credit** on **your policy** premium, all **sums insured** and **limits of liability** stated in **your policy** are GST inclusive (unless **your policy** states otherwise).

If **you** are entitled to an **input tax credit** on any part of the **policy** premium, the **sums insured** and **limits of liability** stated in **your policy** are exclusive of any **input tax credit** which **you** are or would be entitled to claim.

3. Reasonable care and reducing risk

You must take all reasonable steps to ensure that **you** and **your** tenants:

- ▶ maintain **buildings**, structures, fixtures, fittings, furnishings, appliances, **machinery**, implements and plant in sound condition to minimise or avoid theft, **loss** or **damage**;
- ▶ ensure that only competent **employees** are employed;
- ▶ avoid or minimise **loss** of or **damage** to property or injury to other people;
- ▶ comply with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements;
- ▶ obtain certificates of inspection for all equipment required by any statute or regulations to be certified; and
- ▶ comply, at **your** expense, with all **our** recommendations to prevent or minimise theft, **loss** or **damage**.

You must:

- ▶ take all reasonable steps to prevent **loss** of or **damage** to **your vehicle**;
- ▶ take all reasonable care to prevent injury to another person or **damage** of another person's property;
- ▶ comply with all laws and safety requirements imposed by any authority or by state or national legislation; and
- ▶ keep all **vehicles** in a roadworthy condition.

4. Hazardous or dangerous goods

When hazardous or dangerous goods are used by the **business** or stored at any **premises** shown on the **policy schedule**, then such goods must be stored and used strictly in accordance with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements.

5. Other interests

You must tell **us** if **you** want **us** to record the interests of any third party beneficiaries (for example, banks or lessors) in any item insured under any Policy section in this **policy**. If **we** agree to record the interest of a third party beneficiary this will be shown on the **policy schedule**.

If a third party beneficiary's interest is not recorded, insurance cover will not extend to their interest and they will not be able to make a claim under this **policy**. All third party beneficiaries must comply with all the terms and conditions of **your policy**, including without limitation, the obligation to notify **us** and give **us** details of any other insurance that insures any risk insured by this **policy**.

6. Transfer of interest

No interest in this **policy** can be transferred without **our** written consent.

7. Unoccupancy

You must ensure that any **building** at the **premises** does not stay unoccupied or, if **you** are the **building** owner, untenanted, for a continuous period of 60 days or more. **You** are not insured while the **building** is unoccupied for a period of 60 days or more, unless **we** agree to insure **you**.

If any **building** will or is likely to be unoccupied or untenanted for such a period, **you** must notify **us** immediately. If **you** notify **us** that the **premises** will be unoccupied or untenanted for a continuous period of 60 days or more and **we** agree to continue to insure **you** under this **policy** during the period where the **building** is unoccupied or untenanted, **we** will confirm this in writing.

You may be required to pay an additional premium and **we** may apply different conditions and impose a higher **excess** if **we** agree to this.

8. Notification of other insurance

You must notify **us** of any other insurance that insures any risk insured by this **policy** and provide **us** with the details of the other insurance.

9. Changes in or waivers of the policy

No changes in the **policy** will be valid unless agreed in writing by **us**.

No waiver of any requirements of any Policy section shall be valid unless it is given to **you** in writing.

10. Multiple insured parties

Except as otherwise expressly provided in Policy section 6 – Public and Product Liability, Policy section 7 – Management liability and Policy section 10 – Tax Probe, where there is more than one person or organisation insured under this **policy**:

- ▶ any notice given by **us** under this **policy** to any one of **you** shown on your **policy schedule** will be deemed to be notice given to all of **you**;
- ▶ any misrepresentation or fraudulent actions or statements made by any person or organisation will be deemed to be made by all of **you**; and
- ▶ any claim made by any person or organisation will be deemed to be a claim made by all of **you**.

11. Keeping us up to date

You must tell **us** at the commencement of **your policy** and at each renewal if any authorised driver of **your vehicle**, including **you**, has:

- ▶ had a licence endorsed, suspended or cancelled in the past 5 years;
- ▶ been charged or convicted of any criminal offence relating to arson, drugs, firearms, burglary, housebreaking, theft, robbery, receiving stolen goods, fraud, criminal or wilful damage or injury, assault to anyone; or
- ▶ been charged with or convicted of any motor offence or motor infringement (but not parking fines).

General Claims Conditions

These conditions apply to all Policy sections.

You must comply with these conditions if an **event** occurs which may lead to or results in a claim.

If **you** do not comply with these conditions, **we** may refuse **your** claim or reduce the amount **we** pay **you**.

1. Claim notification

You must:

- ▶ notify the police immediately following a theft or attempted theft of any **property insured** or if the **property insured** is misappropriated, lost or maliciously **damaged**;
- ▶ notify **us** as soon as possible and give **us** all known details of the **event** including the police event number if available;
- ▶ immediately provide **us** with any legal document or other communication **you** receive about the claim, including any legal proceedings brought against **you**; and
- ▶ provide **us** with all information and documentation that **we** request. If **we** ask **you** for a statutory declaration verifying the details of **your** claim and any other matters connected with the claim, **you** must provide it.

2. Minimise loss

You must:

- ▶ take all reasonable precautions to minimise or prevent further **loss, damage**, injury or illness; and
- ▶ take all reasonable steps to recover **lost** or stolen **property insured**

3. Retain all damaged property

You must:

- ▶ retain and preserve all damaged property for inspection by **us** or **our** agent (including a loss adjuster) prior to authorisation of repairs unless alterations and repairs are immediately necessary, for safety reasons or to minimise or prevent further **loss, damage** or injury. If repairs are necessarily carried out without **our** prior approval, **you** are still required where reasonably practicable, to retain and preserve all damaged property for **our** inspection; and
- ▶ retain and preserve all property, products, plant and all other things that may assist **us** in investigating or defending a claim against **you**, including assisting in determining if there are rights of recovery against another entity or person.

4. Proof of ownership

If **you** make a claim for **property insured** that is **lost**, stolen or **damaged**, **you** must provide **proof of your ownership** or legal responsibility for such **property insured** and evidence of its value, if **we** ask for it. **We** will decide what is acceptable proof of ownership and value for any **property insured** based on what **property insured you** are claiming for, how old the item is and its residual value.

We understand **you** may not keep such information for every **business** item **you** own, especially if items are recorded in **your** books of account. **You** or **your** accountant may have records for tax purposes and these may be sufficient to prove ownership.

5. Cooperation

You must co-operate and provide **us** with all reasonable assistance in connection with any investigation, negotiation, recovery, defence or settlement of any claim including doing all things necessary to allow **us** to take over legal proceedings in the circumstances discussed in Claims Condition 14 - Rights of Recovery, on the following page.

6. Proof of fraud or dishonesty

You must supply **us** with all records and documents that may assist **us** in substantiating and investigating the act of fraud or dishonesty and **your** rights of recovery. This includes but is not limited to all records (including computer, electronic, physical, accounting and audit records), video and audio recordings, working papers, internal memoranda and police reports.

7. Admitting liability

You must not admit liability for any **loss, damage** or injury, or settle or attempt to settle or defend any claim without **our** written consent.

8. Repair or replacement

You must not authorise the repair or replacement of any **property insured** without **our** agreement unless stated otherwise in a Policy Section

9. Conduct of claims

We have the right and full discretion to conduct claims. **We** may engage legal or other representatives to assist in the conduct of a claim. At all times **we** reserve the right to negotiate and settle a claim on terms **we** consider appropriate.

You must:

- ▶ allow **us** to make admissions, settle or defend claims on **your** behalf; and
- ▶ allow **us** to take legal action in **your** name against another person to recover any payment **we** have made on a claim either before or after **we** have paid **your** claim, or whether or not **you** have been compensated or paid in full for **your** actual loss.

10. Paying your excess

You must pay the **excess** that applies to claims under this **policy**. Any **excess** that is applied to **your** claim must be paid in full prior to settlement of that claim.

We have no liability to **you** under this **policy** until **you** have paid the **excess**. If the **excess** has been requested but remains unpaid **we** may:

- ▶ decline to settle the claim pending full payment of the **excess**; or
- ▶ deduct the **excess** from the settlement.

The **excess** that applies will depend on the circumstances of the claim. Some Additional benefits and Optional insurances have their own **excess** which are in addition to any other **excess** that may apply to a claim. When multiple **excesses** apply, **you** might have to pay more than one type of **excess** when **you** make a claim.

The amount of the **excesses** and the circumstances that each **excess** applies to are shown on **your policy schedule** or set out in the applicable Policy section. **We** will tell **you** how to pay **your excess** and who to pay it to. In some cases, **we** will direct **you** to pay the **excess** directly to a supplier or repairer.

11. Our rights of possession

We, our employees or **our** agents have the right to enter any **building** or area where **loss** or **damage** has occurred and take possession of **property insured** or require the **property insured** to be delivered to **us**. **We** will deal with this property in a reasonable manner.

12. Claims Settlements

a. ITC entitlement

If any **event** occurs which gives or may give rise to a claim **you** must tell **us** **your** entitlement to **input tax credits** (ITC) for **your** insurance premium if **you** are registered, or are required to be registered for GST purposes. If **you** do not inform **us** of **your** entitlement, or the information **you** give **us** is incorrect, **we** will not cover **you** for any resulting fines, penalties or tax liability **you** incur. When **we** calculate a payment to **you** for **your** claim, **we** can reduce it by any **input tax credit** **you** are, or would be, entitled to receive.

b. Cash payments

Any cash payments made to **you** under this **policy** will be based on costs including GST. However, if **you** are, or would be, entitled to claim any **input tax credits** for the repair or replacement of the **property insured** or for other things insured by the **policy**, **we** will reduce **our** payment to **you** by the amount of **your input tax credit** entitlement.

c. Discharge of our liabilities

If, at any time, **we** pay **you** the **sum insured** or **limit of liability** for any claim under this **policy**, the future conduct of the claim then becomes **your** responsibility. **We** may also pay any Extra covers, Additional benefits or Optional insurances that are expressed to be in addition to the **sum insured** or **limit of liability**.

d. Salvage

After settling a claim by replacing any **damaged** or **lost property insured**, if **we** so elect, that **damaged** or **lost property insured** (other than a **building**) becomes **ours** and **we** are entitled to receive the proceeds of any salvage.

13. Claims preparation expenses

We will pay for accountant, claims consultants, surveyors, architects, engineers and other professional fees necessarily and reasonably incurred for the preparation of a claim covered under this **policy** other than under Policy section 5 – Business interruption, Policy section 7 – Management liability or Policy section 10 – Tax Probe. The most **we** will pay is the lesser of \$20,000 or 25% of the total amount payable under the applicable Policy section, as a result of one **event**.

14. Rights of recovery

If **you** have suffered **loss** or **damage** as a result of an **event** or **occurrence** covered, or partially covered by this **policy**, then **we** have the right and **you** permit **us** to take action or institute legal proceedings against any person, company or entity legally liable to **you** for the recovery of **your** insured, underinsured or uninsured losses, payments made and expenses in relation to the **event** or **occurrence** (Your Loss). Any action or legal proceeding will be commenced in **your** name. **You** must provide **us** with all information and reasonable assistance in the recovery of Your Loss, including providing **us** with any documents that prove Your Loss.

If **you** have commenced action or instituted legal proceedings against any person, company or entity legally liable to **you** for Your Loss, **we** have the right and **you** permit **us** to take over and continue that action or legal proceeding. **You** must provide **us** with all information and reasonable assistance in the recovery of Your Loss, including providing **us** with any documents that prove Your Loss.

Where recovery of Your Loss forms part of any representative proceeding which has not been instituted under **our** instructions, **we** have the right and **you** permit **us** to exclude Your Loss from that representative proceeding for the purpose of including Your Loss in a separate representative proceeding which is or will be instituted under **our** instructions (Our Representative Proceeding). **You** must provide **us** with all information and reasonable assistance in the recovery of Your Loss as part of Our Representative Proceeding, including providing **us** with any documents that prove Your Loss.

You must not enter into any agreement, make any admissions or take any action that has the effect of limiting or excluding **your** rights and **our** rights to recover payments and expenses without first obtaining **our** approval in writing to do so.

15. Subrogation Agreements

If another person or organisation is, or could have been, liable to compensate **you** for any **loss, damage**, or legal liability otherwise covered by the **policy**, but **you** have agreed with that person either before or after the **loss, damage** or legal liability occurred that **you** would not seek to recover any money from that person or organisation, **we** will not cover **you** under the **policy** for any such **loss, damage** or legal liability.

16. Motor vehicle claim notification

In addition to all claims conditions, in respect of motor claims **you** are required to:

- ▶ contact **our** claims services as soon as possible on 13 14 46. **We** are available 24 hours a day. **Our** staff will advise **you** whether to bring **your vehicle** to one of **our** assessing centres or take it to a repairer. **We** can help with any other arrangements necessary to get **you** back on the road as quickly as possible;
- ▶ if **your vehicle** is involved in an **event**, **you** should obtain the full names, addresses and phone numbers of all drivers and passengers involved and any witnesses to the **event**. **You** will also need to obtain the **vehicle** registration number and insurance details of all vehicles involved. If **damage** is caused to building and other property, **you** will need to provide details of the address and owners names;
- ▶ if **you** get demands, a notice of prosecution, details of any legal proceedings, inquest or similar communications from other parties involved in an **event**, **you** must tell **us** immediately. If **you** delay in telling **us**, **we** may not cover any legal or other costs that result from that delay;
- ▶ **you** must let **us** inspect and, if necessary, move **your vehicle** before repairs begin; and
- ▶ **you** must not accept any payment (including **excess** payments) from anyone unless **we** agree first.

General Exclusions

These exclusions apply to all Policy sections unless specifically stated otherwise.

1. Conflict

This **policy** does not insure claims directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

- ▶ war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- ▶ expropriation including lawful seizure, resumption, confiscation, nationalisation, destruction or **damage** to property by or under the order of any government or public or local authority; or
- ▶ looting, sacking or pillaging following any of the events stated above.

This exclusion does not apply to Policy section 7 – Management liability, to the extent of any inconsistency.

2. Consequential loss

This **policy** does not insure loss of use, loss of earning capacity, loss by delay, lack of performance, loss of contract or depreciation in the value of land and **stock** and any other consequential loss of any kind.

This exclusion does not apply to Policy section 5 – Business interruption.

3. Nuclear

This **policy** does not insure claims directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

- ▶ ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- ▶ nuclear weapons material.

For the purpose of this exclusion only, combustion includes any self-sustaining process of nuclear fission and/or fusion.

4. Non-compliance

This **policy** does not insure **loss** or **damage** or liability caused by or as a result of **your** failure to comply with any relevant statutory obligations, by-laws, regulations, public authority requirements or safety requirements.

5. GST, fines or penalties

This **policy** does not insure any GST, fine, penalty or charge that **you** are liable for because **you** did not tell **us** **your** entitlement to **input tax credits** on the premium for this **policy**, or the entitlement **you** told **us** was incorrect.

6. Intentional acts

This **policy** does not insure:

- ▶ any intentional or wilful act or omission by **you, your family** or **your employees** with **your** connivance; or
- ▶ fraudulent or dishonest acts committed by **you, your family** or **your employees** acting alone or in collusion with others.

7. Terrorism

This **policy** does not insure:

- ▶ personal injury, **damage** to property, legal liability, **loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any **act of terrorism** regardless of any other cause or **event** contributing concurrently or in any other sequence to the personal injury, **damage** to property, legal liability, **loss, damage**, cost or expense; or
- ▶ personal injury, **damage** to property, legal liability, loss, **damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

However, this exclusion does not apply to:

- ▶ Policy section 2 – Theft;
- ▶ Policy section 3 – Glass;
- ▶ Policy section 4 – Money; and
- ▶ Policy section 8 – Portable and valuable items.

8. Electronic data exclusion

a. This **policy** does not cover:

- ▶ total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
- ▶ error in creating, amending, entering, deleting or using **data**; or
- ▶ total or partial inability or failure to receive, send, access or use **data** for any time or at all,

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

b. We will not cover legal liability for communication, display, distribution or publication of **data**.

This exclusion b. does not apply to bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or **loss** of consortium resulting from any of the above.

c. Where an **event** listed below (being an event covered in Policy section 1 – Property damage or Policy section 8 – Portable and valuable items of this policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this **policy**, subject to all its provisions, will insure:

- ▶ **loss** of or **damage** to **property insured** directly caused by the **event**, or
- ▶ consequential loss insured by this policy.

This exclusion does not apply where an **event** listed below caused any of the matters described in paragraph (a) above.

- ▶ Fire
- ▶ Lightning or thunderbolt
- ▶ Explosion or implosion
- ▶ Storm and wind other than **flood**
- ▶ Water damage
- ▶ Impact
- ▶ Earthquake, tsunami, subterranean fire, or volcanic eruption, or fire resulting from any of these
- ▶ Theft of **data** solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such **data**.

d. For the purposes of what “We cover” in this **policy**, computer systems records includes electronic **data**.

e. Where **damage** to property or **property insured** are used in this **policy**, they do not include **data**.

When we may refuse a claim

We may refuse to pay a claim, or we may reduce the amount we pay you if:

- a. you do not do what your duty of disclosure requires you to;
- b. you:
 - ▶ are not truthful;
 - ▶ have not given us full and complete details; or
 - ▶ have not told us something when you should have, when applying for the insurance, or when making a claim.
- c. you are paying by instalments and at the date of the event you are claiming for, you are 14 days (or more) late in paying an instalment;
- d. you have not complied with any of the “General Claims Conditions”;
- e. you do any of the following without us agreeing to it first:
 - ▶ make or accept any offer or payment or in any other way admit you are liable;
 - ▶ settle or attempt to settle any claim; or
 - ▶ defend any claim;
- f. cover is excluded by the policy; or
- g. you are in breach of any other conditions of your policy.

If you prevent our right to recover from someone else or if you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or legal liability which is covered by this policy, we will not cover you under this policy for that loss, damage or legal liability.

General Definitions

Unless defined differently in individual Policy sections, these definitions apply to all Policy sections.

Accidental

Unexpected and unintended from your standpoint.

Act of terrorism

An act, including but not limited to the use of force or violence (or threat of force or violence) by any person or group 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 are done for, or in connection with, political, religious, ideological ethnic or similar purposes or reasons, including the intention to influence any government or put the public, or any section of the public, in fear.

Air conditioner

An appliance, system, or mechanism designed to extract heat from an area via a refrigeration cycle. Its purpose in a building is to provide comfort during either hot or cold weather.

Aircraft

Anything made or intended to fly or move in or through the air or space other than a model aircraft. Aircraft includes hovercraft and remote control devices.

Animal or Animals

Any living creature including but not limited to livestock, birds, fish, vermin, insects.

Building or Buildings

The Building or Buildings at the **premises**, including:

- ▶ sheds with a concrete floor and fixed to foundations at the **premises**;
- ▶ customised and modified shipping containers or transportable buildings permanently located at the **premises** used as workshops, lunchrooms or storage which are permanently fixed to the ground with electrical or plumbing services as necessary at the **premises**;
- ▶ shipping containers in which the **stock your business** distributes is delivered to **your premises** and from which merchandise is either being loaded into, unloaded from or stored in before dispatch, provided the container doors are secured when unattended with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above and the padlocked container is fully enclosed by a cyclone fence with locked gates at the **premises** after hours;
- ▶ walls, foundations, storage tanks, awnings, exterior lights, masts, antennae and aerials, fixed external signs, walls, gates, fencing, pavements, roads and other structural improvements pertaining to the building or buildings; and
- ▶ property owner's fixtures and fittings, floor coverings, plant, plumbing or wiring services that are within the building or buildings.

Building does not include land, including topsoil and fill and dams, landscaping, reservoirs or canals.

Business or Businesses

The business or businesses shown and described in **your policy schedule**.

Canada

The Dominion of Canada and its respective territories, protectorates or dependencies.

Computer virus

A corrupting, harmful, or otherwise unauthorised piece of code that infiltrates **your** computer equipment, including a set of unauthorised instructions, programmatic or otherwise, that propagates itself through **your** computer equipment. Computer virus also includes "Trojan horses", "worms" and "time or logic bombs".

Certificate of authenticity

The original documentation from the manufacturer of the insured item or property.

Customers' goods

Goods that do not belong to **you**, but:

- ▶ belong to **your** customers and are in **your** physical or legal control because the **business** repairs, services, maintains, or stores those goods before or after it repairs, services or maintains the goods;
 - ▶ have been purchased by **your** customers and are in **your** physical or legal control awaiting delivery; or
 - ▶ items at the **premises** that **you** have accepted responsibility to insure under a formal consignment agreement.
-

Damage or Damaged

Sudden and unforeseen physical damage or destruction.

Data

Facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

Electronic equipment

Any electronic equipment including, but not limited to mobile phones, laptops, palm pilots, computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines, electronic cash registers, electronic scales and electronic testing or analysing equipment used by **you** in the **business**.

Electronic equipment does not include electronic equipment that is **stock**.

Employee

Any person while employed by **you** in the **business** who **you** compensate by salary, wages, or commission and have the right at all times to govern, control and direct in the performance of their work.

Employee does not include:

- ▶ any broker, factor, consignee or contractor;
- ▶ any member of **your family** unless that person is also **your** employee;
- ▶ any partner, director or trustee unless that person is also **your** employee; or
- ▶ any Volunteer.

Endorsement or Endorsements

A written change or addition made to **your policy**. Any endorsement or endorsements which apply to **your policy** will form part of the **policy** and be shown in **your policy schedule** unless **we** send **you** the endorsement separately.

Event or Events

One incident or all incidents of a series consequent on, or attributable to, one source or original cause.

Excess or Excesses

The amount which is payable by **you** for each claim under this **policy**.

External glass

Glass or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the **building**.

Family

Any person who is:

- ▶ **your** spouse, **your** partner or **your** de facto and lives with **you**;
- ▶ **your** parent or parent-in-law;
- ▶ **your** child or child of **your** spouse, partner or de facto (not being **your** child) and lives with **you**; or
- ▶ **your** brother and sister.

For the purposes of this definition “**you**” and “**your**” refers to the directors, owners and officers of the company or legal entity shown on the **policy schedule** as the **insured**.

Flood

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

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

Fungus/Fungi

Fungi are a group of simple plants that have no chlorophyll and include but are not limited to mould, mildew, spores and yeast.

Glass

Glass which **you** own or are legally responsible which is **external glass**, **internal glass** and/or **sanitary fittings**.

Home building

A **building** which is used or intended to be used, principally and primarily as a place of residence.

Hovercraft

Any vessel craft or thing 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.

Input tax credit

The amount **you** are entitled to claim as a credit against GST that **you** have paid.

Insured/you/your

Any person, company or legal entity shown on the **policy schedule** as the insured.

Internal glass

Glass or plastic material used as **glass** in internal partitions, windows and doors, counters, shelves and/or stock restraints, furniture and interior showcases, fixed and hanging mirrors and any other fixed internal glass contained in the **building**.

Limit

The limit is the maximum amount **we** will pay under any Policy section of the **policy**.

Loss/losses/lost

Sudden or unforeseen physical loss.

Machinery

Any mechanical or electrical equipment, that generates, transmits or utilises mechanical or electrical power, any electronic machine, device or instrument, but not including;

- ▶ any **vehicle** or mobile equipment;
 - ▶ any **watercraft** or **aircraft**;
 - ▶ any elevator or escalator (excluding any electrical or **electronic equipment** used with such apparatus); or
 - ▶ any buried piping, any drainage piping, any sprinkler piping and its accessory equipment.
-

Manual labour

Work primarily involving physical exertion, but does not include activities associated with marketing, promotion, demonstration or selling.

Manufacturer's box

The original box showing the brand and model of the insured item or property.

Media

Material on which **data** is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CD's, DVD's, USB's, flash drives, memory cards or floppy disks.

Money

Means cash, bank notes, currency notes, negotiable cheques, negotiable securities, travellers' cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of securities) and the contents of franking machines.

Money does not include collectable items (for example coin or stamp collections) or anticipated revenue.

Occurrence

An **event**, including continuous or repeated exposure to substantially the same general conditions.

Obsolete stock

Stock which can no longer be sold for its full value, such as **stock** which is out-of-season fashion, superseded computers or perishable goods beyond their used by date.

Original operating manual

The original operations manual(s) that came with the insured item, **vehicle** or property.

Period of insurance

The period of time shown in **your policy schedule** during which insurance is provided under this **policy**.

Personal effects

Clothing and personal belongings normally worn or carried but excluding personal computers, non-fixed GPS units, musical instruments, curios, works of art, **money** or credit cards.

Policy

Your insurance contract. It consists of this **PDS**, any **Supplementary PDS we** may give you, any **endorsements** and the **policy schedule**.

Policy Schedule

The record of the particulars of **your** insurance which forms part of this **policy**. This schedule is issued when **we** have accepted **your** insurance.

At each renewal of **your policy**, the renewal policy schedule becomes **your** current policy schedule.

Updated policy schedules or **endorsements** may also be sent to **you** showing alterations to **your policy**.

Pollutants

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

Premises

The places listed in the **policy schedule** at which and from which **you** operate **your business**. The **premises** includes **buildings** and land within the legal boundaries.

Product Disclosure Statement (PDS)

PDS is the name of this document and it contains the terms of **your** insurance cover. It tells **you** what cover **we** provide, details of costs and **excesses** and other important information. It should be read together with your **policy schedule**, any **endorsements** and any **Supplementary PDS** that **we** may give **you**.

Proof of purchase

Includes documents such as sales receipts, tax invoices, accounts and bank or credit card statements that provide a description of the insured item or property and show the purchase price, purchase date and location of purchase.

Proof of your ownership

Means **certificate of authenticity**, **manufacturer's box**, **original operating manual** and **proof of purchase**.

Property insured

The property as described in the **policy schedule** in respect of each Policy section.

Road

Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

Safe or strong room

A container or structure which has been specifically designed for the safe storage of **money** or valuables and is designed to resist unauthorised opening by hand-held or power operated tools.

A safe is not:

- ▶ an ATM;
 - ▶ a cash tin;
 - ▶ a locked drawer in a filing cabinet or desk; or
 - ▶ a theft resistant container weighing less than 20 kilograms that is not fixed by "dynabolts" to the wall or floor of the situation.
-

Seasonal increase period

Any period of time during the **period of insurance** that has **stock** levels at least 35% higher than **stock** levels at other time during the **period of insurance**. The total number of days **we** will allow for a seasonal increase period is 120 days during any one **period of insurance** unless a different period is shown in your policy schedule.

Stock

Merchandise, **stock in trade**, raw materials or work in progress and packing materials used by **you** in the **business**. Stock also includes **customers' goods** and items of property at **your premises** under a 'sales or return' consignment agreement.

Stock does not include consigned items of property under an 'agency' agreement where **you** make a commission on a sale.

Stock in trade

Merchandise and **customers' goods** for which **you** are legally responsible including the value of the work done and any containers or packaging materials used in connection with the **business**, but excluding cigarettes, cigars, tobacco and bullion.

Supplementary (SPDS)

A document that updates or adds to the information in the **PDS**.

Sum insured or limit of liability

For sum insured, means the amount shown as the sum insured or insured amount on the **policy schedule** for a Policy Section, part of a Policy Section or individual item or cover. The sum insured includes GST.

For limit of liability, means the amount shown as the limit of liability on the **policy schedule** for a Policy Section, part of a Policy Section or individual item or cover. The limit of liability includes GST.

United States

The United States of America and its respective territories, protectorates or dependencies.

Vehicle

Except in relation to Policy section 11 – Commercial motor, any type of machine on wheels or on caterpillar tracks (including any trailer, caravan or other apparatus attached to the machine) made or intended to be propelled other than by manual or **animal** power.

Watercraft

Anything made or intended to float or travel on or through water other than model boats.

We/us/our

AAI Limited ABN 48 005 297 807 AFSL 230859 trading as GIO.

Policy section 1 – Property damage

Please note that if **you** are insuring a **home building** under this Policy section **you** should also read Part C of this **PDS**.

About this Policy section

This Policy section covers **accidental loss** of or **damage** to **your property** from a variety of causes including, but not limited to **events** such as fire, lightning and explosion. **We** do not cover theft or breakdown of **your property** under this Policy section.

You can claim for **loss** or **damage** to **your property** as described under “We cover” if:

- A. “Property damage” is shown in **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**;
- C. the **loss** or **damage** is not excluded under what “We do not cover”; and
- D. the **loss** or **damage** is not excluded by any of the General exclusions on page 20 to 21.

Your insurance under this Policy Section

We cover	We cover accidental loss of or damage to buildings, contents, stock or specified items occurring at the premises during the period of insurance .
We do not cover	This Policy section (including the Extra covers and Additional benefits) does not cover: 1. Power surge Loss or damage to any electrical appliance or device (including wiring) caused by power surge, failure or fluctuation unless that loss or damage is caused by lightning. If fire occurs as a result of power surge, failure or fluctuation to any electrical appliance or device (including wiring), this exclusion will not apply to that portion of the loss or damage directly caused by the ensuing fire. 2. Maintenance or defects Loss or damage caused by or arising out of: <ul style="list-style-type: none">a. rust or corrosion;b. inherent or structural defects;c. faulty design, materials or workmanship; ord. developing flaws, gradual deterioration, normal upkeep of property, or existing defects or lack of maintenance to property, unless you can show you did not know about the deterioration, defect or lack of maintenance. You cannot claim for repairing the deterioration or defect or the maintenance. 3. Consequential loss Loss of use, loss of earning capacity or any other consequential loss. 4. Loss insurable or excluded under another Policy section We will not pay for loss or damage which is insurable under any other Policy section of the PDS and Policy Wording whether effected or not, or loss or damage which is excluded under any other Policy section of the PDS and Policy Wording. 5. Other risks and perils <ul style="list-style-type: none">a. Loss or damage caused by:<ul style="list-style-type: none">i. fraud or theft by you, your directors, partners, employees, officers or anyone else who has an interest in the property;ii. any unexplained inventory shortage, disappearance of property or trickery;iii. the incorrect siting of buildings as a result of an error in architectural design or specification, faulty workmanship, or noncompliance with the requirements of any government, or statutory authority;iv. the cessation of work whether total or partial, interruption, or retarding of any process or operation as part of an industrial dispute;

- v. demolitions or modifications ordered by any government or statutory authority as a result of **your** failure, or the failure of **your** agents to comply with any lawful requirement;
 - vi. erosion, landslide, mudslide, rockslide;
 - vii. subsidence, seepage, settling, shrinkage, or expansion of earth, vibration or other earth movement, unless **damage** is caused by or arises directly from an earthquake;
 - viii. **flood**;
 - ix. **animals**;
 - x. the sea including tidal wave, storm surge or high water, unless **damage** is caused by or arises directly from a tsunami;
 - xi. faulty or inadequate packing or storage;
 - xii. any faults or defects known to **you** or to any **employee** whose knowledge at law would be deemed to be **your** knowledge, and not disclosed to **us** at the time the insurance was arranged, extended, varied, renewed or reinstated;
 - xiii. **pollution** or **contamination** unless it is sudden and unforeseen;
 - xiv. kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt at any of these;
 - xv. the gaining of access by any person other than **you** or **your employees** to **your** computer systems via data communication media; or
 - xvi. spontaneous combustion, fermentation.
- b. **Loss** of or **damage** to:
- i. **glass** or signs, other than **loss** or **damage** caused by fire, storm, wind, rain, hail, lightning,
 - ii. explosion, implosion, earthquake, impact by vehicles or **animals, aircraft** and other aerial devices and/or articles dropped from them, riots or civil commotion, persons acting maliciously;
 - iii. **property** where the **loss** or **damage** was caused during the course of its processing or manufacture;
 - iv. **property** in the open air as a result of storm, wind, rainwater, cyclones or tornadoes, snow and hail unless such property is a permanent structure designed to function without the protection of walls or roof; or
 - v. boilers and pressure plant (except boilers and pressure plant for domestic purposes) resulting from its own explosion.

6. Deterioration, heat, faults and breakdown

- a. **Loss** or **damage** caused by:
- i. heating or any process involving the application of heat;
 - ii. faulty materials or workmanship or error in design or latent defect;
 - iii. gradually operating causes including but not limited to wear and tear, gradual deterioration, disease, fading, tree roots, evaporation, change in flavour, colour, or texture;
 - iv. scratching, denting, chipping, marring, developing flaws, restoration,
 - v. normal upkeep or making good;
 - vi. atmospheric moisture, rot, mould, mildew, **fungus**, rust, corrosion, oxidation, variations in temperature, action of light;
 - vii. stain or smoke from industrial operations;
 - viii. mechanical, hydraulic, electrical breakdown or electronic failure or malfunction;
 - ix. testing, intentional overloading or experiments of any kind; or
 - x. fusion of any nature except as provided by Additional benefit 5 – Fusion of small electrical motors.

The exclusions in this paragraph 6 only apply to the item, appliance, machine, unit or structure immediately affected and shall not extend to **loss** of or **damage** to any other **property** that would otherwise be covered under this Policy section.

We do not cover (cont.)

7. Cyclone and bushfire

a. **Damage** arising from:

- i. a cyclone named by the Bureau of Meteorology where the **damage** occurs within 72 hours from the commencement of this **policy**; or
- ii. a bushfire occurring within 72 hours from the commencement of this **policy**,

unless this **policy** commenced:

- ▶ immediately after another insurance policy, covering the same risk expired (the policy did not expire if it was cancelled) without a break in cover;
- ▶ the day **you** entered into a contract of sale to purchase the **property**; or
- ▶ the day **you** entered into a contract to lease the **property**.

Extra covers

If **we** agree to pay a claim under this Policy section for **loss** or **damage** arising from any **event** covered by this Policy Section, **we** will also pay or provide the following Extra covers. Unless stated otherwise below, any amounts payable under these Extra covers apply in addition to the **sum insured**.

1. Reinstatement

We cover	If we pay an amount for a claim under this Policy section we will automatically reinstate the sum insured to the amount shown on your policy schedule . You will not have to pay any additional premium.
We do not cover	This Extra cover does not apply if we pay the total declared value or full 'Building' sum insured in respect of a single claim under this Policy section. If we pay the total declared value or full 'Building' sum insured in respect of a single claim, then cover under this Policy section ends.

2. Rewriting of records

We cover	We will pay: <ol style="list-style-type: none">a. the reasonable costs of restoring the data stored on media;b. the cost of clerical labour, necessarily and reasonably incurred in rewriting, restoring or recreating the business's records; andc. the reasonable costs of rewriting, restoring, recreating or replacing any customer's records or documents held or created by you as part of your business.
We do not cover	We will not pay more than: <ol style="list-style-type: none">a. \$50,000; orb. the unexhausted portion of your 'Contents' sum insured, whichever is the greater.

3. Cost of tracing the source of water damage

We cover	<p>Following loss or damage to property caused directly or indirectly by:</p> <ol style="list-style-type: none">the discharge or leaking of water from any damaged pipe, water system (including a fire protection system such as a sprinkler system), tanks or drains installed in and servicing the building; orwater from a damaged water main in the immediate vicinity of the building, <p>we will pay:</p> <ol style="list-style-type: none">the reasonable costs of removing water, any incidental cleaning operations and searching for the unknown cause of the discharge or leak; andif water is discharged from a fire protection system, any expenses incurred by you for the attendance of the fire brigade for the purpose of shutting off the water supply following an accidental discharge of water from a fire protection system;
We do not cover	<p>We will not pay more than \$25,000 in total for all claims under this Extra cover incurred during any one (1) period of insurance.</p> <p>We will not cover the cost of repair or replacement of the defective part or parts of the pipe or water system that caused the loss or damage.</p>

4. Professional fees

We cover	<p>We will pay the reasonable cost of surveyors', architects' and other professional fees for estimates, plans, specifications, quantities, tenders and supervision, incurred in the repair or replacement of lost or damaged buildings that are covered by your claim.</p>
We do not cover	<p>For any one (1) event and, subject to the under insurance provision in this Policy section, we will not pay more than:</p> <ol style="list-style-type: none">\$25,000; orthe unexhausted portion of the sum insured relating to the damaged buildings, <p>whichever is the greater.</p> <p>This Extra cover does not apply if your policy schedule shows the building as being insured for 'Indemnity'.</p>

5. Removal of debris and temporary repairs

We cover	<p>We will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs incurred by you up to a maximum of \$50,000 for any one (1) event.</p> <p>In addition if the above costs exceed \$50,000, we will pay up to the unexhausted total declared value to cover those costs, subject to the underinsurance provision of this Policy section.</p>
We do not cover	<p>We will not pay for the costs of removing debris if:</p> <ol style="list-style-type: none">the liability to remove, store or dispose of debris has arisen as a result of any agreement made by you, unless liability would have attached in the absence of such agreement; orthe debris is itself a contaminant or pollutant that does not form part of the construction material of the building.

6. Loss of land value

We cover	If we pay for a claim for loss or damage to a building at the premises , we will pay for any reduction in land value resulting from the decision by any legal authority not to allow rebuilding or only to allow partial rebuilding of that building at the premises .
We do not cover	We will not pay more than: a. 10% of the 'Building' sum insured shown on your policy schedule ; or b. \$100,000, whichever is less.
Example	If the sum insured for the building is \$900,000, we will not pay more than \$90,000 (10% of \$900,000), as this amount is less than \$100,000).

7. Mortgage discharge costs

We cover	We cover the reasonable legal costs associated with the discharge of a mortgage or mortgages on building(s) following settlement of a claim under this Policy section for the building(s) on a total loss basis.
We do not cover	We will not pay more than \$30,000 during any one (1) period of insurance .

8. Environmental upgrade

We cover	We will pay the additional costs incurred if you elect to repair or replace property that is lost , destroyed or damaged in the period of insurance and which is covered by this Policy Section, using, or with, environmental technology, products, or materials, that improve the energy or water efficiency of the property .
We do not cover	We will not pay more than 10% of the amount we would otherwise have paid to repair or replace the property that is being upgraded.
Example	Your 'Building' sum insured is \$1,000,000 and the building is destroyed. When the building is reinstated, you are required to comply with local building regulations. You also decide to add solar energy capture technology, not required by the regulations, to power the building . We will pay up to \$100,000 for the costs of the solar energy capture technology.

9. Catastrophe inflation protection

We cover	If we agree to pay a claim for damage to your building that is a direct result of a catastrophe , we will pay up to an additional 20% of the sum insured for buildings for any additional costs incurred in rebuilding that can be directly attributed to increases in the price of services and materials as a direct result of the catastrophe . This Extra cover does not operate to increase the total sum insured for the purposes of calculating the application of any Extra cover, Additional benefits or under insurance provision in this Policy section.
Example	If your sum insured for building was \$1,000,000 we would pay up to an extra \$200,000 (20% of \$1,000,000).
We do not cover	We will not: a. pay more than the increased building costs which are actually incurred by you as a direct result of the catastrophe ; b. pay any claim under this Extra cover if you choose not to rebuild the buildings (or any part of them) at the premises shown on your policy schedule ; c. pay any claim under this Extra cover if your policy schedule shows the building as being insured for 'Indemnity'; or d. increase the sum insured to pay for damage to any property other than buildings .

10. Retail fit-out and capital additions

We cover	<p>If buildings or contents are insured and:</p> <ol style="list-style-type: none">buildings, or part of them, are in the process of being constructed, erected, altered or added to; orcontents are in the process of being installed or modified; <p>we cover loss or damage to the new additions or installations.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">any loss or damage caused by or arising out of storm, wind and rain (including snow, sleet and hail).for a building, more than:<ol style="list-style-type: none">\$500,000; or20% of the 'Building' sum insured,whichever is less.for contents, more than:<ol style="list-style-type: none">\$100,000; or20% of the 'Contents' sum insured,whichever is less.
Example	<p>The sum insured for your building at the premises is \$1,100,000 and the building is being altered. We will not pay more than \$220,000 (20% of \$1,100,000), as this amount is less than \$500,000.</p> <p>The sum insured for contents of your office is \$150,000 and you are refitting the office. We will not pay more than \$30,000 (20% of \$150,000), as this amount is less than \$100,000.</p>

11. Undamaged foundations

We cover	<p>If the building foundations at the premises are not damaged by an event that causes other damage to the building covered under this Policy section but a government or statutory authority requires reinstatement of the building to be carried out on another site, the foundations will be considered as destroyed.</p>
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12. Additional costs of repairing electronic equipment

We cover	<p>When we agree to pay any amount for damage to electronic equipment, we will also pay the following reasonable costs incurred by you and directly arising from the damage:</p> <ol style="list-style-type: none">the cost of locating the damage;freight charges up to 5% of the value of the damaged item of electronic equipment; andcharges for overtime and work on public holidays needed to return the electronic equipment to normal working condition.
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13. Emergency response cover

We cover	<p>We will pay the reasonable and necessary costs that are incurred by you and which relate only to the first 72 hour period after the event to secure your premises against further loss or damage and to enable prompt resumption of normal business operations, including, but not limited to:</p> <ul style="list-style-type: none">a. emergency costs incurred to restore utilities, such as electrician and plumbers' fees;b. any extra payments, required by law, to be paid to your staff who are required to work overtime, at night, or Sunday or holiday periods or for additional staff required to mitigate further loss or damage or enable prompt resumption of normal business operations;c. the costs of temporary repairs (including making safe) or security (including shuttering, hoarding or the hiring of security guards);d. cleaning up and dry cleaning costs of property damage caused by an event but excluding any contamination or pollution clean-up costs;e. hiring of cleaning or water extraction equipment, or power generation equipment;f. hiring of contents required to resume trading, such as replacing a damaged cash register or replacing damaged tools of trade; andg. transport and storage costs to enable safe storage of, contents, stock or specified items.
We do not cover	<ul style="list-style-type: none">a. We will not pay more than \$30,000 for all claims under this Extra cover during any one (1) period of insurance.b. We will not pay for any costs under this Extra cover that are otherwise payable under:<ul style="list-style-type: none">i. Policy section 2 – Theft;ii. Policy section 3 – Glass;iii. Policy section 4 – Money;iv. Policy section 5 – Business interruption;v. Additional benefit 1 – Prevention of loss or damage, of this Policy section; orvi. Extra cover 2 – Removal of debris and Temporary repairs, of this Policy section.c. We will not pay for:<ul style="list-style-type: none">i. any costs or expenses that do not relate to the 72 hour period immediately after the event under this Extra cover.ii. any fines, penalties, or liability incurred by you;iii. for any loss or damage to your property under this Extra cover; oriv. any event, loss or damage that would otherwise be excluded in this policy.
Example	<p>In respect of paragraph c. i. of what “We do not cover” above, under this Extra cover we will only pay those transport costs relating to items that are transported within 72 hours of the event and we will only pay the costs of any storage for the first 72 hours after the event and no storage costs relating to a period beyond the first 72 hours after the event.</p>

14. Seasonal increase period(s)

We cover	<p>We will automatically increase the sum insured in respect of stock by 35% or such other amount as is specified in your policy schedule during the seasonal increase period.</p> <p>You can nominate different seasonal increase period(s) or higher percentage increases of the stock sum insured. If you do they will be shown in your policy schedule and you must pay any additional premium that applies.</p>
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15. Floating stock

We cover	<p>Where we pay a claim for loss or damage of stock at a premises we will pay more than the 'Stock' sum insured at that premises to account for the temporary transfer of stock between premises provided that:</p> <ol style="list-style-type: none">there are at least two (2) premises on your policy schedule and a sum insured has been separately specified in your policy schedule for stock at each premises insured under this Policy section, including the affected premises; andyou transfer the stock between those premises as a usual business practice.
We do not cover	<p>We will not pay a claim under this Extra cover where stock levels in excess of the sum insured at premises have been temporarily located at that premises for a period exceeding 90 days and where we have not agreed in writing to an extended period.</p> <p>We will not pay more than the combined total of the 'Stock' sum insured for all premises.</p>

16. Rewards

We cover	<p>We will pay up to \$5,000 any one (1) event for the reasonable cost of any reward paid by you for information which results in the:</p> <ol style="list-style-type: none">apprehension; andentry of judgment against or conviction of, <p>the person(s) responsible for the loss or damage covered under this Policy Section.</p> <p>You will be required to provide evidence to satisfy us that the reward has been paid.</p>
We do not cover	<p>We do not cover any reward paid by you:</p> <ol style="list-style-type: none">to an employee, director or partner of your business, your tenant or your family; orfor information already held by or provided to us or a law enforcement authority. <p>Any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Policy Section 2 - Theft or Policy Section 4 - Money.</p>

17. External Storage of stock at the Premises

We cover	<p>We will pay up to 15% of the 'Stock' sum insured for loss or damage to stock during the period of insurance caused by an event if your stock is temporarily stored in a secure room or location within the boundaries of the building at which the premises are located.</p>
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18. Forensic cleaning expenses

We cover	We will pay up to \$2,000 for the cost of forensic cleaning to the premises following an act of violence which occurs at the premises during the period of insurance .
We do not cover	We do not cover you for more than \$2,000 during any one (1) period of insurance . We will not pay for any cleaning costs or expenses that are associated with any of the following: a. methamphetamine laboratory contamination; b. storm, flood or sewage backups; c. graffiti; d. suicides or homicides; e. human decompositions; f. bird or rodent droppings (hantavirus/histoplasmosis dangers); g. toxic mould, spore, and fungus remediation; h. illegal dumping or waste contamination or EPA breaches; i. animal and pet odours; j. bio hazard spills; k. disease outbreaks; or l. medical waste transport, treatment and disposal. Any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Extra Cover 5 - Removal of Debris, of this Policy Section.

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to both the General and Policy section Exclusions. Unless stated otherwise below, any amounts payable under these Additional benefits apply in addition to the **sum insured**.

1. Prevention of loss or damage

We cover	We will pay for the necessary costs that you incur: a. to extinguish a fire occurring during the period of insurance on or in the vicinity of your premises which causes or threatens loss or damage to your property ; b. to prevent or diminish imminent damage to your property by any other event covered occurring during the period of insurance ; or c. for the temporary protection and safety of your property at the premises necessitated by damage from an event occurring during the period of insurance , including the employment of security services.
We do not cover	We will not pay more than \$25,000 for all claims under this Additional benefit during any one (1) period of insurance . If you are insured under Policy section 2 – Theft or Policy section 4 – Money, the benefits payable under this Additional benefit shall not be cumulative with the temporary protection cover contained in those Policy sections and shall be \$25,000 for all claims under this Additional benefit during any one (1) period of insurance . We will not pay for: a. any fines penalties, or liability incurred by you ; or b. any loss or damage to your property , under this Additional benefit.

2. Temporary removal of stock and contents

We cover	<p>We will pay for loss or damage to stock and contents during the period of insurance caused by an event if the stock or contents:</p> <ul style="list-style-type: none">a. have been temporarily removed from the premises, and are stored in a temporary storage facility, self storage unit or bulk storage facility; orb. are in transit to or from the premises by road, railway, inland waterway or air.
We do not cover	<p>We will not pay more than 20% of the 'Contents' sum insured for contents temporarily removed.</p> <p>We will not pay more than 20% of the 'Stock' sum insured for stock temporarily removed.</p> <p>We will not pay for loss of or damage to:</p> <ul style="list-style-type: none">a. stock or contents located outside Australia at the time of loss or damage;b. stock or contents that have been removed from the premises for a period greater than 90 days at the time of loss or damage;c. stock or contents in open vehicles caused by wind, water hail or storm unless it is appropriately protected by vehicle sheets such as tarpaulins;d. stock that you have consigned to another person for sale;e. stock or contents while in transit or in the open air;f. directors' and employees' tools of trade and personal effects; org. motor vehicles, except for fork lift trucks and similar appliances that are used for hauling or conveying goods at the premises.
Example	<p>If the sum insured for stock is \$20,000 and the sum insured for contents is \$50,000 and there is loss or damage to stock and contents that have been temporarily removed from the premises as a result of an event, we will pay up to \$4,000 (20% of \$20,000) for stock and up to \$10,000 (20% of \$50,000) for contents.</p>

3. Damage to business records away from the premises

We cover	<p>We will pay for loss or damage to computer system records, documents, manuscripts, plans, drawings, designs and business books of every description used for the purposes of your business if they are lost or damaged in a motor vehicle accident or stolen from a locked vehicle in the period of insurance.</p>
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4. Landscaping

We cover	<p>We will pay for loss of or damage to landscaping at the premises during the period of insurance arising from an event.</p> <p>Landscaping includes trees, shrubs, plants and lawns.</p>
We do not cover	<p>We will not pay more than \$10,000 for any one (1) event.</p> <p>We will not pay for any loss of or damage to landscaping which occurs as a result of:</p> <ul style="list-style-type: none">a. storm, wind and rain (including snow, sleet or hail);b. malicious acts (including by vandals and thieves); orc. the actions of animals.

5. Fusion of small electric motors

We cover	<p>We will pay for the burn out of electric motors which form part of buildings or contents insured under this Policy section during the period of insurance, if the burn out is caused by or directly due to the electric current.</p>
We do not cover	<p>We will not pay for burn out of electric motors greater than 1.8 kilowatts (2.5 horse power).</p>

6. Theft of external property

We cover	If you own but do not occupy a building shown as insured under this Policy section at a premises , we will cover you for the theft in the period of insurance of plant, plumbing or wiring services that are not part of that building but which are securely attached (by means other than the connection to a power point) to the building structure.
We do not cover	We will not cover you for more than \$10,000 in the aggregate during the period of insurance for all claims under this Additional benefit. We will not pay for any loss or damage caused by your family or your tenants. We will not pay any claims under this Additional benefit if you have selected Policy section 2 – Theft.

7. Directors' and employees' tools of trade and personal effects

We cover	We will pay for loss of or damage to directors' and employees' tools of trade and personal effects caused by an event the subject of a claim, as if they were contents .
We do not cover	We will not pay more than \$5,000 for any one person for any one (1) event and \$10,000 in aggregate for any one (1) period of insurance . Any amount we pay for this Additional benefit will be included in the 'Contents' sum insured . We will not pay for loss or damage to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instruments, curios, works of art, jewellery, money , credit cards or medical devices. If the tools of trade or personal effects are covered under another insurance policy, we will only pay for the loss or damage not otherwise covered by the other policy.

8. Temporary cover for new premises

We cover	We will cover you for loss or damage occurring during the period of insurance to any new premises arising from an event , as if that premises was shown in your policy schedule as an insured premises, provided that: a. you first occupy the new premises during the period of insurance ; b. the business carried on at or from the new premises is the same as the business shown in your policy schedule ; c. the property at the new premises is of the same nature as the property located at a premises and would have been covered if they were located at a premises ; and d. the buildings at the new premises are constructed of the same materials, and have the same or superior security features as those at one of the premises shown in your policy schedule .
We do not cover	We will not cover you for: a. more than 20% of the highest total sum insured for any premises shown in your policy schedule ; or b. any loss or damage at the new premises that occurs more than 60 days after you first occupy the new premises.
Example	In respect of paragraph (a) in what "We do not cover" above, if you insure two existing premises , one which has a sum insured for all property totalling \$1,000,000 and the other which has a sum insured for all property totalling \$2,000,000, then any new premises will be covered for up to \$400,000 (20% of \$2,000,000, the higher of the two sums insured for all property at a premises).

9. Damage to vacant buildings

We cover	<p>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:</p> <ol style="list-style-type: none">the cost of temporary shuttering necessary pending replacement of the broken glass;the costs incurred in replacing reflective materials and burglar alarm tapes and connections attached to the glass;the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings, but not to bars, grilles or shutters; andthe cost incurred in repairing or replacing tiles on shop and office fronts and around the glass.
We do not cover	<p>We will not pay more than \$5,000 during any one (1) period of insurance for all claims under this Additional benefit.</p> <p>We will not cover you for any breakage of:</p> <ol style="list-style-type: none">glass caused by or arising out of fire or the application of heat;glass:<ol style="list-style-type: none">when in transit or whilst being fitted into position or removed from its fitting;in light fittings;that is cracked or imperfect prior to breakage;that is not fit for the purpose intended; orthat is in a glasshouse.tiles on shopfronts and office fronts, other than around the broken glass; orplastic or Perspex signs. <p>We will not cover any claims under this Additional benefit if:</p> <ol style="list-style-type: none">you have selected Policy section 3 – Glass;your building is leased to a tenant; orthe premises has remained unoccupied or untenanted for a continuous period longer than 60 days and we have not agreed to an extended period in writing. <p>The excess that applies to this Additional benefit is:</p> <ol style="list-style-type: none">the excess shown in your policy schedule; or\$500, <p>whichever is more.</p>

10. Franchise refurbishment contribution

We cover	If we agree to pay a claim for damage to your building or contents that is a direct result of an event covered under this Policy section, we will pay up to 15% of the sum insured for buildings or contents for any additional and reasonable costs incurred by you in respect of bringing forward any scheduled refurbishment costs in order to comply with your franchise agreement conditions.
We do not cover	<p>This Additional benefit does not operate to increase your total declared value for the purposes of calculating the application of any Extra cover, Additional benefit or Policy Section Condition 1 – Underinsurance.</p> <p>We will not pay more than the increased fit-out costs which are actually incurred by you as a direct result of an event.</p> <p>We will not pay any claim under this Additional Benefit if you choose not to rebuild the buildings (or any part of them) or repair or replace contents at the premises shown in your policy schedule.</p> <p>We will not increase the sum insured to pay for damage to any property.</p> <p>Any cover given under this Additional benefit shall not accumulate with Extra cover 8 – Environmental upgrade, Extra cover 9 – Catastrophe inflation or Additional benefit 11 – Shopping centre fit-out contribution, of this Policy Section.</p>

11. Shopping centre fit-out contribution

We cover	If we agree to pay a claim for damage to your building or fixtures and fittings that is a direct result of an event covered under this Policy section, we will pay up to 15% of the sum insured for buildings for any additional and reasonable costs incurred by you in respect of bringing forward any scheduled refurbishment costs in order to comply with your lease agreement conditions.
We do not cover	<p>This Additional benefit does not operate to increase your total declared value for the purposes of calculating the application of any Extra cover, Additional benefit or Policy Section Condition 1 – Underinsurance.</p> <p>We will not pay more than the increased fit-out and refurbishment costs which are actually incurred by you as a direct result of an event.</p> <p>We will not pay any claim under this Additional Benefit if you choose not to refit the building or fixtures and fittings (or any part of them) at the premises shown in your policy schedule.</p> <p>We will not increase the sum insured to pay for damage to any property.</p> <p>Any cover given under this Additional benefit shall not accumulate with Extra cover 8 – Environmental upgrade, Extra cover 9 – Catastrophe inflation or Additional benefit 10 – Franchise refurbishment contribution.</p>

What we pay

The maximum **we** will pay for any one (1) claim, other than a claim for a **specified item**, under this Policy section is the total of all **sum insured** amounts as shown in **your policy schedule** or adjusted in accordance with this Policy section, whichever is the greater.

The maximum amount **we** will pay in respect of a **specified item** is the **sum insured** noted for that item under the heading 'Other' in **your policy schedule**.

For **contents** that are works of art, antiques or curios **we** will only pay the value of the item up to a maximum of \$10,000 for each item, unless they are a **specified item**. For any item of **contents** or for any **specified item** that is part of a pair or set **we** will pay the relevant limit that applies to the pair or set.

1. Building(s), specified items or contents apart from customers' goods

Reinstatement or replacement

Unless the **policy schedule** shows **you** are insured for 'Indemnity' then, when **buildings, specified items** or **contents** apart from **customers' goods** are **lost** or destroyed **we** will, at our option:

- a. rebuild the **buildings** at the **premises** shown in **your policy schedule** or at another site;
- b. replace **contents** or **specified items** with similar property;
- c. pay **you** the amount shown on the **proof of your purchase** for **specified items**;
- d. pay **you** the amount of a valuation by the Auctioneers and Valuers Association of Australia for **specified items** of works of art, antiques and curios; or
- e. pay the cost of rebuilding or replacing the **buildings, specified items** or **contents**.

If the **buildings, specified items** or **contents** apart from **customers' goods** are **damaged**, then **we** will, at **our** option:

- a. repair or replace the **buildings, specified items** or **contents**; or
- b. pay the cost of repairing or replacing the **buildings, specified items** or **contents**.

Reinstatement or replacement is subject to the following conditions:

- a. the work of rebuilding, replacing or repairing must be commenced and completed by **you** within a reasonable time otherwise the amount **we** pay will be the indemnity value of the property. This means **we** will reduce the amount **we** pay **you** to take into account age, wear, tear and depreciation.
- b. when rebuilding at another site, **we** will not pay more than **we** would pay to rebuild at the **premises**.
- c. when any **property** is **damaged**, but not destroyed, **we** will not pay more than the amount that **we** would have been required to pay if that **property** had been destroyed.
- d. **we** will only pay to return the insured **property** to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in Australia.

2. Indemnity (Optional reduction in cover)

If the **policy schedule** shows **you** are insured for 'Indemnity' then, for any **loss** or **damage** to **building(s)** or **contents** apart from **customers' goods** **we** will, at **our** option:

- a. repair, reinstate or replace the **building(s)** or **contents**;
- b. pay **you** the market value of the **building(s)** or **contents** at the time of its **loss** or **damage**; or
- c. pay the cost of repair or replacement.

In all cases, where appropriate, **we** will reduce the amount **we** pay **you** to take into account age, wear, tear and depreciation.

3. Extra costs of reinstatement or replacement: Building is not a heritage building

If **you** are insured under this Policy section on a reinstatement or replacement basis, **we** will also pay the extra cost of reinstatement or replacement of **buildings** which are necessarily incurred to comply with the requirements of any Act of Parliament or any by-law or regulation of any Municipal or other statutory authority, other than those relating to heritage status of the **building**.

The extra costs of reinstatement or replacement is subject to the following conditions:

- a. the work of reinstatement must be commenced and completed within a reasonable time;
- b. the amount payable will not include any additional costs in complying with any requirement that **you** were required to comply with before the **loss** or **damage** occurred; and

- c. if the cost of reinstatement of the **building** is less than 50% of what would have been the cost of reinstatement if that **building** had been totally destroyed, then the amount **we** will pay will;
 - i. be limited to the extra cost necessarily incurred in reinstating the damaged portion of the **building** only;
 - ii. not include any extra cost in relation to any portion of the **building** which is not damaged; and
 - iii. will not exceed, in any event, the amount that **we** would have paid if that **building** had been totally destroyed.

4. Extra costs of reinstatement or replacement: Heritage building

If **you** are insured under this Policy section on a reinstatement or replacement 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 location, **we** will pay the extra costs of repairing, replacing, or reinstating the **building**, that are related to obtaining special materials or employing specialised labour to match up or reproduce unique or distinctive ornamental or architectural features of the **building** to comply with standards imposed by a lawful heritage protection authority.

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

The extra costs of reinstatement or replacement of a heritage building is subject to the following conditions:

- a. the work of reinstatement must be commenced and completed within a reasonable time; and
- b. the amount payable will not include any additional costs in complying with any requirement that **you** were required to comply with before the **loss** or **damage** occurred.

5. Loss of floor space

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

- a. an Act of Parliament or regulations; or
- b. a by-law or regulation of any Municipal or other statutory authority;

we will, in addition to reinstating or replacing the **building** on the basis set out above for the **building** with a reduced floor space, pay **you** the difference between:

- a. the actual cost of rebuilding the **building** with the reduced floor space; and
- b. the estimated cost of rebuilding the **building** with the floor space it had at the time of its destruction.

6. Stock and customers' goods

If **stock** or **customers' goods** are **lost** or **damaged**, **we** will, at **our** option:

- a. pay the market value of the **stock** or **customers' goods** at the time of the **loss** or **damage** up to but not exceeding the **sum insured** for **stock** under the Property damage section in **your policy schedule**;
- b. pay **you** the market value of obsolete **stock** or its purchase price (net of GST), whichever is the lesser, but no more than the original cost to **you**;
- c. replace or repair the **stock** or **customers' goods** with property or materials equal to or of a similar standard and specification as the **stock** or **customers' goods** at the time it was **lost** or **damaged**; or
- d. pay the cost of repair or replacement of the **lost** or **damaged stock** or **customers' goods**.

7. Branded stock

We will not sell branded **stock** as salvage without **your** consent.

If **you** do not agree to **us** selling the branded **stock** as salvage, **we** will pay the market value of the **stock** after brands, labels or names have been removed.

8. Electronic equipment

For valves, tubes and light sources in **electronic equipment** **we** will, at **our** option:

- a. replace or repair the valves, tubes or light sources as far as possible to the condition they were at the time of **loss** or **damage**; or
- b. pay the cost of repair or replacement.

In either case, for valves, tubes and light sources **we** will reduce what **we** pay **you** to take into account wear and tear, depreciation and betterment.

Excess

You must pay the **excess** shown in **your policy schedule** that applies to a claim under this Policy section.

If **you** are making a claim for **loss** or **damage** covered under Additional Benefit 9 – Damage to Vacant Buildings, the **excess** for each claim is \$500 or the **excess** shown on **your policy schedule**, whichever is more.

If **you** are making a claim for **loss** or **damage** as a result of earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 consecutive hours, the **excess** for each claim is the lesser of:

- a. \$20,000.00; or
- b. 1% of the total **sum insured** specified in **your policy schedule** that relate to the **damaged property** at the **premises**.

For example where the **sum insured** in **your policy schedule** for 'Buildings' is \$1,000,000 and the **sum insured** for 'Contents' is \$500,000 and an earthquake causes **damage** to the **buildings** and **contents**, **you** will be required to pay an **excess** of \$15,000 (1% of \$1,500,000) as this amount is less than \$20,000.

You will only be required to pay one (1) **excess** for **damage** that results from earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 consecutive hours. **Damage** arising from any of these that occurs more than 72 hours after the event will be considered to be a separate event in which case **you** will be required to pay an additional **excess**.

Policy section conditions

These conditions apply to all covers and claims under this Policy section.

1. Underinsurance

In the event of **loss** or **damage** covered under this Policy section:

- a. for claims settled on a reinstatement or replacement basis, **we** will be liable for no greater proportion of the **loss** or **damage** than the **total declared value** for all **property** (excluding **specified items**) at the **premises** where the **loss** or **damage** occurs, bears to 80% of the cost (net of any **input tax credit** that **you** could claim) which would have been incurred in reinstatement at the time when the **policy** was entered into, if the whole of the **property** (excluding **specified items**) had been destroyed at that time; or
- b. for claims settled on an indemnity basis, **we** will be liable for no greater proportion of the **loss** or **damage** than the **total declared value** specified for all **property** (excluding **specified items**) at the **premises** where the **loss** or **damage** occurs, bears to 80% of the indemnity value (less any Goods and Services Tax component of that value) of the **property** (excluding **specified items**) at the time when the **policy** was entered into.

This condition does not apply if the amount of any **loss** or **damage** (net of any **input tax credit** that **you** could claim) is less than 5% of the **total declared value** for all **property** (excluding **specified items**) at the **premises** where the **loss** or **damage** occurs.

2. Sprinklers and fire alarm systems

All fire protection systems (either manual or automatic sprinkler or alarm systems) in the **building(s)** and which **you** own or have responsibility for maintaining must be maintained in accordance with the Australian Standards Maintenance Series (A.S. 1851 or any subsequent amendments).

3. Indexation

If shown in **your policy schedule** that indexation applies, **we** will automatically adjust those values, as shown in **your policy schedule**, each year according to the most appropriate price index (as determined by **us**) and any other relevant indices published by the Australian Bureau of Statistics.

The premium **you** pay will be based on the adjusted total value/s as shown in **your policy schedule**.

4. Hazardous goods

Hazardous goods used in the **business** must be stored in quantities and manner as permitted by statutory obligations, by-laws, regulations, public authority requirements and safety requirements.

5. Seasonal increase period

You do not have to tell **us** what the dates of the **seasonal increase period** are. However, if **you** make a claim under this Policy Section then **your** financial records over the previous two (2) years must substantiate the period as a **seasonal increase period**. If the **business** is less than 2 years old, **you** can use the financial records of **your business** from the date of commencement until the date of the **loss** or **damage** to substantiate **your** claim.

Worked dollar claim example 1

The following worked dollar claim examples are designed to assist **you** in understanding some of the benefits in this Policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of **your policy** terms and conditions. The following examples should be used for general guidance only.

You have cover for a **building** that is used as both an accountant's office and **your** residence. For this reason it is a **home building**. Indemnity is not shown in **your policy schedule**, so **you** have cover on a replacement value basis. The total of all **sum insured** values in **your policy schedule** is shown as \$400,000 (the total of the **sum insured** shown in **your policy schedule** for the **building** of \$380,000 and **contents** of \$20,000) and the **excess** shown in **your policy schedule** is \$250.

When setting the 'Building' **sum insured** **you** must consider the costs to remove debris and payment of any architect fees. The **building** is **damaged** in a storm and **we** assess the cost of repairs to be \$50,000.

How much we pay		Further information
Cost of repairing the storm damage to your building	\$50,000	We normally decide the building is repairable if the cost of repairing the building is less than the sum insured (in this example the sum insured is \$380,000).
Removal of debris	+\$30,000	In addition to the damage to the building , the storm has created building debris that requires cleaning up and removal. The most we will pay under Extra cover 5 of this Policy section for removal of debris is \$50,000.
Less excess	-\$250	We deduct this from the amount we pay. We may require you to pay this amount directly to the repairer.
Total claim	\$79,750	We normally pay this amount directly to the repairer.

Underinsurance on a partial loss

In the above example, if the actual replacement value of the **building** at the time the policy was entered into was \$580,000 but **you** had only insured the **building, contents** and **stock** for \$400,000, the amount **we** pay will be reduced in accordance with the underinsurance condition in this Policy section.

The amount **we** would pay before **we** deduct the **excess** will be calculated as follows:

$$\text{Total claim of } \$80,000 \times \frac{\$400,000}{(80\% \times \$580,000)} = \$68,966$$

Worked dollar claim example 2

You have cover for a **building** that is used as both an architect's office and **your** residence. For this reason it is a **home building**. Indemnity is not shown in **your policy schedule** so **you** have cover on a replacement value basis. The **sum insured** in **your policy schedule** is shown as \$2,500,000 and the **excess** shown in **your policy schedule** is \$250. The **building** is **damaged** in an earthquake and **we** assess the cost of repairs to be \$1,000,000.

How much we pay		Further information
Cost of repairing the earthquake damage to your building	\$1,000,000	We normally decide the building is repairable if the cost of repairing the building is less than the sum insured (in this example the sum insured is \$2,500,000).
Removal of debris	+\$80,000	In addition to the damage to the building , the earthquake has created building debris that requires cleaning up and removal at a cost of \$80,000. The most we will pay under Extra cover 5 of this Policy section for removal of debris is \$50,000. However, as the removal of debris costs are more than \$50,000 and the total declared value has not been exhausted, we will pay up to the unexhausted amount remaining from the total declared value to cover the removal of debris costs not covered by Extra Cover 5.
Less excess	-\$20,000	We deduct this from the amount we pay. We may require you to pay this amount directly to the repairer.
Total claim	\$1,060,000	We normally pay this amount directly to the repairer.

Definitions

These defined words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

Catastrophe

A large scale destructive **event**, in the area where the **premises** is located, which either:

- c. the Insurance Council of Australia has declared to be an 'insurance catastrophe event'; or
 - d. as a consequence of the **event**, the relevant government authority has declared a state of emergency.
-

Contents

Business and office furniture, tools of trade and equipment used by **you** in the **business**.

Contents means:

- a. unused stationery and printed books;
- b. where **you** are a tenant of a leased or rented premises:
 - i. property owner's fixtures and fittings, window blinds and floor coverings for which **you** are liable under the terms of a lease or similar agreement;
 - ii. fixtures and fittings installed by **you** for **your** use in the **business**; and
 - iii. installed fixtures and fittings, window blinds, cool rooms, awnings, CCTV and other security systems, exterior lights, masts, antennae and aerials, fixed external signs and **air conditioner** units including external compressors and pipes at **your premises**;
- c. **money** up to \$500;
- d. plant and **machinery**, communications systems, fixtures and fittings, signs and awnings;
- e. computers, word processors, printers, scanners and other peripheral equipment and other **electronic equipment** or electronic **data** processing systems;
- f. digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines;
- g. **data, media**, records, documents, manuscripts, plans, drawings, designs and **business** books, but only for the value of these materials in their unused or uninstalled state or as blank stationery;
- h. works of art, antiques or curios;

Contents does not mean:

- a. **stock**;
 - b. **specified items**;
 - c. jewellery, precious metals or stones, bullion or furs;
 - d. vehicles registered for road use, caravans, trailers, **watercraft, aircraft, hovercraft**, rolling stock and locomotives or their accessories;
 - e. live **animals**;
 - f. plants, shrubs, lawns, growing crops, pastures and standing timber;
 - g. directors' and **employees** tools of trade and **personal effects**; or
 - h. **customer's goods** or records and documents held or created by **you** as part of **your business**.
-

Property

The property means **Building(s)**, **Contents**, **Stock** and/or **Specified Items** at the **premises**.

Specified items

Each item of property that is specifically described under 'Other' in **your policy schedule**.

Total declared value

The aggregate of the **sum insured** amounts for this Policy section listed in **your policy schedule**, or adjusted in accordance with this Policy section, whichever is the greater. The total declared value does not include any amount for **specified items**.

Policy section 2 – Theft

Please note that if **you** are insuring a **home building** under this Policy section **you** should also read Part C of this **PDS**.

About this Policy section

This Policy section covers the **loss** of or **damage** to **your contents, specified items** and **stock** from **theft**, attempted **theft**, armed hold up or an actual or threatened assault. **You** are not covered for **theft** of **contents** kept in the open air.

You can claim for **loss** of or **damage** to your **contents, specified items** and **stock** as described under what “We cover” if:

- A. “Theft” is shown in **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**;
- C. the **loss** or **damage** is not excluded under what “We do not cover”; and
- D. the **loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

We cover	We cover loss of or damage to your contents, stock and specified items caused by theft.
We do not cover	This Policy section does not cover: 1. Theft by you, your employees or family Loss of or damage to property insured caused by you, your employees or any member of your family . 2. Glass The breakage of glass (as those terms are defined in Policy section 3 – Glass), or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass . 3. Open space Except as expressly provided by Additional benefit 2 – Theft of External Property of this Policy section, loss of or damage to property insured from or in any open space, whether fenced or unfenced, outside the walls of the building . 4. Certain events insured under Policy section 1 – Property damage Loss of, or damage to, property insured : <ul style="list-style-type: none">a. resulting from or as a consequence of fire; orb. arising during or as a consequence of earthquake, tsunami, subterranean fire, volcanic eruption, riot or civil commotion, unless you are able to prove that the loss or damage occurred independently of these events . 5. Consequential loss Loss of use, loss of earning capacity and any other consequential loss.

Extra covers

If **we** agree to pay a claim under this Policy section for **loss** or **damage** caused by **theft**, **we** will also pay or provide the Extra covers set out below.

Any amounts payable under these Extra covers do not apply in addition to the **sum insured** specified in **your policy schedule**.

1. Reinstatement

We cover	If we pay an amount for a claim under this Policy section we will automatically reinstate the sum insured to the amount shown in your policy schedule . You will not have to pay any additional premium.
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2. Damage to rented buildings

We cover	<p>We will insure you for damage to the buildings that you occupy as a tenant if you are legally liable for that damage under your tenancy agreement, provided that the damage is due to theft at the buildings which occurs during the period of insurance.</p> <p>The maximum we will pay for any one (1) event under this Extra cover is \$5,000.</p> <p>If you want to increase the amount of cover for damage to rented buildings, you must have selected Optional insurance 1 – Additional damage to rented buildings, of this Policy section.</p>
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3. Temporary protection

We cover	We will pay the reasonable and necessary costs of temporary protection incurred, or the employment of guards or watchman by you , for the safety and protection of the building pending repair of damage to the building caused by theft .
We do not cover	<p>We will not pay more than \$5,000 for any one (1) event.</p> <p>Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or Policy section 4 – Money.</p>

4. Replacement of locks and keys

We cover	<p>We will pay the reasonable cost of replacing locks, keys and combinations used in the business if, as a result of theft, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated.</p> <p>We will also pay the reasonable cost of opening safes and strongrooms because of the theft of keys or combinations during a theft.</p>
We do not cover	<p>We will not pay more than \$5,000 for any one (1) event.</p> <p>Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or under Policy section 4 – Money.</p>

5. Rewriting of documents

We cover	We will pay for any reasonable labour costs incurred in reproducing or making good documents that are stolen including customers' documents created or being held by you as part of your business .
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6. Seasonal increase in stock

We cover	<p>We will automatically increase the sum insured in respect of stock by 35% or such other amount as is specified in the policy schedule during the seasonal increase period.</p> <p>You can nominate different seasonal increase period(s) or higher percentage increases of the stock sum insured. If you do they will be shown in your policy schedule and you must pay any additional premium that applies.</p>
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7. Rewards

We cover	<p>We will pay up to \$5,000 any one (1) event for the reasonable cost of any reward paid by you for information which results in the:</p> <ol style="list-style-type: none">apprehension; andentry of judgment against or conviction of, <p>the person(s) responsible for the loss or damage covered under this Policy Section.</p> <p>You will be required to provide evidence to satisfy us that the reward has been paid.</p>
We do not cover	<p>We do not cover any reward paid by you:</p> <ol style="list-style-type: none">to an employee, director or partner of your business, your tenant or your family; orfor information already held by or provided to us or a law enforcement authority. <p>Any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Policy Section 1 - Property Damage or Policy Section 4 - Money.</p>

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to both the General and Policy section Exclusions. Any amounts payable under these Additional benefits do not apply in addition to the **sum insured** specified in **your policy schedule**.

1. Theft of external property

We cover	<p>We will cover you for loss or damage occurring during the period of insurance to contents that are securely and permanently affixed (by means other than the connection to a power point) to the outside of the building as a result of theft or any attempted theft.</p>
We do not cover	<p>We will not pay more than:</p> <ol style="list-style-type: none">\$5,000; orthe 'Contents' sum insured, <p>whichever is less during the period of insurance.</p>

2. Directors and employees tools of trade and personal effects

We cover	<p>We will pay for loss of or damage to directors' and employees' tools of trade (excluding motor vehicles and their accessories) and personal effects caused by theft as if they were contents.</p>
We do not cover	<p>We will not pay for loss or damage to tools of trade or personal effects to the extent they are otherwise covered under another insurance policy.</p> <p>We will not pay more than \$5,000 for any one person and \$10,000 in aggregate for any period of insurance. Any amount we pay for this Additional benefit will be included in the 'Contents' sum insured.</p> <p>We will not pay for loss or damage to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instrument, curios, works of art, money or credit cards.</p> <p>Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 4 – Money.</p>

3. Employee dishonesty

We cover	We will cover you for loss of contents and stock as a direct result of employee dishonesty during the period of insurance if discovered within thirty one (31) days of the employee dishonesty occurring.
We do not cover	<p>This Additional benefit does not cover:</p> <ul style="list-style-type: none">a. any loss arising from the conduct of an employee after you have knowledge of or information about any prior act of fraud or dishonesty by the employee;b. any loss arising from the conduct of an employee outside Australia;c. any loss where you are unable to identify which employee is responsible;d. any loss or part of a loss arising from the conduct of an employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation;e. fraud or dishonesty committed by your family; orf. fraud or dishonesty committed by any of your employees committed with your connivance. <p>We will not cover you for more than:</p> <ul style="list-style-type: none">a. \$2,500 for any one (1) act of employee dishonesty; andb. \$5,000 in total for all claims for employee dishonesty during the period of insurance. <p>We will not cover any claims under this Additional benefit if you are insured under Policy section 7 – Management liability, Optional insurance 1 – Employee dishonesty. Further, any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 4 – Money.</p>

4. Developing security images

We cover	We will cover you for the cost of developing images stored on media from security cameras following a theft or attempted theft of property insured at the building during the period of insurance .
We do not cover	<p>We will not cover you for more than \$1,000 in total for any one (1) event.</p> <p>Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 4 – Money.</p>

5. Funeral expenses

We cover	<p>We will cover you for burial or cremation costs if any director, employee, officer or business partner sustains a fatal injury provided:</p> <ul style="list-style-type: none">a. their death directly results from an assault that occurs during a theft or attempted theft in the period of insurance of property insured owned by you or for which you are legally responsible; andb. the death occurs within six (6) months of the assault.
We do not cover	<p>We will not cover you for more than \$10,000 to be paid to the estate of the deceased person.</p> <p>Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 4 – Money.</p>

6. Trauma Counselling expenses

We cover	<p>We will cover counselling expenses for any employee who suffers psychological trauma where:</p> <ol style="list-style-type: none">the trauma results from the employee being a victim or witness of an assault or murder that occurs in connection with a theft or attempted theft in the period of insurance of property insured owned by you or for which you are legally responsible; andthe treatment is certified as necessary by an accredited medical practitioner and is provided by an accredited psychologist or psychiatrist (who is not related to you or the employee).
We do not cover	<p>We will not pay more than \$500 per consultation, for the cost of counselling up to a maximum of \$5,000 for any one (1) event.</p> <p>We will reduce any payment made under this Additional benefit to the employee by the amount they are entitled to receive from Medicare, workers' compensation insurance or any Private Health Fund.</p>

7. Theft without forced entry

We cover	<p>We will cover you for loss or damage occurring during the period of insurance to contents and specified items in the building as a result of theft where there are no signs of forcible and violent entry to or exit from the building.</p>
We do not cover	<p>We will not cover you for more than \$5,000 for any one claim under this Additional benefit.</p> <p>We will not pay a claim for loss of or damage to stock under this Additional benefit.</p>

8. Temporary cover for new premises

We cover	<p>We cover loss of or damage during the period of insurance to stock or contents at any new premises which you first occupy during the period of insurance, as if that premises was shown in your policy schedule as an insured premises, provided that:</p> <ol style="list-style-type: none">the business carried on at or from the premises is the same as the business shown in the policy schedule;only stock or contents that would have been covered if it were located at the buildings, will be covered at the new premises; andthe new premises has the same or superior security features as those at one of the premises shown in your policy schedule <p>You must provide us with full details of the new premises. If we agree to cover stock or contents at the new premises, you must pay any additional premium we ask for.</p>
We do not cover	<p>For any event covered by this Additional benefit, we will not pay more than 20% of the sum insured for stock or contents (as the case may be) shown in your policy schedule.</p> <p>We do not cover you:</p> <ol style="list-style-type: none">if you have owned or leased the new premises for more than 30 days;if we have not agreed to cover the new premises under this policy; orfor loss of any contents or stock which you do not own, or for which you are not legally responsible.

9. Damage to a safe or strongroom

We cover	<p>We will cover you for loss or damage to the safe or strongroom in the building as a result of attempted theft or theft of contents or stock kept inside the safe or strongroom during the period of insurance.</p>
We do not cover	<p>If you are insured under Policy Section 4 – Money and you are entitled to claim for damage to the safe or strongroom under that Policy section, we will not pay for any damage to the safe or strongroom under this Additional benefit.</p>

10. Temporary removal of property

We cover	We cover loss of or damage during the period of insurance to stock or contents while temporarily removed from the premises or while in transit to or from the premises , by road , railway, inland waterway or air.
We do not cover	<p>For an event covered by this Additional benefit we will not pay more than 20% of the sum insured for stock or contents (as the case may be) shown in your policy schedule.</p> <p>We will not pay for loss of or damage to stock or contents arising from or in connection with:</p> <ol style="list-style-type: none">theft from an unattended vehicle, unless all of the doors and windows of the vehicle are closed and locked with any alarm or immobiliser activated; ortheft from the open air. <p>We do not cover stock or contents which have been removed from the premises for more than ninety (90) consecutive days, unless we have agreed in writing during the period of insurance that the stock or contents in question could be removed for a longer period and that period has not been exceeded.</p> <p>We do not cover loss due to dishonesty or insolvency of persons to whom the stock or contents are entrusted.</p>

Optional insurance

We will provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown in **your policy schedule**.

Any amount payable under this Optional insurance applies in addition to the **sum insured**.

1. Additional damage to rented buildings

We cover	<p>We will cover you for damage to the buildings that you occupy as a tenant if you are legally liable for that damage under your tenancy agreement, provided that the damage is due to theft occurring during the period of insurance.</p> <p>This sum insured will be in addition to the amount specified in Extra cover 2 – Damage to Rented Buildings, of this Policy section.</p>
We do not cover	<p>We will not cover you for more than the ‘Additional damage to rented premises’ sum insured shown in the policy schedule for any one (1) claim under this Optional insurance.</p>

What we pay

At **our** option, **we** will:

- with respect to **stock**:
 - pay **you** the market value of the **stock** at the time of the **loss** or **damage**;
 - pay **you** the value of **obsolete stock** or its purchase price, whichever is the lesser, but no more than the original cost to **you**;
 - replace or repair the **stock** with property or materials equal to or of a similar standard and specification as the **stock** before it was **damaged**; or
 - pay the cost of repair or replacement of the **stock**.
- with respect to **contents**:
 - repair or replace the **contents**; or
 - pay **you** the cost of repair or replacement of the **contents**.
- For **contents** that are works of art, antiques or curios, **we** will only pay the value of the item up to a maximum of \$10,000 for each item.

The maximum amount **we** will pay, in respect of **contents** is the ‘Contents’ **sum insured** in **your policy schedule**.

The maximum amount **we** will pay, in respect of **stock** is the ‘Stock’ **sum insured** in **your policy schedule**.

The maximum amount **we** will pay in respect of a **specified item** is the **sum insured** noted for that item under the heading ‘Other’ in **your policy schedule**.

Excess

You must pay the usual **excess** of \$250 or the **excess** shown in **your policy schedule** (whichever is more) that applies to a claim under this Policy section.

The **excess** that applies to Additional benefit 1 – Theft of External Property is the greater of the **excess** shown in **your policy schedule** or \$200.

Policy section conditions

These conditions apply to this Policy section.

1. Monitored burglar alarms

If **you** own or have responsibility for operating and maintaining a burglar alarm for the purposes of the **business**, the alarm system must be tested and used in accordance with the manufacturers specifications. The burglar alarm must be activated whilst the **building** is unoccupied.

Testing and use includes resistance checking the battery, alarm detection coverage and transmission to the monitoring station.

2. Valuables

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

3. Seasonal increase period

You do not have to tell us what the dates of the **seasonal increase period** are. However, if **you** make a claim under this Policy Section then your financial records over the previous two (2) years must substantiate the period as a **seasonal increase period**. If the **business** is less than 2 years old, **you** can use the financial records of **your business** from the date of commencement until the date of the **loss** or **damage** to substantiate **your** claim.

Definitions

The following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 27.

Contents

Business and office furniture and equipment used by **you** in the **business** and includes:

- a. unused stationery and printed books;
- b. **money** up to \$250;
- c. plant and **machinery**, communications systems, fixtures and fittings and floor coverings;
- d. **electronic equipment** including but not limited to mobile phones, laptops, palm pilots, computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines, electronic cash registers, lottery equipment, electronic scales and electronic testing or analysing equipment used by **you** in the **business**.
- e. computer systems, **data**, **media**, records, documents, manuscripts, plans, drawings, designs and **business** books, but only for the value of these materials in their unused or uninstalled state or as blank stationery together with the cost of restoring the **data** stored on **media** or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the records;
- f. current patterns, models, moulds and dies used in the **business** but limited, unless repaired or replaced, to the value stated in **your** financial records at the time of **damage**; or
- g. works of art, antiques and curios;

Contents does not mean:

- a. **stock**;
 - b. directors' and **employees'** tools of trade and **personal effects**;
 - c. **money** where the **loss** or **damage** is greater than \$250;
 - d. jewellery, precious metals or stones, bullion or furs;
 - e. motor **vehicles** registered for road use, caravans, trailers, **watercraft**, **hovercraft**, **aircraft**, rolling stock and locomotives or their accessories;
 - f. live **animals**; or
 - g. plants, shrubs, landscaping materials or growing crops, pastures or standing timber.
-

Specified item(s)

Each item of property that is specifically described as 'Other' in **your policy schedule**.

Theft

- a. theft or any attempt at theft following actual forcible and violent entry to or exit from the **building**;
 - b. theft or any attempt at theft by a person concealed in the **building** during **business** hours and, who after those hours, breaks out of the **building**; or
 - c. theft following assault or violence or threat of immediate violence (including armed holdup).
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Policy section 3 – Glass

About this Policy section

This Policy section covers **loss** of or **damage** to **glass** at the **premises**.

You can claim for **loss** of or **damage** to **your glass** as described under what “We cover” if:

- A. “Glass” is shown on **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**;
- C. the **loss** or **damage** is not excluded under what “We do not cover”; and
- D. the **loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

We cover	We cover loss of or damage to glass which you own or for which you are legally responsible, occurring at the premises .
We do not cover	This Policy section does not cover: 1. Heat Loss of or damage to glass caused by or arising out of fire or the application of heat. 2. Some types of glass: Glass: <ul style="list-style-type: none">a. when in transit or whilst being fitted into position or removed from its fitting;b. forming part of stock in trade or merchandise;c. in light fittings;d. that is cracked or imperfect prior to loss or damage;e. that is not fit for the purpose intended; orf. that is in a glasshouse. 3. Tiles Loss of tiles on shopfronts and office fronts, other than around the broken glass . 4. Consequential loss Loss of use, loss of earning capacity and any other consequential loss. 5. Fire or flood Loss or damage to glass directly or indirectly caused by fire or flood .

Extra cover

If **we** agree to pay a claim under this Policy section for **loss** or **damage** to **glass**, **we** will also pay or provide the Extra cover set out below. Any amounts payable under this Extra cover apply in addition to the **sum insured**.

1. Costs

We cover	<p>We will pay for the following costs provided they are reasonably incurred by you and are directly related to loss of or damage to the glass covered under this Policy section:</p> <ul style="list-style-type: none">a. the cost of temporary shuttering necessary pending replacement of the lost or damaged glass;b. the costs incurred in replacing sign-writing, ornamentation, reflective materials and burglar alarm tapes and connections attached to the glass;c. the cost value (excluding profit of any kind) of your stock and contents (as defined in Policy section 2 – Theft) spoiled by the damaged glass;d. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings; ore. the cost incurred in repairing or replacing tiles on shop and office fronts and around the glass.
We do not cover	<p>Except for temporary shuttering, we will not cover you for the cost of repairing or replacing bars, grilles or shutters.</p> <p>We will not pay more than \$8,000 for any one (1) event under this Extra cover.</p>

2. Window tinting

We cover	<p>We will pay the cost of replacing any window tinting or window tinting film.</p>
We do not cover	<p>We will not pay more than \$5,000 for any one (1) event under this Extra cover.</p>

Additional benefit

We will also provide the following Additional benefit subject to both the General and Policy section Exclusions. Any amount payable under this Additional benefit will apply in addition to the **sum insured**.

1. Broken signs cost

We cover	<p>We will cover you for loss or damage to plastic or Perspex signs at the premises if they break during the period of insurance.</p> <p>The admissibility of claims for damage to signs shall not be contingent upon other damage to glass.</p>
We do not cover	<p>We will not pay more than \$8,000 for any one (1) claim under this Additional benefit.</p>

What we pay

We will pay for the cost of replacement of **lost** or **damaged glass** with **glass** of similar manufacture and quality. **We** will also pay the extra cost necessarily incurred to comply with the minimum requirements of any statutory authority when replacing the **glass**.

We will not pay to comply with any requirements that were issued prior to the **loss** of or **damage** to **glass**.

Excess

The **excess** that applies is shown in **your policy schedule** for each claim **you** make.

Worked Dollar Claim Example

The following worked dollar claim example is designed to assist **you** in understanding some of the benefits in this Policy section and how claims are calculated. The example does not cover all scenarios or all benefits and does not form part of **your policy** terms and conditions. The following example should be used for general guidance only.

How much we pay		Further information
Cost of replacing the glass	\$1,500	We pay the cost of replacing the glass .
Cost of re-applying the sign writing	\$500	The damaged window has signage painted on it. We assess the cost of re-painting the signage to be \$500.
Cost of replacing the damaged Perspex sign	\$1,000	The cost to replace the damaged sign is covered under the Additional benefit Broken signs cost and we will pay \$1,000.
Less excess	-\$250	We deduct this from the amount we pay. We may require you to pay this amount directly to the glass repairer.
Total claim	\$2,750	We normally pay this amount directly to the repairers.

Definitions

The following words have the following meanings and apply only to this Policy section. **You** should also refer to the General definitions on page 22 to 27.

Breakage/Damage

Means:

- for plate or sheet **glass** or porcelain, a fracture extending through the entire thickness of the **glass** or porcelain;
- for laminated **glass**, a fracture extending through the entire thickness of a lamination but not any other **damage** or disfiguration.

Glass

Means **external glass**, **internal glass**, **sanitary fittings** and **specified glass**.

Specified glass

Means **glass** specifically designated in **your policy schedule** under specified glass.

Policy section 4 – Money

About this Policy section

This Policy section covers the **loss** of or **damage** to **your business's money**. The **money** may be **in transit** or at the **premises** or **in custody** at a private residence.

You can claim for **loss** of or **damage** as described under what “We cover” if:

- A. “Money” is shown on **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**;
- C. the **loss** or **damage** occurs in Australia or its external territories;
- D. the **loss** or **damage** is not excluded under what “We do not cover”; and
- E. the **loss** or **damage** is not excluded by any of the General exclusions on pages 20 to 21.

Your insurance under this Policy Section

We cover	<p>We cover loss of or damage to money occurring during the period of insurance while:</p> <ul style="list-style-type: none">a. in transit;b. in the building during business hours;c. in the building outside of business hours;d. in the building in a securely locked safe or strongroom; ore. in custody. <p>We will also insure you for loss of or damage to safes or strongrooms in the building as a result of theft or attempted theft of money occurring during the period of insurance</p>
We do not cover	<p>This Policy section does not cover:</p> <p>1. Missing money Loss or damage of money:</p> <ul style="list-style-type: none">a. due to shortages resulting from clerical or accounting errors, breakdown or malfunction of any machine or electrical or electronic device or loss due to errors in receiving or paying out;b. by any intentional or wilful act or omission by you or your employees with your connivance;c. by any fraudulent or dishonest acts committed by you or your family; ord. by any fraudulent or dishonest acts committed your employees acting alone or in collusion with others, except as expressly provided by Additional benefit 1 – Employee dishonesty, of this Policy section. <p>2. Key or combination in building Loss of or damage to money from any safe or strongroom opened by a key or by use of details of a combination that are left in the building outside business hours.</p> <p>3. Unattended vehicle Loss of or damage to money in or from an unattended vehicle.</p> <p>4. Professional carrier Loss of or damage to money while professional money carriers, professional carriers or common carriers carry it.</p> <p>5. Loss outside Australia Loss of or damage to money occurring outside Australia except as expressly provided by Additional benefit 5 – Travellers Money, of this Policy section.</p> <p>6. Consequential loss Loss of use, loss of earning capacity and any other consequential loss.</p>

We do not cover (cont.)	7. ATMs Loss of or damage to money that does not belong to you in or from an ATM at the premises .
	8. Discovery of loss Loss not discovered within seven (7) working days of the loss occurring except as expressly provided by Additional benefit 1 – Employee dishonesty, of this Policy section.
	9. Unoccupied premises Loss of money when the premises is left unoccupied unless any burglar alarm system which protects the premises is:
	<ul style="list-style-type: none"> a. operative during the period the premises is left unoccupied; and b. maintained in good working condition.

Extra covers

If **we** agree to pay a claim under this Policy section for **loss** or **damage** to **money**, or for **damage** to a **safe or strongroom** caused by theft or attempted theft, **we** will also pay or provide the Extra covers set out below.

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

1. Reinstatement

We cover	If we pay an amount for a claim under this Policy section we will automatically reinstate the sum insured to the amount shown in your policy schedule . You will not have to pay any additional premium.
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2. Temporary protection

We cover	We will pay the reasonable and necessary costs incurred by you in effecting temporary protection, or the employment of guards or watchman, by you , to safeguard the money at the premises as a result of any event covered under this Policy section.
We do not cover	We will not pay more than \$5,000 for any one (1) claim. Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or Policy section 2 – Theft.

3. Replacement of locks and keys

We cover	We will pay the reasonable cost of: <ul style="list-style-type: none"> a. replacing locks, keys and combinations used in the business if, as a result of theft of money covered under this Policy section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated; and b. opening safes and strongrooms because of the theft of keys or combinations during theft of money covered under this Policy section.
We do not cover	We will not pay more than \$5,000 for any one (1) claim. Any cover given under this Extra cover shall not be cumulative with any similar cover that may be given under Policy section 2 – Theft.

4. Seasonal increase on money

We cover	<p>We will automatically increase the applicable sums insured in respect of money by either:</p> <ol style="list-style-type: none">35% or such other amount as is specified in your policy schedule during a seasonal increase period; or100%, or \$50,000 whichever is less, during any long weekend which occurs as a result of the government gazetting Monday or Friday as a public or bank holiday. This increase shall apply up until bank closing time on the next business day after such holiday. <p>You can nominate different seasonal increase period(s) or higher percentage increases of the money sum insured. If you do they will be shown in your policy schedule and you must pay any additional premium that applies.</p>
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5. Rewards

We cover	<p>We will pay up to \$5,000 any one (1) event for the reasonable cost of any reward paid by you for information which results in the:</p> <ol style="list-style-type: none">apprehension; andentry of judgment against or conviction of, <p>the person(s) responsible for the loss or damage covered under this Policy Section.</p> <p>You will be required to provide evidence to satisfy us that the reward has been paid.</p>
We do not cover	<p>We do not cover any reward paid by you:</p> <ol style="list-style-type: none">to an employee, director or part of your business, your tenant or your family; orfor information already held by or provided to us or any law enforcement authority. <p>Any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Policy Section 1 - Property Damage and Policy Section 2 - Theft.</p>

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to both the General and Policy section Exclusions. Unless stated otherwise, any amounts payable under these Additional benefits apply in addition to the **sum insured**.

1. Employee dishonesty

We cover	<p>We will cover you for loss of money as a direct result of employee dishonesty during the period of insurance if discovered within (31) thirty-one days of the employee dishonesty occurring.</p>
We do not cover	<p>This Additional benefit does not cover:</p> <ol style="list-style-type: none">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;any loss arising from the conduct of an employee outside Australia;any loss where you are unable to identify which employee is responsible;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;fraud or dishonesty committed by your family; orfraud or dishonesty committed by any of your employees committed with your connivance. <p>We will not pay more than:</p> <ol style="list-style-type: none">\$2,500 for any one (1) occurrence; and\$5,000 in total for all claims for employee dishonesty during the period of insurance. <p>We will not pay any claims under this Additional benefit if you are insured under Policy section 7 – Management liability, Optional insurance 1- Employee dishonesty. Further, any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.</p>

2. Developing security image

We cover	We will cover you for the cost of developing images stored on media from security cameras following a theft or attempted theft covered under this Policy section.
We do not cover	We will not pay more than \$1,000 for any period of insurance . Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.

3. Directors and employees personal effects

We cover	We will cover you for loss of or damage to the personal effects of your directors, officers and employees during a theft or attempted theft of money covered under this Policy section.
We do not cover	We will not pay more than: a. \$5,000 for any one (1) person; and b. \$10,000 in the aggregate for any one (1) period of insurance . We will not cover you for loss or damage to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instruments, curios, works of art, money or credit cards. Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft. If the personal effects are covered under another insurance policy, we will only pay for loss or damage not otherwise covered by the other policy.

4. Funeral expenses

We cover	We will cover you for any burial or cremation costs if any director, employee , officer or business partner sustains a fatal injury provided: a. their death directly results from an assault that occurs during a theft or attempted theft of money owned by you or for which you are legally responsible in the period of insurance ; and b. the death occurs within six (6) months of the assault.
We do not cover	We will not cover you for more than \$10,000 to be paid to the estate of the deceased person. Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.

5. Travellers' money

We cover	We will cover you for loss of money during the period of insurance in your custody, or in the custody of an employee , whilst travelling on business anywhere in the world.
We do not cover	We will not pay more than: a. \$1,000 in total for any one (1) event ; and b. \$2,000 in aggregate for any one (1) period of insurance .

6. Counterfeit money

We cover	We will cover the loss sustained by you due to the acceptance in good faith of counterfeit Australian currency notes during the period of insurance .
We do not cover	We will not pay more than \$500 in any one (1) period of insurance .

7. Fraudulent use of transaction cards

We cover	We cover the loss sustained by you arising from the fraudulent use of any transaction cards belonging to the business during the period of insurance .
We do not cover	We will not pay for more than \$1,000 for the fraudulent use of your business' financial transaction cards for any event resulting in a claim. Any amount we agree to pay will be reduced by the amount your financial institution or credit provider reimburses or agrees to reimburse you . We will not pay: a. for consequential loss of any kind; b. unless you have complied with all of the requirements and conditions of use of your card including any conditions in respect of unauthorised use; or c. if there is other insurance in place which covers the loss .

What we pay

- We** will pay **you** the amount of any **money** that is **lost** or **damaged**.
- If the **safe or strongroom** is **lost** or **damaged**, **we** will, at **our** option:
 - repair the **safe or strongroom**;
 - replace the **safe or strongroom** with an item of a specification equal to but not better or more extensive than when it was new;
 - if the **loss** or **damage** is confined to part of the **safe or strongroom**, repair or pay **you** the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
 - pay **you** the cost of repairing or replacing the **safe or strongroom**.
- We** will not pay costs of alterations, improvements or overhauls carried out when the **lost** or **damaged safe or strongroom** is repaired or replaced.
- In the case of any certificates of stock, bonds, coupons and all other types of securities the amount of the securities will be calculated as follows:
 - if the securities can with **our** approval be replaced, the cost of replacement paid or payable by **you**; or
 - otherwise, the greater of:
 - the price for which **you** purchased them, or
 - the closing market value on the last business day prior to the date of discovery by **you** of the **loss** or destruction of the securities, or if the time of discovery by **you** is after the close of the market, their discovery by **you**.
- In the case of a **loss** of subscription, conversion or redemption privileges through the **loss** of any security, the value of such privileges will be the value immediately preceding the expiration of the subscription, conversion or redemption, in the currency in which the **loss** was sustained.
- Losses** sustained in currencies other than Australian dollars will be calculated by converting the amount of **loss** to Australian dollars at the market buy rate at the time of settlement of the **loss** or such other rates as may have been expressly agreed with **us**. If there is no market price or value on the relevant day, then the value shall be agreed between **you** and **us**, or in circumstances where agreement is not reached, **we** and **you** shall submit to mediation and be bound by the decision of the mediator.
- In the case of traveller's cheques, discount house vouchers or lottery tickets, the amount will be calculated at the original purchase price incurred by **you**.
- The maximum amount **we** will pay in respect of:
 - money in transit** at the time of the **loss** or **damage** is the 'money in transit' **sum insured**;
 - money** on the **premises** during **business hours** at the time of the loss or **damage** is the 'money on the premises during business hours' **sum insured**;
 - money** on the **premises** outside **business hours** at the time of the **loss** or **damage** is \$3,000 plus the 'additional money on premises outside business hours' **sum insured**;
 - money** in a locked **safe or strongroom** at the time of the **loss** or **damage** is the 'money in a locked safe or strongroom outside business hours' **sum insured**; or
 - money** in a private residence at the time of the **loss** or **damage** is \$3,000 plus the 'additional money in private residence' **sum insured**.

Policy Section Condition

1. Season increase period(s)

You do not have to tell **us** what the dates of the **seasonal increase period(s)**, however, if **you** make a claim under this Policy Section then **your** financial records over at least the previous two (2) years must substantiate the period as a **seasonal increase period**. If the **business** is less than 2 years old, **we** will use the financial records of **your** business from the date of commencement until the date of the **loss** or **damage** to substantiate **your** claim.

Excess

The **excess** that applies is shown in **your policy schedule**.

Definitions

These following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

ATM

Automatic teller machine which is a burglar resistant unit designed for the safe storage and disbursement of bank notes which resists fire and attack by hand-held or power operated tools.

Business hours

The normal working and office hours of the **business** (including overtime) during which **you, your** directors, officers, partners or **employees** are in the **building** for the purposes of the **business**.

Financial service provider

A financial organisation such as a bank, building society or credit union or an agency for any of these, that is in the business of providing banking services to the public.

In custody

In **your** custody and control at **your** private residence or in the custody and control of persons authorised by **you** at their private residences until the next business day when the monies can be deposited with a **financial service provider**.

In transit

Means:

- a. **money** in **your** personal custody or in the custody of persons authorised by **you** during a journey to or from the **premises** to or from anywhere within Australia until the next business day when the **money** can be deposited with a **financial services provider**.
- b. **money** while deposited in the night safe, night depository chute or ATM of any **financial services provider** where **you** normally transact business.
- c. wages and salaries collected from a **financial services provider** but not paid to **employees** until it is physically in the control of **your employees**.

Seasonal increase period

Any period of time during the **period of insurance** that has at least 35% increased amount of **money** compared to other times during the **period of insurance**.

The total number of days **we** will allow as seasonal increase periods is 120 days during any one **period of insurance** unless a different period is shown in **your policy schedule**.

Policy section 5 – Business interruption

About this Policy section

This Policy section covers a reduction in **your business turnover** as a result of **damage** caused by insured events 1 to 12 in this Policy section.

You can claim for a reduction in **your turnover**, and or the increased costs of working, if the **business** is interrupted directly by **loss** or **damage** as described under what “We cover” if:

- A. “Business interruption” is shown in **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**;
- C. the claim is not excluded under what “We do not cover”; and
- D. the **loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

What we cover

We cover a reduction in **your turnover** and the increased costs of working arising from the **business** being interrupted directly by sudden and unforeseen **loss** or **damage** caused by one or more insured events below numbered 1 to 12 occurring during the **period of insurance**.

What we do not cover

We do not cover **you** if, during the **period of insurance** or **indemnity period**, any of the following happens:

- a. **you** form the intention of ceasing the **business** or a part of it;
- b. the proprietary interest in the **business** or a part of it changes;
- c. **you** dispose of or permanently discontinue the **business** or a part of it;
- d. **you** become a bankrupt, or enter into a scheme of arrangement or compromise or composition with creditors;
- e. **you** are placed in liquidation or provisional liquidation, or under official management or administration, or enter into a scheme of arrangement; or
- f. a receiver, or a receiver and manager, is appointed to any of **your** assets.

Insured Events

1. Loss or damage

We cover	Loss or damage for which you are covered by the insuring clause (or would have been but for the application of the excess) under: <ul style="list-style-type: none">a. Policy section 1 – Property damage;b. Policy Section 2 – Theft;c. Policy section 3 – Glass;d. Policy Section 4 – Money;e. Policy Section 8 – Portable and valuable items;f. Policy Section 12 - Goods in Transit; org. any other policy insuring the same events and for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an excess, provided you are not only covered by an Additional benefit in the above listed Policy sections.
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2. Boiler explosion

We do not cover	Loss or damage as a result of the self-explosion or collapse of any pressure vessels, including boilers, compressors or economiser at the premises .
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3. Utilities extension

We cover	<p>Damage to the following utilities, being:</p> <ol style="list-style-type: none">any electricity power station or substation;any gas supply system or gas works;any water supply or sewage works; orany telecommunications system, <p>that is land-based within Australia and supplies your business if the following apply:</p> <ol style="list-style-type: none">the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section;the damage results in hindering or stopping the supply of electricity, gas, water or telecommunications to the premises or sewage from the premises; andthe damage results in interruption of or interference with the business.
We do not cover	<p>We will not pay for the first 48 hours of any such interference or interruption which occurs after the loss of or damage to the property.</p> <p>We will not pay more than 20% of the sum insured shown against 'Turnover' in your policy schedule for any one (1) event.</p>

4. Premises in the immediate vicinity (prevention of access)

We cover	<p>Damage to property in the immediate vicinity of the premises if the following apply:</p> <ol style="list-style-type: none">the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section;the damage prevents or hinders the use of or access to the premises; andthe damage results in interruption of or interference with the business.
We do not cover	<p>Damage to property that is not in the immediate vicinity of the premises.</p>

5. Unspecified suppliers' or customers' premises extension

We cover	<p>Damage to property at the Australian premises of:</p> <ol style="list-style-type: none">any suppliers, manufacturers or processors of component goods, materials or services which supplies your business directly (other than those services provided by any utilities); orany customer to whom you supply component goods, materials or services directly, <p>where the damage would have been covered under Policy Section 1 – Property damage if such damage had been to property insured under that Policy section and the damage results in interruption of or interference with the business.</p>
We do not cover	<p>We will not pay more than 20% of the sum insured shown against 'Turnover' in your policy schedule during any one (1) period of insurance.</p>

6. Business that attracts customers

We cover	<p>Damage to property of a major tenant if the following apply:</p> <ol style="list-style-type: none">your business is located within a multi-tenanted retail shopping complex or commercial complex;the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section;the damage results in a reduced pedestrian count in the shopping complex; andthe damage results in the interruption of or interference with your business.
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7. Roads, bridges and railway lines

We cover	<p>Damage to roads, bridges and railway lines within Australia over which stock, components and materials used in your business are conveyed to or from your premises if the following apply:</p> <ol style="list-style-type: none">the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section;the damage results in not being able to convey stock, components or materials used in your business to and from your premises; andthe damage results in interruption of or interference to your business.
We do not cover	<p>We will not pay more than 20% of the sum insured shown against ‘Turnover’ in your policy schedule for any one (1) event.</p>

8. Infectious diseases, murder, suicide

We cover	<p>Loss or damage as a result of the closure or evacuation of the whole or part of the premises by order of a competent government, public or statutory authority as a result of:</p> <ol style="list-style-type: none">infectious or contagious human disease occurring at the premises;vermin or pests or defects in the drains or other sanitary arrangements at the premises;poisoning of customers directly caused by the consumption of food or drink provided on the premises;the outbreak of a notifiable human infectious or contagious disease occurring within a twenty (20) kilometre radius of the premises;murder or suicide occurring at the premises; orshark or crocodile attack occurring within a twenty (20) kilometre radius of the premises.
We do not cover	<p>We will not pay any claim that is directly or indirectly caused by or arises from, or is in consequence of or contributed by:</p> <ol style="list-style-type: none">cleaning, repairing or checking your premises; orany Quarantinable Disease (as the term is defined in the <i>Quarantine Act 1908</i> (Cth) and any subsequent amendments) or Highly Pathogenic Avian influenza.

9. Computer installation

We cover	<p>Damage to a computer installation, including any ancillary equipment and data processing media utilised by you in your business anywhere in Australia other than at the premises if the following apply:</p> <ol style="list-style-type: none">the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section;the damage results in not being able to utilise a computer installation or any ancillary equipment in your business; andthe damage results in interruption of or interference with the business.
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10. Documents temporarily removed

We cover	<p>Damage to your documents or documents held in trust by you as part of your business that are:</p> <ol style="list-style-type: none">temporarily removed to other premises anywhere in Australia; orin transit to any place in Australia, <p>where the loss or damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section and the damage results in the interruption of or interference with the business</p>
We do not cover	<p>We will not pay more than 20% of the sum insured shown against ‘Turnover’ in your policy schedule resulting from any one (1) event.</p>

11. Registered motor vehicles owned or operated by you

We cover	Accidental loss or damage to any registered vehicle or trailer owned or operated by you when they are at the premises or in buildings anywhere in Australia.
We do not cover	We will not pay for loss or damage to any registered motor vehicle whilst on a road .

12. Transit

We cover	Interruption to your business from damage to stock whilst in transit by road , rail, sea or air within Australia and away from your premises where the damage would have been covered under Policy section 1 – Property damage if such damage had been to property insured under that Policy section.
We do not cover	We will not pay more than 10% of the of the sum insured shown against ‘Turnover’ in your policy schedule resulting from any one (1) event .

Extra covers

If **we** agree to pay a claim under this Policy section arising from any business interruption, **we** will also pay or provide the Extra covers set out below. Unless stated otherwise, any amounts payable under these Extra covers apply in addition to the **sum insured**.

1. Included claims preparation costs

We cover	We will pay the reasonable professional accountants’, auditors’ and claim consultants’ fees and other reasonable expenses incurred by you for the preparation of claims under this Policy section. The maximum we will pay for any one (1) claim under this Extra cover is \$25,000. If you want to increase the amount of cover for claims preparation costs, you must have selected Optional insurance 1- Additional claims preparation costs, of this Policy section.
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2. Included increased cost of working

We cover	We will pay the additional expenditure reasonably incurred by you during the indemnity period for all costs not otherwise recoverable that are necessarily incurred for the sole purpose of resuming or maintaining normal business operations or services following loss or damage covered by this Policy section. The maximum we will pay for any one (1) claim under this Extra cover is \$10,000. If you want to increase the amount of cover for increased cost of working, you must have selected Optional insurance 2 – Additional increased cost of working, of this Policy section.
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3. Included outstanding accounts receivable

We cover	<p>We will pay the amounts which you cannot recover from your debtors following damage to your debt records if the damage is caused by an event covered under;</p> <ol style="list-style-type: none">Policy section 1 – Property damage;Policy section 2 – Theft;Policy section 8 – Portable and valuable items;Policy Section 12 - Goods in Transit; and<ol style="list-style-type: none">for which we have admitted liability; andas soon as possible at the end of each month, you record and store at your accountants, auditor, or alternative premises, the total of the outstanding accounts receivable, and keep these figures for a period of 12 months. <p>The most we will pay under this Extra cover for any one (1) claim is the lesser of:</p> <ol style="list-style-type: none">\$10,000; orthe difference between:<ol style="list-style-type: none">the outstanding accounts receivable, andthe total of the amount received or traced in respect of the outstanding accounts receivable. <p>If you want to increase the amount of cover for increased cost of working, you must have selected Optional insurance 3 – Additional accounts receivable, of this Policy section.</p>
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4. Reinstatement of insured amount

We cover	If we pay an amount for a claim under this Policy section we will automatically reinstate the sum insured . You will not have to pay any additional premium.
We do not cover	This Extra cover does not apply if we pay the full sum insured in respect of a single claim under this Policy section.

5. Multi-channel retailing

We cover	We will apply the cover provided by this Policy section to each channel of your business separately, if your business is conducted in multi- channels, and each channel has independent trading results which are ascertainable.
We do not cover	We will not pay more than the sum insured shown against 'Turnover' as shown in your policy schedule , for all losses resulting from the same event .

Optional insurances

We will provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown in **your policy schedule**. Any amounts payable under these Optional insurances apply in addition to the **sum insured**.

1. Additional claims preparation costs

We cover	<p>We will pay the reasonable professional accountants', auditors' and claim consultants' fees and other reasonable expenses incurred by you for the preparation of claims under this Policy section.</p> <p>This sum insured will be in addition to the amount covered under Extra cover 1 of this Policy section.</p>
We do not cover	We will not cover you for more than the 'Claims Preparation Costs' sum insured shown in your policy schedule for any claim.

2. Additional increased cost of working

We cover	<p>We will pay the additional expenditure reasonably incurred by you during the indemnity period for all costs not otherwise recoverable that are necessarily incurred for the resumption or maintenance of normal business operations or services following damage covered by this Policy section.</p> <p>This sum insured will be in addition to the amount covered under Extra cover 2 of this Policy section.</p>
We do not cover	<p>We will not cover you for more than the 'Additional increased cost of working' sum insured shown in your policy schedule for any claim.</p>

3. Additional outstanding accounts receivable

We cover	<p>We will cover you for:</p> <ol style="list-style-type: none">a. the difference between the amount owed to you by customers for the supply of goods and services and recorded in your financial records as outstanding accounts receivable and the amount actually paid by customers after the damage; andb. the expenditure necessarily and reasonably incurred by you with our consent to trace and establish the outstanding accounts receivable, provided that:<ol style="list-style-type: none">i. the loss or damage occurs during the period of insurance for which you are covered by us (or would have been but for the application of the excess) under:<ul style="list-style-type: none">▶ Policy section 1 – Property damage;▶ Policy section 2 – Theft;▶ Policy section 8 – Portable and valuable items;▶ Policy Section 12 - Goods in Transit; or▶ any other policy insuring the same events and for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an excess; andii. you are not only covered by an Additional benefit under the Policy sections referred to in subparagraph (i) above;iii. your financial records are damaged; andiv. you cannot follow your normal outstanding accounts receivable management processes. <p>This Optional insurance will only apply if, as soon as possible at the end of each accounting period (usually one month), you have a copy of your financial records stored away from the premises, including a full copy (customer by customer) of your outstanding accounts receivable ledger.</p>
We do not cover	<p>We will not cover you for more than the 'Outstanding Accounts Receivable' sum insured shown in your policy schedule, for any one (1) claim.</p>

What we pay

1. We will pay:

- a. the amount by which as a consequence of **loss** or **damage** arising from insured events 1-12 specified in this Policy section the **turnover** earned during the **indemnity period** falls short of the **standard turnover** where **turnover**, for the relevant periods, is calculated primarily by reference to the amounts shown at G1 on **your Business Activity Statement** for the relevant periods and by also considering **your** other **business** records, such as cash books, bank statements, stocktake lists, invoices issued and received, GST calculation sheets and **your** Business Plan; plus
- b. in respect of the increased costs incurred to avoid a reduction in **turnover** as a consequence **loss** or **damage** arising from insured events 1-12 specified in this Policy section and with **our** consent, increased costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the **shortage in annual turnover**, provided the costs are less than, or equal to, the amount **we** would have paid for a reduction in **standard turnover** under (a) above; less
- c. savings to the **business**, including:
 - i. the total amount of **expenses** of the **business** saved during the **indemnity period** as a consequence of one or more insured **events** specified in this Policy section; and
 - ii. an amount to reflect the following factors:
 - ▶ any events or trends which **your business** is affected by, whether before or after the interruption took place, and adjust the **standard turnover** accordingly to reflect the likely **turnover** of the **business** during the **indemnity period**;
 - ▶ any other trading that **you** carry out or which is carried out on **your** behalf, or for **your** benefit at any other premises;
 - ▶ any run down of accumulated **stock** which is carried out to postpone any reduction of **turnover**; and
 - ▶ any stock salvage sales following the insured event.

Limits to what we will pay

The most **we** will pay under this Policy section is the limit of liability calculated as follows:

Limit of liability = A x 120%

(A) is the amount shown against "Turnover" in **your policy schedule** x $\frac{\text{indemnity period in months}}{12 \text{ months}}$

The calculation above has factored in a margin of 20% to allow for **business** trends and the possibility of a **loss** occurring towards the end of the **period of insurance**.

Loss of rent

We will not pay for any loss of rent amounts:

- a. when there is no rental agreement or periodic tenancy agreement in place at the time of the **loss** or **damage**;
- b. if **you** choose not to rebuild **your property**; or
- c. due to rent default.

If the **indemnity period** as specified in **your policy schedule** has not expired at the time the **premises** are fit for occupation following repair, replacement or reinstatement of the **property insured**, the maximum **we** will pay is the lesser of the loss of rent:

- a. from the date the **premises** are fit for occupation until the date the **premises** are tenanted;
- b. from the date the **premises** are fit for occupation until the date the **indemnity period** ends; or
- c. for three (3) months from the date the **premises** are fit for occupation.

Worked Dollar Claim Example

The following worked dollar claim example is designed to assist **you** in understanding some of the benefits in this Policy section and how claims are calculated. The example does not cover all scenarios or all benefits and does not form part of **your policy** terms and conditions. The following example should be used for general guidance only.

You own a cafe and have selected Business interruption cover. Your **annual turnover** of \$200,000 specified in the **policy schedule** was determined primarily by reference to **your** most recent **Business Activity Statement** (item G1) leading up to commencement of the **policy**. **You** selected a 12 month **indemnity period** which is specified in **your policy schedule**. During the 8th month of the **period of insurance** there is a fire at the **premises** which causes extensive **damage** to **your** cafe. **Your** cafe is closed for 14 months while all repairs are undertaken. The **standard turnover** in the 12 months prior to the fire was \$180,000.

How much we pay		Further information
While the business is interrupted for 14 months, the maximum indemnity period specified in the policy schedule is 12 months so the reduction in turnover is adjusted accordingly.	\$180,000	The Maximum Limit of Liability = $(\$200,000 \times \frac{12 \text{ months}}{12 \text{ months}}) \times 120\% = \$240,000$ However in determining a claim payment we use the actual standard turnover in the 12 months prior to the fire, i.e. \$180,000.
Allow 10% trend growth	+ \$18,000	This takes into account any events or trends which your business is affected by, whether before or after the interruption took place so that the standard turnover is adjusted to reflect the likely turnover of the business during the indemnity period .
You incur some increased costs, including advertising, as a result of the interruption to your business caused by the fire and these costs are incurred to avoid a further reduction in turnover .	+\$5,000	The increased costs of working are only covered to the extent they are incurred to reduce the shortage in standard turnover .
There are savings to your business as a consequence of not operating for several months during the indemnity period	-\$12,000	Savings may include your normal business costs items such as electricity, telephone, maintenance, advertising, water usage expenses that you do not incur due to the fire.
Less excess	\$0	There is no applicable excess for this claim as an excess was paid under Policy section 1 – Property damage.
Total claim	\$191,000	

Definitions

The following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

Annual turnover (also known as Annual revenue)

The **turnover** during the 12 months immediately before the date of the **damage**.

Business Activity Statement

The Business Activity Statement that is submitted to the Australian Tax Office (ATO) for taxation purposes.

Damage

Physical loss, destruction or damage occurring during the **period of insurance** caused by one or more of the insured events numbered 1 to 12 in this Policy section.

Expenses

Expenses are the operating costs of the **business** and include, but are not limited to, wages, rent, consumables and **stock**. The **business** may also incur extra costs to get back into **business**, such as temporary rental, relocation and subcontracting costs.

Indemnity period

The period beginning with the occurrence of the **damage** during which the results of **your business** are affected by the **damage** and ending at the expiration of the maximum period specified in **your policy schedule**.

Outstanding accounts receivable

The total amount owed to the **business** by customers as at the end of the month immediately prior to the date of the **damage**, adjusted for:

- a. bad debts;
- b. amounts debited (or invoiced but not yet debited) and credited (including credit notes and cash not passed through the books at the time of the **damage**) to customers' accounts in the period between the date to which the last statement relates, and the time of the **damage**; and
- c. any abnormal condition of trade which had, or could have had, a material effect on the **business**.

Rent receivable

The amount of the rent received or receivable (including base rental, turnover rental and contributions to outgoings) from the leasing of property at the **premises**.

Shortage in annual turnover

The amount by which the **turnover** falls short of the **standard turnover** during the **indemnity period** as a result of the **damage**.

Standard turnover

The **turnover** during that period which corresponds to the **indemnity period** in either:

- a. the 12 months immediately before the date of the **damage**; or
- b. if the **business** has been operating for less than one year at the date of the **loss** or **damage**, the proportional equivalent, for a period equal to the **indemnity period**, of the **turnover** realised during the period between the commencement of the **business** and the date of the **damage**.

Turnover (also known as revenue)

The amount (less discounts allowed) paid or payable to **you** as a:

- a. wholesaler or retailer of goods - for goods sold and delivered in the course of **your business** less the cost of any related purchases (after any discounts);
 - b. motel/hotel operator - in respect of facilities, accommodation, food and drink made available and services rendered in connection with **your business**, less the costs of any related purchases (after any discounts) and laundering and cleaning expenses;
 - c. professional practitioner or consumer services provider – for services rendered and work performed in connection with **your business**; or
 - d. property owner – by tenants (being **rent receivable**).
-

Policy section 6 – Public and products liability

About this Policy section

This Policy section covers **your legal liability** to pay compensation for **personal injury** to another person (other than **employees** or deemed employees), **damage** to property owned or controlled by someone else, or **advertising liability** which happens during the **period of insurance** and which is caused by an **occurrence** in connection with the **business**, including **legal liability** for **personal injury** or **property damage** caused by **your products**.

What is legal liability?

Legal liability means that a court or tribunal finds, or **we** accept, that **you** are legally responsible to pay compensation for:

- ▶ **Property damage** in respect of property owned or controlled by someone else; or
- ▶ **Personal injury** to another person (other than **employees**); or
- ▶ **Advertising liability**.

You can claim for **legal liability**, if:

- A. “Public and products liability” is shown on **your policy schedule**;
- B. It is not excluded under what “We do not cover”; and
- C. it is not excluded by any of the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

We cover	<p>We will insure you for your legal liability, provided the property damage, personal injury or advertising liability</p> <ul style="list-style-type: none">a. occurs during the period of insurance;b. is caused by an occurrence in connection with the business or your products;c. occurs within the geographic limitations; andd. was not intended or expected by you.
We do not cover	<p>This Policy section (including the Additional benefits unless expressly stated otherwise) does not cover you for liability arising directly or indirectly out of or caused by, through, or in connection with, or for:</p> <p>1. Types of advertising liability</p> <p>In respect of advertising liability:</p> <ul style="list-style-type: none">a. an act, error or omission that occurs prior to the first period of insurance of this Policy section;b. statements made by you or at your direction in the knowledge that such statements are false;c. the failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;d. any incorrect description of products or services;e. any mistake in advertised price of products or services;f. failure of your products or services to conform with advertised performance, quality, fitness or durability;g. the export of your products to or business visits by your directors, executives and employees to the United States and Canada; orh. your business's involvement in publishing, broadcasting, telecasting, internet publishing, newspaper or magazine publishing.

2. Pollution

- a. the discharge, dispersal, release or escape of **pollutants** into or upon land, the atmosphere or water unless such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from **your** standpoint and takes place in its entirety at a specific time and place;
- b. the cost of preventing, removing, nullifying or cleaning up any contamination or pollution as a consequence of the discharge, dispersal, release or escape of any **pollutants**, unless removal, nullifying or cleaning up costs are consequent upon a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place, or
- c. the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of **pollutants** caused by any of **your products** that has been discarded, dumped, abandoned or thrown away by others.

3. Asbestos

- a. the inhalation of (including the fear of inhalation of, or exposure to) asbestos, asbestos fibres or derivatives of asbestos;
- b. **property damage**, or **loss** of use or diminution in value of property, arising directly or indirectly, out of or caused by, through or in connection with asbestos, asbestos fibres or derivatives of asbestos; or
- c. the cost of cleaning up, removing, treating, controlling, storing or disposing of asbestos, asbestos fibres or derivatives of asbestos or any other associated expenses.

4. Employers liability

- a. **personal injury** to any of **your employees** arising out of or in the course of their employment in **your business**;
- b. **personal injury** to any person who, is pursuant to any statute relating to workers' compensation, deemed to be **your employee** or in respect of which **you** are entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any statute relating to workers' compensation whether or not **you** are a party to such contract of insurance; or
- c. any liability imposed by the provisions of any workers' compensation statute or any industrial award or agreement or determination.

However this exclusion does not apply to claims for **loss** of consortium by the spouse of any of **your employees** or the spouse of any person who is pursuant to any statute relating to workers' compensation deemed to be **your** employee.

5. Vehicles

The ownership, use, legal possession, or legal control by **you** of any **vehicle** or any attachment to such **vehicle**;

- a. which is registered;
- b. in respect of which registration or insurance is required by virtue of any legislation relating to **vehicles**; or
- c. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not insurance is effected).

However this exclusion will not apply to the cover provided by Additional benefit 3 – Vehicles, of this Policy section.

6. Aircraft and watercraft

- a. the ownership, legal possession, legal control or use by **you** or the use on **your** behalf of:
 - i. any **aircraft**; or
 - ii. any **watercraft** exceeding eight (8) metres in length unless such a **watercraft** is owned and operated by others and used by **you** for **business** entertainment;
- b. the selling or manufacturing of **aircraft** or the manufacture, assembly or supply of any products that are used with **your** knowledge in **aircraft**;
- c. the leasing, hiring or chartering of **aircraft** to or from **you**;
- d. the repair, service or maintenance of **aircraft** or **aircraft** products or the installation of any products into **aircraft** unless such repair, service, maintenance or installation does not affect the flying capabilities or safety of the **aircraft** and this Policy section has been endorsed accordingly; or
- e. the repair, service or maintenance of **watercraft** exceeding eight (8) metres in length or the installation of any products into **watercraft** exceeding eight (8) metres in length unless such repair, service, maintenance or installation does not affect the navigation, propulsion or safety of such **watercraft**.

7. Professional duty

- a. a breach of any professional duty owed by **you** or anyone for whose breaches of such duty **you** may be legally liable;
- b. the performance of treatment to humans or **animal(s)** for beautification, cosmetic enhancement or to remedy illness, mental or physical deficiency, disease or injury;
- c. the prescribing of activities, pharmaceuticals, medical or herbal remedies to improve performance or appearance, or to alleviate pain, illness, mental or physical deficiency, disease or injury; or
- d. the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

However, this exclusion does not apply to the rendering of or failure to render first aid.

8. Fines, penalties and punitive damages

Fines, penalties, liquidated damages, punitive, exemplary or aggravated damages however imposed.

9. Product and known defects

- a. **damage** to **your products** if that **damage** is attributable to any defect in them or their harmful nature or they are not fit for purpose.
- b. any defect or deficiency in **your products** of which **you** or **your** agents have knowledge or have reason to suspect at the time when **your products** pass from **your** actual physical custody or from the actual physical custody of any person under **your** control.

10. Product recall

The withdrawal, recall, inspection, repair, replacement or **loss** of use of **your products**, or of any property of which they form a part, if **your products** are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

11. Loss of use

The **loss** of use of tangible property which has not been physically **damaged** or destroyed resulting from:

- a. delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or
- b. the failure of **your products** or work performed by **you** to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **you**

However, paragraph (b) above does not apply to **loss** of use of other tangible property resulting from sudden and **accidental** physical **damage** to or destruction of **your products** after **your products** have been put to use by any person or organisation other than **yourself**.

12. Faulty workmanship

The cost of performing, completing, correcting or improving any work undertaken by **you** or on **your** behalf or for **your** benefit. However, this exclusion does not apply in respect of liability for **personal injury** or **property damage** resulting from faulty or defective workmanship.

13. Defective design

Any defective or deficient design or error in formula or in specification provided by **you** for a fee.

14. Aircraft landing areas

The use of any land, property or structure as an airport, **aircraft** hangar or **aircraft** landing area, where such airport, **aircraft** hangar or **aircraft** landing area:

- a. is required by law to be issued with a licence permitting regular public transport operations of **aircraft** having a maximum passenger seating capacity of more than 30; or
- b. has more than 1,000 flight movements per year.

15. Jurisdiction limits

- a. any action brought or instituted against **you** or any judgement obtained against **you** (whether or not such judgement is enforced by the courts of Australia or New Zealand) in any country other than Australia or New Zealand, regardless of whether **you** are represented by a branch or by an **employee** domiciled in that country or by a company, firm or individual holding **your** power of attorney.

However, this exclusion does not apply to actions and judgements arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from **business** visits to the **United States** or **Canada**) by travelling directors and **employees** of the **named insured** normally resident in Australia or New Zealand to any country other than the **United States** or **Canada**; or

- b. any actions brought or instituted against **you** or any judgement obtained against **you** (whether or not such judgement is enforced by the courts of Australia or New Zealand) within the **United States** or **Canada**.

However, this exclusion does not apply to any recognition or enforcement action brought or instituted within Australia or New Zealand relating to a judgement obtained against **you** within the **United States** or **Canada** arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from **business** visits to the **United States** or **Canada**) by travelling directors and **employees** of the **named insured** normally resident in Australia or New Zealand.

16. Preventing our right of recovery

Any amount **you** are unable to recover because of a contract or agreement that **you** have entered into which excludes or limits **your** rights to recover that amount.

17. Contractual liability

Any liability assumed under any contract or agreement. However, this exclusion does not apply to:

- a. liability which would have been implied or imposed by law in the absence of such contract or agreement;
- b. liability assumed under those contracts specified in the **policy schedule**;
- c. liability assumed under any written lease of, or agreement for the rental of real property, where such lease or agreement does not include an obligation by **you** to insure such property; or
- d. liability assumed under a written contract with a public authority for the supply to **you** of water, gas, electricity or communication services except where such contract is a contract by which **you** agree to perform work for or on behalf of that public authority;
- e. the cover provided by Additional benefit 4 – Principals and Additional Benefit 5 - Interested Parties, of this Policy section.

Paragraphs c. and d. above do not apply to liability assumed by **you** under the relevant lease, contract or agreement to indemnify a party in respect of an act or omission for which it is wholly responsible, unless such liability would otherwise have been implied or imposed on **you** by law.

18. Internet and computer operations

- a. **your internet operations**; or
- b. any liability for **property damage** to **data** and **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 telecommunications services by **you** or on **your** behalf; or
- c. any **loss** or **damage** caused by any **computer virus**.

However, this exclusion does not apply to **personal injury** or **property damage** arising out of any material prepared by the manufacturer in respect of product use, safety instructions or warnings which is reproduced on **your** website.

19. Libel or slander

The publication or utterance of a libel, slander or defamation:

- a. made prior to the commencement of the **period of insurance**;
- b. made by **you** or at **your** direction with the knowledge that it is false; or
- c. related to advertising, publishing, printing, broadcasting or telecasting activities conducted by **you** or on **your** behalf.

20. Property in physical or legal control

Damage to or **loss** of:

- a. property owned, leased or rented by **you**; or
- b. property in **your** physical or legal control.

However this exclusion will not apply to the cover provided by Additional benefit 2 – Property in your physical or legal control or paragraphs (e) and (f) of Additional benefit 3 – Vehicles, of this Policy section.

21. Hot work

Flame cutting, flame heating, arc or gas welding, metal grinding or any similar operation in which welding, metal grinding or cutting equipment is used, except where such use is carried out in strict compliance with all relevant statutes and Australian Standards 1674.1 and 1674.2 (or any subsequent amendments).

22. Underground works

Any underground works including digging, trenching or excavation unless **you** can establish that **you** and **your employees** have strictly complied with the relevant regulations and Australian Standards in carrying out this work, including making all searches of underground services before undertaking any underground works.

23. Weakening of support to property

Damage to any land, property or building or contents of a building caused by or arising out of any:

- a. vibration of that land, property or building; or
- b. removal or weakening of support of that land, property or building.

24. Molestation

The molestation of, the interference with, the mental abuse or the physical abuse of any person by:

- a. **you**;
- b. any **employee**; or
- c. any person performing any voluntary work or service for **you** or on **your** behalf.

25. Building works

The erection,, demolition of or alteration or addition to buildings or structures by **you**, or on **your** behalf, except where the completed value of such work does not exceed in \$500,000 in total.

Extra covers

Legal costs

We cover

If **we** agree to pay a claim under this Policy section, **we** will pay all charges, expenses and legal costs incurred by **us** or by **you**, with **our** written consent, in the settlement or defence of the claim for compensation made against **you**.

Any amount payable under this Extra cover is in addition to the **limit of liability**.

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to the General exclusions, Policy section Exclusions and any **endorsement**. Unless stated otherwise below, any amounts payable under these Additional benefits do not apply in addition to the **limit of liability**.

All **loss, damage** or injury that is covered by these Additional benefits must occur during the **period of insurance**.

1. First aid costs

We cover

We cover expenses incurred by **you** for first aid to others at the time of an **occurrence** during the **period of insurance** covered by this Policy section.

2. Property in your physical or legal control

We cover

Under this Additional benefit, **we** cover **your legal liability** (as if the words “owned or controlled by someone else” were deleted from the definition of ‘Legal Liability’):

- a. to any customer, **principal** or person for whom **you** perform work in the course of the **business** for:
 - i. the cost of replacing keys or security cards which are **damaged**, destroyed, **lost** or stolen whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;
 - ii. the cost of replacing, recalibrating or re-keying locks, locking mechanisms or other security devices which results from the **damage**, destruction, **loss** or theft of keys or security cards whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;
 - iii. the **loss** of use of keys, security cards, locks, locking mechanism or other security devices caused by the **damage**, destruction, **loss** or theft of keys or security cards whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;subject to:
 - ▶ a maximum of \$5,000 in respect of any one **occurrence** and in the aggregate for any one **period of insurance** unless some other **limit of liability** is specified in the **policy schedule** or attached by **endorsement**; and
 - ▶ **you** contributing an amount of \$500 as the first payment of any claim in addition to any **excess** specified elsewhere in this Policy section in **your policy schedule**.
- b. for **damage** to or **loss** of **vehicles** (not belonging to **you** or used by **you** or on **your** behalf) in **your** physical or legal control where such **loss** or **damage** occurs whilst any such **vehicle** is in a car park owned or operated by **you** provided that **you** as part of **your business** do not operate such car park for reward, subject to a maximum of \$250,000 for any one **occurrence** or any other greater amount set out in **your policy schedule**;
- c. for **damage** to or **loss** of **employees’** and directors’ property to the extent it is not otherwise covered under Policy section 8 – Portable and valuable items or Policy section 11 – Commercial motor, subject to a maximum of \$250,000 for any one **occurrence** or any other greater amount set out in **your policy schedule**;
- d. for **damage** to a premises temporarily occupied by **you** for the purpose of carrying out work in connection with the **business** or **damage** to or **loss** of the contents of such premises, up to the **limit of liability** shown in **your policy schedule**; or
- e. for **damage** to or **loss** of property not owned by **you** but in **your** physical or legal control (other than property referred to in subparagraphs a. through to d. of this Additional benefit and e. and f. of Additional benefit 3 – Vehicles, of this Policy section), subject to a maximum of \$250,000 for any one **occurrence** or any other greater amount set out in **your policy schedule**.

This Additional benefit overrides Policy section Exclusion 20 – Property in physical or legal control to the extent of any inconsistency.

3. Vehicles

We cover

Under this Additional benefit, **we** cover **your legal liability** (as if the words “owned or controlled by someone else” were deleted from the definition of **Legal Liability**) for:

- a. **personal injury** arising out of an **occurrence** which is partially (to the extent of that part) or totally outside the indemnity afforded under such compulsory liability insurance or other legislation relating to **vehicles** and where the reason the **occurrence** is outside the indemnity afforded by compulsory liability insurance or statutory indemnity does not involve a breach by **you** of legislation relating to **vehicles**;
- b. **property damage** arising out of or during loading and unloading of goods to or from any **vehicle** in the course of the **business**;
- c. **property damage** caused by the operation or use of any **vehicle** which is principally designed for lifting, lowering, loading or unloading any goods and is not also a road transport **vehicle** whilst being operated or used by **you** or on **your** behalf in the course of the **business**;
- d. **property damage** caused by the use of any tool or plant forming part of or attached to or used in connection with any **vehicle** other than when travelling to or from any work site or transporting or carting goods;
- e. **property damage** to **vehicles**, not belonging to **you** or used by **you** or on **your** behalf, but in **your** physical or legal control while being driven on a public **road**, for the purpose of servicing, repairing or testing as part of **your business**, subject to a maximum of \$250,000 for any one **occurrence** unless some other **limit of liability** is specified in **your policy schedule** or attached by **endorsement**; or
- f. **property damage** caused by the use of any **vehicle** not belonging to **you** but in **your** physical or legal control whilst being driven or moved for the purpose of servicing, repairing, delivery or testing as part of **your business**, subject to **you** contributing an amount of \$500 as the first payment of any claim in addition to any other **excess** specified elsewhere in **your policy** or in **your policy schedule**.

This Additional benefit overrides Policy section Exclusion 5 – Vehicles and Policy section Exclusion 20 – Property in physical or legal control, to the extent of any inconsistency.

We do not cover

We do not cover you whilst the **vehicle** is:

- a. engaged in or being tested in preparation for racing or pace making;
- b. any reliability trial or hill climbing test;
- c. being driven on any racetrack or speedway;
- d. being towed by another **vehicle**;
- e. being driven whilst in an un-roadworthy condition unless the liability incurred was not caused or contributed to by such un-roadworthiness;
- f. being driven by, or is in the charge of, someone who:
 - i. was under the influence of, or had their judgement affected by, any alcohol or drug;
 - ii. had more than the legal limit of alcohol in their breath or blood, as shown by analysis;
 - iii. refused to take a legal test for alcohol or drugs; or
 - iv. was not licensed, not correctly licensed or not complying with the conditions of their licence.

However, **we** will cover **you** under f. i. through f. iv. if **you** were not the driver or person in charge of **your** vehicle at the time of the **event** and **you** can satisfy **us** that **you** did not know, and could not have reasonably known, of any of the above circumstances. If **we** pay a claim **we** can recover those costs from the person who was driving or in charge of **your** vehicle, unless the law prohibits recovery by **us**; or

We do not cover (cont.)	<p>g. at the time of the occurrence, more than 100 kilometres from;</p> <ul style="list-style-type: none"> i. the location where the vehicle was being worked upon, or ii. the regular garage address of the vehicle. <p>In relation to paragraphs e. and f. under what 'We cover' we will not be liable for the first:</p> <ul style="list-style-type: none"> a. \$1,000 when the vehicle is being driven by a person under 25 years of age; b. \$250 when the vehicle is being driven by a person who has not held a driving licence in relation to the class of vehicle for two or more consecutive years. <p>These excesses are cumulative to the extent that one or more of the above circumstances apply and they are also in addition to the amount of any other applicable excess specified in this Policy section or in your policy schedule.</p> <p>This Additional benefit overrides Policy section Exclusion 5 – Vehicles and Policy section Exclusion 20 – Property in physical or legal control, to the extent of any inconsistency.</p>
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4. Principals

We cover	<p>Under this Additional benefit, we will extend the cover for legal liability provided by this Policy section to a principal of yours subject to the same terms and conditions which apply to you.</p> <p>This Additional benefit will only apply:</p> <ul style="list-style-type: none"> a. to legal liability for personal injury or property damage incurred by the principal which arises directly from your negligence in the performance of the contract between you and the principal; b. to the extent the cover under this Additional benefit is required by the contract between you and the principal; and c. where a claim made by you in relation to the occurrence which gives rise to the principal's legal liability would not be excluded or otherwise outside the cover provided by this Policy section. <p>The principal does not need to be noted on the policy schedule for this Additional benefit to apply.</p>
We do not cover	<p>This Additional benefit will not extend to legal liability incurred by a principal which:</p> <ul style="list-style-type: none"> a. arises out of or in connection with the principal's own negligence, acts, errors or omissions; b. arises independently of your performance of the contract between you and the principal; or c. arises from an occurrence in respect of which you or the principal is entitled to be indemnified pursuant to a policy which provides workers compensation insurance or any other policy or scheme which provides cover against liability for injuries to workers or employees.

5. Interested parties

We cover	<p>Under this Additional benefit, we will extend the cover for legal liability provided by this Policy section to an interested party subject to the same terms and conditions which apply to you.</p> <p>This Additional benefit will only apply:</p> <ol style="list-style-type: none">to legal liability for personal injury or property damage incurred by the interested party that arises directly from your negligence in the carrying out of work or services in connection with your business as part of an undertaking or contract entered into between you and the interested party;to the extent the cover under this Additional benefit is required by the contract or agreement between you and the interested party; andwhere a claim made by you in relation to the occurrence which gives rise to the interested party's legal liability would not be excluded or otherwise outside the cover provided by this Policy section.
We do not cover	<p>This Additional benefit will not extend to legal liability incurred by an interested party which:</p> <ol style="list-style-type: none">arises out of or in connection with the interested party's own negligence, acts, errors or omissions;arises independently of your performance of any contract or agreement between you and the interested party; orarises from an occurrence in respect of which you or the interested party is entitled to be indemnified pursuant to a policy which provides workers compensation insurance or any other policy or scheme which provides cover against liability for injuries to workers or employees. <p>This Additional benefit will not extend to an interested party that is also a principal.</p>

6. Non-manual work worldwide cover

We cover	<p>We will pay a claim for legal liability which results in personal injury or property damage occurring during the period of insurance arising from non-manual work carried out by you anywhere in the world provided that at the time of the work being carried out, the person carrying out that work is normally a resident in Australia or New Zealand.</p>
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7. Representation costs

We cover	<p>We will pay the costs of representing you at an inquest or in any court of summary jurisdiction relating to an occurrence during the period of insurance which may give rise to legal liability covered under this Policy section, if you have notified us in advance and we have given our written consent prior to you incurring these costs.</p>
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What we pay

Public liability

Subject to the limits that apply to products liability claims, **we** will pay up to the 'Public liability' **limit of liability** for any claim or series of claims for **personal injury, property damage** or **advertising liability** caused by or arising out of one **occurrence** or series of **occurrences** arising out of one original cause.

Products liability

We will pay, in the aggregate, up to the 'Products Liability' **limit of liability** for **your legal liability** arising out of any **occurrences** that happen during the **period of insurance** in connection with **your products**.

Legal costs

Unless stated otherwise, the Extra cover – Legal costs is in addition to the **limit of liability**. Subject to the terms and conditions of Exclusion 15 – Jurisdiction limits paragraph b.; for any claim arising from a recognition or enforcement action brought or instituted within Australia or New Zealand relating to a judgement obtained against **you** within the **United States** or **Canada** arising from **business** visits (but not **manual labour** or supervision of **manual labour** and not in respect of **advertising liability** arising from **business** visits to the **United States** or **Canada**) by travelling directors and **employees** of the **named insured** normally resident in Australia or New Zealand, the **limit of liability** is inclusive of the Extra cover – Legal costs and Additional benefits.

Application of limit of liability to claims that exceed the limit

If **we** pay the **limit of liability** in respect of any claim or series of claims **we** will not be obliged to defend any legal action against **you**. **We** will have no further liability under this Policy section with respect to the claim or series of claims (including legal costs) except for Additional benefits incurred by **you** with **our** permission prior to the date of payment.

If a payment exceeding the **limit of liability** has to be made to dispose of a claim, or legal action against **you**, **our** liability to pay any Additional benefits will be limited to that proportion of those Additional benefits as the **limit of liability** bears to the amount paid to dispose of the claim or legal action.

Excess

The **excesses** that are shown in **your policy schedule** apply. Other **excesses** set out in this Policy section or any **endorsement** may also apply.

Policy section conditions

These conditions apply to this Policy section.

1. Joint insureds

Where **you** are comprised of more than one party we will deal with any claim as though a separate policy had been issued to each one of those parties, provided that nothing in this clause shall operate to require **us** to pay more than the **limit of liability** shown in **your policy schedule**.

We agree to waive all rights of subrogation or action which **we** may have against any such entity in relation to matters covered by this Policy section.

2. Reasonable care

You must:

- a. exercise reasonable care to avoid and minimise **personal injury** or **property damage**, which includes taking reasonable measures to maintain all **premises**, fittings and plant in sound condition; and
- b. at **your** own expense take reasonable action to trace, recall or modify any, or all, of **your products** containing any defect or problem of which **you** have knowledge, or reason to suspect. This includes any compulsory recall or ban imposed by a government or statutory agency.

3. Inspection of property

We will be permitted to, but not obliged to, inspect the operations or **property insured** of **your business** at any time. Our inspection, or lack of inspection, does not constitute a recognition, admission or waiver of rights by **us** that any **property insured** or operation of **your business** is safe.

Definitions

The following words have the following meanings and only apply to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

Advertising liability

- a. any infringement of copyright or passing off of title or slogan;
 - b. unfair competition, piracy, idea misappropriation contrary to an implied contract; or
 - c. invasion of privacy committed or alleged to have been committed during the **period of insurance** in any advertisement, publicity article, broadcast or telecast and caused by or arising out of **your** advertising activities.
-

Geographic limitations

- a. anywhere in Australia or New Zealand; and
 - b. elsewhere in the world but only in respect of:
 - i. **business** visits by directors and **employees** of the **named insured** who normally reside in Australia or New Zealand, other than directors or **employees** who are engaged in or supervising **manual labour** during such visits and not in respect of **advertising liability** arising from **business** visits to the **United States** or **Canada**; or
 - ii. **your products** exported from Australia or New Zealand, other than **your products** exported to the **United States** or **Canada**.
-

Interested party

Any person, company or legal entity shown on the **policy schedule** as the interested party.

Internet operations

- a. use of electronic mail systems by **you** or **your employees**, including part time and temporary staff, and others within **your business** or others communicating with **your business** by electronic mail;
 - b. access through **your** network to the world wide web or a public internet site by **you** or **your employees**, including part time and temporary staff, and others within **your business**;
 - c. access to **your** intranet (internal company information and computing resources) which is made available through the world wide web for **your** customers or others outside **your business**; and
 - d. the operation and maintenance of **your** website.
-

Legal liability

A court or tribunal finds, or **we** accept, that **you** are legally responsible to pay compensation for **property damage** in respect of property owned or controlled by someone else; or **personal injury** to another person (other than **employees**) or **advertising liability**.

Named insured

The person, company or legal entity shown as the **insured** in **your policy schedule**.

Occurrence

An **event** neither expected nor intended from **your** standpoint including continuous or repeated exposure to substantially the same general conditions.

Personal injury

- a. bodily injury, death, sickness, disease, disability, shock, fright, mental anguish, mental injury or **loss** of consortium;
 - b. false arrest, false imprisonment, wrongful eviction, wrongful detention or malicious prosecution;
 - c. libel, slander, defamation of character or invasion of right of privacy; or
 - d. 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.
-

Principal

A party who **you** have entered into a written contract with in connection with **your business** where **you** agree to perform work, provide **your** services or supply **your products** to the party and the contract requires **you** to obtain insurance for legal liabilities incurred by that party which arise from **your** performance of the contract.

Property damage

- a. physical **damage** to or destruction of tangible property (which includes **loss** of property) including the **loss** of use of the property **damaged** or destroyed; or
 - b. **loss** of use of tangible property which has not been physically **damaged** or destroyed provided such **loss** of use is caused by physical **damage** to or **loss** or destruction of other tangible property.
-

Your product(s)

Anything (including any component, packaging or container of or for such thing) after it has ceased to be in **your** possession or control which has been manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied or distributed by **you** in the course of **your business**. The term includes anything (including any component, packaging or container of or for such thing) which by operation of a law of Australia **you** are deemed to have manufactured.

You, your, yours, yourself

The term '**you**' includes:

- a. **your** personal representatives in the event of **your** death;
 - b. all subsidiary companies (now or hereafter constituted) of the **named insured** which are incorporated within Australia or New Zealand and which carry on **your business**;
 - c. any director, executive officer, **employee**, partner or shareholder of the **named insured** or the companies as designated in paragraph b. above but only whilst acting within the scope of their duties in such capacity;
 - d. voluntary workers but only whilst acting within the scope of their duties in such capacity;
 - e. any **employee**, work experience personnel, office bearer or member of social, sports, fire fighting or welfare organisations, canteen and first aid facilities formed with the consent of the **named insured**, the companies as designated in paragraph b. or the persons as designated in paragraph c.; and
 - f. where the **named insured** is a club or association, any member of such club or association, but only whilst engaged as a member in activities organised by the club or association.
-

Policy section 7 – Management liability

This Policy section covers the management liability of **you**, **your directors**, **officers** and **employees**. The cover in this section (apart from Optional insurance 1 – Employee dishonesty) is issued on a claims made and notified basis, which is discussed on page 92.

You can also choose to purchase Optional Cover 1 – Employee dishonesty which will cover **you** for theft of **your** property or **money** by any of **your employees** which occurs during the **period of insurance**.

You can claim for **loss** as described under what “We cover” if:

- A. “Management liability” is shown on **your policy schedule**;
- B. the **claim** was first made against **you** and notified to **us** during the **period of insurance** (or **discovery period**, if applicable);
- C. the **loss** is not excluded by any of the exclusions under what “We do not cover”; and
- D. the **loss** is not excluded by any of the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

We cover	We will cover you for loss above the excess resulting from claims first made against you and notified to us during the period of insurance (or discovery period , if applicable).
We do not cover	<p>This Policy section does not cover:</p> <p>Exclusion 1 – Bodily injury and property damage</p> <p>Loss resulting from claims:</p> <ol style="list-style-type: none">a. for bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any person; orb. for damage to or destruction of any tangible property including any resulting consequent loss of use. <p>This Exclusion will not apply to any actual or alleged psychiatric, psychological or mental injury alleged in any claim by any insured person resulting from any employment wrongful act.</p> <p>Exclusion 2 – Dishonest or criminal intent or improper conduct</p> <p>Loss resulting from claims against you arising directly or indirectly from or in respect of:</p> <ol style="list-style-type: none">a. any wrongful act committed by you with wilful, reckless, dishonest, fraudulent, malicious or criminal intent;b. an insured person or trustee improperly using their position to gain an advantage for themselves or someone else or to cause a detriment to the company or the superannuation fund; orc. an insured person or trustee improperly using information obtained as a result of their position to gain an advantage for themselves or someone else or to cause a detriment to the company or the superannuation fund, <p>in each case only if established by formal written admission by you or final decision of a court or tribunal.</p> <p>For the purpose of this Exclusion, the fact that one of you has committed or is alleged to have committed the conduct described in paragraphs (a), (b) or (c) above will not be imputed to any other of you.</p> <p>This Exclusion does not apply to Optional insurance 1 – Employee dishonesty, of this Policy Section</p> <p>Exclusion 3 – Known claims and circumstances</p> <p>Loss resulting from claims arising directly or indirectly from or in respect of any fact, event, circumstance or wrongful act:</p> <ol style="list-style-type: none">a. known to you at the inception of this policy and which a reasonable person in the circumstances might reasonably expect to give rise to a claim;b. which has been or should reasonably have been the subject of any written notice given under any policy of which this policy is a direct or indirect renewal or replacement; orc. alleged in, discovered in, relating to or underlying any claim made against you prior to the inception of the commencement of the period of insurance.

Exclusion 4 – Certain company losses

Loss, other than **defence costs**, resulting from any **claim** brought by or on behalf of the **company** except for any **claim**:

- a. brought as a statutory derivative action, but not voluntarily solicited or assisted by the **company**;
- b. by or at the direction of any liquidator, administrator, or receiver or equivalent in any jurisdiction; or
- c. by the **company** pursuant to section 50 of the Australian Securities and Investments Commission Act 2001.

This Exclusion does not apply to Optional insurance 1 – Employee dishonesty, of this Policy Section

Exclusion 5 – Contractual liability

Loss resulting from **claims** against the **company** arising directly or indirectly from or in respect of any actual or alleged breach of contract, except that this exclusion will not apply in respect of a **claim** for an **employment wrongful act**.

Exclusion 6 – Pollution

Loss resulting from **claims** arising directly or indirectly from or in respect of **pollution**.

Exclusion 7 – Intellectual property rights

Loss resulting from **claims** against the **company** arising directly or indirectly from or in respect of any alleged or actual breach of any other party's intellectual property rights, or infringement or violation of any trade secret.

Exclusion 8 – Restrictive trade practices

Loss resulting from **claims** against the **company** arising directly or indirectly from or in respect of any alleged or actual restrictive trade practices including but not limited to, Part IV of the Competition and Consumer Act 2010 (Commonwealth) or similar legislation in other jurisdictions, or tortious interference with any other party's business or contractual relationships.

Exclusion 9 – Professional services

Loss resulting from **claims** arising directly or indirectly from or in respect of:

- a. any breach of duty in respect of any professional services or professional advice by **you**; or
- b. any breach of any contract for the provision of professional services or professional advice by **you**;

except that this Exclusion will not apply in respect of any actual or alleged professional services or professional advice which is provided by an **insured person** when acting solely in their capacity as an **insured person**, or in circumstances where such professional services or professional advice is provided to **you** and not to third parties in the course of the **company's business**.

Exclusion 10 – Public capital raisings

Loss resulting from **claims** arising directly or indirectly from or in respect of any public offer for the raising of capital by debt or equity, including but not limited to any prospectus.

Exclusion 11 – Jurisdiction limits

- a. any action brought or instituted against **you** or any judgment obtained against **you** (whether or not such judgment is enforced by the courts of Australia or New Zealand) in any country other than Australia or New Zealand, regardless of whether **you** are represented by a branch or by an **employee** domiciled in that country or by a company, firm or individual holding **your** power of attorney.

However, this exclusion a. does not apply to actions and judgments arising from business visits (but not **manual labour** or supervision of **manual labour**) by travelling **directors** and **employees** of the **company** normally resident in Australia or New Zealand, to any country other than the **United States** or **Canada**; or

- b. any actions brought or instituted against **you** or any judgment obtained against **you** (whether or not such judgment is enforced by the courts of Australia or New Zealand) within the **United States** or **Canada**.

We do not cover (cont.)

However, this exclusion b. does not apply to any recognition or enforcement action brought or instituted within Australia or New Zealand relating to a judgment obtained against **you** within the **United States** or **Canada** arising from business visits (but not **manual labour** or supervision of **manual labour**) by travelling **directors** and **employees** of the **company** normally resident in Australia or New Zealand.

Exclusion 12 – Retroactive date

Loss resulting from any **wrongful act** occurring or committed prior to the **retroactive date**.

Exclusion 13 – Subrogation waiver

Any liability incurred solely by reason of **you** entering into a deed or agreement excluding, limiting or delaying the legal rights of recovery against another.

Exclusion 14 – Occupational health and safety law

Loss resulting from **claims** arising directly or indirectly from or in respect of any breach of occupational health and safety law.

Exclusion 15 – Subsidiaries

Any **wrongful act** committed or alleged to have been committed by a **subsidiary** prior to its acquisition or creation by **you**.

Additional benefits

We will also provide the following Additional benefits in this Policy section, subject to the General exclusions, Policy section exclusions and any **endorsement**.

Unless stated otherwise any amounts payable under these Additional benefits do not apply in addition to the **sum insured** specified in **your policy schedule**.

1. Advancement of defence costs and representation expenses

We cover

We will advance **defence costs** and, **representation expenses** covered under this Policy section including under Additional benefit 5 – Occupational health and safety expenses and Additional benefit 6 – Pollution expenses, of this Policy section.

However, if and to the extent that **you** are not entitled to cover for **loss** under the terms of this Policy section, then **we** will cease to advance **defence costs** and **representation expenses** and any amounts previously advanced shall be repaid to **us** by **you** within thirty (30) days following a request by **us** for such repayment.

If a **claim** alleges a **wrongful act** or illegal or improper conduct as described in Exclusion 2 – Dishonest or criminal intent or improper conduct, then **we** will advance **defence costs** and **representation expenses** in respect of such **claim**.

Provided that if it is found by way of an admission by **you**, judgment or adjudication that **you** did commit such **wrongful act** or engage in such illegal or improper conduct, then any amounts previously advanced shall be repaid to **us** within thirty (30) days following the request for repayment.

2. Continuity

We cover	<p>In the absence of fraudulent non-disclosure or fraudulent misrepresentation, where a claim that would otherwise be covered by this Policy section is excluded by Exclusion 3 – Known claims and circumstances, then cover is provided under this Policy section, provided that:</p> <ol style="list-style-type: none">a. you were insured against the wrongful act by us at the time when you first became aware of such fact, event, circumstance or wrongful act and have since been insured continuously by us, under a policy of which this Policy section is a replacement; andb. no related claim has been made against you prior to the period of insurance. <p>The cover provided under this Additional benefit will be in accordance with this Policy section, except that:</p> <ol style="list-style-type: none">i. if the excess applicable to the section in force at the time when you first became aware of such fact, event, circumstance or wrongful act is higher than the excess specified in your policy schedule, then that higher amount will be deemed to be the excess specified in your policy schedule in respect of such claim; andii. if the sum insured applicable to the section in force at the time when you became aware of such fact, event, circumstance or wrongful act is lower than the sum insured specified in your policy schedule, then that lower amount will be deemed to be the sum insured in respect of such claim.
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3. Acquisition or creation of new subsidiaries

We cover	<p>If, during the period of insurance, the policyholder acquires or creates a new subsidiary that has total assets (by reference to the new subsidiary's most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the policyholder (by reference to the policyholder's most recent financial statements as at the time of acquisition or creation), then the definition of company will be extended to include the new subsidiary with effect from the date of acquisition or creation of such subsidiary by the policyholder.</p>
We do not cover	<p>The definition of company does not include any new subsidiary acquired or created by the policyholder that:</p> <ol style="list-style-type: none">a. has any of its securities listed on any exchange in the United States; orb. is domiciled or incorporated in the United States.

4. Outside directorships

We cover	<p>This Policy section is extended to include as an insured person a person who, at the written request of the company was prior to the period of insurance, or is during or after the period of insurance a director or officer of, or occupies a position of equivalent status in, any non-profit outside entity or outside entity.</p> <p>Any cover provided under this Additional benefit will be specifically in excess of:</p> <ol style="list-style-type: none">a. any indemnity; orb. any insurance contract specified by endorsement, <p>available from or through the non-profit outside entity or outside entity.</p>
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5. Occupational health and safety expenses

We cover	<p>Subject to the provisions of Additional benefit 1 – Advancement of Defence Costs and Representation Expenses and notwithstanding Exclusion 1 – Bodily Injury and Property damage, Exclusion 14 – Occupational Health and Safety Law and General Exclusion 4 – Non Compliance, we will:</p> <ul style="list-style-type: none">a. pay on behalf of you:<ul style="list-style-type: none">i. defence costs incurred in defending claims (other than a civil claim for compensation or damages) first made against you and notified to us during the period of insurance, based upon occupational health and safety law which results from a wrongful act;ii. representation expenses, where the subject matter of the official investigation, examination, inquiry or other proceedings is occupational health and safety law; andb. cover you for fines or penalties to the extent permitted by law imposed upon you resulting from claims first made against you and notified to us during the period of insurance based upon occupational health and safety law. <p>For the purposes of this Additional benefit, representation expenses also includes necessary and reasonable costs, charges and expenses (other than regular or overtime wages, salaries, fees or benefits of an insured person) incurred with our prior consent, in representing and assisting you at a visit from an inspector of a workplace health and safety authority in connection with and following a workplace safety incident, provided that notice of the visit is given to you and is notified to us during the period of insurance.</p> <p>The cover provided under this Additional benefit will only apply to claims made in jurisdictions within Australia and New Zealand and pursuant to the relevant laws of Australia or New Zealand.</p> <p>If there is an entitlement to payment under Additional benefit 6 – Pollution expenses, of this Policy section, then there is no entitlement to payment under this Additional benefit.</p>
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6. Pollution expenses

We cover	<p>Subject to the provisions of Additional benefit 1 – Advancement of defence costs and representation expenses and notwithstanding Exclusion 1 – Bodily injury and property damage, Exclusion 6 – Pollution and General exclusion 4 – Non-compliance, we will pay on behalf of you:</p> <ul style="list-style-type: none">a. defence costs incurred in defending claims (other than a civil claim for compensation or damages) first made against you and notified to us during the period of insurance, based on pollution which results from a wrongful act; andb. representation expenses, where the subject matter of the official investigation is pollution. <p>The cover provided under this Additional benefit will only apply to claims made within the jurisdiction of Australia and New Zealand and pursuant to the relevant laws of Australia or New Zealand.</p>
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7. Emergency costs

We cover	<p>If, due to an emergency, you are unable to request our prior written consent to the incurring of defence costs or representation expenses in respect of claims covered under the terms of this Policy section, then you may incur reasonable defence costs and representation expenses without our prior written consent until such time as you contact or reasonably could have contacted us.</p>
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8. Personal tax liability

We cover	<p>The definition of loss is extended to include any personal liability an insured person incurs with respect to unpaid taxes of an insolvent company.</p> <p>Our liability under this Additional benefit will not exceed \$25,000 per period of insurance.</p>
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9. Public relations expenses

We cover	<p>The definition of loss is extended to include the reasonable costs, charges, fees and expenses of a public relations firm or consultant incurred with our prior consent which you engage to prevent or limit the adverse effects or negative publicity which results from or is anticipated to result from a claim.</p> <p>Our liability under this Additional benefit will not exceed \$25,000 per period of insurance.</p>
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10. Business crisis consultant fees

We cover	<p>We will pay on behalf of the company, business crisis consultant fees incurred by the company in responding to a business crisis event that first occurs during the period of insurance.</p>
We do not cover	<p>We will not pay more than \$25,000 per business crisis event.</p>

11. Spouses and legal representatives

We cover	<p>If an insured person dies or becomes legally incapable, insolvent or bankrupt, then this Policy section will cover loss resulting from claims first made against the insured person's estate, heirs, executors or other legal representatives during the period of insurance, provided that the estate, heirs, executors or other legal representatives must comply with the terms of this Policy section.</p> <p>If a claim against an insured person includes a claim against that insured person's spouse solely by reason of:</p> <ol style="list-style-type: none">the spouse's legal status as a spouse of the insured person, orthe spouse's ownership interest in property which the claimant seeks as recovery for claims made against the insured person, <p>then all loss for which the spouse becomes legally liable that would otherwise be covered by this Policy section will be treated for the purposes of this Policy section as loss, except to the extent the claim alleges any act, error or omission by the insured person's spouse.</p>
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12. Retired directors and officers

We cover	<p>In the event that this Policy section is neither renewed nor replaced for any reason, other than for non-payment of premium, then any director or officer who retires from all paid employment and office with a company during the period of insurance, but prior to any merger or acquisition, shall be entitled to an automatic discovery period of 84 months following expiry of the period of insurance.</p>
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13. Automatic discovery period

We cover	<p>In the event that this Policy section is neither renewed nor replaced for any reason other than for non-payment of premium, and provided that no merger or acquisition has occurred, the policyholder will be entitled to a discovery period of 90 days at no additional premium.</p> <p>Discovery periods are non-cancellable, and any claim made during a discovery period will be deemed to have been first made during the immediately preceding period of insurance.</p> <p>The entitlement to a discovery period will not increase or reinstate the sum insured shown on your policy schedule.</p>
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Optional insurance

We will provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown on **your policy schedule**. The amounts payable under this Optional insurance are in addition to the **sum insured**.

1. Employee dishonesty

We cover	<p>Provided 'Employee dishonesty' is shown in your policy schedule we will pay you for fidelity loss that occurs during the period of insurance.</p> <p>A series of related, continuous or repeated acts of fraud or dishonesty (whether by any one employee or any number of employees in collusion) will be treated as a single act of fraud or dishonesty even if committed during more than one (1) period of insurance.</p> <p>However, if the act of fraud or dishonesty is committed during more than one (1) period of Insurance, you shall be entitled to elect which of these periods of insurance the act of fraud or dishonesty will be deemed to have occurred. The maximum amount of insurance will be determined by the sum insured that applied in the elected period of insurance.</p>
We do not cover	<p>We will not cover you for any fidelity loss arising from any act of dishonesty committed more than 12 months before the inception of this Policy section.</p> <p>We will not cover you for more than the lesser of the:</p> <ol style="list-style-type: none">sum insured shown in the policy schedule; orthe amount that would have been recoverable under the previous policy had it continued in force until the discovery of the loss. <p>This Optional insurance does not cover you for:</p> <ol style="list-style-type: none">any fidelity loss arising from the conduct of an employee, discovered later than:<ol style="list-style-type: none">12 months after the expiry of the period of insurance;12 months after the termination of employment of the relevant employee(s) whichever occurs first; orany fidelity 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;fidelity loss arising from the conduct of an employee outside of Australia or New Zealand;fidelity loss or part of a fidelity loss where the proof of the fidelity loss is solely dependent upon an inventory stock take or a profit and loss calculation;fraud or dishonesty by any of your employees committed with your connivance;indirect or consequential loss of any kind, including but not limited to loss of use or loss of earning capacity; orfidelity loss arising directly or indirectly from or in respect of the actual or alleged theft of confidential information or intellectual property.

Optional insurance Extra covers

If **we** agree to pay a claim under Optional insurance 1 – Employee dishonesty, **we** will also pay or provide the Extra covers set out below.

1. Claims preparation costs

We cover	We will pay for the reasonable cost of auditors' fees and other reasonable expenses incurred by you with our consent, for the preparation of claims under this Optional insurance.
We do not cover	We will not pay more than \$25,000 for claims preparation costs during any one (1) period of insurance . Any amounts payable for claims preparation costs do not apply in addition to the sum insured applicable to this Optional insurance 1 – Employee dishonesty.

2. Retroactive cover

We cover	If Optional insurance 1 – Employee dishonesty 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 fidelity loss that is within the period of cover of the consecutive previous policy provided that: a. the fidelity loss would have been recoverable by you under the consecutive previous policy except for the fact that the time within which to discover any fidelity loss had expired; and b. the fidelity loss would have been covered under this Policy section if this Policy section had been in force when the acts or defaults causing the fidelity loss were committed.
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3. Welfare, social or sporting club cover

We cover	The term ' you ' is extended to include any welfare, social or sporting club formed with your knowledge and consent which is exclusively for the benefit of employees and their families. Unless stated otherwise, any amounts payable in respect of this extension of the term ' you ' does not apply in addition to the sum insured applicable to this Optional insurance 1 – Employee dishonesty.
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Policy section conditions

These conditions apply to all covers, Extra covers, Additional benefits, Optional insurance and claims under this Policy section unless otherwise stated.

1. Acquisition, merger or winding up of policyholder

If, during the **period of insurance**, any of the following events occur:

- a **merger or acquisition** of the **policyholder**; or
- the appointment of a receiver, controller, administrator or liquidator to the **policyholder** or, the commencement of a scheme of arrangement or compromise or a winding up process in respect of the **policyholder**,

then this Policy section will remain in force until the expiry of the **period of insurance**, but only in respect of **loss** resulting from **claims** based on **wrongful acts** committed or alleged to have been committed prior to the events described in (a) or (b) above.

2. Severability and imputation

For the purposes of this Policy section, any knowledge or information possessed by any past, present or future chief executive officer, chief operating officer, chief financial officer, chief legal officer (or similar positions) or chairman of the board of **directors** shall be imputed to the **company**.

The proposal made to **us** prior to entering into this **policy** shall be construed as separate applications for cover by each of **you** and, except as provided for above, no information provided by or representation made by one, will be imputed to another.

A breach of this Policy section or knowledge or information possessed by one of **you** will not be imputed to another except as provided for above.

3. Related claims

For the purpose of the calculation of the **sum insured**, any **sub-limit** or **excess**, all **related claims** will be deemed to be one **claim** and cover for all **related claims** will be provided as follows:

- a. if the first **related claim** is first made during the current **period of insurance** and notified to **us** during the current **period of insurance** or any applicable **discovery period**, then cover for all subsequent **related claims** will only be provided under this **policy**; and
- b. if the first **related claim** was first made and notified to **us** during a period prior to the current **period of insurance**, during which **you** had cover with **us**, then cover for all **related claims** will only be provided under that earlier policy with **us**, subject to the terms, **excess** and **sum insured** of that earlier policy; and
- c. if the first **related claim** was first made during a period prior to the current **period of insurance**, during which **you** did not have cover with **us**, then no cover for any **related claim** will be provided under this **policy**.

4. Notification

The **policyholder** must give to **us** notification of any **claim** made against **you**, or any **loss**, as soon as reasonably practicable within the **period of insurance**.

Each notification of a **claim** must include so far as practicable:

- a. the identity of the claimant or potential claimant;
- b. the nature of the **claim**; and
- c. the likely quantum of the **claim**.

The **policyholder** must provide **us** notification of any **business crisis event** as soon as reasonably practicable and during the **period of insurance**. Each notification of a **business crisis event** must include a full description of the event.

The **policyholder** must provide **us** with such further information and documentation as **we** may reasonably require.

5. Claims conduct

We are entitled to take over and conduct in **your** name the defence or settlement of any **claim** and will have full discretion in the conduct of any proceedings and in the settlement of any **claim**.

We reserve entirely **our** rights under this **policy**, including **our** right to agree or deny cover while **we** assess a **claim** or conduct a defence. **Our** rights under this Policy section are not affected if **we** do not conduct the defence.

Neither **you** nor **we** will be required to contest or litigate any **claim** if, in the opinion of Senior Counsel (or equivalent), reasonable attempts should be made to settle the **claim**. The Senior Counsel (or equivalent) shall be mutually agreed upon, or in the absence of such agreement, as nominated by the President of the Bar Association of the relevant State or Territory jurisdiction. The cost to obtain the opinion will be advanced by **us** and treated as **defence costs**.

Senior Counsel (or equivalent) shall provide the opinion in writing. In formulating the opinion Senior Counsel (or equivalent) shall consider commercial matters including the amount of the **claim**, the actual and potential **loss** (including **defence costs**) that may reasonably be incurred in contesting the **claim**, the liability prospects and the prospect of recovering costs against the claimant in the event that the defence is successful. Senior Counsel (or equivalent) will also provide a settlement range within which reasonable attempts should be made to settle the **claim**.

If it is the opinion of Senior Counsel (or equivalent) that reasonable attempts should be made to settle the **claim**, **you** will not object to **our** attempt to do so.

6. Settlement

You must not settle or offer to settle any **claim**, incur any **defence costs**, or **representation expenses** or otherwise assume any contractual obligation or admit any liability in respect of any **claim** without **our** prior written consent.

If **you** object to a proposal by **us** to settle or compromise any **claim** payable under this Policy section and wish to contest or litigate the matter, then **you** may so elect, but **our** liability in respect of any such **claim** so contested or litigated will not exceed the amount for which, but for such election, it could have been settled or compromised by **us**, together with **defence costs** payable in accordance with the terms of this Policy section and incurred up to the time of such election.

7. Allocation of loss

This Claims Condition applies to any part of any **loss** resulting from a **claim** which is in respect:

- a. of one of **you** only;
- b. of more than one of **you**, whether jointly or severally; or
- c. of one or more of **you** and one or more persons or entities who is or are not covered under this Policy section, whether jointly or severally, and which is partly covered and partly not covered under this Policy section, (together 'Loss to be Allocated').

We must determine a fair and reasonable allocation of the covered part of the Loss to be allocated among the relevant insureds and **us** having regard to the extent of each insured's comparative responsibility for the Loss to be allocated.

Our consideration of what is fair and reasonable will include without limitation, the following factors:

- a. the nature of the **claim** against each **insured person**;
- b. the issues of fact and law in relation to each **insured person**;
- c. the content and the manner of the conduct of any defence of the **claim**;
- d. the relative degree of personal responsibility for the **loss**;
- e. the extent to which the **insured person's** responsibility for the **loss** is joint, several or shared;
- f. the extent to which any person or entity, other than that **insured person**, would obtain a benefit from the payment by **us**;
- g. the extent to which the **loss** is solely of that **insured person**;
- h. the extent to which the issues in the **claim** against that **insured person** are in common with the issues in the **claim** against any other person or entity;
- i. the extent to which the **loss** is partly covered and partly not covered under this Policy section;
- j. in the event of a settlement, the likely comparative responsibility had the settlement not occurred.

If **you** wish to dispute **our** determination of the allocation, each party agrees that the dispute must be referred for expert determination in accordance with the Australian Commercial Disputes Centre ("ACDC") Mediation Guidelines, to an expert agreed by the parties, or if the parties do not agree on an expert, an expert nominated by the then current CEO of ACDC or the CEO's nominee.

Each party agrees to sign an agreement with the expert that confirms the following:

- a. each party will pay an equal share of the fees for the appointed expert (to be charged at the expert's usual rate); and
- b. the expert may:
 - i. consider relevant industry practice;
 - ii. consider all information presented to the expert by either party;
 - iii. request more information from either party;
 - iv. request a meeting with the parties (to which they may bring their lawyers); and
- c. the expert must provide their decision within thirty (30) days after the agreement is signed, however reasons need not be given;
- d. the expert's decision will be binding on the parties and final; and
- e. all liability of the expert to either party will be excluded (including liability for negligence) to the full extent permitted by law.

This allocation applies for all purposes under this Policy section including Additional benefit 1 – Advancement of Defence Costs and Representation Expenses and Policy section Condition 8 – Subrogation and Recoveries.

Any allocation of **loss** will not apply to or create a presumption with respect to the allocation of other **loss** on account of such **claim**.

This provision overrides the Complaints Resolution provision contained in Part B of this **policy** with respect to **our** determination of the allocation, to the extent of any inconsistency and the extent permitted by law.

8. Subrogation and recoveries

Provision of information and assistance

You agree to provide **us** with all information, evidence, documentation, assistance and co-operation and to execute such documents, including signed statements and affidavits, which **we** reasonably request in the exercise of **our** rights of recovery.

You will at all times and at **your** own cost use reasonable endeavours to do and concur in doing everything reasonably practicable to assist in the exercise of **our** rights of recovery.

All recoveries

All recoveries obtained by **you** from other parties will be allocated, after the settlement of any **claim** under this Policy section as follows:

- a. firstly, to the benefit of **you** to reduce or extinguish the amount of **your loss** to the extent that it would have been paid under this Policy section but for the fact that such **loss** exceeds the relevant **sum insured**, and the **excess** where applicable; and
- b. secondly, to the benefit of **us** for all sums paid in settlement of **loss** arising under this **policy**; and
- c. thirdly, to the benefit of **you** for the **excess** under this Policy section.

All recoveries will be applied in accordance with the above only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any **claim** under this Policy section will be held for the benefit of **us** and applied as stated above after settlement if any is made.

Recoveries do not include any amount recovered from insurance, surety, reinsurance, security or indemnity taken for the benefit of **us**.

9. Authorisation

The **policyholder** is the agent for each of **you** and each of **you** is bound by any statement, act or omission of the **policyholder** for all purposes under this Policy section, subject to Policy section Condition 2 – Severability and Imputation and Policy section Condition 5 – Claims Conduct.

If the **policyholder** is more than one entity, then the first entity listed in the **policy schedule** will be deemed to be the **policyholder**.

10. Confidentiality

You must not disclose the existence or terms of this Policy section, including without limitation the **sum insured**, the nature of the insurance or the premium payable to any person who is not insured except where:

- a. **you** are required by law or stock exchange rules to do so; or
- b. **we** provide **our** prior written consent to such disclosure.

11. Governing law

The construction, interpretation and meaning of the terms of this Policy section will be determined in accordance with the laws of Australia and the State or Territory where the **policy** was issued. Any disputes relating to the construction, interpretation and meaning of the terms of this **policy** will be submitted to the exclusive jurisdiction of the courts of Australia.

12. Interpretation the singular includes the plural and vice versa.

A reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision (whether of Australia or elsewhere).

What we pay

Our liability to you under this Policy section in respect of loss resulting from claims first made against you and notified to us during the period of insurance (or the discovery period, if applicable) will not exceed the 'Management liability' sum insured in the aggregate for all loss covered under the Policy section during the period of insurance.

Except as provided by the Optional insurance 1 – Employee dishonesty, we have no liability for any amount above the 'Management liability' sum insured.

Any discovery period will not increase or reinstate the 'Management liability' sum insured or any Sub-limit of Liability, which will be our maximum liability for the period of insurance and discovery period, combined.

In respect of the Optional insurance 1 – Employee dishonesty, we will:

- a. pay you the amount of lost money; or
- b. at our option, replace lost covered property or pay the market value of the covered property.

Notwithstanding that the act of fraud or dishonesty may have been committed during more than one (1) period of insurance, the maximum amount we will pay for all claims under Optional insurance 1 – Employee dishonesty in the period of insurance is the 'Employee dishonesty' sum insured.

Excess

The excess that applies to Management liability only is specifically shown on your policy schedule and applies to each claim under this Policy section.

If you also select Optional insurance 1 – Employee dishonesty the excess that applies to 'Employee dishonesty' will apply in addition to any excess applicable to Management liability.

You are liable for the amount of loss or fidelity loss up to the excess for each claim under this Policy section.

The excess is deducted from loss payable before the application of the 'Management liability' sum insured or, in respect of the Optional Insurance 1 – Employee dishonesty, from fidelity loss payable before the application of the 'Employee dishonesty' sum insured.

Definitions

The following words have the following meanings and apply only to this Policy section. For the purpose of this Policy section the defined terms prevail over any other meaning ascribed to them in other parts of the PDS and Policy Wording. You should also refer to the General definitions on page 22 to 27.

Benefits

- a. fringe benefits and perquisites; or
- b. amounts due or payments made in connection with superannuation or an employee benefit plan or pension scheme; or
- c. share or stock options or any other right to purchase, acquire or sell shares or stock; or
- d. bonuses, or employee or management incentive schemes or similar.

Business crisis consultant fees

The reasonable costs, charges, fees or expenses of an independent management consultant engaged to minimise the effect of the business crisis event, but only during the first thirty (30) days immediately following the business crisis event.

Business crisis event

Any one of the following unforeseen events which, in the reasonable opinion of the Managing Director (or equivalent) of the company, if left unmanaged has the potential to lead to an imminent decrease of 30% or more of the company's consolidated revenues:

- a. the loss of a major customer or contract of the company;
 - b. the sudden and unexpected death or injury of any insured person;
 - c. the unexpected imposition of a tax bill;
 - d. the unexpected recall of any product manufactured, distributed or sold by the company; or
 - e. the illegal tampering with or contamination of any product manufactured, distributed or sold by the company.
-

Claim

- a. a written communication, including electronic communications, to **you**, containing a demand for compensation or damages, alleging an act, error, omission, conduct, facts or circumstances that may constitute a **wrongful act**;
 - b. a civil proceeding commenced against **you** by the service of a written complaint, summons, statement of claim, writ or similar pleading or an arbitral process, cross-claim, or counter claim against **you** alleging an act, error, omission, conduct, facts or circumstances that may constitute a **wrongful act**;
 - c. any criminal proceeding commenced against **you** by a summons or charge arising from a **wrongful act**; or
 - d. any **official investigation**.
-

Company

- a. the **policyholder**; and
 - b. a **subsidiary** of the **policyholder** prior to or as at the commencement of the **period of insurance**.
-

Covered property

Tangible property other than **money**.

Defence costs

Reasonable costs, fees and expenses incurred by **you** in defending, investigating or settling **claims**.

Director

Any natural person who prior to, during or after the **period of insurance**, a validly appointed director (as defined in the Corporations Act 2001 or any equivalent provision in the jurisdiction in which the **company** is incorporated) of the **company**.

Discovered/Discovery

When **you** first become aware of facts which would cause a reasonable person in the circumstances to believe that **fidelity loss** has occurred, or is likely to occur, regardless of when the act or acts causing or contributing to such **fidelity loss** occurred and even though the exact amount or details of the **fidelity loss** may not then be known.

Discovery period

A period of time immediately following the expiration of the **period of insurance** during which written notice may be given to **us** of a **claim** first made after the expiry of the **period of insurance**, and based on **wrongful acts** occurring prior to the expiry of the **period of insurance**.

Employee

Any natural person who was prior to the **period of insurance**, or is during or after the **period of insurance** an employee of the **company**, (which includes trainees, casual, part-time, seasonal, temporary, voluntary and work experience personnel) acting in such capacity, but excludes **directors** and independent contractors.

Employment wrongful acts

Any employment related act, error, omission, or conduct constituting actual, constructive or alleged:

- a. wrongful dismissal, discharge or termination of employment;
- b. wrongful failure to employ or promote;
- c. wrongful deprivation of career opportunity;
- d. misleading representation or advertising in respect of employment;
- e. wrongful disciplinary action;
- f. negligent employee evaluation;
- g. wrongful demotion;
- h. breach of employment contract;
- i. sexual or workplace harassment (including the creation of a workplace environment conducive to such harassment);
- j. wrongful discrimination;
- k. failure to grant tenure; or
- l. invasion of privacy or defamation,

committed by **you** in respect of **employees** or prospective **employees** of the **company**.

Fidelity loss

Direct financial or physical **loss** of **money** or **covered property** belonging to **you**, or leased by **you** or in **your** care, custody or control, and caused by any dishonest or fraudulent act committed by an **employee** (whether acting alone or in collusion with any other person) while working for **you** in connection with the **business**.

Fidelity loss does not mean:

- a. regular or overtime wages, salaries, fees or benefits earned in the normal course of employment;
- b. damages of any type, including but not limited to punitive, exemplary or aggravated damages;
- c. securities; or
- d. shares, stocks, bearer instruments, derivatives, bonds, warrants, debentures, units in shares, units in trusts (including any evidence of indebtedness or other equity or debt security), rights under a depositary receipt or other securities (or interests therein) of whatever nature.

Insured person

Any natural person who prior to, during or after the **period of insurance**, a **director**, **officer** or **employee** of the **company**.

Loss

- a. any amount, whether determined by judgment, verdict or award for which **you** are legally liable to pay including compensation orders, pre- and post-judgment interest, awards of costs or settlements including claimant's costs;
- b. **defence costs**;
- c. **representation expenses**;
- d. reasonable expenses incurred by **you** with **our** prior written consent, solely to investigate, prove and substantiate the amount of the **claim**;
- e. fines or penalties, to the extent allowed by law; or
- f. with respect to any **claim** for an **employment wrongful act**; or
- g. in the event of an order to reinstate or re-employ an **employee**, the cost to **you** of complying with any order to pay salary or wages, or damages calculated by reference to salary or wages, to an **employee** for the period from the date of the purported dismissal or termination to the date on which the court, tribunal or similar body delivered its judgment to the parties but does not mean employee entitlements or benefits.

Loss does not mean:

- a. any amount that **we** are prohibited from paying under the laws applicable to this **policy**;
- b. any amount representing a profit or advantage to which **you** are not legally entitled; or
- c. with respect to any **claim** for an **employment wrongful act**:
 - i. any amounts payable in respect of a specified contractual obligation;
 - ii. compensation payable in respect of contractual or statutory notice periods;
 - iii. future salary or wages if the **company** was ordered to reinstate an **employee** but does not;
 - iv. salary or wages earned prior to the date of termination; or
 - v. **benefits**.

Management wrongful acts

Any act, error, omission, conduct, misstatement, misleading statement, neglect or breach of duty, trust, contract, warranty of authority, statute or confidentiality, actually or allegedly committed by:

- a. the **company**; or
- b. a **director** or **officer** of the **company**, or as the holder of a position of equivalent status in, any **non-profit outside entity** or **outside entity**, in that capacity; or
- c. a **trustee** of a **superannuation fund** in that capacity,

but does not include an **employment wrongful act**.

Merger or acquisition

- a. the **policyholder** or the **company** consolidating with, merging into or selling all or substantially all of its assets such that the **policyholder** or the **company** is not the surviving entity; or
 - b. any entity obtaining control of the **policyholder** or the **company**.
-

Money

Cash, bank notes, currency notes, negotiable cheques, negotiable securities, travellers' cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of securities) and the contents of franking machines.

Any **superannuation fund** or pension fund formed by **you** and exclusively for the benefit of **employees** but does not include any scheme that is administered by a professional funds manager.

Non-profit outside entity

Any non-profit organisation of any kind that is exempt from the payment of income tax, other than a **subsidiary**.

Officer

Any natural person who was prior to the **period of insurance**, or is during or after the **period of insurance**:

- a. a company secretary of the **company**; or
- b. a person:
 - i. who makes, or participates in making, decisions that affect the whole, or a substantial part, of the **business** of the **company**;
 - ii. who has the capacity to significantly affect the **company's** financial standing; or
 - iii. in accordance with whose instructions or wishes the **directors** of the **company** are accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person's professional capacity or their business relationship with the **directors** or the **company**),

other than:

- ▶ a receiver, or receiver and manager;
 - ▶ an administrator or an administrator of a deed of company arrangement;
 - ▶ a liquidator; or
 - ▶ a trustee or other person administering a compromise or arrangement made between the **company** and someone else.
-

Official investigation

Any formal investigation, examination, inquiry, or other formal proceeding into the affairs of the **company** or the conduct of **directors, officers, employees or trustees** in that capacity, as ordered or commissioned by any authoritative or governmental body that has legal authority to conduct such a proceeding, and in which the **company** or its **directors**, or **officers** or **employees** in that capacity, are required or requested to attend or produce documents.

An **official investigation** is deemed to have started when **you** or **any of the above named persons or entities** are first required or requested to attend a proceeding or produce documents.

Outside entity

Any company, other than a **subsidiary**, that:

- a. is not domiciled or incorporated in the **United States**;
 - b. is not a bank, building society, credit union, stockbroker, venture capital company, private equity company, insurance or reinsurance company, investment manager, fund manager or similar entity; and
 - c. does not have any of its securities listed on an exchange.
-

Policy committee

A prescribed policy committee for the purposes of Part 9 of the Superannuation Industry (Supervision) Act 1993.

Policyholder

The person or entity named as such in **your policy schedule**.

Pollution

Means:

- a. the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **pollutants** into or on real or personal property, water or the atmosphere; or
 - b. any direction or request to test for, monitor, clean up, treat, detoxify or neutralise **pollutants**.
-

Related claims

All **claims** arising directly or indirectly from or in respect of the same or causally related or continuous or repeated **wrongful acts** whether committed by one or more of **you** and whether directed to or affecting one or more than one person or legal entity.

Representation expenses

Reasonable costs, fees and expenses of preparing for, attending, cooperating with, or being represented at an **official investigation**.

Retroactive date

The date specified as such in **your policy schedule**.

Spouse

A lawful spouse, domestic partner (including same sex partner) or any person deriving similar status by reason of the common law or statute.

Subsidiary

- a. a subsidiary of the **policyholder** as defined in the Corporations Act 2001; or
 - b. any body corporate in which the **policyholder**:
 - i. controls the composition of the board of the body corporate;
 - ii. is in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the body corporate; or
 - iii. holds more than one-half of the issued share capital of the first body (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); or
 - c. any body corporate which is a subsidiary of a body corporate described in paragraph (a) or (b) above; or
 - d. any other body corporate whose accounts are consolidated into those of the **policyholder** in accordance with the relevant Australian Accounting Standard.
-

Superannuation fund

A corporate superannuation fund established for the benefit of **employees** of the **company**, but excludes any industry, master or self-managed **superannuation fund**.

Trustee

Any **insured person** who:

- a. was prior to the **period of insurance**, or is during or after the **period of insurance**:
 - i. duly appointed trustee of the **superannuation fund**; or
 - ii. member of the **policy committee** of the **superannuation fund**, to the extent that such person's activities concern the administration of that **superannuation fund** as is contemplated under the Superannuation Industry (Supervision) Act 1993; or
 - b. was prior to or at the commencement of the **period of insurance** a **trustee** of the **superannuation fund** duly appointed by a court or regulatory body or pursuant to statute.
-

Wrongful act

Management wrongful acts or **employment wrongful acts**.

You or your

Means:

- a. the **company**;
 - b. an **insured person**; and
 - c. a **trustee**.
-

Policy section 8 – Portable and valuable items

This Policy section covers portable or valuable items that **you** usually carry around with **you** in the course of **your business** anywhere in the world. Any individual item worth more than \$2,500 must always be specified in order to be replaced for its full value.

You can claim for **accidental loss** or **damage** to a **specified item** or **unspecified item** as described under what “We cover” if:

- A. “Portable and valuable items’ is shown in **your policy schedule**;
- B. the **accidental loss** or **damage** occurs during the **period of insurance**;
- C. the **accidental loss** or **damage** is not excluded by any of the exclusions under what “We do not cover”; and
- D. the **accidental loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 21.

We cover	<p>We will cover you for accidental loss of or damage to property insured occurring anywhere in the world during the period of insurance.</p> <p>For unspecified items we will cover up to \$2,500 per item.</p> <p>For specified items we will cover up to the full replacement value.</p>
We do not cover	<p>We do not cover:</p> <ul style="list-style-type: none">a. any unspecified item of property unless your policy schedule shows that you have cover for unspecified items of property.b. loss or damage caused by or arising out of:<ul style="list-style-type: none">i. the actual process of cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;ii. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;iii. moths, termites or other insects or vermin;iv. scratching, biting or chewing by any animal;v. chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;vi. change in colour, loss of weight, change in flavour, texture or finish;vii. the action of light, atmospheric conditions, any form of fungus or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;viii. mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;ix. soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);x. any faults or defects in any item of property insured that you or any of your employees knew about before taking out this Policy section;xi. unexplained inventory shortage, disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials;xii. testing, experimentation, intentional overloading, misuse or abuse;xiii. cracking, scratching or breakage of glass or fragile items unless as a consequence of loss or damage;xiv. fraud or dishonesty by you or any other person;xv. kidnapping, bomb threat, threat of contamination, hoax, trickery, extortion or any attempt at any of these;xvi. detention, confiscation or disappearances by customs or any lawful authority;xvii. the sea, including tidal wave, tsunami, storm surge or high water;xviii. flood;

We do not cover (cont.)

- xix. erosion; subsidence, earth movement or collapse;
- xx. faulty materials or faulty workmanship; or
- xxi. error, failure or omission in design plan or specification.
- c. **loss** or **damage to** any item worth more than \$2,500 unless it is a **specified item**;
- d. **loss** or **damage to money** or documents of any kind;
- e. **loss** or **damage** to tools of trade, sporting equipment, guns or musical instruments while they are in use;
- f. **loss** or **damage to property insured** undergoing any process involving the application of heat;
- g. loss of use, loss of earning capacity and any other consequential **loss**;
- h. **loss** or **damage to property insured** as a result of:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
 - ii. breakdown or malfunction of the processing system including operator error or omission in creating, amending, loading, deleting or using **data**; or
 - iii. total or partial inability or failure to receive, send, access or use **data** for any time or at all;
- from any cause whatsoever, regardless of any other contributing cause or **event** whenever it may occur;
- i. **you** for any **loss** or **damage** caused by or arising out of theft:
 - i. committed by any person or any member of **your family** or by any of **your employees** whilst lawfully permitted to enter, be on or at the **premises**; or
 - ii. of unattended **property insured** in the open air.
- j. **you** for any **loss** or **damage** caused by or arising out of theft from any **building** or **vehicle** unless the **property insured** was:
 - i. securely locked in the **vehicle** and the theft was consequent upon forcible and violent entry to the **vehicle**;
 - ii. securely affixed to the **vehicle** and theft is consequent upon forcible and violent removal of the **property insured**;
 - iii. securely chained to the **vehicle** by a steel chain and a padlock;
 - iv. securely locked in a **building** or any part of the **building** and the theft is consequent upon forcible and violent entry to the **building** or that part of the **building**. However **we** will not cover any theft:
 - ▶ committed by any person while lawfully in the **building** or a tenant; or
 - ▶ of the **property insured** which is unattended in areas of the **building** accessible by the general public; or
 - v. stolen as a consequence of armed hold up or the threat of physical violence.

Exclusions j. i.-iv. do not apply when Optional insurance 1 – Theft of portable and value items without forced entry, of this Policy section, is shown on **your policy schedule** to the extent of any inconsistency.

Extra cover

If **we** agree to pay a claim for **loss** or **damage to your property insured** under this Policy section, **we** will also pay for the following Extra cover.

1. Reinstatement of sum insured

We cover

If **we** pay an amount for a claim under this Policy section **we** will automatically resinate the **sum insured** to the amount shown in **your policy schedule**. **You** will not have to pay any additional premium.

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to the General exclusions, Policy section Exclusions and any **endorsement**. Any amounts payable under these Additional benefits apply in addition to the **sum insured**.

All **loss** or **damage** that is covered by these Additional benefits must occur during the **period of insurance**.

1. Theft of other equipment

We cover	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 the world.
We do not cover	<p>We will not cover you:</p> <ol style="list-style-type: none">a. for any loss or damage caused by or arising out of theft committed by any member of your family or by your employees.b. any loss or damage unless the property was:<ol style="list-style-type: none">i. securely locked in the vehicle and the theft was consequent upon forcible and violent entry to the vehicle;ii. securely and permanently affixed to a building or vehicle and theft is consequent upon forcible and violent removal of the property;iii. in a vehicle and was securely chained to that vehicle by a steel chain and a padlock;iv. in your private residence or the private residence of your employee who had been authorised by you to have the custody and control of the property . However we will not cover any theft by a tenant; orv. securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However, we will not cover any theft:<ul style="list-style-type: none">▶ committed by any person while lawfully in the building; or▶ of property which is unattended in areas of the building; orvi. stolen as a consequence of armed hold-up or the threat of physical violence.c. for more than \$2,000 in any one (1) period of insurance under this Additional benefit. <p>This exclusion does not apply when Option insurance 1 – Theft of portable and valuable items without forced entry, of this Policy section, is shown on your policy schedule, except if the theft is committed by your family or by any of your employees.</p>

Optional insurance

We will provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown in **your policy schedule**.

This Optional insurance applies in addition to the **sum insured**.

1. Theft of portable and valuable items without forced entry

We cover	We cover loss of or damage to any specified item as shown in your policy schedule for theft without forcible entry.
We do not cover	This Optional insurance does not cover: <ul style="list-style-type: none">a. you for more than the sum insured for a specified item for any one (1) event;b. any claim for any unspecified item;c. loss or damage to any specified item that has been left in the open air for longer than 24 hours at the same location and has not been reported within 24 hours to the police. All such reports to be verified by a written statement from the police.d. loss or damage or any act of fraud or dishonesty committed by any member of your family or by any of your employees; or .e. loss of or damage to any specified item as a result of:<ul style="list-style-type: none">i. delay, detention or confiscation by customs officers or other officials;ii. trickery or false pretences;iii. loss of use, loss of earning capacity and any other consequential loss;iv. chipping, scratching, denting or marring that does not materially affect the use or operation of the specified item;v. mechanical, hydraulic, electrical or electronic breakdown, burn-out, failure, malfunction or derangement of any equipment or device; orvi. the amount of any excess specified in your policy schedule.

What we will pay

If **we** agree to pay a claim **we** will, at **our** option, repair or replace the **specified item** or **unspecified item** or pay the cost of repair or replacement of the **specified item** or **unspecified item** to a condition substantially the same as, but not better or more extensive than, its condition when new.

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

The most **we** will pay for a **specified item** is the **sum insured** shown in **your policy schedule**.

The most **we** will pay for any **unspecified item** is \$2,500. The most **we** will pay for any one (1) claim for an **unspecified item** or **unspecified items** that are part of a group or class of **unspecified items** is the **sum insured** set out in **your policy schedule** for that group or class of **unspecified items**.

Excess

The **excess** that applies is shown on **your policy schedule**.

Definitions

The following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the PDS and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

Property Insured

Specified items and/or **unspecified items**, as shown in **your policy schedule**.

Specified items

Each item of property that is specifically described in **your policy schedule**.

Unspecified items

Each item of property which is not a **specified item** but which is part of a group or class of property described generally in **your policy schedule**. The group or class described may include hand tools and hand held power tools.

Unspecified items includes any item up to \$2,500 per item.

Policy section 9 – Equipment breakdown

This Policy section covers the **breakdown** of **insured equipment** at the **premises** and any direct **loss** or **damage** to **property insured**.

You can claim for **loss** or **damage** as described under what “We cover” if:

- A. ‘Equipment breakdown’ is shown in **your policy schedule**;
- B. the **loss** or **damage** occurs during the **period of insurance**.
- C. the **loss** or **damage** is not excluded under what “We do not cover”; and
- D. the **loss** or **damage** is not excluded by any of the General exclusions listed on page 20 to 21.

Your insurance under this Policy Section

We cover	We cover breakdown of all insured equipment which occurs at the premises and any direct loss or damage to property insured as a result of that breakdown where the breakdown, loss or damage occurs during the period of insurance.
We do not cover	We will not cover you for: <ul style="list-style-type: none">a. loss or damage to air conditioners unless your policy schedule shows that they are covered.b. loss or damage caused by or arising out of:<ul style="list-style-type: none">i. earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;ii. storm, hail, lightning, thunder, wind, rainwater;iii. the sea, including tidal wave, tsunami, storm surge or high water;iv. flood;v. fire, smoke or combustion explosion;vi. water, liquids or substances discharged or other means used to extinguish a fire;vii. escape of water or liquids resulting from a breakdown;viii. aircraft or other aerial devices or articles dropped there from or sonic boom;ix. riot, civil commotion or sabotage; orx. vandalism or malicious damage;c. losses from:<ul style="list-style-type: none">i. loss of use or consequential loss of any kind; orii. any other indirect result of a breakdown except as may be provided in the Additional benefits of this Policy section;d. loss or damage caused by or arising out of pollution, contamination or damage by a hazardous substance, however caused, except as provided for in Extra cover 1 – Hazardous substances;e. losses caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:<ul style="list-style-type: none">i. the erasure, destruction, corruption, misappropriation or misinterpretation of data;ii. any error in creating, amending, entering, deleting or using data;iii. the inability to receive, transmit or use data; oriv. the impact of any computer virus or the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility. <p>However, we will pay for losses that result solely from the breakdown of any other insured equipment which is covered by this Policy section.</p>

- f. **breakdown, loss or damage:**
 - i. caused during the course of maintenance, inspection, repair, alteration, modification or overhaul;
 - ii. caused during installation, erection or relocation or dual lifting;
 - iii. arising out of plant being subject to tests involving abnormal stresses or arising out of plant being deliberately overloaded;
 - iv. caused by a deliberate act, neglect or omission on **your** part; or
 - v. for which the manufacturer or supply or other parties are responsible under maintenance or warranty agreement, however, this exclusion will not apply to **loss** or **stock** covered under Optional cover 1 – Deterioration of stock.
- g. **damage** to foundations, brickwork, and refractory materials other than as a result of **breakdown**;
- h. the costs incurred in repairing wear and tear or gradual deterioration including:
 - i. wear and tear due to normal operation;
 - ii. wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
 - iii. damage to a safety or protective device caused by its own operation;
 - iv. the chipping or scratching of painted or polished surfaces; or
 - v. slowly developing deformation or distortion,
 unless required as part of repairing the **insured equipment** following a **breakdown**.
- i. the cost of:
 - i. repair or replacement of **expendable items** other than **expendable items** which are necessary for the repair;
 - ii. alterations, improvements or overhauls unless it is required for the repair or replacement;
 - iii. modifying the machinery so that it operates with a more ozone friendly refrigerant gas as required;
 - iv. carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - v. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or at a separate operation;
 - vi. modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - vii. repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from **damage** covered by this Policy section;
 - viii. repair of a slowly developing deformation, distortion or fatigue of any part;
 - ix. repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - x. repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - xi. repairs to shaft keys requiring tightening, fitting or renewal;
 - xii. **damage** caused by the movement of foundations, masonry or brick work unless this results from **breakdown** of any **insured equipment** or any part of the **insured equipment**; or
 - xiii. removal or installation of underground pumps and well casings. Unless specifically noted on **your policy schedule**, this exclusion does not apply to submersible pumps.
- j. **breakdown** of any **insured equipment** which:
 - i. **you** knew or reasonably should have known to be defective before the **breakdown** occurred; or
 - ii. is useless or obsolete to **your business**.

Extra covers

The nature and extent of cover under the Extra covers of this Policy section will depend on whether **you** select:

- a. Equipment breakdown; or
- b. Repair and replacement

If **you** have selected a **sum insured** for 'Equipment breakdown', as shown in **your policy schedule**, and **we** agree to pay a claim under this Policy section for **breakdown** or direct **loss** or **damage** as a result of **breakdown**, **we** will also pay for the Extra covers set out below. Any amounts payable under these Extra covers will be included in the **sum insured**.

If **you** have selected 'Repair and replacement', as shown in **your policy schedule**, and **we** agree to pay a claim under this Policy section for **breakdown** or direct **loss** or **damage** as a result of **breakdown**, **we** will also pay for the Extra covers set out below. Any amounts payable under these Extra covers will be in addition to the repair and replacement amount paid under the insuring clause.

1. Hazardous substances

We cover	If a hazardous substance is involved in or released by a breakdown of insured equipment , we cover you for the increase in cost to repair, replace, clean up or dispose of, damaged property insured .
We do not cover	We will not pay more than \$25,000 for each claim under this Extra cover. Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra cover 5 – Removal of debris of Policy section 1- Property damage.

2. Expediting expenses

We cover	We will pay for the reasonable extra cost, including overtime and the extra cost of express or rapid means of transportation, necessary to: <ol style="list-style-type: none">a. make temporary repairs;b. expedite permanent repairs;c. expedite permanent replacement; of the insured equipment which was damaged .
We do not cover	We will not pay those costs related to insured equipment or other property insured installed to replace the function of the insured equipment on a temporary basis. We will not pay more than \$25,000 in total for these expediting expenses for each breakdown . We will not cover any claims under this Extra cover 2 – Expediting Expenses if we have provided cover under Extra cover 3 – Temporary hire costs, of this Policy section.

3. Temporary hire costs

We cover	We will pay the reasonable costs of hiring temporary property, necessary to keep the business operating as nearly as practical as before the breakdown .
We do not cover	We will not pay more than; <ol style="list-style-type: none">a. 50% of the normal cost to repair or replace the damaged insured equipment and other property insured which was damaged; orb. \$25,000, whichever is less for any one (1) breakdown . We will not cover any claims under this Extra cover 3 – Temporary hire costs if we have provided cover under Extra cover 2 – Expediting expenses, of this Policy section.

4. Reinstatement

We cover	If we pay an amount for any claim under this Policy section we will automatically reinstate the sum insured to the amount shown in your policy schedule . You will not have to pay any additional premium.
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Additional benefit

We will also provide the following Additional benefits in this Policy section, subject to the policy limits, conditions, exclusions and any **endorsement** except as provided otherwise.

Any amount payable under the following Additional benefits do not apply in addition to the **sum insured**.

1. Additional items

We cover	<p>If you:</p> <ul style="list-style-type: none">a. hire equipment similar to equipment already insured under this Policy section; orb. purchase new equipment and commission it at your premises, <p>we will consider this equipment to be added to the insurance by this Policy section provided that:</p> <ul style="list-style-type: none">a. cover for additional items shall not exceed the sum insured for the items already insured under this Policy section;b. you give us notice within 90 days and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges;c. the items are, as far as you are aware, suitable for service, free from material defect and in sound working condition;d. the items shall not be insured until successfully commissioned and all relevant statutory provisions for inspections and certification have been fulfilled;e. the limits and excess as shown on your policy schedule shall be the same as the similar items already insured.
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Optional insurance

We will provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown in **your policy schedule**.

Any amounts payable under this Optional insurance are in addition to the **sum insured**.

1. Deterioration of stock

We cover	<p>We will cover you for loss of perishable stock that spoil during the period of insurance due to a rise or fall in temperature as a result of:</p> <ul style="list-style-type: none">a. a breakdown of insured equipment which is covered by this Policy section; orb. the operation or failure of any switch, thermostats, controls, fuses, circuit breakers or overload devices which are owned by you, but not including loss or damage due to the manual operation or setting of such switches, thermostats, controls, fuses, circuit breakers or overload devices. <p>If there is a breakdown of equipment not owned, leased, operated or controlled by you, we will cover you for loss of perishable property insured which spoils as a result, but only if the equipment is:</p> <ul style="list-style-type: none">a. of a type described in the definition of insured equipment in this Policy section;b. located on or within three hundred (300) metres of the premises;c. owned by the owner of the building at the premises or by a utility company; andd. used to supply telephone, electricity, air conditioning, heating, gas, water or steam services to your business at the premises and the breakdown occurs during the period of insurance.
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2. Restoration of computer data

We cover	<p>We will cover you for data that is lost or damaged during the period of insurance provided the media containing the data is:</p> <ol style="list-style-type: none">at the premises;at a storage situation;temporarily at any alternative location for processing purposes; orin transit between any of these locations. <p>Under this Optional insurance, we will pay:</p> <ol style="list-style-type: none">any expenses which you can prove have been incurred by you strictly for the purpose of restoring or replacing data by reproduction of data or information in a condition equivalent to that which existed prior to the breakdown. Data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form; andthe reasonable costs incurred by you to replace or restore data or information, including any overtime, night work or work carried out during public holidays.
We do not cover	<p>We will not cover you for more than the 'Restoration of Computer' sum insured for any claim under this Optional insurance.</p> <p>We will not pay any amount under this Optional insurance if:</p> <ol style="list-style-type: none">you do not incur the expense or costs within 12 months of the breakdown; orin relation to any data, you do not have a backup copy of the data that is:<ol style="list-style-type: none">less than five (5) business days old; andstored at an offsite storage situation.

3. Increased cost of working

We cover	<p>Following a breakdown, during the period of insurance, to any insured equipment, we will cover you for the cost of substitute equipment used in the business during the interruption caused by the breakdown.</p> <p>Under this Optional insurance, we will pay:</p> <ol style="list-style-type: none">the expenses incurred for the substituted equipment of a similar specification; andany other reasonable additional costs incurred by you to operate the substitute equipment during normal business hours.
We do not cover	<p>We will not pay more than the 'Increased costs of working' sum insured for any claim under this Optional insurance.</p> <p>We will not pay any amount under this Optional insurance for expenses incurred during the period of interruption (beginning on the date of the breakdown and ending when normal operations of the business resume but no more than 12 months after the date of the breakdown) where normal operations of the insured equipment cannot resume solely because of the discontinuance of manufacture or obsolescence of the insured equipment or any component part of the insured equipment.</p>

What we pay

The maximum **we** will pay for any one **breakdown** under this Policy section is the **sum insured** shown in **your policy schedule**.

Repair and replacement

The maximum **we** will pay under this Policy section is determined by the **sum insured** amount shown in **your policy schedule** for Policy section 1 – Property damage.

The maximum amount **we** will pay for any claim or series of claims caused by or arising out of a **breakdown** under this Policy section is:

- a. if **you** own the **building(s)** at the **premises** – the **sum insured** for **building(s)** shown on the schedule for Policy section 1 – Property damage; or
- b. if **you** do not own the **building(s)** at the **premises** – the total combined **sums insured** less the **sums insured** for **stock**, if shown separately, in **your policy schedule** for Policy section 1 – Property damage.

Insured equipment

In the event of a claim **we** will pay with respect to:

- a. **media** – the cost of replacing the **media** with blank material;
- b. exposed film, records, manuscripts and drawings – the cost of replacement with blank material plus the cost of transcription; and
- c. all other **insured equipment** and other **property insured** – the lesser of the cost at the time of the **breakdown** to:
 - i. repair the **damaged** property; or
 - ii. replace the **damaged** property with similar property of like kind, capacity, size, quality and function.

However, **we** shall not pay:

- i. any cost of repairing or replacing any part or parts of a piece of **insured equipment** which is greater than the cost of repairing or replacing the entire piece of **insured equipment**;
- ii. more than the cost to replace the **insured equipment** or **property insured** with equipment or property of like kind, capacity, size, quality and function;
- iii. more than the cost to replace the **insured equipment** or **property insured** at the **premises** or adjacent site; or
- iv. for **breakdown, loss** or **damage** to **insured equipment** or **property insured** which is useless or obsolete to **your business**.

If the **damaged property insured** or **insured equipment** is not repaired or replaced within 12 months after the date of the **breakdown**, **we** will pay **you** the **actual cash value** of the **damaged property insured** or **insured equipment** at the time of the **breakdown**.

Excess

The **excess** that applies to any one claim under this Policy section is the 'Equipment breakdown' **excess** shown in **your policy schedule**.

If a claim is made under the insuring clause and under an Optional insurance cover which arises from the same **event**, only one **excess** applies.

Policy section conditions

These conditions apply in addition to the General policy conditions see pages 15 to 17.

1. Adherence to statutory requirements

If **insured equipment** is required to be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, **you** must obtain any licenses as required and use the **insured equipment** as specified in the license.

2. Inspection

We or **our** authorised representatives have the right to make inspections of **insured equipment** at any reasonable time. Neither this right to make inspections nor making them is an undertaking to **you** or others that the **insured equipment** is safe and not hazardous or injurious to health.

3. Obligation to prevent loss

If **we** or **our** authorised representatives discover **insured equipment** in or exposed to a dangerous condition, **you** must comply with any direction provided by **us** or **our** representatives to prevent **loss**. If **you** do not comply within thirty (30) days of receiving the direction, **we** may refuse to pay a claim and cancel **your policy**.

4. One breakdown

If either:

- a. a **breakdown** of **insured equipment** causes the **breakdown** of other **insured equipment**; or
- b. a series of **breakdowns** occur at the same time as a result of the same cause,

they will all be considered as one **breakdown** for the purpose of applying the **excess**, the 'Equipment breakdown' **sum insured** and any other limit or sub-limit in this Policy section.

5. Resumption of business

As soon as possible after the **breakdown**, **you** shall continue or resume business, in whole or in part, and make up **lost business** through the use of every available means, including alternative premises, surplus machinery, spare parts, equipment, supplies and surplus or reserve stock, which may be owned or controlled by **you** or obtainable by **you** from other sources and through working extra time or overtime at the **premises** acquired for the purpose of making up lost business.

Definitions

The following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions section on page 22 to 27.

Actual cash value

The cost of replacing **damaged property insured** with property of similar kind, capacity, size, quality and function less depreciation for the age, condition, and normal life expectancy of the property.

Breakdown

Sudden and **accidental** failure of **insured equipment** resulting in physical **damage** to the **insured equipment** which requires the repair or replacement of the **insured equipment** or a part of the equipment.

Breakdown does not mean:

- a. depletion, deterioration, corrosion or erosion of material;
- b. wear and tear;
- c. vibration or misalignment;
- d. the functioning of any safety device or protective device; or
- e. the failure of a structure or foundation supporting the equipment or a part of the equipment.

Expendable items

- a. electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements;
- b. tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.

Hazardous substance

- a. any **pollutant**, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
 - b. any mould, yeast, **fungus** or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, **fungus** or mildew, whether or not allergic, pathogenic or toxigenic.
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Insured equipment

Any of the following equipment provided it is owned, leased, operated or controlled by **you** in **your business**:

- a. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels (but only to the extent that the **policy schedule** shows that **air conditioners** are covered) and piping or any other piping and its accessory equipment, but not including:
 - i. any boiler foundation, any refractory or insulating material;
 - ii. any part of a boiler or fired pressure vessel that does not contain steam or water; or
 - iii. any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
- b. any mechanical, hydraulic or electrical machine or electrical apparatus used for the generation, transmission, transformation or utilisation of mechanical, hydraulic or electrical power;,, but not including:
 - i. any **vehicle** or mobile equipment;
 - ii. any **watercraft** or **aircraft**; or
 - iii. any elevator or escalator (excluding any electrical or **electronic equipment** used with such apparatus);
- c. any electronic machine, device or instrument used for research, diagnosis, medical treatment, tele-communication transmission and receiving equipment, lighting facilities, audio visual, amplification, surveillance equipment, word processing, **data** processing, duplicating, monitoring or scanning; or
- d. general purpose machine, commonly consisting of digital circuitry, that accepts (inputs), stores, manipulates, and generates (outputs) data as numbers, text, graphics, voice, video files, or electrical signals, in accordance with instructions (called a program) including but not limited to:
 - i. electronic **data** processing equipment comprising a central processing unit, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components but does not include software.

Property insured

- a. **your** property; or
- b. property not belonging to **you** but in **your** care, custody or control and for which **you** are legally liable.

Storage situation

The location away from the **premises** where copies of **data** or **media** are stored.

Policy section 10 – Tax Probe

This Policy section covers the **professional fees** such as accountant’s fees incurred by **you** in connection with a **tax audit**, review or investigation of **your business’s** tax affairs by the Australian Taxation Office, or by a Commonwealth, State or Territory department, body or agency.

You can claim for **professional fees** as described under what “We cover” if:

- A. “Tax Probe” is shown in **your policy schedule**;
- B. the **tax audit** was commenced and is notified to **us** during the **period of insurance**;
- C. the claim is not excluded under what “We do not cover”; and
- D. the claim is not excluded under the General exclusions listed on pages 20 to 21.

Your insurance under this Policy Section

We cover	<p>We cover professional fees reasonably and necessarily incurred by you in connection with an official tax audit by an authority, which is commenced and notified to us during the period of insurance.</p> <p>The nature and extent of cover under this Policy section will depend on whether you select:</p> <ul style="list-style-type: none">a. Business Audit Only – with Investigation Cover (which provides cover under this Policy section excluding Extra cover – Directors’ personal tax returns); orb. Business AND Directors Audit – with Investigation Cover (which provides cover under this Policy section including Extra cover – Directors’ personal tax returns); orc. Individual cover (which provides cover under this Policy section for insureds who are not companies excluding Extra cover – Directors’ personal tax returns).
We do not cover	<p>We will not cover:</p> <ul style="list-style-type: none">a. any claim or claims caused by or arising out of any income return that has not been prepared or reviewed prior to dispatch by your tax agent. However, this exclusion does not apply to any return for:<ul style="list-style-type: none">i. prescribed sales tax;ii. income derived from any payment under a contract of employment of service between you and any other person, company or entity, other than when that payment is paid by a company for which you are a director or have a controlling interest;iii. income derived from any payment from superannuation, pension or their retirement benefit; oriv. income derived from personal investments that you are not wholly or mainly dependent on;b. you:<ul style="list-style-type: none">i. if you bring about a tax audit through your failure to lodge taxation or any other return within the time limit prescribed by law or through any extension of time granted by an authority;ii. if you make a statement to the authority or your tax agent that omits a material particular or is false or misleading;iii. if an authority, or its authorised representative, assesses your behaviour as being a case of deliberate evasion of recklessness; oriv. if you bring about a tax audit by your failure to pay all taxes by the due date or within any extension of time granted by the authority;c. the amount of any fine or penalty that you may be ordered to pay by any authority or court;

We do not cover (cont.)

- d. any amount that **you** are unable to recover because of a contract or agreement that **you** have entered into that excludes or limits **your** rights to recover that amount;
- e. any tax **return** prepared:
 - i. by a person who ordinarily resides outside Australia and its external territories;
 - ii. for a company, firm or entity which operates outside Australia and its external territories; or
 - iii. lodged or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected; or
- f. any claim arising from any **tax audit** for which notice or information was received by **you** or **your tax agent** before the inception of this Policy section;
- g. any claim or claims caused by or arising out of any inquiry from an **authority** which is not related to either an identified intention to conduct a **tax audit** or is not directed at obtaining information or **data** for a possible future **tax audit**;
- h. any claim or claims caused by or arising out of any fraudulent act or fraudulent omission or statement made to an **authority**.
- i. This exclusion does not apply when a false or misleading statement results from:
 - i. **you** being misled by the **authority**, when **you** did not and could not be expected to know that the statement was false or misleading; or
 - ii. a matter which **you** can demonstrate to **our** satisfaction to be contentious;
- j. any claim or claims caused by or arising out of any act committed by **you** deliberately or with **your** wilful intent.
- k. any claim or claims caused by or arising out of any improper, unwarranted or unjustified refusal or failure to comply with any request made by the **authority**. This exclusion does not apply when, in accordance with professional advice, **you** refuse or fail to comply with an authorisation under section 263 or section 264 of the *Income Tax Assessment Act 1936*;
- l. any **tax audit** conducted by the Australian Prudential Regulation Authority;
- m. any routine enquiries, or enquiries from a **tax agent** which are not identified as being either preliminary to, or relating to a **tax audit** of a **return**;
- n. **professional fees** that are:
 - i. associated with any criminal prosecution;
 - ii. associated with any **return** lodged outside Australia, its states or territories;
 - iii. in respect of any person or organisation ordinarily resident outside Australia, its states or territories;
- o. any:
 - i. amounts sought by any amended notice of assessment;
 - ii. additional tax, duty government impost or the like; or
 - iii. costs in legally pursuing or defending any legal actions against **you** or initiated by **you** (unless it is at **our** discretion);
- p. any **tax audit** that includes a refund or claim for tax or duty relief arising out of an arrangement, facility, financial structure or the like adopted for the principal purpose of obtaining that refund or relief, unless the arrangement has received prior written approval from the relevant government or government authority or agency before being offered to **you** or the general public;
- q. any form of activity involving a periodic review relevant to **you** maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance, similar requirements;
- r. any form of activity involving a review of how the professional firm assisting **you** undertakes its professional duty;

We do not cover (cont.)

- s. any form of practice or procedural audit of any of **your** files;
- t. any activity involving a statutory authority that is not part of a formal **tax audit**;
- u. any activity involving an agency gathering information or **data** that is not part of a formal **tax audit**; or
- v. any activity involved in the familiarisation, education, training, application, implementation, process or operation of any amendments or changes to existing or the introduction of new legal or industry regulation.

Extra covers

If **we** agree to pay a claim for **professional fees** under this Policy section, **we** will also pay or provide the following Extra covers.

1. Reinstatement of sum insured

We cover

If **we** pay an amount for a claim under this Policy section **we** will automatically resinate the **sum insured** under the Policy section. **You** will not have to pay any additional premium.

2. Directors' personal tax returns

We cover

If **your policy schedule** shows that **you** have selected 'Business and Directors Audit' – with Investigation Cover' and **you** are a company and the directors' work full time in the **business**, **we** will cover the **professional fees** reasonably and necessarily incurred by each director in connection with a tax audit by an **authority** of the director's personal income tax returns that are lodged with that **authority** which is commenced and notified to **us** during the **period of insurance**.

This Extra cover only covers a **tax audit** of a director's personal income tax return that was prepared by the same **tax agent** who prepared the income tax **return** for the **business** in that same year.

We do not cover

The amounts payable under this Extra cover are included in, and do not apply in addition to, the "Business and Directors Audit – with Investigation Cover' **sum insured**.

This Extra cover will not apply if **your policy schedule** shows that **you** have selected 'Business Audit Only – with Investigation Cover or Individual Cover.

3. Travel and accommodation expenses

We cover

We will reimburse **you** for travel and accommodation expenses incurred by **you** or **your employees** if they are reasonably and necessarily incurred to substantiate a claim under this Policy section.

Policy section conditions

These conditions apply to this Policy section.

1. Authority matters

You must:

- a. make a full and complete statement of the total income and profits or gains of a capital nature derived by **you** and of any deductions or capital losses during each tax year;
- b. be registered for GST purposes, if required by the operation of law; and
- c. ensure all correspondence, requests or inquiries from the **authority** are dealt with within the required time and where there is no required time, a reasonable time.

2. Claims

For any claim:

- a. **you** must notify **us** within thirty (30) days of **you** first becoming aware of the first notice of a **tax audit**;
- b. **you** must keep **us** informed of all developments as they occur;
- c. **you** must take all necessary and reasonable steps to minimise any delays and costs incurred or likely to be incurred;
- d. **we** have the right to directly access **your tax agent** and lawyers and any documented advice they have given **you** relevant to the **tax audit**;
- e. **you** must ensure **your tax agent** will assist **us** with any matter **we** may pursue with the **authority**; and
- f. **you** must submit to **us** all accounts for **professional fees** that relate to **your** claim upon completion of the **tax audit**.

What we pay

Subject to Extra cover 1 – Reinstatement, if **your policy schedule** shows the cover is:

- a. Business Audit Only – with Investigation Cover, then the most **we** will pay for a claim during the **period of insurance** relating to a **tax audit** is the **sum insured** shown in **your policy schedule**; or
- b. Business AND Directors Audit – with Investigation Cover, the most **we** will pay for a claim during the **period of insurance** relating to a **tax audit** of:
 - i. the **policyholder** named in **your policy schedule** or any company, firm, partnership or trust in which the **policyholder** named in **your policy schedule** holds 50% or more ownership, interest or shareholding; and
 - ii. each director named in **your policy schedule**,is the **sum insured** shown in **your policy schedule**; or
- c. Individual Cover, the most **we** will pay for a claim during the **period of insurance** relating to a **tax audit** of all individuals named in **your policy schedule** as **policyholders** is the **sum insured** shown in **your policy schedule**.

When we pay

We will pay the **professional fees** reasonably and necessarily incurred by **you** in connection with assisting **you** to respond to an official **tax audit** by an **authority** where:

- a. **your** claim is covered under what “We cover” of this Policy section;
- b. **your** claim is not excluded under what “We do not cover” of this Policy section;
- c. **your** claim is not excluded under the General exclusions on pages 20 to 21; and
- d. the **tax audit** has been completed (as defined in the definition to this Policy section).

Excess

The **excess** that applies is shown in **your policy schedule**.

Definitions

The following words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions section on pages 22 to 27.

Authority

The Australian Taxation Office, a revenue office of an Australian State or Territory, a Commonwealth, State or Territory government department, body or agency which is duly authorised to conduct a **tax audit**.

Designated tax

Any tax assessable in accordance with the provisions, as amended, of the:

- a. Income Tax Assessment Act 1936 (Cth);
 - b. Income Tax Assessment Act 1997 (Cth);
 - c. Fringe Benefits Tax Assessment Act 1986 (Cth);
 - d. A New Tax System (Goods and Services Tax) Act 1999 (Cth);
 - e. Superannuation Guarantee (Administration) Act 1992 (Cth);
 - f. Termination Payments Tax (Assessment and Collection Act) 1997 (Cth);
 - g. Sales Tax Assessment Act 1930 (Cth);
 - h. Sales Tax Assessment Act 1992 (Cth); or
 - i. any law of an Australian State or Territory relating to payroll tax.
-

Policyholder

The person or entity named as such in **your policy schedule**.

Professional fees

Fees, costs and disbursements payable to a **tax agent** or professional person (other than **you** or **your employee**) in connection with a **tax audit** by an **authority**.

Professional fees does not mean any fees, costs or disbursements:

- a. that relate to any subsequent objection lodged with an **authority** in respect of a **tax audit**;
 - b. that relate to, or are associated with the preparation of any accounts, financial statements or documents which would or should have been ordinarily or prudently prepared prior to or at the time that the lodgement of any **return** or documents was required to be lodged;
 - c. incurred after a **tax audit** has been completed; or
 - d. incurred after 12 months from the commencement date of a **tax audit** other than when **you** can demonstrate to **our** satisfaction that the delay in completing the **tax audit** was caused primarily by the **authority**.
-

Return

Any return legally required to be, and that is actually lodged with, an Australian Federal, State or Territory government **authority** by **you** or on **your** behalf.

Tax agent

Any person who is recognised by the **authority** as a registered **tax agent**, as appropriate to the type of **designated tax**, who prepares **returns** or statements required by that **authority** in respect of **your** liability to pay a **designated tax**, including supervision of the preparation of, and review prior to dispatch of, those **returns** or statements.

Tax agent does not mean **you** or a person working for **you** under a contract of employment.

Tax audit

- a. The audit of a **return** submitted by **you** or on **your** behalf in respect of **your** liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **return** for that **designated tax**;
- b. Any official inquiry, investigation, examination or review in respect of **your** liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **return** for that **designated tax**;
- c. A workers' compensation wage audit or investigation in respect of **your** liability to pay a workers' compensation premium; or
- d. The audit of a director's personal income tax return only to the extent that Extra Cover 2 - Directors' personal tax returns applies.

If an official inquiry, investigation, examination or review referred to in paragraph b. above escalates or results in an audit as referred to in paragraph a. above, then this would be viewed as one **tax audit** for the purposes of this Policy section.

For the purpose of this Policy section:

- a. the **tax audit** commences at the time **you** or **your tax agent** first receive notice of either an audit under paragraph a. above or an inquiry, investigation, examination or review, under paragraph b. above.
- b. the **tax audit** is complete when:
 - i. the officer authorised by the **authority** has given written notice to that effect;
 - ii. the officer authorised by the **authority** notifies **us** in writing of its decision in connection with **your** returns including any written statement which is intended by such officer to be its findings in connection with a **return** or the basis upon which it proposes to act in connection with a **return**;
 - iii. when the officer authorised by the **authority** has issued an assessment or amended assessment of **your** returns; or
 - iv. in the absence of subparagraphs i., ii. or iii. where **your tax agent** declares in writing that such a tax audit has been concluded.
- c. "**You / Your / Yours**" means:
 - i. any company, firm, partnership or trust in which **you** hold a 50% or more ownership, interest or shareholding; and
 - ii. any director but only to the extent that Extra Cover 2 - Directors' personal tax returns applies.

Workers' compensation wage audit

Any audit conducted by an authority pursuant to laws in respect of **your** liability to pay a workers' compensation premium.

Policy section 11 – Commercial motor

This Policy section covers **your vehicles**. **You** can choose between three (3) different types of cover for each **vehicle you** insure:

1. Comprehensive cover which covers the **accidental damage** to **your** vehicle, and the cover offered by Legal liability cover.
2. Legal liability, fire and theft.
3. Legal liability cover only which covers supplementary bodily injury and damage to third party property only.

Not all types of cover are available for all types of **vehicles**.

Cover options

The cover **you** have chosen will be displayed next to each **vehicle** in **your policy schedule** and is detailed below.

Cover option	Description of cover provided
Comprehensive	Part 1, insured events (1) to (5) (inclusive) apply Part 2 applies
Legal liability, fire and theft	Part 1, insured events (1) to (4) (inclusive) only apply Part 2 applies
Legal liability only	Part 1 does not apply Part 2 applies

The insured **events** are listed in what “We cover”. An insured **event** does not include any of the items, events or circumstances set out in what “We do not cover”.

You can ask **us** at any time to change the cover option for any **vehicle** and if **we** agree, there may be an additional premium or a refund of premium.

Cover for additional vehicles

We automatically provide cover for any additional vehicle **you** acquire, purchase or lease during the **period of insurance**. **You** must tell **us** about the additional vehicle within thirty (30) days of getting it and pay any extra premium **we** request.

If **we** are unable to continue covering the additional vehicle, **we** will tell **you** and give **you five** (5) working days from the date **we** tell **you** so **you** can organise to insure the vehicle elsewhere. Cover for the additional vehicle will then end at 4:00pm five (5) days after **we** have told **you we** are unable to continue covering the additional vehicle.

If **you** have only one (1) type of cover option for **your vehicles**, **we** will automatically provide that cover option for an additional vehicle **you** obtain during the **period of insurance** (unless **you** tell **us you** want another cover option).

If **you** have **vehicles** insured with **us** for more than one (1) type of cover option, **we** will automatically provide the cover option with the better cover for an additional vehicle **you** get during the **period of insurance** (unless **you** tell **us you** want another cover option).

The **sum insured** of any additional vehicle will be its **market value**. However, unless a higher amount is shown on **your policy schedule** for additional vehicles or **we** have agreed to insure an additional vehicle that is similar for a higher amount, the most **we** will pay for an insured claim for **loss** or **damage** to an additional vehicle is:

- a. \$100,000 if the additional vehicle is a motorcycle, caravan, car, 4WD, utility or van of not more than 2 tonne carrying capacity;
- b. \$300,000 for any other type of additional vehicle.

The most **we** will pay for **legal liability** arising from the use of an additional vehicle is the relevant amount stated in Part 2 of this Policy section.

Your insurance under this Policy section

Part 1 – Loss or damage to your vehicle

You can claim for **loss** of or **damage** to **your vehicle** as described under what “We cover” if:

- A. “Commercial motor” is shown in **your policy schedule**;
- B. **your vehicle** is insured for “Comprehensive cover” or “Legal liability, fire and theft cover”;
- C. the **event** which causes the **loss** or **damage** happens during the **period of insurance**;
- D. the **loss** or **damage** occurred within Australia or its external territories;
- E. the **loss** or **damage** is not excluded by anything under what “We do not cover”; and
- F. the **loss** or **damage** is not excluded by the General exclusions on pages 20 to 21.

We cover	<p>We cover loss of or damage to your vehicle caused by one of the following events during the period of insurance:</p> <ol style="list-style-type: none">1. fire;2. explosion;3. lightning;4. theft or attempted theft; or5. any other cause.
We do not cover	<p>We will not pay for:</p> <ol style="list-style-type: none">a. loss or damage to tyres caused by punctures, bursts, road cuts or the application of brakes.b. loss or damage due to wear and tear, corrosion, rusting or depreciation.c. any vehicle accessories other than those:<ol style="list-style-type: none">i. supplied by the manufacturer of your vehicle as original equipment;ii. stated within the definition of vehicle; oriii. specified accessories shown on your policy schedule.d. structural, mechanical, electrical, or electronic failure or breakdown.e. loss or damage caused by you failing to take reasonable steps to protect, prevent or diminish further loss or damage to your vehicle after:<ol style="list-style-type: none">i. it breaks down;ii. it is damaged in an event; oriii. you have been notified that your stolen vehicle has been found.f. loss or damage to your vehicle due to using incorrect fuel or additive.g. damage to your vehicle’s engine, gearbox or transmission because it was driven in a damaged condition after an event unless we agree that you could not reasonably have known that the damage was occurring.h. loss or damage caused by or arising from any person or organisation who lawfully takes possession of your vehicle.i. loss or damage caused by event 5 under “We cover” above, if your vehicle is insured for Legal liability, fire and theft only.

Extra covers

If as a result of an **event** we agree to pay a claim under this Part 1, **we** will also pay or provide the following Extra covers in relation to that claim:

1. New vehicle after total loss

We cover	Only applicable If your vehicle is insured for Comprehensive cover only and: <ol style="list-style-type: none">1. it is a motorbike, car 4WD, utility or van of not more than 2 tonne carrying capacity, trailer or rigid body truck; and2. we decide that because of the event it is a total loss. Provided 1 and 2 above apply and you are the first registered owner of your vehicle , you can choose to accept a new replacement vehicle of the same make, model and series if: <ol style="list-style-type: none">a. the loss or damage occurred less than two (2) years from the date of original registration of your vehicle;b. the replacement vehicle is available in Australia; andc. anyone who financed your vehicle provides us with written consent. We will also pay all on-road costs.
We do not cover	This Extra cover does not apply if your vehicle : <ol style="list-style-type: none">a. has a stock, tanker or vacuum application;b. is a concrete agitator vehicle;c. is a garbage compactor;d. is a concrete pumping truck or trailer;e. is any other specialised rigid vehicle body type; orf. is insured for agreed value. If your vehicle is a trailer or rigid body truck we do not cover more than 112.5% of the sum insured of your vehicle .

2. Personal effects

We cover	Only applicable if your vehicle is insured for Comprehensive cover only. We will cover the reasonable costs of repair or replacement if your or the authorised driver's personal effects are damaged or lost as a result of your vehicle being: <ol style="list-style-type: none">a. damaged as a result of the event; orb. stolen as a result of forcible entry to your vehicle.
We do not cover	We will not pay: <ol style="list-style-type: none">a. more than \$1,000 for any one (1) event; orb. for personal effects insured under another policy.

3. Funeral expenses

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>If the driver of your vehicle sustains a fatal injury during the event, we will pay the:</p> <ol style="list-style-type: none">burial or cremation costs of the deceased driver; andtravel costs within Australia or its external territories for the deceased driver or any member of the deceased driver's immediate family to accompany the deceased driver.. <p>Note: This benefit will not be reduced by any accident compensation.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$5,000 in total for any one (1) event.any claim if the driver of your vehicle dies:<ol style="list-style-type: none">more than twelve (12) months from the date of the event;because the driver committed suicide; orany claim if we have paid an amount under Extra cover 4 – Personal accident, of this Policy section.

4. Personal accident

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>We will pay \$5,000 provided:</p> <ol style="list-style-type: none">your vehicle was being driven by you or any authorised driver; andas a direct and sole result of the event, the driver:<ol style="list-style-type: none">permanently and totally loses sight in one or both eyes; orpermanently and totally loses the efficient use of one or both hands or feet. <p>Note: We will pay the driver.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$5,000 in total for any one (1) event;any claim if the permanent and total loss happens:<ol style="list-style-type: none">more than 12 months from the date of the event; orbecause the driver attempted to commit suicide; orany claim if we have paid an amount under Extra cover 3 – Funeral expenses, of this Policy section.

5. Emergency repairs

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>We will cover the reasonable costs of emergency repairs incurred by you if they are necessary in order to get your vehicle to your destination or a repairer after the event.</p> <p>Note: If you need emergency repairs we give you the authority to arrange these matters on our behalf. You are required to produce tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>For any one (1) event, we do not cover more than:</p> <ol style="list-style-type: none">\$500 if your vehicle is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity; or\$3,000 if your vehicle is any other type of vehicle.

6. Emergency travel

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>We will cover the reasonable costs of emergency travel for you or the authorised driver and any vehicle occupants if your vehicle was unroadworthy or unsafe to drive following the event.</p> <p>Note: If you need emergency travel we give you the authority to arrange these matters on our behalf. You are required to produce tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>We will not pay more than \$1,250 in total for any one (1) event.</p>

7. Emergency accommodation

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only,</p> <p>We will cover the reasonable costs:</p> <ol style="list-style-type: none">for you or the authorised driver's emergency accommodation if the event was more than 100km from your home or the authorised driver's home and your vehicle was unroadworthy or unsafe to drive;for temporary accommodation if your vehicle is an unregistered on-site caravan and it is damaged by an event, provided that the unregistered on-site caravan is your only home and you can't live in it as a result of the event. <p>Note: If you need emergency or temporary accommodation we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>We will not pay more than \$1,250 for any one (1) event.</p>

8. Removal of debris

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>If you are liable to pay the cost of cleaning up or removing goods that have fallen off your vehicle because it was in a collision or it overturned, we will cover those reasonable costs.</p> <p>Note: You must provide invoices or other proof of payment of costs if we ask for them.</p>
We do not cover	<p>We will not pay more than \$25,000 for any one (1) event.</p>

9. Vehicle modifications

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only.</p> <p>We will cover the reasonable costs of modifying the vehicle for any driver of your vehicle who is permanently disabled following the event.</p>
We do not cover	<p>We will not pay more than \$3,000 for any one (1) event.</p>

10. Towing and storage

We cover	<p>We will cover the reasonable and necessary costs of towing your vehicle when as a result of an event your vehicle cannot be driven to:</p> <ol style="list-style-type: none">our nearest assessing centre;a recommended repairer that we nominate; ora repairer we agree to. <p>We will also pay the reasonable costs of storing your vehicle.</p>
We do not cover	<p>We do not cover:</p> <ol style="list-style-type: none">storage costs for any period after your claim is settled; orthe costs of towing or storage of your vehicle if it is insured for Legal liability fire and theft cover only and the event was not fire, theft or attempted theft.

11. Hire vehicle after theft

We cover	<p>We will cover the reasonable cost incurred by you of hiring a vehicle of a similar make and model to your vehicle for up to thirty (30) days if your vehicle is stolen and either not found or is found but is not drivable. This benefit stops before the thirty (30) day limit if and when:</p> <ol style="list-style-type: none">your vehicle is returned undamaged;we repair your vehicle and return it to you; orwe have settled your claim. <p>Note: If you withdraw your claim or we refuse to accept it, you might have to refund us any payments for the hire vehicle we have already made.</p> <p>Please see Additional benefit 3 – Hired vehicle of this Policy section for details of the cover provided under this Policy section when you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$3,000 for any one (1) event.any running costs and extras of the hire vehicle, including paying the deposit, security bond, fuel and any upgrade costs; orany costs for any period you continue to use the hire vehicle after this Extra cover stops.

12. Lease payout – motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only, and is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.</p> <p>Provided we decide the vehicle is a total loss, then we will cover the difference when the amount owing by you under a lease or a hire purchase agreement is greater than the market value of your vehicle, less:</p> <ol style="list-style-type: none">any amounts or interest in arrears at the time of the loss or damage; anddiscounts in respect of finance charges or interest for the unexpired term of the financial agreement.
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than 20% of the market value of your vehicle.any claim under this Extra cover if:<ol style="list-style-type: none">your vehicle is insured for agreed value;your vehicle was purchased via a personal loan or line of credit; orthe loss or damage to your vehicle was caused by fire or theft.

13. Lease payout – vehicle other than those referred to in Extra cover 12

We cover	<p>Only applicable if your vehicle is insured for Comprehensive cover only and is not a vehicle referred to in Extra cover 12 of this Policy section.</p> <p>Provided we decide your vehicle is a total loss, then we will cover the difference when the amount owing by you under a lease or hire purchase agreement is greater than the market value of your vehicle, less:</p> <ol style="list-style-type: none">any amounts or interest in arrears at the time of the loss or damage; anddiscounts in respect of finance charges or interest for the unexpired term of the financial agreement.
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than 12.5% of the sum insured of your vehicle.any claim under this Extra cover if:<ol style="list-style-type: none">the loss or damage to your vehicle was caused by fire or theft; oryour vehicle was purchased via a personal loan or line of credit.

Additional benefits

Your policy is extended to include the following Additional benefits if **your vehicle** is insured for Comprehensive cover. All of the terms, conditions and exclusions of this **policy** apply to the Additional benefits unless otherwise specified including, without limitation, the exclusions applicable to Part 1 and Part 2 of this Policy section and any **endorsement**.

1. Two-wheel or box trailer

We cover	<p>We cover loss or damage to your two-wheel or box trailer while it is attached or being towed by your vehicle caused by an event in the period of insurance.</p> <p>Note: No excess is applicable for any claim accepted under this Additional benefit.</p> <p>If we agree, you can insure your trailer for more if you insure it as a separate insured vehicle under your policy.</p>
We do not cover	<p>We will not pay more than \$1,000 for any one (1) event.</p>

2. Locks and keys

We cover	<p>We cover the cost of replacing the keys or re-coding your vehicle's locks if during the period of insurance, the keys to your vehicle:</p> <ol style="list-style-type: none">have been stolen (even if your vehicle was not);have been damaged or lost after an event as a result of which we have paid a claim under Part 1 of this Policy section; ormay have been duplicated and there is reasonable grounds to believe so.
We do not cover	<p>We will not pay more than \$3,000 for any one (1) event.</p> <p>Note: You must pay the basic excess applicable to your vehicle for any claim accepted under this Additional benefit.</p>

3. Hire vehicle

We cover	<p>If you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity and you:</p> <ul style="list-style-type: none">a. do not insure it with the hiring company, we will cover:<ul style="list-style-type: none">i. theft, loss of or damage to that hire vehicle during the period of insurance; andii. your legal liability for another person's personal injury or damage to another person's property in the period of insurance which you or an authorised driver cause while you or an authorised driver are driving or in control of the hire vehicle.b. do insure it with the hiring company for theft, loss or damage or legal liability, we will cover any excess you are required to pay to the hiring company under that insurance for theft, loss or damage to that hire vehicle during the period of insurance.
We do not cover	<p>We will not pay more than:</p> <ul style="list-style-type: none">a. if paragraph a. in "We cover" above applies, \$40,000 for the theft, loss or damage to the hire vehicle; orb. if paragraph b. in "We cover" above applies, the hire vehicle excess, for any one (1) event. <p>Note: Please refer to page 142 of this policy for how we will settle any other claim for your legal liability under this Additional benefit.</p> <p>You must pay to us an excess of \$500 (unless another amount is shown on any endorsement) for any claim accepted by us under this Additional benefit.</p>

4. Recovery costs – no damage

We cover	<p>We cover the reasonable cost of removing your vehicle to a place of safety following it becoming immobilised, bogged or stranded in the period of insurance even if there is no damage to your vehicle.</p> <p>Note: You must pay for the recovery costs after recovery and provide tax invoices and receipts for all costs if we ask for them.</p>
We do not cover	<p>We will not pay:</p> <ul style="list-style-type: none">a. more than \$5,000 in total for any one (1) event.b. any claim where your vehicle is immobilised, bogged or stranded solely as a result of vehicle failure or breakdown. <p>Note: You must pay the basic excess applicable to your vehicle for any claim accepted under this Additional benefit.</p>

5. Theft of certain vehicle accessories

We cover	<p>We cover the reasonable cost to replace any of the following accessories that would normally be attached to or in or on your vehicle if they are stolen in the period of insurance, even if the theft occurs while they are not attached to your vehicle or if they are not shown on your policy schedule:</p> <ol style="list-style-type: none">Buckets;Chain trencher;Hammer;Laser;Pallet forks;Post hole borer;Ramps;Ripper;Rock breaker; orSweeper.
We do not cover	<p>We will not cover any claim for the accessories listed in “We cover” above if:</p> <ol style="list-style-type: none">you do not give us evidence to satisfy us that the sum insured reflects the value of your vehicle plus the accessories; andyou cannot prove you owned the accessories. <p>Note: You must pay the basic excess applicable to your vehicle for any claim accepted under this Additional benefit, unless you have already paid the excess applicable to your vehicle because it was also stolen in the event.</p>

6. Vehicles being test driven by you

We cover	<p>If a vehicle (not exceeding 2 tonnes) is being demonstrated to you or test driven by you or your authorised driver during the period of insurance, we will cover your legal liability for:</p> <ol style="list-style-type: none">theft, loss of or damage to that vehicle; oranother person’s personal injury or property damage in connection with the use of that vehicle. <p>Note: No excess is payable for any claim accepted under this Additional benefit.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$100,000 for theft of, loss or damage to the demonstration or test driven vehicle;if the demonstration or test driven vehicle is a customer’s vehicle or being test driven for the purposes of repair, restoration or modification.

7. Non-owned trailer in control

We cover	<p>If your vehicle is a prime mover or rigid body truck of 2 tonne carrying capacity or more, we will cover the loss of or damage in the period of insurance to a trailer you do not own, lease or hire when:</p> <ol style="list-style-type: none">the trailer was in your legal possession or control at the time the loss or damage occurred; andyou or an authorised driver were using it in conjunction with your vehicle.
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$50,000 for any one (1) event, regardless of the number of trailers your vehicle may have under its control at the time of the event; orfor loss or damage to goods or property being carried in the trailer. <p>Note: You must pay us an excess of \$2,500 for any claim accepted by us under this Additional benefit. This excess is additional to any excess payable for your vehicle.</p>

What we pay

If **we** agree to pay a claim under Part 1, **we** will either pay **you** for a **partial loss** or a **total loss**. This is determined by whether **your vehicle** would be safe or economical to repair and the **value of your vehicle**.

If **we** agree to pay a claim for **legal liability** under any Additional benefit in this Part, the “Limits to what we pay” in Part 2 of this Policy section will apply.

Total loss

If **we** accept a claim and decide **your vehicle** is a **total loss** and the conditions applying to Extra cover 1 – New vehicle after total loss are met, **you** can choose to accept a new replacement vehicle of the same make, model and series as **your vehicle**.

Where Extra cover 1 – ‘New vehicle after total loss’ does not apply, **we** will settle **your** claim in one (1) of the following ways:

A. Market value or sum insured

If the **vehicle** is shown on **your policy schedule** as having **market value**, and the **sum insured** does not show a figure in dollars, **we** will pay **you** the **market value** of **your vehicle**.

If the **vehicle** is shown on **your policy schedule** as having a **market value**, and the **sum insured** does show a figure in dollars, **we** will pay **you** the lesser of the **market value** or the **sum insured**.

The **market value** or **sum insured** of **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified on **your policy schedule**.

We will deduct any **excess** that is payable from the amount **we** pay.

When **we** pay the **market value** or **sum insured** as a result of a **total loss then your** cover for that **vehicle** comes to an end. There will be no refund of the premium.

B. Agreed value

If the **vehicle** is shown on **your policy schedule** as having **agreed value**, **we** will pay **you** the **sum insured** shown on **your policy schedule** for **your vehicle**. This **sum insured** for **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified on **your policy schedule**.

The **agreed value** shown on **your policy schedule** is the most **we** will pay for theft, **loss** or **damage** to **your vehicle**.

We will deduct any **excess** that is payable from the **agreed value**.

When **we** pay the **agreed value** as a result of a **total loss then your** cover for that **vehicle** comes to an end. There will be no refund of the premium.

C. Legal liability, fire and theft

If the **vehicle** is shown on **your policy schedule** as having Legal Liability, fire and theft cover, **we** will pay **you** the **market value** or the **sum insured** for **your vehicle**, whichever is less. The **market value** of **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified on **your policy schedule**.

We will deduct any **excess** that is payable.

When **we** pay the **market value** or **sum insured** as a result of a **total loss** then **your** cover for that **vehicle** comes to an end. There will be no refund of the premium.

Settlement Conditions Applicable to A. B. and C.

We will deduct any unpaid premium from the amount that **we** pay **you**.

Your vehicle, including any unexpired premium, registration and Compulsory Third Party insurance, becomes **our** property when **we** pay **you** for the **total loss**.

If another party (e.g. a bank) is shown as having an interest on **your policy schedule** and **your vehicle** is a **total loss**, **we** pay them (instead of **you**) what **you** owe them up to the amount **you** are entitled to under this **policy**. If this amount is less than the full amount payable under the **policy**, **we** pay **you** the balance.

When **you** make a claim and another party is entitled to the salvage of **your vehicle**, **we** will pay **you** or them the **sum insured** shown on **your policy schedule**, less **our** estimate of the salvage value, less any **excess** and unpaid premium.

For an example of how **we** settle a **total loss** claim, see page 140 and 141 of this **policy**.

Partial loss

If **we** agree to pay a claim and decide **your vehicle** is a **partial loss**, **we** can arrange the repairs with a **recommended repairer** if one is available, or alternatively **you** can choose **your** own repairer and arrange repairs with them.

Where **we** are able to provide **you** with access to one of **our recommended repairers**, **we** will offer **you** a choice if there is more than one in **your** area. However, **we** may only be able to nominate one **recommended repairer** if there are no others available.

Where **we** are unable to provide **you** with access to one of **our recommended repairers**, **we** will require **you** to choose **your** own repairer.

If **we** authorise repairs with a **recommended repairer** or **your** own repairer **we** will:

- a. authorise the repair of **your vehicle** to the same or reasonably similar condition and standard it was immediately before the **event**;
- b. authorise only the use of new parts or parts which are consistent with the age and condition of **your vehicle** (which may include using non-genuine and/or recycled parts);
- c. authorise only the use of manufacturer's approved parts if **your vehicle** is under warranty, but not when **your vehicle** has an extended warranty or for windscreen replacement;
- d. only pay the **market value** of **damaged** parts **we** consider to be obsolete;
- e. replace **damaged** windscreen or window glass with glass which may not be produced by the original manufacturer but will meet Australian Design Rules; and
- f. guarantee the quality of materials and workmanship in respect of the repairs for the life of the **vehicle**.

Any repairer **we** authorise to repair **your vehicle** may sub-contract some of the repairs to a person of their choice. This will usually occur when the repairer is unable to perform the repairs themselves.

If **you** choose **your** own repairer and **we** do not authorise repairs, **we**:

- a. will pay an amount equal to the **reasonable repair costs**; and
- b. will not provide any guarantee for the quality of materials and workmanship in respect of the repairs.

We are not responsible for any costs or losses which occur because of delays in delivery of parts. If a part is not available in Australia, **we** will pay the cost of surface freight from the nearest reasonable source of supply.

You are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.

You may have to contribute to the cost of replacing or repairing tyres, engines, accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much **you** are required to pay will depend on how worn **we** consider these items were when the **damage** happened.

If **you** do not agree to pay these amounts **we** will pay **you** the **reasonable repair cost** less any contribution charges.

We will subtract any **excess** that may apply.

For an example of how **we** settle a **partial loss** claim, see page 141 of this **policy**.

Policy section Part 1 conditions

Lifetime guarantee for repairs

If **we** authorise repairs for **your vehicle**, **we** will guarantee the repairs against any defect due to workmanship or faulty material for the life of **your vehicle**.

If **you** choose **your** own repairer and **we** pay **reasonable repair costs** instead of authorising repairs, **we** will not provide a lifetime guarantee for the repairs.

Underinsurance condition

If at the time of the **event**, **your vehicle** was insured for less than 80% of its **market value** and **we** decide **your vehicle** is:

- a **total loss**, **we** will not apply this underinsurance condition; or
- a **partial loss**, **we** will pay the same proportion of the **loss** as the **sum insured** bears to 80% of the **market value** of **your vehicle**.

In assessing the amount **we** pay, prime movers and attached trailers and dollies are regarded as separate and distinct insured **vehicles**.

This underinsurance condition does not apply if **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.

How you earn a No claim bonus

A No claim bonus recognises **your** good driving and claims history record where **you** are insured for Comprehensive cover.

Your policy schedule will show the type of No claim bonus **you** are entitled to (if any), and **your** premium will be charged accordingly.

If **you** are not entitled to a maximum No claim bonus, **you** will earn an entitlement to a bonus for the next **period of insurance** if there has been no claims that fall within the definition of a **penalty claim**.

The following will apply if **you** qualify for a No claim bonus:

For sedans, station wagons, 4 wheel drives or goods carrying **vehicles** with a carrying capacity of 2 tonnes or less:

Year	Existing bonus	Renewal bonus
1st Year	0%	25%
2nd Year	25%	45%
3rd Year	45%	55%
4th Year	55%	65%
Subsequent Years	65%	65%

For all other **vehicles**:

Year	Existing bonus	Renewal bonus
1st Year	0%	20%
2nd Year	20%	30%
3rd Year	30%	40%
4th Year	40%	50%
Subsequent Years	50%	50%

Protected No claim bonus

If **you** are entitled to a maximum No claim bonus of 65% for sedans, station wagons, 4 wheel drives or goods carrying vehicles with a carrying capacity of not more than 2 tonnes, **we** may allow **you** to have the option when **you** first take out the **policy**, or upon renewal, to protect **your** No claim bonus for that **vehicle**. An additional premium is payable to extend the **policy** to include this option.

How making a claim could affect your No claim bonus

If you do not lodge a penalty claim

If **you** did not lodge a **penalty claim** during the **period of insurance**, then **your** No claim bonus will not be detrimentally affected at renewal of **your policy**.

Windscreen claims

When **you** renew **your policy**, **your** No claim bonus will not be affected for any windscreen or window glass claim **you** make.

Other claims

When **you** renew **your policy**, **we** reduce **your** No claim bonus for each **penalty claim you** have made during the **period of insurance** unless **you** have selected the protected No claim bonus Optional insurance.

If **you** have selected the protected No claim bonus Optional insurance for **your vehicle** involved in an **event**, **we** will not count the first **penalty claim** on that **vehicle** during the **period of insurance**.

The amount **we** reduce **your** No claim bonus to is set out below:

For sedans, station wagons, 4 wheel drives or good carrying **vehicles** with a carrying capacity of not more than 2 tonnes:

Your current No claim bonus	Following 1 penalty claim	Following more than one penalty claim
65%	45%	Nil
55%	25%	Nil
45%	Nil	Nil
25%	Nil	Nil
Nil	Nil	Nil

For all other **vehicles**:

Your current No claim bonus	Following 1 penalty claim	Following more than one penalty claim
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

Part 2 – Legal liability

For the purposes of Part 2, **your vehicle** also means:

- a. a trailer;
- b. a caravan; or
- c. another vehicle which has broken down;
that is being towed by **your vehicle** or a **substitute vehicle** legally and not for reward; and
- d. a **substitute vehicle**.

What is legal liability?

Legal liability means that an Australian court or a court of an Australian external territory finds, or **we** accept, that:

- a. **you**;
 - b. an **authorised driver**;
 - c. a passenger in **your vehicle**; or
 - d. **your** employer, principal or **business** partner;
- are legally responsible to pay compensation for:
- a. **loss** of or **damage to property** owned or controlled by someone else; or
 - b. **personal injury** to another person (but only where the **legal liability** is not covered or capable of being covered by any compulsory third party insurance or public liability insurance),
caused by an **event** which occurs during the **period of insurance** in Australia or its external territories.

You can claim for **your legal liability** as described under what “We cover” if:

- A. “Commercial motor” is shown in **your policy schedule**;
- C. the **legal liability** is not expected or intended and the **event** occurs during the **period of insurance** in Australia or its external territories;
- D. it is not excluded by anything under what “We do not cover”;
- E. it is not excluded by the Policy section Exclusions;
- F. it is not excluded by the General exclusions on pages 20 to 21; and
- G. is not excluded by any **endorsement**.

We cover	We will cover your legal liability if the event giving rise to that legal liability was not expected or intended, and the event was caused by: <ol style="list-style-type: none">a. you or an authorised driver driving, using or being in charge of your vehicle;b. goods being carried by or falling from your vehicle;c. loading goods onto your vehicle from a fixed place of rest directly beside your vehicle;d. unloading goods off your vehicle to a fixed place of rest directly beside your vehicle; ore. a passenger in your vehicle with your permission while travelling or getting in or getting out of your vehicle.
We do not cover	We will not cover your legal liability : <ol style="list-style-type: none">a. for anything excluded by any other “We do not cover” section in Part 1 or Part 2 in this Policy section;b. which is a direct or indirect result of discharge or escape of contaminants or pollutants or dangerous goods from your vehicle unless they are substances you are legally allowed to carry;

We do not cover (cont.)

- c. for **loss** of or **damage to property you** own, control or are responsible for, or which belongs to someone who normally lives with **you**. However, this exclusion will not apply to **your legal liability** for **damage** to motor vehicles belonging to an **employee** or visitor which occurs within the confines of a private car park owned or operated by **you**;
- d. for **personal injury** to anyone who was **your employee** at the time of the **event**;
- e. for **personal injury** if **you** were or anyone else was required by law to have insurance for compensation, damages or similar insurance for injury (e.g. compulsory third party insurance or workers compensation required by law);
- f. for **personal injury** if **your vehicle** is registered in the Northern Territory of Australia;
- g. where **you** cause **your** own **personal injury**, or if **you** injure or cause the death of someone who normally lives with **you**;
- h. occurring because **you**, an **authorised driver** of **your vehicle**, a passenger in **your vehicle**, or **your** employer, principal or **business** partner agreed to accept liability;
- i. because of an agreement **you** or anyone insured under this policy has entered into, unless **legal liability** would have applied anyway;
- j. for **personal injury** if at the time of the **event your vehicle** was being used as a show, carnival or festival attraction, parade float or for any similar activity;
- k. if at the time of the **event your vehicle** was being driven or used at, in or on any **aircraft** hangar or any part of an airport or airfield used by **aircraft** for loading, unloading, taxiing, take-offs or landings;
- l. resulting from the use of **your vehicle** if it was unregistered at the time of the **event**, unless **your vehicle** is an unregistered on-site caravan;
- m. in respect of fuel contamination caused by **you** delivering:
 - i. the incorrect type of fuel; or
 - ii. the fuel to the incorrect place.
- n. for **damage to property** resulting from an **event** arising out of the use of **your vehicle** while it is digging, excavating, boring or drilling. However, **we** will pay if **your vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which the **vehicle** was designed.
- o. to pay fines or punitive, exemplary or aggravated damages;
- p. arising directly or indirectly from:
 - i. the transportation, distribution, and or storage of asbestos;
 - ii. any material containing asbestos or any process of decontamination, treatment or control of asbestos.

This will only apply to **personal injury** arising in consequence of inhalation of asbestos fibre, and to **loss** or **damage to property** due to the presence of asbestos.
- q. for **personal injury** or **loss** of or **damage to property** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water). However this exclusion does not apply to Additional benefit 1 – Pollution, of Part 2 of this Policy section.

Extra covers

We will also provide the following Extra covers in this Policy section, subject to the General exclusions, Policy section Exclusions and the **policy** terms and conditions.

1. Damage by uninsured drivers

We cover	<p>If your vehicle is insured for Legal liability, fire and theft or Legal liability only.</p> <p>We cover loss of or damage to your vehicle during the period of insurance in an event as a result of a collision with another vehicle driven by an uninsured driver within Australia or its external territories.</p> <p>A driver is uninsured if neither the driver nor the owner of the other vehicle had an insurance policy that would cover them for the loss or damage to your vehicle.</p> <p>We only pay if:</p> <ol style="list-style-type: none">you show the event was the fault of the uninsured driver and we agree; andyou can identify the other vehicle and its driver (name, residential address, phone number and registration details).
We do not cover	<p>We will not pay more than \$5,000 or the market value of your vehicle (whichever is less), for loss of or damage to your vehicle during any one period of insurance.</p> <p>We will deduct:</p> <ol style="list-style-type: none">any excess that may apply to your vehicle; andthe residual value of the vehicle if it is not repairable (you keep the damaged vehicle).

2. Emergency services

We cover	<p>If we agree to pay a claim under Part 1 or Part 2 of this Policy section during the period of insurance, we will cover the reasonable costs and charges levied by the police force or any fire brigade or other authority due to your vehicle causing the attendance at the accident site of a member of the:</p> <ol style="list-style-type: none">fire brigade or authority for the purpose of fire extinguishment or other purposes;police force.
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Additional benefits

We will also provide the following Additional benefits in this Policy section, subject to the policy terms and conditions, the General exclusions and Policy section Exclusions including the exclusions in Part 1 and Part 2 of this Policy section and any **endorsement**. The **event** giving rise to the **legal liability** must not have been expected or intended.

1. Pollution

We cover	<p>We cover your legal liability arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of contaminants or pollutants into or upon any property, land, the atmosphere, water course or body of water (including ground water), where such discharge, dispersal, release or escape:</p> <ol style="list-style-type: none">is caused by or in connection with the operation ownership possession or use by you or on your behalf of any vehicle;is caused by a sudden identifiable unintended and unexpected event;takes place in its entirety at a specific point in time during the period of insurance and within Australia or its external territories; anddoes not relate to any property, land, air, water course or body of water which you own, occupy or have in your custody or control. <p>We will also only pay for clean up or removal costs if they are caused by such an incident within Australia or its external territories.</p>
We do not cover	<p>We will not pay:</p> <ol style="list-style-type: none">more than \$500,000 during the period of insurance; orif the contaminants or pollutants are dangerous goods.

2. Legal liability for unregistered on-site caravans

We cover	If your vehicle is an unregistered on-site caravan, you are covered for your legal liability , caused by your use or occupation of the unregistered on-site caravan during the period of insurance in Australia or its external territories.
We do not cover	We will not pay for: <ul style="list-style-type: none">a. amounts you must pay which are covered, or should be, by Medicare, workers compensation or another government scheme or arrangement, or private medical insurance; orb. loss or damage to the unregistered on-site caravan, unless the caravan is an insured vehicle and we have accepted a claim for it under Part 1 of this Policy section.

3. Non owned vehicle liability

We cover	We cover your legal liability , in respect of any vehicle not owned or supplied by you while that vehicle is being used or driven by you or an authorised driver in connection with your business during the period of insurance in Australia or its external territories.
We do not cover	You must pay us an excess of \$500 for each claim accepted by us under this Additional benefit.

4. Legal liability for caravans and trailers

We cover	You are covered for your legal liability as a result of: <ul style="list-style-type: none">a. the actions of a caravan or trailer while it is being towed by your vehicle;b. a caravan or trailer running out of control after separating from your vehicle while your vehicle is moving; orc. another vehicle colliding or acting to avoid a collision with:<ul style="list-style-type: none">i. property falling off a caravan or trailer while it is being towed by your vehicle; orii. property being loaded or unloaded from a caravan or trailer attached to your vehicle, during the period of insurance in Australia or its external territories.
We do not cover	We do not cover loss or damage to: <ul style="list-style-type: none">a. the caravan or trailer unless it is a vehicle insured under Part 1 of this Policy section; orb. the property which is loaded or unloaded from or which falls from the caravan or the trailer. <p>We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is an insured vehicle and we have accepted a claim for it under Part 1 of this Policy section.</p> <p>You must pay the excess applicable to your vehicle for any claim accepted under this Additional benefit.</p>

What we pay

If **we** agree to pay a claim for **legal liability** under Part 2, **we** will pay:

- a. the compensation;
- b. legal costs and expenses if **we** have given **our** prior written consent to **you** incurring these costs;
- c. costs and charges reasonably and necessarily incurred by **you** in removing or cleaning up debris, unless stated otherwise; and
- d. costs and charges reasonably and necessarily incurred to extinguish a fire that **your vehicle** has caused.

We will also pay for legal costs in representing **you** or any other person covered at any inquest or other inquiry relating to an **event** which may give rise to **you** being **legally liable**, if **we** have given **our** prior written consent to **you** incurring these costs.

You must pay any **excess** that may apply.

For an example of how **we** settle a liability claim, see page 142 of this **policy**.

Limits to what we pay

If **we** agree to pay a claim for **legal liability**, the most **we** will pay for all claims arising directly or indirectly from one **event** is \$30 million (unless another amount is specified on **your policy schedule**) but restricted to:

- a. \$1,000,000 for any one (1) **event** occurring within the external territories of Australia, but only in respect of the death or bodily injury to another person;
- b. \$1,000,000 (unless another amount is specified on **your policy schedule**) where **your vehicle** is being used for the transportation of **dangerous goods** or is attached to, or is towing, a **vehicle** used for the transportation of **dangerous goods**; and
- c. \$500,000 during the **period of insurance** in respect of all claims under Additional benefit 1 – Pollution of Part 2.

These amounts include all legal costs and expenses.

These limits also apply to any cover for **your legal liability** provided under any Extra cover, Additional benefit or Optional insurance (both Parts 1 and 2) or **endorsement** unless a lower limit is specified in the cover, benefit or any **endorsement**.

These limits are the most **we** will pay even if there are several claims against **you** relating to the one (1) **event**.

Optional insurance

We may provide the following Optional insurance when requested by **you**, when **you** pay any additional premium required and when shown on **your policy schedule**, subject to the General exclusions, and the Policy section Exclusions in Part 1 or Part 2 of this Policy section.

1. Windscreen excess waiver

We cover	<p>You will not have to pay the basic excess for the first windscreen or window glass claim for that vehicle in any period of insurance. If you have any additional windscreen or window glass claims during the same period of insurance for that vehicle, the basic excess will apply.</p> <p>Note: This Optional insurance only applies if your vehicle is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.</p>
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2. Rental vehicle after accident

We cover	<p>If your vehicle cannot be driven or is in need of repair following loss or damage as a result of an event, (other than theft) for which we agreed to pay a claim under Part 1 of this Policy section, we will reimburse you for the cost of hiring a replacement vehicle:</p> <ol style="list-style-type: none">a. of a similar type to your vehicle; andb. from the date your vehicle is left at the repairers. <p>Please see:</p> <ul style="list-style-type: none">▶ Additional benefit 3 – Hire vehicle of Part 1 for cover applicable to and caused by the rental vehicle;▶ Extra cover 11 – Hire vehicle after theft of Part 1 for cover applicable if your vehicle is stolen.
We do not cover	<p>We will not pay if your vehicle is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity.</p> <p>We will not pay:</p> <ol style="list-style-type: none">a. if your vehicle is stolen;b. to hire a vehicle for any longer than the day after repairs to your vehicle have been completed;c. after your claim has been paid if your vehicle is a total loss;d. the running costs of the rental vehicle; ore. for any other non-rental costs which you may be liable to pay for under a hire agreement. <p>We will not pay more than \$1,500 for any one event.</p>

3. Protected No claims bonus

We cover	Where a penalty claim would affect your No claim bonus, it will not be affected for that insured vehicle provided that you have not made a previous penalty claim for an insured event occurring in the period of insurance for that insured vehicle .
We do not cover	This Optional insurance does not apply if your vehicle is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity. This Optional insurance does not apply unless you are entitled to a maximum No claim bonus for your vehicle .

Excess

An **excess** is the amount **you** might have to pay if **you** claim. **Excesses** are cumulative and apply to all claims, unless otherwise stated. If **you** also claim under another Policy section for one (1) **event** the **excesses** payable under this Policy section apply in addition to all other **excesses**.

For each **event**, or series of **events** arising from the one (1) originating cause **you** will bear the amount of the **excess** in respect of each and every insured **vehicle**, unless stated otherwise.

The basic **excess** is shown on **your policy schedule**. The amounts for any other **excesses** (or where the amounts can be found in this policy) are detailed below on page 137 and 138. **You** might have to pay more than one type of **excess** when **you** claim. **You** must pay the **excesses** in full.

We will decide if **you** pay the **excess** to **us** (when **we** ask for it) or to the repairer when **you** pick up **your vehicle** after it has been repaired. **We** can also choose to deduct the **excess** from the amount **we** pay **you**.

You do not pay any **excess** when **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity and:

- a. another vehicle is involved in the **event**, and **we** agree the driver of **your vehicle** was not at fault, and **you** can identify the other vehicle and the other driver responsible (name, residential address, phone number and vehicle registration details); or
- b. no other vehicle is involved in the **event**, and **we** agree the driver of **your vehicle** was not at fault, and **you** can identify another person at fault (name, residential address and phone number) and prove that they were at fault.

Types of excesses

Basic excess

The basic **excess** is the amount shown on **your policy schedule**.

Age or inexperienced drivers excess

An age or **inexperienced driver excess** applies if a driver under 25 or an **inexperienced driver** was in charge of **your vehicle** at the time of an **event**. This **excess** will not apply to glass, **damage** while parked, fire, malicious **damage**, theft or storm claims.

If **we** accept a claim where the driver was less than 25 years of age or was an **inexperienced driver**, the following age or **inexperienced driver excesses** will apply to the claim when:

- a. the **vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity:
 - i. for drivers under 21 years of age – \$500;
 - ii. for drivers 21 years of age or older – \$300;
 - iii. for **inexperienced drivers** – \$250.
- b. the **vehicle** is a prime mover and;
 - i. the **sum insured** for the prime mover is less than \$100,000 or it is insured for Legal Liability only – the age or **inexperienced driver excess** is \$2,500 or \$3,500 if the prime mover was towing more than one trailer at the time of the **event**;
 - ii. the **sum insured** for the prime mover is more than \$100,000 but not more than \$200,000 – the age or **inexperienced driver excess** is \$10,000 or \$15,000 if the prime mover was towing more than one trailer at the time of the **event**;
 - iii. the **sum insured** for the prime mover is more than \$200,000 – the age or **inexperienced driver excess** is \$25,000 or \$37,500 if the prime mover was towing more than one trailer at the time of the **event**.
- c. the **vehicle** is not a car, 4WD, utility, van of not more than 2 tonne carrying capacity or prime mover the age or **inexperienced driver excess** is \$750.

You must pay the applicable age or **inexperienced driver excess** in addition to any other **excess** for **your vehicle** that may be payable. For the purposes of the application of these age or **inexperienced driver excess**, a dolly is considered a trailer.

Tipping excess

A tipping **excess** applies if **your vehicle** is a trailer or rigid body truck and it is **damaged** while the tipping hoist is partly or fully extended. The tipping **excess** is \$1,000 and **you** pay this in addition to any other **excess** payable for **your vehicle**.

Theft excess

A theft **excess** of \$2,500 applies to each claim for theft or **damage** occasioned by theft of:

- a. **your** skid steer loader, excavator, loader, backhoe or bobcat; or
- b. any of their accessories, whether these accessories are attached to **your vehicle** at the time of the theft or **damage** or not.

You pay this in addition to any other **excess** for **your vehicle** that may be applicable.

Endorsement excess

An **endorsement excess** may apply if **you** have **endorsements** to **your policy**. Any **endorsement excess** applicable to **your policy** will be shown in the **endorsement** wording.

You pay the **endorsement excess** shown in the **endorsement** wording in addition to any other **excess** for **your vehicle** that may be payable.

Radius excess

A radius **excess** applies if **we** accept a claim for **loss** or **damage** to **your vehicle** or **legal liability** and at the time of the **event**, **your vehicle** was on a journey to or from a destination beyond the maximum radius of operation shown on **your policy schedule** measured from **your vehicles** garaged postcode shown on **your policy schedule**.

The radius **excess** is:

- a. \$500 if **your vehicle** is a truck or bus;
- b. \$2,500 if **your vehicle** is a trailer which at the time of the **event** was being towed by a prime mover or \$500 if being towed by a truck; or
- c. \$7,500 if **your vehicle** is a prime mover.

You pay the radius **excess** in addition to any other **excess** for **your vehicle** that may be payable.

Additional benefit excesses

Please refer to pages 125 to 127 for the amount of any **excess** **you** might have to pay if **you** make a claim under any Additional benefit in Part 1 of this Policy section.

Application of excess involving trailer and towing vehicle

If a trailer being towed by **your vehicle** **damages** the property of another person and:

- a. only the trailer was **damaged**, the **excess** for the towing **vehicle** will apply; or
- b. there is no **damage** to either the trailer or towing **vehicle**, the **excess** for the towing **vehicle** will apply

Policy section exclusions

You are not covered under this Policy section:

- a. for an **event** occurring when **your vehicle** is being driven by, or is in the charge of, someone who:
 - i. was under the influence of, or had their judgement affected by, any alcohol or drug;
 - ii. had more than the legal limit of alcohol in their breath or blood, as shown by analysis;
 - iii. refused to take a test for alcohol or drugs; or
 - iv. was not licensed, not correctly licensed or not complying with the conditions of their licence.

However, **we** will cover **you** if **you** were not the driver or person in charge of **your vehicle** at the time of the **event** and **you** can satisfy **us** that **you** did not know, and could not have reasonably known, of any of the above circumstances. If **we** pay a claim **we** can recover those costs from the person who was driving or in charge of **your vehicle**, unless the law prohibits recovery by **us**.

- b. if **you** or an **authorised driver** does something or neglects to do something that is not in accordance with this **policy** or does not give **us** the information or assistance that **we** ask for;
- c. for theft of or malicious **damage** to **your vehicle** when anyone insured under this **policy** has not taken reasonable care to prevent this **loss** or **damage**;

- d. for financial **loss**:
 - i. occurring because **you** cannot use **your vehicle**;
 - ii. because **your vehicle's** value was less after being repaired; or
 - iii. because **your vehicle's** working life has been reduced;
- e. for **loss** of or **damage** to a drill rod or bit attached to **your vehicle** while the drill rod or bit is being used for its designed purpose. For the purposes of this exclusion, a drill rod or bit includes any part attaching to or forming part of the drill rod or bit including but not limited to pipes, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and/or any other electronic mechanism;
- f. for the cost to repair or replace burnt out electric motors or wiring of appliances in **your** caravan;
- g. for **damage** to **your** caravan, caravan annexe, trailer or **personal effects** caused by biting, chewing or scratching by an **animal** or bird;
- h. for **damage** to **your caravan**, caravan annexe or **personal effects** caused by any tenant;
- i. if **your** unregistered on-site caravan is unoccupied for sixty (60) consecutive days. (If **you** want cover over 60 days, **you** need to ask **us** for an extension of time and **we** must agree in writing. **We** might charge an extra premium or impose special terms.);
- j. for **loss** or **damage** to **your** caravan caused by the sea or high water;
- k. for **loss** or **damage** or **legal liability** caused or contributed to by or arising from any biological, bacterial, viral, germ, chemical or poisonous **contaminants or pollutants** (except for any cover provided under Additional benefit 1 – Pollution of Part 2) or any looting or rioting following these occurrences;
- l. for theft by anyone who has hired or leased **your vehicle** or who has taken it as security for a debt;
- m. for any **loss, damage** or **legal liability** caused by any person or organisation who lawfully destroys or takes away **your** ownership or control of any property or **vehicles** covered under this Policy section,
- n. for any **loss, damage** or **legal liability** which happens before the **period of insurance** or which arises from an **event** before the **period of insurance** starts unless specifically stated otherwise;
- o. for an **event** that occurs outside Australia or its external territories;
- p. for **loss, damage** or **legal liability**, if another person is, or could have been, liable to compensate **you** for such **loss, damage** or **legal liability**, but **you** have agreed with that person either before or after the **loss, damage** or **legal liability** occurred that **you** would not seek to recover any moneys from that person;
- q. if the **event** that is the subject of the claim was intentionally or recklessly caused by **you** or the driver of **your vehicle** or someone acting with **your** or their express or implied consent;
- r. if excluded by any **endorsement**;
- s. if, at the time of an **event**, **your vehicle** was **damaged**, unsafe or unroadworthy. **However, we** will cover **you**, if **you** prove to **our** satisfaction that the unroadworthy or unsafe condition of **your vehicle**:
 - i. did not cause or contribute to the **loss, damage** or **legal liability** being incurred; or
 - ii. could not reasonably have been detected by **you**;
- t. if, at the time of an **event**, **your vehicle** was:
 - i. being used in a race, contest, trial, test, hill climb or any similar activity;
 - ii. being used on a competition race track, circuit, course or arena;
 - iii. being used by **you** for illegal purposes;
 - iv. carrying passengers for payment or reward unless it was a car pool, child care arrangement or fare paying passenger bus;
 - v. carrying a greater number of passengers than it was designed for or is allowable according to law;
 - vi. conveying, towing, lifting or carrying a load not secured according to law;
 - vii. conveying, towing, lifting or carrying a load in excess of that which was designed for or is allowable according to law;
 - viii. being used to move **dangerous goods** or substances that pollute or contaminate unless this was done legally;
 - ix. travelling on railway lines; or
 - x. being operated, transported or driven in an underground mine or mining shaft (but we will cover **you** if **your vehicle** was being used for open cut mining).

Work Dollar Claim Examples

The following worked dollar claim examples are designed to assist **you** in understanding some of the benefits in this Policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of **your policy** terms and conditions. The following should be used as a general guide only. **You** should consider all examples as each example covers different benefits and scenarios.

Example: Total loss — Market value

A car that has a carrying capacity of not more than 2 tonnes is comprehensively insured for **market value**. The basic **excess** is \$500. The **vehicle** is **damaged** in an accident and we assess the cost of repair to be \$20,000.

The **market value** is determined as follows:

The **vehicle** is an 8 year old sedan in poor condition. A motor vehicle guide records the value is \$20,000 for good condition. **We** assess the **market value** to be \$15,000 (GST inclusive).

The **vehicle** contains no modifications or accessories and **we** decide it is a **total loss**.

How much we pay		Further information
Market value	\$15,000	The vehicle is a total loss with a market value of \$15,000. In this case we decide the vehicle is a total loss since it is not economical to repair. We normally decide a vehicle is a total loss if the complete repair cost exceeds its market value less salvage value.
Less input tax credit	-\$1,364	If you are registered for GST and entitled to an input tax credit we will deduct this entitlement. In this example you are entitled to a full input tax credit (100%). We will not deduct this entitlement if your vehicle is insured for agreed value .
Less outstanding premium	-\$300	If you paid your premium by monthly instalments, we will deduct the remaining instalments for the period of insurance . In this example, there are three monthly instalments of \$100 each remaining when the total loss occurs.
Less excess	-\$500	Only the basic excess applies in this example. We deduct this from the amount we pay to you .
Total claim	\$12,836	We would normally pay this amount directly to you in a total loss situation.
Plus lease payout	\$2,200	If, instead of owning your vehicle outright, your vehicle was purchased under a finance lease and the amount owing was \$17,200 (excluding any payments in arrears and resulting interest), we will pay the difference between the amount owing under the finance arrangement and the market value (\$17,200 – \$15,000). This Extra cover has a limit of 20% of the market value (\$3,000).
Less input tax credit	-\$200	In this example you are entitled to a full input tax credit (100%).
Total claim	\$14,836	We would normally pay the claim directly to your financier and not to you in circumstances of a lease payout. You pay your financier any amounts left owing.

If the **vehicle** in the previous example was less than 2 years old at the time of the insured **event**, instead of paying the previous claim **you** can choose to accept a replacement vehicle including similar accessories and parts plus on-road costs e.g. registration, compulsory third party, pre-delivery. **You** must pay the **excess** to the dealership that has provided the replacement vehicle or **us**.

If the **vehicle** salvage is valued at \$1,000, the salvage becomes **our** property and **we** are entitled to keep the \$1,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless **you** obtain these refunds directly in which case **we** will deduct these costs from the total claim above.

Example: Total loss – Agreed value

A utility that has a carrying capacity of not more than 2 tonnes is comprehensively insured for an **agreed value** of \$45,000. The **vehicle** is **damaged** in an accident that **we** agree was not **your** fault and **you** have identified the at fault party and provided all their details that **we** require.

We assess the cost of repair of **your vehicle** to be \$46,000. **We** decide it is a **total loss**. The **vehicle** is not subject to finance. The basic **excess** is \$500.

How much we pay		Further information
Agreed value	\$45,000	The vehicle is a total loss with an agreed value of \$45,000. In this case we decide the vehicle is a total loss since it is not economical to repair. We normally decide a vehicle is a total loss if the complete repair cost exceeds its agreed value less salvage value
Less input tax credit	\$0	We do not deduct any input tax credit when your vehicle is comprehensively insured for agreed value .
Less excess	\$0	No basic excess applies in this example as the accident was not your fault and you have provided all the details of the at fault party that we require
Total claim	\$45,000	We would normally pay the total claim amount directly to you in a total loss situation, unless your vehicle is subject to finance.

If the **vehicle** salvage is valued at \$10,000, the salvage becomes **our** property and **we** are entitled to keep the \$10,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless these refunds are paid to **you** directly in which case **we** will deduct these costs from the total claim.

Example: Partial loss

A **vehicle** that has a carrying capacity of not more than 2 tonnes is comprehensively insured for **market value**, in this case \$12,000. The **vehicle** is stolen and subsequently recovered, **damaged**, 13 days after **you** reported its theft to **us**. **We** assess the cost of repairs to be \$5,500. The basic **excess** is \$500.

How much we pay		Further information
Damage to vehicle	\$5,500	In this case we decide the vehicle is economical to repair, and it is safe to repair.
Less excess	-\$500	Only the basic excess applies in this example. We normally require you to pay the excess directly to the repairer.
Total claim	\$5,000	We would normally pay this amount directly to the repairer in a partial loss situation.

If **personal effects** to the value of \$350 are also stolen during the theft:

Plus personal effects	+\$350	Personal effects cover is limited to \$1,000 per event . The sub-limit of this Extra cover is in addition to the market value of the vehicle .
Total claim	\$5,350	We normally pay the \$350 for personal effects to you (and the remaining \$5,000 directly to the repairer).

If a replacement vehicle of a similar type for a cost of \$100 per day is arranged by **us**:

Plus vehicle hire cost	+\$1,700	The cost per day times the number of days from the date the vehicle is repaired is 17 x \$100 (it takes 4 days to repair it). This benefit has a limit of up to 30 days and we will not pay more than \$3,000. Note: This benefit would not apply if the vehicle was damaged in an accident instead of stolen, unless you also selected Optional insurance 2 – Rental vehicle following accident.
Total claim	\$7,050	We normally pay the \$1,700 for vehicle hire directly to the hire company (the \$350 to you and the \$5,000 to the repairer).

Example: Legal liability

A **vehicle** is insured for Legal liability cover. The **vehicle** is involved in an accident and the other driver claims that the driver of **your vehicle** has a **legal liability** for the accident. The **damage** to the other vehicle would be assessed by a court at \$12,500. There is a basic **excess** of \$500 on **your policy**. The legal costs to defend **your legal liability** are \$3,000.

How much we pay		Further information
Damage to other vehicle	\$12,500	We normally pay the cost of repairs directly to the third-party claimant.
Less excess	-\$500	Only the basic excess applies in this example. We normally require you to pay this amount to us before we act on your behalf.
Plus our legal costs	+\$3,000	We incur and do not charge you for these costs providing you have paid your excess prior to legal costs being incurred.
Total claim	\$15,000	

If the driver of **your vehicle** was not at fault and the driver of the other vehicle was at fault but was not insured, and **you** provide **us** with the details of the other driver, the basic **excess** is \$500. For the purposes of this example it is assumed that **your vehicle** is not comprehensively insured:

Damage by uninsured drivers Extra cover	\$4,500	Your vehicle is not covered for own damage because Legal liability only cover was purchased. However, the damage by uninsured drivers Extra cover provides limited cover in these circumstances for up to \$5,000. For the purposes of this example, we assess that the damage to your vehicle will cost more than its market value of \$4,500. We decide it is not repairable and a total loss .
Less input tax credit	-\$409.09	If you are registered for GST and entitled to an Input Tax Credit we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%).
Less excess	-\$500	Only the basic excess applies in this example. We deduct this from the amount we pay you .
Less residual value of wreck	-\$500	The remaining value of your damaged vehicle . We deduct this from the amount we pay you .
Total claim	\$3,090.91	We normally pay this directly to you . You will keep the damaged vehicle.

Definitions

The following words have the following meanings and only apply to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 27.

Agreed value

The amount **we** agree to insure **your vehicle** for, as shown on **your policy schedule**.

Authorised driver

A person controlling, driving or using **your vehicle** with **your** consent.

Contaminants or pollutants

Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other contaminants or pollutants. Contaminants or pollutants do not include **dangerous goods**.

Damage to property

- a. physical **loss** of or **damage** to or destruction of tangible property including resultant loss of use; or
 - b. **loss** of use of tangible property which has not been physically **damaged** or destroyed provided such **loss** of use is caused by an **event**.
-

Dangerous goods

- a. substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail;
 - b. liquid fuels, liquefied or compressed gases, toxic chemicals, acids, organic peroxides or corrosives;
 - c. infectious, explosive radioactive or oxidising substances; or
 - d. substances with a flashpoint of below twenty two point seven degrees Celsius (22.7°C).
-

Emergency repairs

Minor repairs which are essential for **you** to be able to drive **your vehicle** safely from an accident or **event** causing **damage**.

Employee

Any person:

- a. engaged in **your business** under a contract of service or apprenticeship; or
 - b. supplied to **you** pursuant to a contract of labour hire.
-

Event or Events

For Part 1 of this Policy Section means, in relation to Comprehensive cover, the events numbered 1 to 5 specified in what "We cover" on page 120 of Part 1.

For Part 1 of this Policy Section means, in relation to Legal liability, theft and fire cover only, the events numbered 1 to 4 specified in what "We cover" on page 120 of Part 1.

For Part 2 of this Policy Section, has the meaning given to it in the General Definitions on page 24.

Inexperienced driver

A person who is 25 years or over and has not held a drivers licence for that class of **vehicle** being driven at the time of the **event** for the past two (2) consecutive years.

Market value

The amount **we** calculate the market would pay for **your vehicle**. The market value takes into account the age, make, model and condition of **your vehicle** immediately before the **loss** or **damage**. **We** might use recognised industry publications to assist **us** to calculate the amount. If **we** do so, depending on **your vehicles** age, **we** may also take into account the kilometres it has travelled.

Partial loss

When **we** decide at **our** option, to repair **your vehicle**, replace any part of it or reimburse **you** for the **loss** or **damage** to it. In this case, **we** will not treat **your vehicle** as a **total loss**.

Penalty claim

An **event** or claim where **we** consider **you** to be at fault, or a claim where **we** are not able to recover the costs of repairing or replacing **your vehicle**.

Personal injury

Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or **loss** of consortium resulting from any of them.

Reasonable repair costs

The amount **we** will pay when **you** choose **your** own repairer taking into account:

- a. **your** repairers quote with any adjustments or reduction recommendation by an experienced motor vehicle assessor **we** appoint; and
 - b. a quote **we** may choose to obtain from one of **our recommended repairers**.
-

Recommended repairer

A repairer who has been appointed by **us** as a **recommended repairer** because **we** have assessed the repairer as capable of meeting **our** strict standards of quality workmanship, timeliness, efficiency and cost effectiveness.

Substitute vehicle

A vehicle which does not belong to **you** and which **you, your** spouse, defacto partner or an **employee** is using while **your vehicle** is not in use because **your vehicle** is unroadworthy or undergoing repair.

Total loss

Your vehicle is a total loss if it is stolen and not recovered within fourteen (14) days of **you** reporting its theft to **us**, and **we** are satisfied that **your** claim is in order, or **we** decide **your vehicle** is uneconomical or unsafe to repair .

Value of your vehicle

The **market value** or **agreed value**, whichever is shown in **your policy schedule**.

Vehicle

The vehicle(s) described on **your policy schedule**. The following accessories will also be insured if they are attached to or are in or on **your vehicle**: baby capsule/car seat – bonnet protector – built in refrigerator – bull bar – CB and/or 2 way radio – dash mats – decorative wheel trims – driving lights – fire extinguishers – fixed GPS units – fixed roof/ladder racks – floor mats – headlamp guards – mud flaps – paint protection – panel/rust protection – pin striping – decals – protective mouldings – rear louvre sunshade – registration plate covers – seat covers – side steps for a 4WD – sign writing – sound system (fitted as standard by manufacturer) – spare wheel cover – steering locks – tarpaulins – tools supplied as standard by the manufacturer or similar replacement – tow bars – tool boxes (but not the contents of a tool box unless such items are separately included within this definition) – weather shield – winch. It also includes other vehicle accessories or modifications if **we** have agreed to insure them as part of **your vehicle** and they are shown on **your policy schedule**.

Policy section 12 – Goods in transit

About this Policy section

This Policy section covers **you** for **loss** of or **damage** caused to **goods you** sell, buy or use in **your business** when they are in **transit**. **You** have a choice of two types of cover in this section.

You may insure under either:

1. Option A – Specified Perils; or
2. Option B – Accidental Damage.

The option **you** choose will be shown on **your policy schedule**.

You can claim for **loss** or **damage** as described under what “We cover” if:

- A. “Goods in Transit” is shown on **your policy schedule**;
- B. the **loss** or **damage** to goods occurs during the **period of insurance**;
- C. the **loss** or **damage** is not excluded by any of the exclusions under what “We do not cover”; and the **loss** or **damage** is not excluded by any of the General Exclusions listed on pages 20 to 21.

Your insurance under the Policy section

We cover	We cover you for loss of or damage to goods during the period of insurance when they are in transit and you have selected either: <ol style="list-style-type: none">1. Option A – Specified Perils; or2. Option B – Accidental Damage.
We do not cover	Whether you choose Option A – Specified Perils or Option B – Accidental Damage, this Policy Section will not cover you for: <ol style="list-style-type: none">a. electrical or mechanical derangement or breakdown. This exclusion does not apply if there is external evidence of derangement or breakdown having been caused directly by an insured peril.b. loss or damage caused directly or indirectly because you do not comply with government or statutory laws and regulations for transporting hazardous goods.c. loss or damage caused directly or indirectly by the conveying vehicle colliding with a kerb, roadway or ancillary road.d. loss or damage caused by impact of goods with the road or surrounding areas because of the goods dropping or falling from the conveying vehicle, unless caused by insured events a. or b.;e. loss or damage caused directly or indirectly by the unsound or un-roadworthy condition of the transporting vehicle if you own it.f. delay of any kind or the results of delay.g. confiscation or detention by Governmenth. loss or damage caused directly or indirectly by:<ol style="list-style-type: none">i. rust, oxidisation, discolouration, mildew, moths, mould, vermin or insects;ii. heating, sweating or any variation in temperature;iii. the inherent vice or nature of the goods;iv. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear;v. scratching, denting, chipping, cracking or breakage of glass or any fragile items; orvi. loss of use, loss of earning capacity and any other consequential loss.

Option A – Specified perils

We cover

Where Option A - Specified Perils is shown in **your policy schedule**, we will cover **you** for **loss** of or **damage** to **goods** in **transit** caused by any of the following insured events during the **period of insurance**:

- a. collision or overturning or derailment or jack-knifing of the transporting **vehicle**;
- b. fire, lightning, explosion or **flood**;
- c. forced landing of or the misadventure of an **aircraft**;
- d. impact of the **goods** with something that is not on or part of the conveying **vehicle**;
- e. jettison, washing overboard and **loss** or **damage** incurred in time of peril;
- f. burglary from an unattended transporting **vehicle** following forcible and violent entry to the **vehicle**; or
- g. war or warlike activities, which means invasion, acts of a foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.

Option B – Accidental damage

We cover

Where Option B – Accidental Damage is shown in **your policy schedule**, we will cover **you** for **loss** of or **damage** to **goods** in **transit** caused by any of the insured events in paragraphs (a) to (g) in Option A – Specified Perils above and for:

- a. **accidental loss** of or **damage** to the **goods** during the **transit**;
- b. **loss** or **damage** to the **goods** caused by:
 - i. strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions;
 - ii. malicious acts of persons, unless caused or directed by **you**;
 - iii. insufficiency or unsuitability of packing or preparation of the **goods**, unless such was caused, directed or agreed by **you**;
 - iv. **loading** and **unloading**;
- c. **loss** or **damage** to the **goods** while at any exhibition or display (other than in **your** owned or controlled **premises**), limited to a maximum of fourteen (14) days;
- d. unexpected deterioration of **temperature controlled goods**; or
- e. up to a maximum of 10% of the **sum insured** for Accidental Damage for the extra costs of freight or storage to forward the **goods** to their intended destination, or to return the **goods** to the place from which they were despatched, where the **transit** is interrupted or terminated due to the insolvency or financial default of the carrier and irrespective of whether **loss** or **damage** is caused to the **goods**.

Extra covers

If **we** agree to pay a claim under this Policy section for **loss** or **damage** to **goods** in **transit**, **we** will also pay or provide the Extra covers set out below.

Any amounts payable under these Extra covers are in addition to the **sum insured**.

1. Air freight of replacement parts

We cover	We will cover you for the cost of sending replacement parts from suppliers to the original destination by air freight, even if the original transit was not by air freight.
We do not cover	We will not cover you for more than \$10,000 for any one (1) claim.

2. Clean-up costs

We cover	We will cover you for the clean-up and disposal costs at any accident site, where you are legally or contractually obliged to pay those costs.
We do not cover	We will not cover you for more than \$25,000 for any one (1) claim.

3. Transport and disposal costs

We cover	We will cover you for the reasonable costs and expenses incurred in cleaning up or decontaminating your premises following the delivery or return of salvaged goods , plus the cost of transport and disposal costs to remove those goods .
We do not cover	We will not cover you for more than \$25,000 for any one (1) claim.

4. Freight and salvage charges

We cover	We will cover you for any additional freight or salvage charges that you are required to pay to remove your goods from any accident site, including the cost of transport to forward the goods to their intended destination or to return the goods to the place from which they were dispatched.
We do not cover	We will not cover you for more than \$10,000 for any one (1) claim.

5. Minimisation costs

We cover	We will cover you for the reasonable costs incurred to avoid or minimise any further loss of or damage to the goods .
We do not cover	We will not cover you for more than \$10,000 for any one (1) claim.

6. General average and salvage contribution

We cover	We will cover you for general average and or salvage contribution that you are required to pay under any Bill of Lading or similar document if the transit is by sea.
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Additional benefits

We will also provide the following Additional benefits in this Policy section subject to both the General and Policy section Exclusions.

Any amounts payable under this Additional benefit do not apply in addition to the **sum insured**.

Buyer and seller protection

We cover	<p>We cover you for the loss of or damage to goods if, as a buyer or seller, you retain a contingent financial interest in the goods in transit, and provided that:</p> <ol style="list-style-type: none">the goods are lost or damaged during the period of insurance;the loss or damage to the goods is caused by one or more insured events covered by your policy under this Policy Section;the other party under the terms of sale is legally liable to pay you for the goods or for the loss or damage, but fails to pay you for the loss or damage;you have taken all reasonable steps to safeguard the goods and to recover payment from the other party; andyou have not disclosed to any party interested in the goods the existence of this cover.
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What we pay

At our option, **we** will pay you:

- for **goods** that **you** have sold, the sale price **you** have invoiced **your** customer;
- for **goods** that **you** have purchased, the purchase price shown on **your** suppliers' invoice (less any Goods and Services Tax included in that price);
- for any stock transfers between **your** premises or divisions, the internal accounting value given to that **stock**;
- for transfers of **goods** between **your** premises:
 - where the **goods** are destroyed, the cost of replacing the **goods** with similar **goods** in a condition equal to but not better or more extensive than its condition when new;
 - where the **goods** are **damaged**, the cost of repairing the **damage** or the cost of restoring the **damaged** portion of the **goods** to a condition substantially the same as but not better or more extensive than its condition when new;
- for **goods** being returned after sale, the market value of the **goods**; or
- general average and salvage charges, adjusted or determined according to the transport contract and the governing law and practice, incurred to avoid or in connection with the avoidance of **loss** or **damage** from any cause.

The maximum amount we will pay in respect of any one claim for **goods** in **transit** under this Policy section is the **sum insured** as shown in your policy schedule.

Excess

The **excess** that applies for each claim **you** make is shown on your **policy schedule**.

Definitions

The following words have the following meanings for this Policy section only. You should also refer to the General definitions section starting on page 22 to 27.

Goods

Your **goods** that **you** sell, buy or use in **your business**, including merchandise, trade samples, returned goods and stock transfers. Also includes customers' goods that **your business** intends to or has repaired, serviced or maintained.

Goods do not include:

- a. **money**;
 - b. livestock;
 - c. antiques;
 - d. explosives, or any oxidising or radio-active substances or liquid fuel, liquid gas, toxic chemicals, corrosive acids, compressed gases, organic peroxides;
 - e. jewellery, precious metals or stones, bullion or furs unless these items form part of **your** normal stock;
 - f. directors' or **employees** tools of trade or **personal effects**;
 - g. **aircraft**, aerial devices, **watercraft**, **hovercraft** or mechanically propelled **vehicles** registered for **road** use; or
 - h. cigarettes, tobacco, wines, spirits or other alcoholic beverage.
-

Transit

The period commencing from the time the **goods** leave a warehouse or place of storage within Australia for **transportation**, including the ordinary course of **transportation** within Australia, and ending when either:

- a. the **goods** are delivered to the buyers or other final warehouse or place of storage within Australia but not including **your** premises; or
 - b. the **goods** are delivered to your premises for the purpose of servicing, maintenance or repair as part of **your business**; or
 - c. the **goods** are delivered to any other warehouse or place of storage within Australia, whether prior to or at the final destination, which **you** have elected to use:
 - i. for storage other than in the ordinary course of **transit**; or
 - ii. for allocation or distribution,whichever occurs first.
-

Loading

The period commencing from the time the **goods** are lifted from the ground or loading dock immediately adjacent to the transporting **vehicle** or conveyance until the **goods** are placed on the transporting **vehicle** or conveyance.

Temperature controlled goods

Goods belonging to **you** that require a controlled temperature environment for **transit**

Transportation

Any ship, vessel, **aircraft**, postal service (except in the case of **temperature controlled goods**), rail or **road** vehicle used to transport the **goods**.

Unloading

The period commencing from the time the **goods** are lifted from the transporting **vehicle** or conveyance until the **goods** are placed on the ground or loading dock immediately adjacent to the transporting **vehicle** or conveyance.

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How to contact us

- ▶ For enquiries **13 10 10**
- ▶ For claims **13 14 46** – 24 hours a day – every day
- ▶ Report any suspected insurance fraud to our hotline on **1300 881 725**
- ▶ Visit one of our **agencies**
- ▶ Find us on the web at **gio.com.au**

Who we are

This insurance issued by

AAI Limited

ABN 48 005 297 807

AFSL No. 230859 trading as GIO

