

office
pack
policy

FOCUS
underwriting

**POLICY
WORDING**



Important Information

Introduction

Focus Underwriting is a trading division of IBL Limited
AFS Licence number: 231203

You can contact us at enquiries@focusuw.com.au or on 1800 234 338 or at Level 21 41 Exhibition Street Melbourne 3000.

Table of contents

Important Information	1
General Terms and Conditions	4
General Definitions	9
General Exclusions	14
Section 1 - Property Damage Section	16
Section 2 - Theft Section	26
Section 3 - Glass Section	31
Section 4 - Money Section	33
Section 5 - General Property Section	37
Section 6 - Machinery and Electronic Breakdown Section	39
Section 7 - Public and Products Liability Section	47
Section 8 - Business Interruption Section	58
Section 9 - Employee Dishonesty Section	63
Section 10 - Tax Audit Section	65

Important Information

About this insurance policy

If **we** issue **you** with an insurance policy, **you** will be given a **policy schedule**. The **policy schedule** sets out the specific terms applicable to **your** cover and should be read together with the **policy** terms and conditions.

The **policy** terms and conditions, the **policy schedule** and any **endorsements** form **your** legal contract with **us**.

Please keep these documents for future reference. **You** must read this entire document to understand the full terms and conditions of **your policy**.

Duty of Disclosure

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

You have this duty until **we** agree to insure **you**.

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

You do not need to tell us anything that:

- reduces the risk we insure **you** for; or
- is common knowledge; or
- **we** know or should know as an **insurer**; or
- **we** waive your duty to tell **us** about.

If you do not tell us something

If **you** do not tell **us** anything you are required to, we may cancel your contract 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 this **policy** or part of it and receive a full refund of the premium paid if **you** advise **us** in writing within 21 days of the date the **policy** was inception. This right does not apply if **you** have made or are entitled to make a claim. To understand your rights to cancel the **policy** at other times please refer to 'Cancelling your Policy' on page 4.

Premium

We charge **you** a premium for the cover **we** provide **you** under this **policy**. The total premium **we** charge **you** will include any government charges such as stamp duty, GST, fire services or emergency service levy's. **We** may charge an underwriting levy which will also be included in **your** total premium. **Your** total premium and the breakdown of government and other charges is shown in **your policy schedule**.

Your insurance intermediary may also charge **you** a service or administration fee. This fee is not included in **your** premium shown in your **policy schedule**.

Factors that affect the premiums charged include:

- **Your** risk profile including **your** claims history
- The type of property being insured
- The cover, sums insured or limits of indemnity selected by **you**
- Costs of reinsurance including costs related to the Terrorism Insurance Act 2003
- Any minimum premiums that apply

Important Information

- Any loadings or discounts **your** risk profile attracts
- Government taxes and duties

When **you** apply for this insurance **we** will tell **you** the total premium payable. **We** will also tell **you** when and how this premium is to be paid. If **you** fail to pay the premium **we** may reduce any claim payment by the amount of the premium and/or **we** may cancel the **policy**.

Excess

If **you** make a claim **you** will be required to pay one or more excesses. Information about **your** excesses and the circumstances that they apply is shown in each section of your **policy** wording. The amount of **your** excess is shown in **your policy schedule**.

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 the claim;
- Cancel **your policy**;
- Report the matter to the police;
- Take legal action.

Privacy

IBL Limited, trading as Focus Underwriting (Focus), handles **your** personal information in a responsible manner and in accordance with the *Privacy Act 1988 (Cth)*.

Consent

By requesting **us** to provide **you** with insurance and insurance related services, **you** consent to the collection, use and disclosure of personal information **you** have provided to **us** for the purposes set out in **our** Privacy Policy.

How we collect your personal information

Generally **we** collect personal information from **you** or **your** agents. Personal information may also be collected by **us** from **our** agents and service providers; other insurers and insurance reference bureaus; third parties who may claim under **your** policies; service providers who assist **us** in investigating, processing and settling claims; third parties who may be arranging cover for a group that

you are part of; statutory, regulatory and law enforcement bodies and from publicly available sources.

Why we collect personal information

The personal information we collect enables **us** to provide **our** products and services. This may include processing and settling claims; offering products and services that may be of interest to **you** and conducting market research for products and services that may be relevant to **you**.

You can choose not to receive product or service offering from **us** by calling (02) 92758500 Eastern Standard Time 9am to 5pm Monday to Friday inclusive. For further information, **you** can access **our** Privacy Policy at www.focusuw.com.au

Who we disclose your personal information to

Your personal information may be disclosed to other parties with whom **we** have business arrangements for purposes set out in the paragraph above. These parties may include insurers, intermediaries, reinsurers, related companies, **our** advisers and parties involved in claims assessment, processing, investigation and settlement. Where required by law, **we** may also disclose information to government, law enforcement, dispute resolution and statutory or regulatory bodies.

Personal information about others

Where **you** provide personal information about others, **you** represent to **us** that **you** have made them aware that **you** will do so, the types of third parties **we** may disclose it to together with the purposes **we** and **our** third parties use it for, how they can access such information and how complaints can be made.

Where **you** provide sensitive information about others, **you** represent to **us** that **you** have obtained their consent. If **you** have not, and will not do so, **you** must tell **us** before **you** provide the sensitive information.

Overseas Disclosure

Your personal information may be disclosed to other companies in the Berkley group, reinsurers and service providers that may be located in Australia and overseas.

The countries this information may be disclosed may vary from time to time but may include the United States of America and other countries where the Berkley group has a presence.

Important Information

Any information disclosed may only be used for the purposes detailed above.

Accessing your personal information and dealing with complaints

You may request access to the personal information **we** hold about **you** by calling **us** at any time.

Our Privacy Policy details how **you** can make a complaint about a breach of the privacy principles as set out in the *Privacy Act 1988 (Cth)* and **our** complaints process.

Our Privacy Policy is available at www.focusuw.com.au

Complaints Resolution

Any complaint relating to this Insurance should be referred to Focus Underwriting

The Complaints Manager
Focus Underwriting
Level 21 41 Exhibition Street
Melbourne 3000

If this does not resolve the matter or **you** are not satisfied with the way a complaint has been dealt with, **you** should contact:

The Complaints Manager

Berkley Insurance Australia
P.O Box Q296 QVB
Sydney NSW 1230

Financial Claims Scheme

This **policy** may be considered a 'protected policy' under the Financial Claims Scheme (FCS). The Federal Government has appointed the Australian Prudential Regulation Authority (APRA) to administer the FCS. The FCS will only apply following 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 is available from APRA website www.apra.gov.au or by calling 1300 558 849.

Terrorism Insurance Act 2003

Some sections of this **policy** exclude cover for losses as a result of terrorism. As a result this **policy** (or part of it) is a policy to which the Terrorism Insurance Act 2003 applies. In the event of a loss that is declared by the Government to be as a result of a terrorist incident then

you may be afforded some protection as a result of the reinsurance scheme in place as a result of the Terrorism Insurance Act 2003.

Further information about the operation of the Terrorism Insurance Act 2003 can be obtained from www.arpc.gov.au.

General Terms and Conditions

General policy conditions

The following general conditions apply to all sections of this **policy** unless expressly stated otherwise. Breach of a condition or warranty without **your** knowledge or consent or error in name, description or situation of property will not prejudice **your** rights under this **policy** provided:

- notice in writing is given to **us** when such breach or error comes to **your** knowledge
- **you** pay any reasonable extra premium to **us** required, from the date of such breach or error.

Accountancy records

You must provide to **us** all books of account, business books and other documents as may be required to investigate or verify claims. If **you** do not, **we** may refuse to pay or may reduce the amount of a claim.

Acquisition of Companies

Provided that **you** notify **us** in writing within 30 days of the acquisition of:

- a. any company or other legal entity acquired during the **period of insurance**; or
- b. any property or liability associated with such company or any other legal entity or business undertaking or operation

and the **business** is of a similar occupation to that stated in the **policy schedule**, **we** will provide cover subject to **your** acceptance of **our** terms and undertaking to pay the additional premium **we** may require. **Our** liability shall not exceed the **insured amount**, limit of liability, or any sub-limit of liability applicable under the relevant **policy section(s)** making up **your policy** for each category of property

Bankruptcy or insolvency

In the event that **you** should become bankrupt or insolvent, **we** shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency. In case of execution against **you** of any final judgment covered by this **policy** being returned 'unsatisfied' by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against **us** in the same manner, and to the same extent as **you** but not in excess of the limit of liability.

Cancelling Your Policy

How you may cancel

You may cancel the **policy** or a **policy section** at any time by telling **us** in writing that **you** want to cancel it. **We** will retain the pro-rata rate for the time the policy has been in place. **You** are not entitled to receive a refund of any underwriting levy charged.

How we may cancel

We may only cancel a **policy** when the law says **we** can. Such cancellation shall take effect at the earlier of the following times:

- a. the time when another policy of insurance between **you** and **us** or some other insurer, being a policy that is intended by **you** to replace this policy, is entered into; or
- b. at 4.00 pm on the thirtieth (30th) business day after the day on which notification was given to **you**.

We will cancel **your policy** by telling **you** so in writing, either in person or by post to **your** last known address. **We** will return the premium that **you** have paid for the rest of the **period of insurance** (along with GST and any relevant charges where this is allowed).

Premium funders

If the premium has been funded by a premium funding company which holds a legal right over the **policy** by virtue of a notice of assignment and irrevocable power of attorney, the return of premium calculated on the basis set out above shall be made to the premium funding company.

Change to risk and keeping us up to date

Our decision to insure **you** and the premium that **we** charge **you**, is based on information provided to **us** about **your business**, and the risks to be insured under this **policy**. **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. **You** must immediately notify **us** of any changes that may increase the risk insured under **your policy**.

If **we** agree to continue to insure **you** after **you** have told us of 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.

General Terms and Conditions

Designation of property

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

How Goods and Services Tax (GST) affects any payments we make

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 for that GST amount each time that **you** make a claim under this **policy**. No payment will be made to **you** for any GST liability that **you** may have on the settlement of a claim if **you** do not inform **us** of **your** entitlement or correct entitlement to an input tax credit.

Despite the other provisions of this insurance (including provisions in the **policy** wording, the **policy schedule** and any **endorsement**), **our** liability to **you** will be calculated taking into account:

- a. any input tax credit to which **you** are entitled for any acquisition which is relevant to **your** claim, or which **you** would have been entitled were **you** to have made a relevant acquisition; and
- b. also for claims for business interruption only, the GST exclusive amount of any supply made by **your business** which is relevant to **your** claim.

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

Inflation Protection

To protect **you** from the effects of inflation, if **you** have cover under the property damage **policy section**, **we** will automatically change the **insured amount** at renewal in line with movements in the Consumer Price Index or another similar index.

If the **insured amount** increases because of index linking, the new premium and relevant government charges will be based on the new **insured amount** shown in the **policy schedule**.

Inspections

We (or agents appointed by **us**) have the right to inspect and examine, by mutual appointment, any **property insured**.

Jurisdiction

All disputes arising out of or under this **policy** shall be subject to determination by any court of competent jurisdiction within the Commonwealth of Australia according to the law which applies to that jurisdiction.

Our maximum liability

Except as otherwise stated elsewhere in this **policy**, the maximum amount **we** will pay will not exceed the amount stated in the **policy schedule** as the **insured amount** or the limit of liability for those **policy sections** selected.

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

Other persons or organisations

The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties having a legal interest or charge over the **property insured** shall be automatically included as third party beneficiaries without notification or specification. The nature and extent of such interest is to be disclosed to **us** in the event of any claim covered by this **policy**. Any other people not in this category or not named on the **policy schedule** are not covered and cannot make a claim. All third party beneficiaries must comply with the terms and conditions of the **policy**.

Where the separate interests of more than one party in the **property insured** are insured under this **policy**, any act or neglect of one party will not prejudice the rights of the remaining party or parties provided that the remaining party/ies are entirely innocent of and have no prior knowledge of any such act or neglect and shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of loss, damage or destruction has increased, give notice in writing to **us** and shall on demand pay such reasonable additional premium as **we** may require.

General Terms and Conditions

You cannot transfer the **policy** into someone else's name without **our** written consent.

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

When a claim is paid under the **policy** and is also recoverable under another policy or policies, **you** agree to provide **us** with details of such policies and so that **we** may seek contribution from the other insurer or insurers.

Non-imputation

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

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

Progress payments

We will make progress payments on claims at intervals to be agreed by **us** following receipt of an interim report from **our** loss adjuster or representative. **We** will not unreasonably withhold progress payments.

Reasonable care

You must take reasonable precautions to prevent personal injury or property damage as if **you** were not covered by this **policy**. If **you** do not take reasonable precautions **we** may refuse to pay part or all of **your** claim.

Reinstatement

If **we** pay an amount for a claim under any **policy sections** (other than for **products liability**), **we** will automatically reinstate the **insured amount** or limit of indemnity to the amount shown on the **policy schedule** prior to the claim occurring provided that **you** pay any additional premium requested by **us** for any such reinstatement.

Sale of salvage

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

Single occurrence

We will not pay for loss or damage to property covered by this **policy** under more than one **policy section** of the **policy** in respect of the same item and occurrence unless a relevant **insured amount** has been paid out in full and **you** have not been fully indemnified, less any applicable **excess**, for the loss or damage.

Waiver of subrogation rights

We will not be liable to pay any benefits under this **policy** for loss, damage or liability if **you** agree or have agreed to limit or exclude any right of recovery against any third party who would be liable to compensate **you** with respect to that loss, damage or liability. However:

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

General claims conditions

To enable **us** to process a claim under any section of this **policy** the following conditions apply.

Making a claim

Contact **your** broker immediately to notify them of a potential claim.

General Terms and Conditions

Cooperation

You must co-operate with **us** fully in any investigation, negotiation, defence or settlement of any claim.

This may include attending court to give evidence.

Minimise loss

You must

- a. take all reasonable precautions to minimise or prevent further loss, damage, injury or illness; and
- b. take all reasonable steps to recover lost or stolen property.

Notify claim

You must

- a. notify the police immediately following a theft or burglary or if any property is misappropriated, lost or maliciously damaged;
- b. notify **us** as soon as possible and give **us** all the known details of the event including the police event number if available;
- c. immediately send **us** any legal document or other communication **you** receive about the event.

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.

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.

Retain all damaged property

You must

- a. retain and preserve all damaged property for **our** inspection 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 practical, to retain and preserve all damaged property for **our** inspection; and

- b. use **your** best endeavours to 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.

Provide proof of ownership

You must supply **us** with all the information and documentation that **we** request to prove **your** ownership or legal responsibility for the **property insured** and its value.

We will decide what is acceptable proof of ownership and value based on the **property insured** for which **you** are claiming, the age of the item and its value at the time of loss or damage.

Examples of the type of documentation that may be required include, but are not limited to:

- Tax invoices and/or receipts for **property insured**.
- Photographs of the **property insured**.
- Copies of any relevant contracts or agreements.
- Statutory declaration verifying the details of **your** claim and any other matters connected with it.
- Quotes for replacement items.

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.

Fraud or Dishonesty

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

General Terms and Conditions

Not authorise repair or replacement

You must not authorise the repair or replacement of anything without **our** agreement.

In the case of an emergency where **you** are required to prevent further loss or damage to **your** property as a direct result of that emergency and the property is covered by **your policy**, **we** give **you** authority to arrange these emergency repairs on **our** behalf.

Rights of recovery

We have the right to take action or institute legal proceedings, in **your** name, for the recovery of payments made and expenses incurred in relation to any claim insured by this **policy**, against any person, company or entity legally liable to **you** in respect of that claim.

You must provide **us** with full information and all reasonable assistance in the recovery of those payments or expenses.

You must not enter into any agreement or make any admissions that have 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.

Conduct of claims

- a. **We** may appoint legal or other representatives to assist in the conduct of a claim;
- b. **We** shall have the right and full discretion to conduct claims; and,
- c. **We** reserve the right to negotiate and settle any claim on terms we consider appropriate.

Paying your excess

You must pay the **excess** that applies to claims under this **policy**. The **excess** that applies will depend on the circumstances of the claim. The amount of the **excesses** and the circumstances that each **excess** applies to are shown on the **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.

If more than one **excess** can be applied to one occurrence then **you** will only need to pay the highest

excess that applies unless expressly stated otherwise in the **policy**.

Insured amounts, limits of liability and sub-limits shall apply in addition to, and shall not be reduced by, the amount of any applicable **excess**.

Only one **excess** will apply to all damage resulting from earthquake, subterranean fire, volcanic eruption, bushfire, storm, hail or rainwater that is continuous, due to the same general conditions, and occurs within a 72-hour period from the first happening of damage.

Claims Settlement

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 for **your** insurance premium if **you** are registered, or should be registered for GST purposes. If the information **you** give **us** is incorrect, **we** will not cover **you** for any resulting fines, penalties or tax charges.

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.

Discharge of our liabilities

If, at any time, **we** pay **you** the **insured amount** 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 insurance that is in addition to the **insured amount**.

Claims preparation expenses

We will pay for costs necessarily and reasonably incurred for the preparation and negotiation of a claim for which **we** agree to indemnify **you** under this **policy**. The most **we** will pay is \$25,000 in total any one claim, unless a higher amount is included in the particular cover section of the **policy**. This benefit is in addition to the **insured amount**.

General Definitions

General Definitions

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

Aircraft	Anything made or intended to fly or move in or through the air or space other than model aircraft or unmanned inflatable balloons used for advertising or promotional purposes. Aircraft includes hovercraft.
Animal(s)	Any living creature including, but not limited to, livestock, birds, fish, vermin or insects.
Automatic Teller Machine (ATM)	A burglar resistant unit designed for the safe storage and disbursement of bank notes and which resists fire and attack by hand-held or power operated tools.
Business	The business(es) shown and described on the policy schedule .
Building(s)	<p>The building(s) at the premises.</p> <p>Building(s) includes:</p> <ul style="list-style-type: none"> a. sheds with a concrete floor and fixed to foundations at the premises; b. customised and modified shipping containers or transportable buildings permanently located at the premises used as workshops, lunchrooms or storage and which are permanently fixed to the ground with electrical or plumbing services, as necessary; c. shipping containers in which the stock your business distributes is delivered to your premises or 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

- locked cyclone fenced area at the **premises** after hours;
- d. shipping containers in which the **stock** or **contents** of your **business** is stored, 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 locked cyclone fenced area at the **premises** after hours;
- e. walls, foundations, storage tanks and sheds, awnings, exterior lights, masts, antennae and aerials, fixed external signs, gates, fencing, pavements, roads and other structural improvements pertaining to the **building(s)**;
- f. property owner's fixtures and fittings, floor coverings, plant, plumbing or wiring services that are within the building;
- g. carports, pergolas and canopies;
- h. barns and outbuildings;
- i. external fixed items including swimming pools, saunas and spas, gangways between buildings, lights and signs and air conditioning units;
- j. wharves, piers and jetties.

Building(s) does not include:

- a. plant and machinery;
- b. **stock**;
- c. **contents**;
- d. property undergoing erection, construction, alteration or addition (including partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one **premises** exceeds \$500,000 or 20% of the total **insured amount** on **buildings** and **contents**,

General Definition

Building(s) (continued)	<p>whichever is the lesser, provided that this limit shall only apply to the portion of the property insured which is the subject of any such work and not to any other portion of the property insured;</p> <p>e. land, unsealed driveways, unsealed paths, topsoil and fill, dams, reservoirs, canals, tunnels and railway tracks (not at the premises)</p>		<p>you are liable under the terms of a lease or similar agreement;</p> <p>ii. fixtures and fittings installed by you for use in the business;</p> <p>c. money up to \$500;</p> <p>d. plant and machinery, unregistered forklifts and hoists, communications systems, fixtures and fittings, signs and awnings (only if you are a tenant);</p> <p>e. computers, word processors, printers, scanners and other peripheral equipment and other electronic equipment or electronic data processing systems; digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines</p> <p>f. data, media, records, documents, manuscripts, plans, drawings, designs, business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery; or</p> <p>g. current patterns, models, moulds, dies and lasts used in the business but limited, unless repaired or replaced, to the value stated in your financial records at the time of damage;</p> <p>h. paintings, works of art, antiques or curios;</p> <p>i. documents of title and any other documents of aesthetic, historic, scientific or social value for past, present or future generations;</p> <p>j. property of your welfare, sports and social clubs.</p> <p>Contents does not include:</p> <p>a. stock;</p> <p>b. buildings;</p> <p>c. specified items;</p>
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 .		
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 includes “trojan horses”, “worms” and “time or logic bombs”.		
Consequential loss	<p>Loss of use, loss of earning capacity and any other consequential loss of any kind, including loss, damage, cost or expense caused directly or indirectly by or resulting from:</p> <p>a. delay or interruption of the business;</p> <p>b. lack of power, light, heat, steam or refrigeration; or</p> <p>c. any other indirect result or consequence of a breakdown.</p>		
Contents	<p>Business and office furniture, tools of trade and equipment used by you in the business.</p> <p>Contents includes:</p> <p>a. unused stationery and printed books;</p> <p>b. where you are a tenant of a leased or rented premises:</p> <p>i. property owner’s fixtures and fittings, window blinds, floor coverings and glass for which</p>		

General Definitions

<p>Contents (continued)</p>	<ul style="list-style-type: none"> d. directors' and employees' tools of trade and personal effects; e. jewellery, precious metals or stones, bullion or furs unless they are worth less than \$10,000 any one item; f. vehicles registered for road use and any other machinery whilst registered for road-related areas, caravans, trailers, watercraft, aircraft, hovercraft, rolling stock and locomotives or their accessories; g. live animals; h. plants, shrubs, lawns, growing crops, pastures and standing timber other than pot-plants; or i. customers' goods other than customer's records and documents held or created by you as part of your business. <p>This definition of contents is subject to the 'Designation of Property' General Policy condition.</p>	<p>Data</p>	<p>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 include programmes, software and other coded instructions for such equipment.</p>
<p>Customer's goods</p>	<ul style="list-style-type: none"> a. Goods that belong to your customers that are in your physical or legal control because the business repairs, services, maintains, or stores those goods; b. Goods that have been purchased by a customer but are in your physical or legal control awaiting delivery. c. Customer's goods includes items of property at the premises under a 'sales or return' consignment agreement. <p>Customer's goods do not include consigned items of property under an 'agency' arrangement where you make a commission on a sale.</p>	<p>Employee</p>	<p>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.</p> <p>Employee includes:</p> <ul style="list-style-type: none"> a. Volunteers; and b. Students on work experience. <p>Employee does not include:</p> <ul style="list-style-type: none"> a. any broker, factor, consignee or contractor; b. any member of your family; or c. any partner, director or trustee unless that person is also your employee.
		<p>Endorsement</p>	<p>Documentary evidence of an alteration to the policy which forms part of the policy.</p>
		<p>Event or events</p>	<p>One incident or all incidents of a series consequent on, or attributable to, one source or original cause.</p>
		<p>Excess</p>	<p>The amount which is payable by you for each claim made under this policy.</p>
		<p>Family</p>	<p>Your spouse, your partner or your de facto who lives with you, your parents and parents-in-law, your children and children of your spouse, partner or defacto (not being your children) who live with you and your brothers and sisters.</p>
		<p>Flood</p>	<p>means the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake (whether or not they have been altered or modified) or from any dam, reservoir or canal.</p>

General Definitions

Fungus/ Fungi	Fungi is a group of simple plants that have no chlorophyll. They include but are not limited to mould, mildew, and yeast. Fungi also includes spores.	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. Money does not include collectable items (for example coin or stamp collections) or anticipated revenue.
Glass	<ol style="list-style-type: none"> fixed glass forming part of or fixed to the exterior of the building including glass in fixed signs; or fixed internal glass including fixed glass in furniture, partitions, counters, shelving and showcases, fixed and hanging mirrors, fixed washbasins, sinks, toilet pans and cisterns, contained within the building. <p>Glass includes External Glass, Internal Glass and Specified Glass as defined in the Glass policy section.</p>	Obsolete Stock	Stock which can no longer be sold for its full value, superseded computers or perishable goods beyond their used by date.
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.	Occurrence	An event, including continuous or repeated exposure to substantially the same general conditions.
Input tax credit	The amount you are entitled to claim as a credit against GST that you have paid.	Period of insurance	The period of time shown on the policy schedule during which insurance is provided under this policy.
Insured/you/ your/yours	For all policy sections other than the Public and Products Liability cover, any person, company or legal entity shown on the policy schedule as the insured.	Policy	Your insurance contract which consists of this policy wording, any endorsements and your policy schedule .
Limit	The limit is the maximum amount we will pay under any section of the policy and may be expressed 'per accident', 'per occurrence', 'per annum' etc.	Policy section(s)	Any part of this policy described as a policy section .
Insured amount	The maximum amount that will be paid under each section of cover selected. The insured amount will vary depending on your requirements in relation to each policy section .	Policy Schedule	The record of the particulars of your insurance which forms part of this policy . The policy schedule is issued when we have accepted your insurance. At each renewal of your policy , the renewal schedule becomes your current policy schedule .
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.	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.

General Definitions

Premises	The places listed in the policy schedule as the 'Situation' at which and from which you operate your business . The premises includes buildings and land within the legal boundaries.	Stock	Products and materials you intend to sell, raw or consumable materials or products used by you in the business and your products while being made, repaired or altered.
Property insured	The property as described on the policy schedule in respect of each policy section .		Stock includes:
Safe or strongroom	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 or strongroom includes an Automatic Teller Machine. A safe is not: <ul style="list-style-type: none"> a. a cash tin; b. a locked drawer in a filing cabinet or desk; or c. a burglary resistant container weighing less than 20 kilograms that is not fixed to the wall or floor at the premises by anchoring it using mechanical bolting; e.g. Dynabolts. 		<ul style="list-style-type: none"> a. stock in trade and cigarettes and liquor; b. items of property at your Premises under a 'sales or return' consignment agreement; or c. customers goods. <p>Stock does not include consigned items of property under an agency agreement where you make a commission on a sale.</p>
Seasonal Increase Period(s)	Any period of time during the period of insurance that has turnover, sales or level of stock at least 20% higher than the average turnover, sales or level of stock at other times during the period of insurance . The total number of days we will allow as seasonal increase periods is 120 days in total during any one period of insurance . You do not have to tell us what the dates of the periods are, but if you claim under a policy section which has the seasonal increase cover, then you must substantiate the period as a seasonal increase period. You can nominate different stock increase period(s) or higher percentage increases of stock. If you do they will be shown on your policy schedule and you must pay any additional premium that applies.	Subsidiary Company	Any company in which you have a controlling interest. For the purpose of this definition the term 'controlling interest' shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.
		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 people acting alone, or on behalf of or in connection with any organisation or government, that from its nature or context are done for, or in connection with, political, religious, ideological ethnic or similar reasons with the intention to influence any government or put the public or any section of the public in fear.
		Vehicle	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	Berkley Insurance Australia ABN 53 126 559 706 via Focus Underwriting

General Exclusions

General Exclusions

These exclusions apply to all **policy sections** unless expressly 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:

- a. war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- b. 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
- c. looting, sacking or pillaging following any of the events stated in a or b above.

2. Consequential loss

This **policy** does not insure loss of use, loss of earning capacity and any other consequential loss.

This exclusion does not apply to business interruption **policy section** and the public and products liability **policy section**.

3. Terrorism

This **policy** does not insure:

- a. **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
- b. **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**.

4. Known defects

We will not pay for loss or damage caused by faults or defects known to **you** or any **employee** whose knowledge in law would be deemed to be **yours** and not disclosed to **us** at the time this insurance was arranged.

5. Geographical limitations

Unless we agree in writing to the contrary, we will not pay for any loss or damage to your property insured that is outside the Commonwealth of Australia at the time of its loss or damage, except as specifically stated otherwise in the appropriate section.

6. Unoccupancy

Unless **we** otherwise agree in writing, **we** will not pay for any loss or damage to **your property insured** if the occurrence happens after **your premises** has been unoccupied for more than 90 consecutive days. This exclusion does not apply to damage caused by:

- a. lightning, earthquake, volcanic eruption, tsunami and subterranean fire;
- b. impact by road **vehicle** or their loads, **animals**, trees or branches, meteorite, **aircraft** or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling building or structures or parts thereof which do not belong to **you**;
- c. riots, civil commotions and strikes.

This exclusion will not apply if the **premises** are partly occupied.

7. Electronic Data exclusion

- a. This **policy** does not cover:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of data;
 - ii. error in creating, amending, entering, 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.

General Exclusions

- b. **We** will not cover **legal liability** for communication, display, distribution or publication of data.
However, 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 them.
- c. Where an event listed below (being an event covered in the property **policy section**, or **policy section** 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:
 - i. loss of or damage to **property insured** directly caused by the event, or
 - ii. 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.

- i. Fire;
- ii. Lightning or thunderbolt;
- iii. Explosion or implosion;
- iv. Storm and wind;
- v. Water damage;
- vi. Impact;
- vii. Earthquake, including tsunami, subterranean fire, volcanic eruption or fire resulting from any of these; or
- viii. 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 the “Your Insurance under this Policy Section” provision in this **policy**, computer systems records include **data**.

8. Non-compliance

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

9. Intentional acts

This **policy** does not cover intentional acts by **you** or another party committed with **your** knowledge and consent and which **you** were capable of preventing.

10. Nuclear

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

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission and/or fusion; or
- b. nuclear weapons material.

Section 1 - Property Damage Section

About this policy section

This section of the **policy** covers physical loss of or damage to **your property insured** during the **period of insurance**. **We** do not cover the theft or breakdown of **your property insured** under this **policy section**.

Policy section 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 9.

Catastrophe

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

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

Specified Items

Each item of property that is specifically described on the **policy schedule** for this **policy section**.

Your insurance under this policy section

Provided 'Property Damage' is shown under 'What's Covered' in the **policy schedule**, **we** will cover **you** up to the **insured amount** for accidental loss or damage to **your property insured** at the **premises** during the **period of insurance**.

What we pay

The maximum **we** will pay for any one claim, other than a claim for a **specified item**, under this **policy section** is the amount shown on the **policy schedule** or adjusted in accordance with this **policy section**, whichever is the higher.

The maximum **we** will pay for each **specified item** is the **insured amount** shown in the **policy schedule** for that item.

For **contents** that are works of art, antiques or curios **we** will only pay the value of the item up to a maximum of \$25,000 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, the limit applies to the pair or set.

Building(s), specified items, contents or stock

Reinstatement or replacement

Unless the **policy schedule** shows **you** are insured for 'Indemnity' then, when **buildings, specified items, contents** or **stock** are lost or damaged **we** will, at **our** option:

- a. rebuild the **buildings** at the **premises** shown on **your policy schedule** or at another site;
- b. replace **contents, stock** or **specified items** with similar property;
- c. pay **you** the amount shown on the proof of purchase for **specified items** unless the **specified items** are works of art, antiques and curios;
- d. if the **specified items** are works of art, antiques and curios, pay **you** the amount of a valuation by the Auctioneers and Valuers Association of Australia; or
- e. pay the cost of rebuilding or replacing the **buildings, specified items, stock** 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 **we** will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement had been commenced and carried out within a reasonable period of time;
- b. when rebuilding at another site, **we** will not pay more than **we** would pay to rebuild at the **premises**;
- c. when any **property insured** is damaged, but not destroyed, **we** will not pay more than the amount that **we** could have been called upon to pay for if that property had been destroyed;
- d. **we** will only pay to return the **property insured** 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 The Commonwealth of Australia.

Section 1 - Property Damage Section

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.

Extra costs of reinstatement

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

Extra costs of reinstatement: 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 any 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.

Conditions which apply to extra costs of reinstatement

The following conditions apply:

- the work of reinstatement must be commenced and completed within a reasonable time; and
- the amount payable will not include any additional costs in complying with any requirement that **you** had been required to comply with before the loss or damage occurred; and
- the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, regulation or by-law necessitate it, subject to **our** liability not being increased.

Our total liability under this clause 'Extra cost of reinstatement' will be limited to:

- the sub limit of liability shown in the current **policy schedule** for 'Extra cost of reinstatement' which shall be in addition to the **insured amount**; or
- 20% of the limit of the total **insured amount** for this **policy section**; or
- the balance of the **insured amount** for this **policy section**

whichever is the greater.

The underinsurance condition of this **policy section** will not apply to the amount payable under this clause.

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:

- an Act of Parliament or regulations; or
- 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, pay **you** the difference between:

- the actual cost of rebuilding the **building** with the reduced floor space; and
- the estimated cost of rebuilding the **building** with the floor space it had at the time it was damaged.

Stock

If stock is lost or damaged, we will, at our option:

- pay the market value of the **stock** at the time of the loss or damage;
- 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**;
- replace or repair the **stock** with property or materials equal to or of a similar standard and specification as the **stock** at the time it was lost or damaged; or
- pay the cost of repair or replacement of the lost or damaged **stock**.

Excess

The **excess** that applies is shown on the **policy schedule**.

Section 1 - Property Damage Section

Extra covers

When damage to **property insured** is covered by this **policy section**, **we** will pay for the following costs that are incurred as a result of that damage.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **insured amount**.

Capital additions

If **buildings** or **contents** are insured and:

- buildings**, or part of them, are in the process of being constructed, erected, altered or added to; or
- contents** are in the process of being installed or modified;

We will pay up to an additional 20% of the total **insured amount** for **buildings** and **contents** for loss or damage to the new additions or installations.

We will pay no more than:

- \$500,000; or
- 20% of the total **insured amount** on **buildings** and **contents**;

whichever is the lesser amount.

Catastrophe inflation protection

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 25% of the **insured amount** for **buildings**; and
- increase the amounts payable under the 'Capital Additions' (relating to **buildings** only) Extra Cover and 'Prevention of loss or damage' Additional Benefit of this **policy section** by up to 25%;

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**.

However, this extra cover does not operate to increase the total **insured amount** for the purposes of calculating the application of any extra cover or additional benefits or the Underinsurance provision in this **policy section**.

We will not pay more than the increased building costs which are actually incurred by **you** as a direct result of the **catastrophe**.

We will not 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**. **We** will not increase the **insured amount** to pay for damage to any **property insured** other than **buildings**.

We will not pay any claim under this extra cover if **your policy schedule** shows the **building** as being insured for 'Indemnity'.

Discharge of mortgages

We will pay the reasonable legal costs of discharge of a mortgage or mortgages on **buildings**, **contents** or **stock** following settlement of a claim under this **policy** on a total loss basis. **We** will pay up to \$30,000 any one event.

Documents and Contents Permanently in Storage

We will pay for damage to **your business** records or **contents** whilst they are stored at a facility specifically designed for this purpose and where a fee has been paid for this service. **We** will not pay any amount for **business** records or **contents** damaged whilst they are in transit to or from the storage facility.

We will not cover **you** for more than \$50,000 in the aggregate during the **period of insurance** for all claims under this extra cover.

Floating stock

Where **we** pay a claim for loss of or damage to **stock** at the **premises**, **we** will pay more than the **stock insured amount** at that **premises** to account for the temporary transfer of **stock** between **premises** provided that:

- there are at least two **premises** specified on the **policy schedule** and an **insured amount** has been separately specified on the **policy schedule** for **stock** at each **premises** insured under this **policy section**, including the affected **premises**; and
- you** transfer the **stock** between **premises** as a usual business practice.

We will not pay a claim under this extra cover where **stock** levels in excess of the **insured amount** at a **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.

We will not pay more than the total of the **stock insured amount** for all **premises**.

Section 1 - Property Damage Section

Government fees

If any of **your property insured** is destroyed or damaged, **we** will pay any fee, contribution or other impost payable to any other Government, Local Government or other Statutory Authority where payment of the fee, contribution or impost is necessary to the obtaining of consent to reinstate any **property insured** provided that **we** will not be liable for payment of any fines and/or penalties imposed upon **you** by any such authorities. The cost of government fees is included in the **insured amount** for **buildings, contents** or **stock**. If the **insured amount** is exhausted, the most **we** will pay under this Extra Cover is \$25,000.

Landscaping

We will pay for loss of or damage to landscaping at the **premises**. **We** will also pay resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like all contained in or on or forming part of or implicitly pertaining to the buildings.

Landscaping includes trees, shrubs, plants, lawns, rock work, retaining walls, ornamentation and edging pertaining thereto.

We will not pay more than \$50,000 or 20% of the **insured amount**, whichever is the lesser, at the **premises** in respect of any one **event**. This extra cover is included in the **insured amount** for the **buildings**.

Loss of land value

If **we** pay for a claim for loss of or damage to a **building** at the **premises**, **we** will pay for any reduction in land value that results from the decision by any legal authority not to allow rebuilding or only to allow partial rebuilding of that **building** at the **premises**.

We will not pay more than:

- a. 20% of the **building insured amount** shown on the **policy schedule**; or
- b. \$150,000;

whichever is the lesser.

Professional fees

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. The cost of professional fees is included in the **insured amount** of the lost or damaged buildings. If the **insured amount** has been exhausted, we will pay up to \$50,000.

We will not pay any claim under this extra cover if **your policy schedule** shows the building as being insured for 'Indemnity'.

Removal of debris including necessary temporary repairs

We will pay the reasonable costs of removal, storage and disposal of debris including trees and branches or the demolition, dismantling, cleaning up and/or removal, storage and disposal of debris, shoring up, propping, underpinning or other temporary repairs incurred by **you**. **We** will also pay for **your** legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site.

We will pay **you** up to \$150,000 or 20% of the total **insured amount** on **buildings** and **contents** shown on the **policy schedule** for the damaged premises whichever is the greater or the amount for 'Removal of Debris' shown in the current **policy schedule**. If this is insufficient and **you** have not exhausted **your insured amount** on the damaged items requiring demolition and/or removal of debris, **we** will pay up to the remaining balance of the **insured amount**.

Rewards

We will pay up to \$5,000 for the reasonable cost of any reward paid by **you** for information which leads to the apprehension and conviction of person(s) responsible for any loss or damage which is insured under this **policy section**. Provided that any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Extra Covers in the Theft, Glass or Money **policy sections**.

Rewriting of records

We will pay the reasonable costs 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 at each **premises** for

- a. business books, plans, computer records, patterns and other business records that are damaged;
- b. business records of **your** customers at the **premises** or **your** business records stored off-site.

Section 1 - Property Damage Section

We will pay **you**, in addition to **your insured amount**, up to \$50,000 or the amount shown in the current **policy schedule**.

Seasonal increase in stock

We will automatically increase the **insured amount** in respect of **stock** by 50% during the **seasonal increase period**.

Taking inventory

We will pay up to \$5,000 for the reasonable costs and expenses incurred by **you** in taking inventory (including unpacking, repacking and restacking) to identify, quantify and value any **property insured** damaged during the **period of insurance** including examination of **property insured** not belonging to **you** but in **your** care, custody or control.

Undamaged foundations

If foundations are not destroyed following an occurrence and any Government or Statutory Authority requires reinstatement of the **property insured** to be carried out on another site, the abandoned foundations will be considered as destroyed. If the resale value of the original building site is increased due to the presence of the abandoned foundations, the increase in resale value will be paid to **us** at the time of sale.

Additional benefits

We also provide the following additional benefits. Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the **insured amount**.

Damage to glass in vacant buildings

If **you** own but do not occupy any **buildings** shown as insured under this **policy section** at the **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:

- the cost of temporary shuttering 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; or

- the cost incurred in repairing or replacing tiles on shop and office fronts and around the **glass**.

We will not pay more than \$5,000 during any one **period of insurance** for all claims under this additional benefit.

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

- of **glass** caused by or arising out of fire or the application of heat;
- of **glass**:
 - 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; or
- that is in a glasshouse.

We will not pay for the breakage of:

- tiles on shopfronts and office fronts, other than around the broken **glass**; or
- plastic or perspex signs.

We will not cover any claims under this additional benefit if:

- You** have selected the Glass section of the policy;
- Your insured building** is leased to a tenant; or
- the **building** has remained unoccupied or untenanted for a continuous period longer than 60 days and we have not agreed to an extended period in writing.

The excess that applies to this additional benefit is:

- the excess shown on the **policy schedule**; or,
- \$500

whichever is the higher.

Directors' and employees' tools of trade and personal effects

We will pay for loss of or damage to directors' and employees' tools of trade and personal effects as if they were **contents**.

We will not pay more than \$7,500 for any one person for any one **event**. Any amount **we** pay for this additional cover will be included in the **contents insured amount**.

Section 1 - Property Damage Section

Fire Brigade attendance fees

We will pay up to \$100,000 for any statutory charges payable by **you** to a fire brigade or fire fighting authority for attendance at a fire or chemical emergency involving **property insured** and for the cost of refilling **your** fire fighting appliances used in putting out a fire at or adjoining the **premises** and threatening the **property insured**. The excess that applies to this additional benefit is \$500.

Fusion of small motors

We will pay the replacement cost of any part or parts of electric motors which form part of the **building** or **contents** insured under this **policy section** provided the burn out is caused by or directly due to the electric current.

We will not pay for burn out of electric motors larger than 1.8 kilowatts (2.5 horse power).

If we accept a claim under this additional benefit we will also pay for loss of or damage to refrigerated **contents** or **stock** spoilt as a result of the burn out of the electrical motor. 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 cover any claims under this additional benefit if **you** are insured for Machinery Breakdown under the Machinery and electronic Breakdown **policy section**.

Limited transit cover

We will cover **you** for loss of or damage to **stock** or **contents** during the **period of insurance** which are in transit in any **vehicle** anywhere in The Commonwealth of Australia and away from the **premises**, caused by a collision or overturning of the conveying vehicle or any of the following events:

- a. Fire or explosion;
- b. wind;
- c. acts of malicious persons;
- d. escape of molten material from its intended confines at the **premises**;
- e. lightning or thunderbolt;
- f. implosion;
- g. earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 consecutive hours following the **event**;
- h. riot, civil commotion or labour disturbances; or

- i. water damage.

We will not cover **you** for more than:

- a. \$50,000; or
- b. 20% of the highest **insured amount** for **contents** or **stock** at any one **premises**;

for each **event**, whichever is the lesser.

Prevention of imminent damage

We will cover **you** for the necessary costs that **you** incur in the **period of insurance**:

- a. to extinguish a fire on or in the vicinity of **your premises** which causes or threatens loss or damage to **your property insured**;
- b. to prevent or diminish imminent damage by any cause not excluded by this policy to **your property insured**;
- c. for the temporary protection and safety of **your property insured** at the **premises**, including the employment of security services; or
- d. to remove **property insured** from the **premises** if the purpose of the removal was to prevent or minimise damage insured under this **policy section**. We will also cover any damage resulting from the removal.

We will not pay more than \$100,000 for all claims under this additional benefit during any one **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 insured**.

Temporary cover for new premises

We will cover **you** for loss or damage occurring during the **period of insurance** to **buildings**, **contents** and **stock** at any new 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 on the **policy schedule**;

We will not cover **you** for more than 50% of the highest total **insured amount** for any **premises** shown on the **policy schedule**.

Section 1 - Property Damage Section

We will not cover **you** under this additional benefit for any loss or damage at the new premises that occurs more than 60 days after you first occupy the new premises.

Temporary removal of stock and contents

We will pay up to 30% of the **insured amount** for loss or damage to **stock** or **contents** during the **period of insurance** if the **stock** or **contents** have been temporarily removed from the **premises** or are in a temporary storage facility, self storage unit or bulk storage facility as if it were at the **premises** but still within the Commonwealth of Australia.

We will not pay for loss of or damage to:

- stock** that **you** have consigned to another person for sale unless it is owned by **you** or is property for which **you** are legally responsible;
- stock** or **contents** that have been removed from the **premises** in excess of 90 days at the time of the loss or damage.
- Portable computers, mobile phones or similar portable devices.

Trace and access

We will pay the reasonable costs incurred to detect the point of bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks, fixed appliances, fixed pipes or other systems at the **premises** used to hold or carry liquid provided that the bursting, leaking, discharging or overflowing has caused or may reasonably be expected to cause damage to **property insured**. **We** will not cover the repair or replacement of such apparatus, appliances, tanks, pipes of other systems.

Theft of external property

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 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 taken cover under the Theft **policy section**.

Optional extensions

We will provide the following optional cover when requested by **you**, when **you** pay additional premium required and when shown on **your policy schedule** as applying.

Flood

When 'Flood' is shown as 'insured' in **your** current **policy schedule**, **we** will cover loss of or damage to **property insured** caused by **flood**.

Strata title mortgagee(s) interest

This cover applies only if **you** have arranged this **policy** to insure only the interest of a mortgagee in a strata title unit.

This cover only applies when **you** own part of a building that has been subdivided into strata, community or similar title units and you have a mortgage on that part of the building.

When 'Strata title mortgagee(s) interest' is shown as 'insured' in **your** current **policy schedule** **We** will pay the mortgagee the lowest of:

- the **insured amount** shown on the **policy schedule**;
- the amount to repair the damage to a condition similar to but no better than when new;
- if the body corporate (or similar) partially covers the loss, then the difference between what the body corporate's insurance pays and the cost of the damage; or
- the amount sufficient to discharge the mortgage held by you over the unit at the date of the damage.

We pay only that part of the claim that applies to the interest of the mortgagee.

We only pay a claim if:

- a claim would be payable under this **policy section** (and not subject to any exclusions or other limitation in the **policy**);
- the policy of the body corporate or similar does not apply or only partially covers the loss; and

Section 1 - Property Damage Section

- c. the mortgagee requires you to discharge your mortgage.

If **you** have arranged this policy to insure only the interest of a mortgagee in a strata title unit no additional benefits are payable under this policy.

Limitations on cover under this policy section

Earthquake

If any loss is caused by earthquake, volcanic eruption, subterranean fire or tsunami, **we** will not pay for the first \$20,000 or 1% of the **insured amount** at the damaged **premises** (whichever is the lower amount) of each claim caused by earthquake, tsunami, volcanic eruption or subterranean fire.

Storm, Rainwater, Wind, Hail or Snow

Cover for damage to textile blinds and awnings, shade cloth, shade houses, fibreglass houses and glass houses, gates, fences, signs and retaining walls caused by or arising from storm, rainwater, wind, hail or snow is limited to a maximum of \$25,000 in total, any one **event**.

Policy section conditions

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

Leased Building Clause

Without prejudicing **your** position under this **policy section**, **you** may agree to enter into a lease for occupancy of any building or a lease for hiring of property where the terms of the lease include a disclaimer clause in favour of the lessee to the owner.

Release

Without prejudicing **your** position under this policy section, **you** may release any railways, other transportation companies, statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so.

Storage premises

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

Tenant's Actions

If a tenant of **yours** or a tenant of **your** landlord (but not **you**) without **your** consent, causes or contributes to any loss or damage covered by this **policy section** which is in breach of any terms or conditions, **we** will cover **you** for **your** loss or damage as per this **policy section**, provided:

- a. **you** have taken all reasonable actions, as soon as **you** become aware of conditions causing the breach, to have the tenant comply with the terms.
- b. **you** notify us within a reasonable amount of time of becoming aware of the breach.
- c. **you** agree to pay a reasonable increase in premium for the additional risk.

Under-insurance

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

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 **insured amount** on the **policy schedule** bears to 80% of the full insurable value of the **buildings, contents, stock and specified items** (net of any **input tax credit** that you could claim) at the time of the commencement of the **period of insurance**.

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 10% of the total **insured amount** shown on the **policy schedule** at the **premises**.

Any additional costs incurred to comply with the requirements of any statutory authority, by-laws or regulations shall be omitted from the calculation of **our** proportion.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

1. **We** will not cover **you** for loss or damage insurable under any other **policy section** or **policy sections** of this **policy**. This exclusion does not apply to any loss or damage which would only be insurable under any other **policy section** or **policy sections** because it fell within an extra cover or additional benefit in that **policy section**.
2. **We** will not cover you for loss or damage caused by:

Section 1 - Property Damage Section

- a. wear and tear, gradual deterioration, scratching, marring, developing flaws, normal upkeep or any gradual cause;
 - b. mechanical, hydraulic, electrical breakdown or electronic failure or malfunction;
 - c. corrosion, rust, oxidation, any form of **fungus**, wet or dry rot, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;
 - d. change in colour, flavour, texture or finish;
 - e. inherent vice or latent defect;
 - f. loss of weight or exposure to light;
 - g. creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, roads, car parks and the like;
 - h. loading or unloading;
 - i. infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by **you** or any **employee**;
 - j. erosion, subsidence, landslide or mudslide or any other earth movement but we will cover loss or damage caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake, subterranean fire, volcanic eruption or water escaping from a water main owned by a water supply authority;
 - k. demolition ordered by any lawful authority as a result of failure by **you** to comply with any lawful requirement;
 - l. the action of the sea or high water, unless caused by or arising from a direct consequence of an earthquake or seismological disturbance;
 - m. **Flood**;
 - n. faults or defects known to **you** or any **employee** whose knowledge in law would be deemed to be **your** knowledge and not disclosed to **us** at the time this insurance was arranged, extended, varied or renewed;
 - o. the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute;
 - p. data processing or media failure or breakdown or malfunction of a processing system including operator entry or omission;
 - q. deliberate and unauthorised corruption, amendment or erasure of data by **you** or **your** directors, partners, employees, officers or any other person who has an interest in the property insured whether acting alone or in collusion with any other person;
 - r. **computer virus**;
 - s. the gaining of unauthorised access to **your** computer via any communication system by any person other than **you** or **your** directors, partners, employees, officers or any other person who has an interest in the property;
 - t. an electrical device (including wiring) caused by a surge in electrical current;
 - u. the operation or presence of any computer program that alters or erases data or programs in a manner that is undesired by you;
 - v. the actual breaking, seizing, deformation or melting of any part of the **property insured** while it is in use that is caused by mechanical, electrical or electronic defect that results in sudden and total loss of operation that requires repair or replacement before the **property insured** can resume normal operation;
 - w. explosion or implosion of any pressure vessels (including any boilers):
 - i. where the load on the safety valve upon the particular pressure equipment was in excess of the manufacturer's specification at the time of any damage;
 - ii. where any safety valve limiting pressure was removed or rendered inoperative;
 - iii. due to failure of the supply of water, gas, electricity or fuel.

Provided that **we** will pay for any damage to **property insured** that is not otherwise excluded that results from damage caused directly by or arising directly from any of these causes.
3. **We** will not cover loss of or damage to:
- a. **property insured** while it is undergoing any process where damage results from it being processed;
 - b. any **building**, **contents** and **stock** if the **building** is vacant awaiting or undergoing demolition, unless **we** have agreed otherwise;
 - c. **animals**, plants, or growing crops;
 - d. **glass** or signs except where **you** are a tenant of a building and are required by the lease to insure **glass**; or

Section 1 - Property Damage Section

- e. any tangible property where the loss or damage was caused during the course of its processing or manufacture.
- 4. **We** will not cover loss or damage caused by or arising from:
 - a. theft other than physical damage to property insured at the **premises** during theft or any attempted theft and/or theft of parts of the **building** when **buildings** are insured;
 - b. any legal liability you have other than the legal liability that is covered by the extra cover 'Removal of Debris';
 - c. the incorrect siting of **buildings** as a result of error in design or specification, faulty workmanship or non-compliance with the requirements of any lawful authority;
 - d. any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;
 - e. contamination, pollution, smoke or smut except where caused directly by fire, lightning, explosion, impact by any road vehicle or animal, aircraft or other aerial devices or articles dropped by them, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof, meteorite, riot, civil commotion, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing or discharge of tanks, apparatus or pipes containing in water or liquid of any kind, or sprinkler leakage.

Section 2 - Theft Section

About this policy section

This section covers the loss of **your contents** and **stock** from theft, attempted theft, armed hold up or an actual or threatened assault. **You** are not covered for theft of **contents** and **stock** kept in the open air except for cover provided under the additional benefit Theft of property kept in the open air.

Policy section 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 9.

Category or Categories

the category into which property can be designated from the following:

- a. all contents including stock;
- b. all contents excluding stock;
- c. stock excluding cigarettes, cigars and tobacco;
- d. cigarettes, cigars and tobacco;
- e. alcohol;
- f. specified items listed in the policy schedule.

Cigarettes, cigars and tobacco

Cigarettes, cigars and tobacco used by **you** in the **business**.

Your insurance under this policy section

Provided 'Theft' is shown under 'What's Covered' in the **policy schedule**, **we** will cover **you** for loss of or damage to **your contents** and **stock** occurring during the **period of insurance** at **your premises** caused by one or more of the following:

- a. any person who enters or attempts to enter the **premises**;
- b. any person unlawfully concealed at the **premises**;
- c. any person who threatens or commits physical violence to **you**, **your employees** or other persons;
- d. armed hold-up at the **premises**;
- e. any person who breaks into any locked cabinet and/or counter and/or showcase which is located at the **premises**.

What we pay

At our option, **we** will:

- a. with respect to **stock**:
 - i. pay **you** the market value of the **stock** at the time of the loss or damage;
 - ii. pay **you** the value of **obsolete stock** or its purchase price, whichever is the lesser, but no more than the original cost to **you**;
 - iii. 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
 - iv. pay the cost of repair or replacement of the **stock**.
- b. with respect to **electronic equipment** or **contents**:
 - i. repair or replace the **electronic equipment** or **contents**; or
 - ii. pay **you** the cost of repair or replacement of the **electronic equipment** or **contents**.
- c. pay the **insured amount** for a **specified item**.

For each specific **category** or **categories**, **we** will not pay more than the **insured amount** shown on the current **policy schedule** for this **policy section**, except to the extent stated under the headings 'Extra Covers' and 'Additional Benefits'.

Excess

The **excess** that applies is shown on the **policy schedule**.

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.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **insured amount**.

Damage to business premises

If **you** are the property owner, **we** will cover **you** for the cost to repair **your property insured** caused by theft or attempted theft. The maximum amount **we** will pay for this extra cover is \$10,000.

Section 2 - Theft Section

Damage to rented premises

If **you** are the tenant, **we** will cover **you** for damage to the **premises** 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**.

The maximum **we** will pay for any one claim under this extra cover is \$10,000 or the amount shown in the **policy schedule**.

Documents and Contents Permanently in Storage

We will pay for theft of **your business** records or **contents** whilst they are stored at a facility specifically designed for this purpose and where a fee has been paid for this service. **We** will not pay any amount for **business** records or **contents** stolen whilst they are in transit to or from the storage facility.

We will not cover **you** for more than \$50,000 in the aggregate during the **period of insurance** for all claims under this extra cover.

Rewards

We will pay up to \$5,000 for the reasonable cost of any reward paid by **you** for information which leads to the apprehension and conviction of person(s) responsible for the theft of property which is insured under this **policy section**. Provided that any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under the Extra Covers in the Property, Glass or Money **policy sections**.

Seasonal increase period/s

We will automatically increase the **insured amount** in respect of **stock** by 50% during the **seasonal increase period**.

Temporary protection and security guards

We will pay the reasonable and necessary costs of temporary protection and repairs and 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 a theft or attempted theft. **We** will not pay more than \$10,000 for any one claim. If an occurrence results in a claim being paid under this **policy section** and another **policy section**, the highest single limit under the relevant **policy section** applies. The

benefit of temporary protection and security guards shall not be cumulative under this **policy**.

Additional benefits

We also provide the following additional benefits. Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the **insured amount**.

Directors and employees tools of trade and personal effects

We will pay for loss of or damage to directors' and **employees'** tools of trade and personal effects caused by theft as if they were **contents**. **We** will not pay more than \$7,500 for any one person and \$15,000 overall in respect of any one claim.

Employee dishonesty

We will cover **you** for loss to **stock**, **contents** or **electronic equipment** as a direct result of **employee** dishonesty during the **period of insurance** which is discovered within 45 days of the **employee** dishonesty occurring.

This additional benefit does not cover:

- 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 the Commonwealth of 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**; or
- f. fraud or dishonesty committed by any of **your employees** with **your** connivance.

We will not cover **you** for more than \$20,000 any one occurrence.

We will not cover any claims under this additional benefit if **you** are insured under the Employee Dishonesty **policy section** and further provided that any cover given under this additional benefit shall not

Section 2 - Theft Section

accumulate with any similar cover that may be given under the Money **policy section**.

Funeral expenses

We will cover **you** for 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 in the **period of insurance** of property owned by **you** or for which **you** are legally responsible; and
- b. the death occurs within 12 months of the assault.

We will not cover **you** for more than \$10,000, which will be paid to the estate of the deceased person. Provided that any cover under this additional benefit shall not accumulate with any similar cover that may be given under the Money **policy section**.

Illegal use of corporate financial transaction card

If the **policy** covers **contents** and any corporate credit and/or debit card used by the **business** is lost or stolen during the **period of insurance**, **we** will pay any financial loss sustained by **you** arising from the illegal use of the card by an unauthorised person.

We will not pay:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards by **your employees** or any other person acting in collusion with **your employee** or by any member of **your family**;
- b. more than \$5,000 in total for any one loss or event.

Illegal electronic funds transfer

If the **policy** covers **contents** and, following entry into the premises arising from one of the events listed under the heading 'Your insurance under this policy section', **we** will pay any financial loss sustained by **you** arising from the electronic transfer of funds from **your** bank account to a bank account not controlled by **you**.

We will not pay:

- a. any financial loss arising from the misuse or illegal use of corporate credit cards or financial transaction cards by any of **your employees** or any other person acting in collusion with any of **your employee** or by any member of **your family**;
- b. transfer of money via electronic funds transfer which was enabled by:

- i. a key; or
- ii. use of details of a combination, code or password
- c. that are left in the building outside **business hours**;
- d. more than \$5,000 in total for any one loss or event.

Replacement of locks and keys

We will pay the reasonable cost of replacing locks, keys, magnetic keys, cards or similar devices and combinations used in the **business** if:

- a. as a result of theft covered under this **policy section**, keys or combinations are stolen or their are reasonable grounds to believe that keys have been duplicated;
- b. keys, magnetic keys or cards or similar devices are accidentally lost;
- c. the sequence of numbers of letters become known by any unauthorised person or are accidentally lost;
- d. circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices.

We will also pay the reasonable cost of

- a. opening safes and strongrooms because of the theft of or loss of keys or combinations during a theft;
- b. replacing and developing security film exposed because of theft or attempted theft;
- c. restoring the security system to its former functionality following a theft or attempted theft that is covered by this cover section.

We will not pay more than \$10,000 for any one claim.

Provided that any cover given under this additional benefit 'Replacement of locks and keys', shall not accumulate with any similar cover that may be given under an additional benefit in the Money **policy section**.

Rewriting of documents

We will pay for any reasonable labour costs incurred in reproducing or making good your **business** records if they are lost stolen or damaged while located at your **premises** or offsite anywhere in the Commonwealth of Australia. **We** will not pay more than \$50,000 during any one **period of insurance**.

Section 2 - Theft Section

Temporary cover for new premises

We will cover **you** for loss of **stock** or **contents** at any new premises which **you** first occupy during the **period of insurance** provided that:

- a. cover is limited to a period of 60 consecutive days from the day that you first use the new premises;
- b. cover is not available to property that cannot be correctly designated to one of the **categories** that are shown as insured in the **policy schedule**;
- c. cover is only available to **contents** or **stock** that is of a similar type to that insured by this **policy section**;
- d. for each specific **category** of property shown in the **policy schedule** cover is limited to 50% of the **insured amount** for that **category**; or
- e. if more than one premises is shown in the policy schedule then this 50% limitation will apply to the lowest insured amount that applies to the specific category of property;
- f. the new premises have building and security features that are similar to those at one of the premises shown in the policy schedule having the same occupation.

You must provide us with full details of the new premises.

If **we** agree to cover **stock** or **contents** at the new premises beyond the 60 consecutive day period, **you** must pay any additional premium we ask for.

Temporary removal

We will cover **your property insured** while temporarily removed to any other premises within the Commonwealth of Australia.

Provided that:

- a. **we** will not cover **tobacco, tobacco products, cigars, cigarettes** or alcoholic beverages.
- b. **we** will not cover **stock** that is on consignment to other parties unless it is owned by **you** or is property for which **you** are responsible.
- c. the maximum amount **we** will pay for this additional benefit will be 30% of the **insured amount**.
- d. this additional benefit will not apply to any **property insured**, which has been removed for a period greater than 90 days without **our** prior written consent.

Theft of external property

We will cover **you** for loss or damage as a result of theft or any attempt at theft occurring during the **period of insurance** to **building** or **contents** that are securely and permanently affixed (by means other than the connection to a power point) to the outside of the building.

We will not cover **you** for more than:

- a. \$10,000; or
- b. the **contents insured amount**;

whichever is the lesser during the **period of insurance**.

Developing Security Images

We will cover **you** for the cost of developing film or footage from security cameras following a theft or attempted theft.

We will not pay more than \$5,000 for any one claim.

Provided that any cover given under this additional benefit 'Developing Security Images', shall not accumulate with any similar cover that may be given under an additional benefit in the Money **policy section**.

Theft of property insured in the open air

We will cover **you** for theft of **property insured** in the open air but within the boundaries of the **premises**.

The amount **we** will pay is limited to \$10,000 or the amount shown on the **policy schedule** whichever is the higher for any one occurrence for theft or attempted theft of **contents** other than:

- a. **electronic equipment**;
- b. **stock**; or
- c. **customers goods**

Exclusions under this policy section

These exclusions apply to this **policy section** only.

We will not pay for:

1. Loss of, or damage to, property committed by:
 - a. **you, your** directors, partners, **employees** or any member of **your family** other than following forcible and violent entry by **your employees** or a member of **your family**; or
 - b. any person or persons while lawfully at the **building**.

Section 2 - Theft Section

2. Loss or damage to:
 - a. **money** in excess of \$500;
 - b. jewellery, precious metals or stones, property made of gold or silver, bullion or furs exceeding \$10,000 any one loss and \$2,000 any one item unless these items form part of **your stock**;
 - c. live **animals**.
3. The breakage of **glass** (including washbasins, sinks, toilet pans or cisterns, or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken **glass**) unless it is **stock**.
4. Loss or damage of **property insured** from any open space, whether fenced or unfenced, outside the walls of the **building** except as expressly provided in the additional benefit 'Theft of external property' and 'Theft of property insured in the open air'.

Section 3 - Glass Section

About this policy section

This **policy section** covers breakage of glass at the premises.

Policy section 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 9.

Breakage	<ul style="list-style-type: none"> a. for plate or sheet glass or porcelain, a fracture extending through the entire thickness of the glass or porcelain; b. for laminated glass, a fracture extending through the entire thickness of a lamination but not any other damage or disfiguration.
External glass	glass or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the building .
Glass	external glass, internal glass, and specified glass.
Internal glass	<ul style="list-style-type: none"> a. glass, or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and/or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals, toilet pans and hand basins; and b. frames of showcases, display cabinets and counters containing the broken glass in the building.
Sign	glass or plastic that forms part of a sign.
Specified glass	glass specifically designated in the policy schedule under specified glass .

Your insurance under this policy section

Provided “Glass” is shown under “What’s Covered” in the **policy schedule** we will insure **you** for **breakage** of **glass** which **you** own or for which **you** are legally responsible, occurring during the **period of insurance** at the **premises**.

What we pay

We will pay for the cost of replacement of broken **glass** with **glass** of similar manufacture and quality including the reasonable costs for after-hours service by repairers, express delivery and overtime charges to repair or replace broken **glass**. **We** will also pay the extra cost necessarily incurred to comply with the minimum requirements of any statutory authority when replacing the **glass**.

Excess

The **excess** that applies is shown on the **policy schedule**.

Extra covers

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 covers set out below.

Any amounts payable under these extra covers apply in addition to the **insured amount**.

Costs

We will pay for the following costs provided they are reasonably incurred by **you** and are directly related to breakage of the **glass** covered under this **policy section**:

- a. the cost of temporary shuttering necessary to secure otherwise exposed **stock** or **contents** pending replacement of the broken **glass**;
- b. the costs incurred in replacing sign-writing, ornamentation, reflective materials and burglar alarm tapes and connections attached to the broken **glass**;
- c. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings;
- d. the cost incurred in repairing or replacing tiles on shop and office fronts and around the broken **glass**.

Section 3 - Glass Section

We will not cover **you** for the cost of repairing or replacing bars, grilles or shutters.

Our liability under this extra cover during any one **period of insurance** is limited to the sum of \$10,000.

Destruction of Stock or Contents

We will pay for destruction of, or damage to **your stock** or **contents**, caused by broken glass following the breakage of **glass** where such breakage constitutes an admissible claim under this **policy section**. **Our** liability under this extra cover during any one **period of insurance** is limited to:

- a. the cost value (excluding profit of any kind) of your **stock** or **contents** destroyed or damaged, less any amount realised from the sale or salvage; or
- b. the sum of \$10,000,

whichever is the lesser.

Overtime

We will pay the reasonable costs of after-hours service by repairers, express delivery and overtime charges to repair or replace broken **glass**.

Rewards

We will pay up to \$5,000 for the reasonable cost of any reward paid by **you** for information which leads to the apprehension and conviction of person(s) responsible for damage to **glass** which is insured under this **policy section**. Provided that any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under the Extra Covers in the Property, Theft or Money **policy sections**.

Additional benefits

We will also provide the following additional benefits in this **policy section**.

Any amount payable under this additional benefit applies in addition to the **insured amount**.

Malicious damage

We will pay for the cost of replacement of **external glass** which has suffered malicious damage. This additional benefit is payable even where there is no **breakage** of **external glass**.

Signs

We will cover **you** for loss or damage to **signs** at the **premises** if they break during the **period of insurance**.

We will not pay more than \$10,000 for one claim under this additional benefit or any higher amount shown in the current **policy schedule** for **signs**. The admissibility of claims for damage to **signs** shall not be contingent upon other damage to **glass**.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

This **policy section** does not cover:

1. Damage to **glass**:
 - a. when in transit or whilst being fitted into position or removed from its fitting;
 - b. forming part of **stock**;
 - c. in light fittings;
 - d. that is cracked or imperfect prior to breakage;
 - e. that is not fit for the purpose intended; or
 - f. that is in a glasshouse, conservatory or the like, television, computer screen or any domestic item such as a vase, china ware or glass in a photo frame.
2. **Breakage** of tiles on shopfronts and office fronts, other than immediately adjacent to the broken **glass**.

Section 4 - Money Section

About this policy section

This **policy section** covers the loss of or damage to **your** business's money from a wide variety of causes such as theft, armed hold up, or fire. The **money** may be in transit or at **your premises**.

Policy section 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 9.

Financial Service Provider	A bank, building society or credit union or an agency for any of these.
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 money can be deposited in the bank.
In transit	Money in your personal custody or in the custody of persons authorised by you whilst in transit within the Commonwealth of Australia. Money in transit includes money while contained in the night safe, night depository chute or automatic teller machine of any Financial Services Provider . Our liability ceases at the time your financial service provider ceases trading on the next business day following the deposit therein.
Money	Wages and salaries collected from the bank but not paid to employees is 'in transit' until it is physically in the control of employees . For the purposes of the policy section only, money has the meaning in the general definitions and also includes funds held in electronic form in a bank account.

Your insurance under this policy section

Provided 'Money' is shown under 'What's Covered' in the **policy schedule**, **we** will cover **you** for accidental loss of or damage to **money** occurring during the **period of insurance**. **Your Business's money** is covered in the following circumstances:

- in transit**;
- in the **building** during **business hours**;
- in the **building** outside of **business hours**;
- in a **building** in a securely locked **safe or strongroom**; or
- in custody**.

What we pay

The maximum amount **we** will pay is the **insured amount** shown on the **policy schedule**.

If **we** agree to pay a claim for **loss of or damage to money** **we** will pay the amount of **money** lost or damaged.

In the case of **money** left in the **building** outside of **business hours** not kept in a securely locked **safe or strongroom** the maximum amount **we** will pay is 10% of the **insured amount** shown on the **policy schedule**.

Excess

The **excess** that applies is shown on the **policy schedule**.

Extra covers

If **we** agree to pay a claim under this **policy section** for loss or damage to **money**, **we** will also pay or provide the extra covers set out below.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **insured amount**.

Rewards

We will pay up to \$5,000 for the reasonable cost of any reward paid by **you** for information which leads to the apprehension and conviction of person(s) responsible for any loss or damage to **money** which is insured under this **policy section**.

Provided that any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under an Extra Cover in the Property, Theft or Glass **policy sections**.

Seasonal increase of cover

We will automatically increase the **insured amount** in respect of **money** by 50% during the **seasonal increase period**.

Section 4 - Money Section

Temporary protection and security guards

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 theft or attempted theft of **money** occurring during the **period of insurance** and that is covered under this **policy section**.

We will not pay more than \$10,000 for any one claim.

Provided that any cover given under this Extra Cover 'Temporary protection and security guards' shall not accumulate with any similar cover that may be given under an Extra Cover in the Theft **policy section**.

Additional benefits

We will also provide the following additional benefits in this **policy section**.

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

Bank and public holidays extension

The **insured amounts** for **money** are automatically increased by 100% on days that are gazetted bank or public holidays. This increase shall apply up until **Financial Services Provider** closing time on the next business day after such holiday. This additional benefit does not apply to damage to **safes and strongrooms** and to seasonal increase.

Counterfeit currency

We will pay for losses sustained by **you** due to the acceptance in good faith in exchange for merchandise, **money** or services, of counterfeit Australian currency notes up to an amount not exceeding \$500 in any one **period of insurance**.

Employee dishonesty

We will cover **you** for loss of **money** as a direct result of **employee** dishonesty during the **period of insurance** if discovered within 45 days of the **employee** dishonesty occurring.

This additional benefit does not cover:

- 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 The Commonwealth of 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**; or
- f. fraud or dishonesty committed by any of **your employees** committed with **your** connivance.

We will not pay more than \$20,000 for any one occurrence.

We will not pay any claims under this additional benefit if **you** are insured under the Employee Dishonesty **policy section** and further provided that any cover given under this additional benefit shall not accumulate with any similar cover that may be given under the Theft **policy section**.

Funeral expenses

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 12 months of the assault.

We will not cover you for more than \$10,000 to be paid to the estate of each person.

Provided that any cover given under this additional benefit shall not accumulate with any similar cover that may be given under the Theft **policy section**.

Loss of or damage to Safes, Strongrooms and cash carrying bags

If **money** is stolen or there is an attempt at stealing **your money** from **your safe or strongroom** or cash carrying bag, we will pay **you**:

Section 4 - Money Section

- a. the cost of opening the **safe or strongroom** and of repairing or replacing any loss or damage to the **safe or strongroom** that was caused by the theft or attempted theft;
- b. for loss of or damage to **your** cash carrying bag that was caused by the theft or attempted theft.

A sub-limit of \$10,000 any one occurrence applies to this additional benefit.

Replacement of locks and keys

We will pay the reasonable cost of replacing locks, keys, magnetic keys or cards or similar devices or to change the sequence of numbers or letters used in a safe or strongroom if;

- a. 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;
- b. keys, magnetic keys or cards or similar devices are accidentally lost;
- c. the sequence of numbers or letters become known by any unauthorised person or are accidentally lost;
- d. circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices.

We will also pay the reasonable cost of:

- a. opening **safes and strongrooms** because of the theft of keys or combinations during a theft of **money** covered under this **policy section**;
- b. developing images stored on media from security camera following a theft or attempted theft of **money** covered under this section.

We will not pay more than \$10,000 for any one claim.

Provided that any cover given under this additional benefit 'Replacement of locks and keys', shall not accumulate with any similar cover that may be given under an additional benefit in the Theft **policy section**.

Temporary Cover for New Premises

Cover is extended to include **money** at, or in transit to or from any new business premises occupied by **you** after the commencement of the **period of insurance**, within the Commonwealth of Australia, for 30 days from first being used by **you** (unless the **period of insurance** or

your occupancy of such premises ends sooner, whichever shall first occur), but the cover is limited to:

- a. the business described in the **policy schedule**; and
- b. the **money** insured described in the **policy schedule**.

Our maximum liability under this additional benefit is limited to 20% of the **insured amount** shown in the **policy schedule** in relation to each item of **money** covered under this **policy section**.

Full details of such additional premises are to be supplied to **us** within 30 days of **your** commencement to use the premises. If **we** agree to cover **money** at the additional premises beyond this 30 day period, **we** may require payment of an additional premium.

Traveller's Money

We will pay **you** for loss of **money** in **your** custody, or in the custody of **your employee**, while **you** are travelling on **your business** anywhere in the world provided that the total amount payable under this extension is limited to \$1,000 in total any one **event**.

Developing Security Images

We will cover you for the cost of developing film or footage from security cameras following a theft or attempted theft.

We will not pay more than \$5,000 for any one claim.

Provided that any cover given under this additional benefit 'Developing Security Images', shall not accumulate with any similar cover that may be given under an additional benefit in the Theft **policy section**.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

This **policy section** does not cover:

1. Loss or damage of **money**:
 - a. due to shortages resulting from clerical or accounting errors, 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** involvement other than as covered by additional benefit 'Employee dishonesty'; or

Section 4 - Money Section

- c. by any fraudulent or dishonest acts committed by **you, your family** members or any of **your employees** acting alone or in collusion with others other than as covered by additional benefit 'Employee dishonesty'.
- 2. Loss or damage of **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**.
- 3. Loss or damage to **money** in or from an unattended **vehicle** that is not locked.
- 4. Loss or damage to **money** while professional money carriers, professional carriers or common carriers are carrying it.
- 5. Loss or damage to **money** occurring outside The Commonwealth of Australia except as provided under additional benefit 'Traveller's Money'.
- 6. Loss of use, loss of earning capacity and any other consequential loss.
- 7. Loss or damage to **money** that does not belong to **you** in or from an **ATM**.

Section 5 - General Property Section

About this policy section

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 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 9.

Accidental	Unexpected and unintended from your standpoint.
Specified items	Each item of property that is specifically described on the policy schedule . Any item worth more than \$2,500 must be specified.
Unspecified items	Each item of property which is not a specified item described generally on the policy schedule .

Your insurance under this policy section

Provided 'General Property' is shown under 'What's Covered' in the **policy schedule** **we** will insure **you** for **accidental** loss or damage to **property insured** occurring anywhere in the world during the **period of insurance**.

What we pay

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

- repair or replace the item of property (including carry case and usual accessories) to a condition equal to but not better or more extensive than its condition when new; or
- pay you the cost to repair or replace the **property insured**;
- replace the **property insured** with a new item that has the same features or features that are nearly the same as (but not less than) the item being replaced.

The maximum amount **we** will pay in respect of each **specified item** is the **insured amount** for that item.

The maximum amount **we** will pay in respect of any one **unspecified item** is the any one item limit set out in the **policy schedule**.

The maximum **we** will pay during the **period of insurance** for all claims in respect of any **unspecified items** is the **insured amount** for **unspecified items** set out in the **policy schedule**.

Excess

The **excess** that applies is shown on the **policy schedule**. The **excess** applies to each item of property that is lost or damaged.

Additional benefits

We will also provide the following additional benefit in this **policy section**.

Any amount payable under this additional benefit applies in addition to the **insured amount**.

Theft of other equipment

We will cover **you** for theft of any property not belonging to **you** but in **your** physical or legal control for the purposes of **your business** occurring during the **period of insurance** anywhere in the world.

This additional benefit does not cover theft committed by any member of **your family** or by any **employee** of **yours** or committed by any person whilst lawfully at **your premises**.

We will not cover **you** under this extra cover unless the **property insured** was:

- in a securely locked **vehicle** and the theft was consequent upon forcible and violent entry to the **vehicle**;
- securely and permanently affixed to a building or **vehicle** and theft is consequent upon forcible and violent removal of the insured property;
- in **your** private residence or the private residence of **your employee** who has been authorised by **you** to have the custody and control of the **property insured**. However **we** will not cover any theft by a tenant;
- 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.

Section 5 - General Property Section

However **we** will not cover any theft committed by any person while lawfully in the building; or

- e. stolen as a consequence of armed hold-up or the threat of physical violence.

We will not cover **you** for more than \$2,000 in any one period of insurance under this extra cover.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

This **policy section** does not cover:

1. loss or damage to any **unspecified item** of property unless Your **policy schedule** shows that **you** have cover for **unspecified property**;
2. loss or damage caused by or arising out of:
 - a. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
 - b. moths, termites or other insects or vermin;
 - c. scratching, biting or chewing by any **animal**;
 - d. chipping, scratching, denting or marring that does not materially affect the use or operation of the **property insured**;
 - e. change in colour, loss of weight, change in flavour, texture or finish;
 - f. the action of light, atmospheric conditions, any form of **fungus** or variations or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
 - g. mechanical, hydraulic, electrical or electronic breakdown, burn-out, failure, malfunction or derangement of any equipment or device;
 - h. smut or smoke from industrial operations (other than sudden and unforeseen resultant damage);
 - i. any faults or defects in any item of insured property that **you** or any of **your employees** knew about before taking out this **policy section**;
 - j. faulty materials or faulty workmanship;
3. loss or damage to **money** of any kind;
4. loss of use, loss of earning capacity and any other consequential loss;
5. loss or damage to property as a result of:
 - a. total or partial destruction, distortion, erasure, corruption, alteration,
 - b. misinterpretation or misappropriation of data;
 - b. breakdown or malfunction of the processing system including operator error or omission in creating, amending, loading, deleting or using data;
 - c. total or partial inability or failure to receive, send, access or use data for any time or at all;
 - d. committed by any member of **your family** or by any **employee** of **yours** or committed by any person whilst lawfully at **your premises**; or
 - e. of unattended **property insured** in the open air.

Section 6 - Machinery and Electronic Breakdown

Section

About this policy section

This **policy section** covers the **breakdown** of **machinery** or **electronic equipment** at **your premises**.

Policy section 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 9.

Boilers and pressure plant and pressure pipe systems

The permanent structure of **machinery** which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to boilers the rotating, reciprocating or electrical apparatus attached to them.

Breakdown

A sudden and accidental failure of **machinery** or **electronic equipment** resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.

Breakdown does not mean:

- depletion, deterioration, corrosion or erosion of material;
- wear and tear;
- vibration or misalignment;
- the functioning of any safety device or protective device; or
- the failure of a structure or foundation supporting the equipment or a part of the equipment.

Computer equipment

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 electronic data processing equipment comprising a central processing unit with flexible

programming ability, 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.

Controlled atmospheric conditions

An atmosphere in which oxygen, carbon dioxide and nitrogen concentrations are regulated

Electronic Equipment

Any of the following equipment provided it is owned, leased, operated or controlled by **you** and used in **your business**:

- Any electronic machine, device or instrument used for research, diagnosis or medical treatment;
- Telecommunications transmitting and receiving equipment;
- Lighting facilities, audio visual, amplification and surveillance equipment;
- Office machines owned by **you** or for which **you** are legally responsible;
- Computer equipment.**

Expendable Items

- Electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements;
- 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

- any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or

Section 6 - Machinery and Electronic Breakdown Section

Hazardous substance cont

- 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

Machinery

Any of the following equipment provided it is owned, leased, operated or controlled by **you** and used 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 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; nor
 - iii. any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
- b. any mechanical or electrical equipment that generates, transmits or utilises mechanical or electrical power, but not including:
 - i. any vehicle, or mobile equipment;
 - ii. any watercraft or aircraft; or
 - iii. any elevator or escalator.

- Electronic Equipment Breakdown

Your policy schedule indicates which cover **you** have selected.

Machinery Breakdown basis

Provided Machinery is shown under "What's Covered" in the **policy schedule**, **we** will cover **you** for:

- a. **breakdown** of the specified **machinery** which occurs at the **premises**; and
- b. direct loss or damage to other **property insured** as a result of that **breakdown**

provided that the **breakdown** of **machinery** occurs during the **period of insurance**.

Electronic Equipment Breakdown basis

Provided Electronic Equipment is shown under "What's Covered" in the **policy schedule**, **we** will cover **you** for:

- a. **breakdown** of **electronic equipment** which occurs at the **premises**; and
- b. direct loss or damage to other **property insured** as a result of that **breakdown**.

provided that the **breakdown** of **electronic equipment** occurs during the **period of insurance**.

What we pay

If **we** agree to pay a claim for **breakdown** of **machinery**, **computer equipment** or **electronic equipment**, **we** will at **our** option repair, rebuild or replace any **damaged** item or pay for the cost of repairing, rebuilding or replacing. If **we** decide to replace the **damaged** item, **we** will replace the **damaged** property with similar property of a like kind, capacity, size, quality and function.

If it is necessary to replace parts that are unavailable, **we** will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, **we** will not pay more than the manufacturers, or suppliers, latest list price. **We** will not pay any cost of repairing or replacing any part or parts of a piece of **machinery**, **computer equipment** or **electronic equipment**, which is greater than the cost of repairing or replacing the entire piece of such **machinery**, **computer equipment** or **electronic equipment**.

If the work of repairing, rebuilding or replacing the item is not commenced and carried out within a reasonable time period after the **breakdown**, **we** will not be liable to

Your insurance under this policy section

There are two covers available in this **policy section**.

- Machinery Breakdown

Section 6 - Machinery and Electronic Breakdown Section

pay more than the cost necessary to repair, rebuild or replace the item at the time the **breakdown** occurred.

Where the **breakdown** is confined to a part of **machinery, computer equipment or electronic equipment**, we will not pay more than the cost of repairing or replacing that part plus the cost of dismantling and erecting the structure.

The maximum we will pay is the **insured amount** as shown in the **policy schedule**.

1. In the event of **breakdown** we will at our option pay to you, up to the **insured amount** less the applicable **excess**, the reasonable cost of repair or replacement necessary to return the **machinery, computer equipment or electronic equipment** to their former state of operation including:
 - a. cost of dismantling, re-erection, cleaning up and removal of debris;
 - b. replacement of refrigerant or lubricating or insulating oil lost from **machinery, computer equipment or electronic equipment** as a direct result of **breakdown**;
 - c. charges for overtime work on public holidays where necessarily and reasonably incurred;
 - d. freight within the Commonwealth of Australia by any recognised scheduled service;
 - e. overseas air freight by any recognised scheduled service and/or overseas labour;
 - f. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any **property insured**;
 - g. any customs duties and dues

Provided that the total of all of these extra costs in clauses 1(c), 1(d), 1(e) and 1(f) are limited to 50% of the normal cost of repair payable under this part.

2. All **machinery, computer equipment or electronic equipment** which can be repaired must be repaired. However should the item be uneconomical to repair due solely to the nature of the **breakdown**, settlement will be as follows:
 - a. the cost of replacement of the **machinery, computer equipment or electronic equipment** by an item of similar function,

type, capacity and quality in a condition equal to, but not better than, the condition of the **machinery, computer equipment or electronic equipment** when new; or

- b. the **insured amount** for the **machinery, computer equipment or electronic equipment**.
3. We shall not be required to replace the **machinery, computer equipment or electronic equipment** exactly, but only as circumstances permit.

Where components or manufacturer's specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.

Excess

The **excess** that applies is shown on the **policy schedule**.

Extra covers

If we agree to pay a claim under this **policy section** for breakdown of **machinery or electronic equipment**, we will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers apply in addition to the **insured amount**.

Hazardous substances

If a **hazardous substance** is involved in or released by a **breakdown of machinery or electronic equipment** we cover you for the increase in cost to repair, replace, clean up or dispose of, damaged **property insured**.

We will not pay more than \$25,000 for each claim under this extra cover.

Inflation Protection

The **insured amount** on items of **machinery or electronic equipment** shall at the time of loss be increased according to the consumer price index by the proportion which the number of days since the commencement of the **period of insurance** shall bear to the whole of such period.

Section 6 - Machinery and Electronic Breakdown Section

Additional benefits

We will also provide the following additional benefits in this **policy section**.

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

Additional Items

If **you** hire or purchase and commission at **your premises** any items similar to items already insured under this **policy section**, we will consider these items to be added to the insurance by this **policy section**, giving the same cover as for similar items already insured.

Provided that:

- a. cover for additional items shall not exceed the total **insured amount** for the items already insured under this cover section;
- b. **you** give **us** written notice within 90 days of the hire or purchase and commissioning of the item(s) 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 the **policy schedule** shall be the same as for similar items already insured.

Electronic equipment away from the premises

If **you** have cover on the **Electronic Equipment Breakdown** basis, that cover is extended to:

- a. loss or damage occurring during the **period of insurance** to laptop computers, notebooks, or mobile electronic equipment away from the **premises**;
- b. **breakdown** of your laptop **computer equipment** or mobile **electronic equipment** anywhere in Australia provided that the laptop **computer equipment** or mobile **electronic equipment** is specified in the

policy schedule under the General Property **policy section**.

Restoration of Computer Data

We will insure **you** for the costs of restoring **electronic data** stored on **media** if:

- a. **we** have agreed to pay a claim under the Electronic cover section for repair or replacement of the **computer equipment**; and
- b. the **electronic data** is lost or distorted during the **period of insurance** as a direct result of the **breakdown** covered under this policy section; and
- c. the **media** which contains the **electronic data** is at the **premises**, is at a location away from the **premises** where copies of **media** are stored, is temporarily at an alternative location for processing purposes or is in transit between any of these locations.

We will not cover **you** for:

- a. **Loss** or distortion of **electronic data** due to defects in the **media**
- b. Any **consequential loss**.
- c. Restoration of **electronic data** other than that which is lost or distorted after the most recent functional back-up.
- d. Expenses or costs incurred in connection with the loss or distortion of **electronic data** if they are not incurred within 12 months of the **breakdown**. **Loss** or **damage** of, or distortion to, **electronic data** caused by a **computer virus**.
- e. **Loss** or **damage** of, or distortion to, **electronic data** 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:
 - i. the erasure, destruction, corruption, misappropriation or misinterpretation of **electronic data**;
 - ii. any error in creating, amending, entering, deleting or using **electronic data**;
 - iii. the inability to receive, transmit or use **electronic data**; or
 - i. 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,

Section 6 - Machinery and Electronic Breakdown Section

Except to the extent that such loss, damage or distortion results solely from the **breakdown of computer equipment** covered under the **Electronic Equipment Breakdown** cover section.

If **we** agree to pay a claim, **we** will pay the costs incurred in restoring the lost or distorted **electronic data** in a condition equivalent to that existing prior to the **breakdown**. **Electronic 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.

We will not pay more than \$20,000 for each claim under this additional benefit unless a higher amount is specified in **your policy schedule**.

Computers – Increased costs

We will insure **you** for the increased costs of operating **your business**, including hiring computers, transport costs, additional personnel and working at an off-site back up facility if:

- a. **we** have agreed to pay a claim under the Electronic equipment cover section for repair or replacement of **computer equipment**;
- b. the increased costs of working occur during the **period of insurance** and are a direct result of the **breakdown** covered under the Electronic equipment cover section; and
- c. **we** agree in advance to pay the increased costs of working;

We will not cover **you** for:

- a. Costs incurred in respect of the first 2 working days following the **breakdown of your computer equipment**.
- b. Fines or liability incurred for breach of contract or for late or incomplete orders or for any loss of bonus or any kind of penalties.
- c. Any increased costs that are not necessary and reasonable to minimise any interruption to the **business**.
- d. Any **consequential loss**.
- e. Costs incurred after 90 days from the date of loss or damage.
- f. Expenses that are incurred in the replacement of the **media**.
- g. The cost of reinstating the **electronic data** contained on the **media**.

If **we** agree to pay a claim, **we** will pay the actual amount of the increased costs of working, less the charges and expenses of the **business** that cease or are reduced as a consequence of the **loss or damage**.

We will not pay more than \$20,000 for each claim under this additional benefit unless a higher amount is specified in **your policy schedule**.

Optional Extensions

We will provide the following optional cover when requested by **you**, when **you** pay additional premium required and when shown on **your policy schedule** as applying.

Deterioration of stock

When “Deterioration of Stock” is shown as ‘insured’ in **your current policy schedule**, **we** will cover **you** for loss of perishable **stock** that spoils during the **period of insurance** due to a change in temperature of the refrigeration or freezer unit as a result of:

- a. a **breakdown** of the refrigeration or freezer unit in which the refrigerated **stock** is kept where **we** have agreed to pay a claim under the machinery breakdown and electronic cover section for the **breakdown** of such **machinery or electronic equipment**;
- b. malfunctioning or failure of the thermostats, controls, fuses, circuit breakers or overload devices which are owned by **you** and are protecting a refrigeration chamber, but not including loss or damage due to the manual operation or setting of switches;
- c. contamination of the refrigerated **stock** by leakage of refrigerant;
- d. sudden and unforeseen failure of the public power supply;
- e. accidental failure of supply services which directly affects the refrigeration or freezer unit;
- f. a supply authority intentionally interfering with a public service but only to the extent that this is necessary to safeguard life or any part of the public supply and the supply authority’s interference is not caused directly or indirectly by fire, flood, storm or any other natural cause; or
- g. sudden leakage of refrigerant from the **machinery or pressure pipe systems**.

Section 6 - Machinery and Electronic Breakdown Section

Loss Minimisation

If deterioration occurs or is likely to occur to such **stock** by any of the above causes, **we** will pay any reasonable expenses incurred by **you** to prevent or minimise the loss of **stock**.

What we pay

If **we** agree to pay for a claim for deterioration of refrigerated **stock**, **we** will at our option, pay the cost of replacing the refrigerated **stock**.

We are not liable to pay more than the purchase price **you** paid for the **stock**, together with any handling costs **you** incurred. **We** will not pay more than the insured amount shown on the current **policy schedule** for this optional cover, except to the extent stated during **seasonal increase periods**.

We will not pay more than the insured amount shown on the current **policy schedule** for this optional cover, except to the extent stated during **seasonal increase periods**.

During the **seasonal increase periods** we will increase the **insured amount** shown in the **policy schedule** by 50%.

What you are not covered for under this optional extension

In addition to the exclusions for this **policy section**, **we** will not pay for:

- a. any loss or damage due to shrinkage, inherent defects or diseases;
- b. loss or damage caused by improper storage, collapse of the packing material or storage structure;
- c. penalties or delay or detention or consequential loss or damage or liability of any nature whatsoever, and
- d. loss or damage following loss of public power supply due to:
 - i. the deliberate act of any public power supply authority unless performed for the sole purpose of safeguarding life or protecting a part of the supply system
 - ii. the decision by any public power supply authority to restrict or withhold supply excepting a scheme

of rationing necessitated by damage to any part of the supply system

- iii. shortage of power generation fuel or water.

Policy section conditions

Adherence to statutory requirements

If insured equipment must be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, **you** must obtain any licenses as required and use the **machinery** or **electronic equipment** as specified in the license.

Inspection

We or **our** authorised representatives have the right to make inspections of **machinery** or **electronic 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.

Obligation to prevent loss

If **we** or **our** authorised representative discover **machinery** or **electronic 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 30 days of receiving the direction, **we** may refuse to pay a claim and cancel **your** policy.

One Breakdown

If either:

- a. a **breakdown** of **machinery** or **electronic equipment** causes the **breakdown** of other **insured property**; 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 relevant **insured amount** and any other limit or sub-limit in this policy section.

Section 6 - Machinery and Electronic Breakdown Section

Exclusions under this policy section

These exclusions apply to this **policy section** only.

We will not cover you for:

1. The cost of repair or replacement of **expendable items** other than expendable items which are necessary for the repair.
2. The costs incurred in repairing wear and tear or gradual deterioration including:
 - a. wear and tear due to normal operation;
 - b. wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
 - c. damage to a safety or protective device caused by its own operation;
 - d. the chipping or scratching of painted or polished surfaces; or
 - e. slowly developing deformation or distortion.
3. The cost of:
 - a. carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - b. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or at a separate operation;
 - c. modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - d. replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting;
 - e. repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from insured damage;
 - f. repair of a slowly developing deformation, distortion or fatigue of any part;
 - g. repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - h. repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;

4. **Breakdown** of **machinery** or **electronic equipment** which **you** knew or reasonably should have known to be defective before the **breakdown** occurred.

5. Any **consequential loss**. Loss of use or consequential loss of any kind.

We will not cover loss or damage caused by or arising out of:

- a. earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption
- b. cyclone, storm, hail, lightning, thunder, wind, rainwater;
- c. **flood**;
- d. the sea, including tidal wave, tsunami, storm surge or high-water;
- e. fire, smoke or soot;
- f. water seeping or percolating the building from outside;
- g. water, liquids or substances discharged or other means used to extinguish a fire;
- h. vandalism or malicious damage
6. **Breakdown**, loss or damage caused by explosion, other than:
 - a. the sudden and violent rending of any **boilers and pressure plant** or **pressure pipe systems** by force of internal fluid pressure of ignited flue gases, but excluding other chemical action; or
 - b. the bursting or disruption of turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switch gear.
7. **Breakdown**, loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul.
8. **Breakdown**, loss or damage caused during installation, erection or relocation
9. Damage to foundations, brickwork, and refractory materials other than as a result of **breakdown**.

Section 6 - Machinery and Electronic Breakdown Section

10. **Breakdown**, loss or damage arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded. The checking of the correct working of any insured item or of its safety installations is not considered to be testing or overloading within the context of this exclusion
11. **Breakdown**, loss or damage caused by a deliberate act, neglect or omission on **your** part.
12. **Breakdown**, loss or damage for which the manufacturer or supplier or other parties are responsible under a maintenance or warranty agreement provided that **we** shall be liable for **breakdown** insured by this section and not recoverable under such maintenance agreement or warranty by reason of a specific exclusion contained therein or by reason of any dispute concerning the interpretation of that agreement or warranty (as the case may be).
13. The cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
14. The costs associated with modifying the **machinery** so that it operates with a more ozone friendly refrigerant gas as required by the **United Nations Environment Programme ("UNEP")**.
15. **Breakdown**, loss or damage as a result of dual lifting.
16. **Breakdown**, of **machinery, computer equipment** or **electronic equipment** which is useless or obsolete to **your business**.
17. **Loss** or **damage** caused by or arising out of pollution, contamination or a **hazardous substance**, however caused, except as provided for in extra cover 'Hazardous substances'.

Section 7 - Public and Products Liability Section

About this policy section

This **policy section** covers the general liability and products liability of **your business**.

Policy section 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 9.

Advertising Injury	<p>Injury arising out of:</p> <ol style="list-style-type: none"> defamation; or any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010 (Commonwealth) or Schedule 2 to the Competition and Consumer Act 2010 (The Australian Consumer Law) or any Fair Trading or similar legislation of any country, state or territory; or any infringement of copyright or passing off of title or slogan; or unfair competition, piracy, misappropriation of advertising ideas style of doing business; or an invasion of privacy; <p>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.</p>	Compensation	<p>monies paid or agreed to be paid by judgment, award or settlement in respect of personal injury and/or property damage and/or advertising injury provided that such compensation is only payable in respect of an occurrence to which this insurance applies.</p>
Business (for the purposes of this policy section only)	<p>The business as described in the policy schedule (or as further described in any more specific underwriting information provided to us at the time when this insurance was proposed to us or at the time of any renewal of this policy) and shall also include:</p> <ol style="list-style-type: none"> the ownership of premises and/or the tenancy thereof by you; participation in any exhibition by you or on your behalf; the hire or loan of plant and/or equipment to other parties; conducted tours of your premises; the provision of any sponsorships, charities, galas, first aid, medical, 	Employment Practices	<p>any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of your employees</p>
		Excess	<p>the first amount of each claim or series of claims, arising out of any one occurrence, for which you are responsible. The excess applicable to this insurance appears in the policy schedule. The excess applies to all amounts for which we will be liable, including the indemnity provided for defence costs and supplementary payments.</p>
		General Liability	<p>Your legal liability for personal injury, property damage or advertising injury caused by or arising out of an occurrence happening in connection with your business other than products liability.</p>
		Geographical Limit	<ol style="list-style-type: none"> anywhere in the World except North America; North America but only with respect to: <ol style="list-style-type: none"> overseas business visits by any of your directors, partners, officers, executives or employees, who are non-resident in

Section 7 - Public and Products Liability Section

Geographical Limit (continued)	<p>North America but not where they perform manual work in North America;</p> <p>ii. Products exported to North America without your knowledge.</p>		<p>specified in the policy schedule;</p> <p>b. all existing Subsidiary and/or controlled corporations (including subsidiaries thereof) of the specified insured incorporated in the Commonwealth of Australia and/or any other organisations under the control of the named insured;</p> <p>c. all Subsidiary and/or controlled corporations (including subsidiaries thereof) of the named insured and/ or any other organisations under the control of the named insured incorporated in the Commonwealth of Australia and which are constituted or acquired by the named insured after the commencement of the period of insurance;</p> <p>d. every subsidiary and/or controlled corporation and/or other organisation of the named insured which is divested during the period of insurance, but only in respect of claims made against such divested</p>
Incidental Contracts	<p>a. any written rental agreement and/or lease of real and/or personal property other than with respect to any term or condition contained in such rental, lease and/or hiring agreement that requires you to insure such property;</p> <p>b. any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work performed by you or on your behalf for such authorities or entities;</p> <p>c. any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings; or</p> <p>d. those contracts designated in the policy schedule.</p>		<p>subsidiary, related or controlled corporation or organisation caused by or arising out of occurrences insured against by this policy, which occurred prior to the divestment.</p>
Limit of Liability	The limit specified in the policy schedule .		
Medical Persons	Includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.		
Named Insured	<p>a. the person(s), corporations and/or other organisations</p>	North America	<p>a. the United States of America and the Dominion of Canada;</p> <p>b. any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and;</p> <p>c. any country or territory subject to the laws of the</p>

Section 7 - Public and Products Liability Section

<p>North America cont</p>	<p>United States of America or the Dominion of Canada.</p>	
<p>Occurrence</p>	<p>An event, including continuous or repeated exposure to substantially the same general conditions, which results in personal injury and/or property damage and/or advertising injury that is neither expected nor intended (except for the matters set out in item (e) of the definition of ‘personal injury’) from your standpoint.</p> <p>With respect to personal injury or property damage, all events of a series consequent upon or attributable to one source or original cause shall be deemed to be one occurrence.</p> <p>All advertising injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one occurrence.</p>	<p>otherwise (unless insurance thereof is prohibited by law) not committed by you or at your direction, but only with respect to liability other than fines and penalties imposed by law.</p>
<p>Personal injury</p>	<ul style="list-style-type: none"> a. bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom; b. false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation; c. wrongful entry or wrongful eviction; d. defamation or invasion of privacy, unless arising out of advertising injury; 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; e. discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or 	<p>Products</p> <p>Anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, re-supplied or distributed, imported or exported, by you or on your behalf (including your predecessors in your business), including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, you are deemed to have manufactured in the course of your business including discontinued products. Provided always that for the purpose of this insurance the term “products” does not include:</p> <ul style="list-style-type: none"> a. food and beverages supplied by you or on your behalf primarily to your employees as a staff benefit; b. any vending machine or any other property rented to or located for use of others but not sold by you; <p>and any claims made against you in respect of personal injury and/or property damage arising out of any occurrence in connection therewith shall be regarded as general liability claims hereunder.</p> <p>Products Liability</p> <p>Your legal liability for personal injury and/or property damage caused by or arising out of any products or the reliance upon a representation or warranty made at any time with respect to such products; but only where such personal injury and/ or property damage occurs away from</p>

Section 7 - Public and Products Liability Section

Products Liability cont	premises owned or leased by or rented to you and after physical possession of such products has been relinquished to others.		and/or within the scope of their duties in such capacities;
Property Damage	<ul style="list-style-type: none"> a. physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or b. loss of use of tangible property which has not been physically lost, destroyed or damaged; provided that such loss of use is caused by or arises out of an occurrence. 		<ul style="list-style-type: none"> c. any employee superannuation fund or pension scheme managed by or on behalf of the named insured, and the trustees and the directors of the trustee of any such employee superannuation fund or pension scheme which is not administered by corporate fund managers; d. every principal in respect of the principal's liability arising out of: <ul style="list-style-type: none"> i. the performance by or on behalf of the named insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this policy. ii. any products sold or supplied by the named insured, but only in respect of the named insured's own acts or omissions in connection with such products and in any event only for such coverage and limits of liability as are provided by this policy. e. every person, corporation, organisation, trustee or estate to whom or to which the named insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this policy, but only to the extent required by such law, and in any event only for such coverage
Tool of Trade	A vehicle that has tools, implements, machinery or plant attached to or towed by the vehicle and is being used by you at your premises or on any work site. Tool of trade does not include any vehicle whilst travelling to or from a work site or vehicles that are used to carry goods to or from any premises.		
Work Site	Any premises or site where any work is performed for and/or in connection with your business together with all areas surrounding such premises or site and/or all areas in between such premises or site that you shall use in connection with such work		
You/Your/ Insured (where used in this policy section)	<p>Each of the following is an insured to the extent specified below:</p> <ul style="list-style-type: none"> a. the named insured; b. every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive or employee of the named insured (including the spouse or any family member of any such person while accompanying such person on any commercial trip or function in connection with the business), while such persons are acting for or on behalf of the named insured in the conduct of the business 		

Section 7 - Public and Products Liability Section

You/Your/
Insured
(where used
in this policy
section)
(continued)

- and limits of liability as are provided by this **policy**.
- f. every officer, member, **employee** or voluntary helper of the **named insured**'s canteen, social and/or sporting clubs, first aid, medical, ambulance or fire fighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such.
 - g. any director, partner, proprietor, officer or executive of the **named insured** in respect of private work undertaken by the **named insured**'s **employees** for such person and any **employee** whilst actually undertaking such work.
 - h. the estates, legal representatives, heirs or assigns of:
 - i. any deceased or insolvent persons; or
 - ii. persons who are unable to manage their own affairs by reason of mental disorder or incapacity;
 who would otherwise be indemnified by this **policy**, but only in respect of liability incurred by such persons as described in clauses h(i) and h(ii) above.
 - i. every party including joint venture companies and partnerships to whom the **named insured** is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this **policy**; but only to the extent

required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this **policy**.

Your insurance under this policy section

We agree to pay to **you** or on **your** behalf all amounts which **you** shall become legally liable to pay as **compensation** in respect of:

- a. **personal injury**; and/or
- b. **property damage**; and/or
- c. **advertising injury**;

happening during the **period of insurance** within the **geographical limits** in connection with **your business** and caused by or arising out of an **occurrence**.

What we pay

With respect to the indemnity provided by this **policy section**, we will:

- a. defend, in **your** name and on **your** behalf, any claim or suit against **you** alleging such **personal injury**, **property damage** or **advertising injury** and seeking damages on account thereof even if any of the allegations of such claim or suit is groundless, false or fraudulent.
- b. pay all charges, expenses and legal costs incurred by **us** and/or by **you** with **our** written consent (which consent shall not be unreasonably withheld):
 - i. in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of **your** attendance at hearings or trials at our request; or
 - ii. in bringing or defending appeals in connection with such claim or suit.
- c. pay:
 - i. all charges, expenses and legal costs recoverable from or awarded against **you** in any such claim or suit;
 - ii. pre-judgment interest awarded against **you** on that part of the judgment payable by **us**; and all interest accruing on **our** portion of any judgment until we have paid, tendered or

Section 7 - Public and Products Liability Section

- iii. deposited in court that part of such judgment which does not exceed the limit of **our** liability thereon.
- d. pay premiums on:
 - i. bonds to release attachments for amounts not exceeding the applicable **limit of liability** of this **policy** but **we** shall have no obligation to apply for or furnish any such bond;
 - ii. appeal bonds and/or security for costs required in any suit but **we** shall have no obligation to apply for or furnish any such bonds and/or security for costs;
- e. pay expenses incurred by **you** for:
 - i. rendering first aid and/or surgical and/or medical and/or therapeutic relief to others at the time of any **personal injury** (other than any medical expenses, which **we** are prevented from paying by any law);
 - ii. temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or unpinning thereof;
 - iii. purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which **you** must provide in compliance with the requirements of any Government, Local Government or other Statutory Authority.
- f. pay all legal costs incurred by **you** with **our** consent for representation of **you** at:
 - i. any coronial inquest or inquiry;
 - ii. any proceedings in any court or tribunal in connection with liability insured against by this **policy section**;
 - iii. any Royal Commission or Government Enquiry arising out of any alleged breach of statute, or other similar judicial enquiry into circumstances relating to any **occurrence**, claim or potential claim which would be the subject of indemnity under this insurance;
 - iv. any enquiry, prosecution or hearing of a disciplinary nature held before a legally constituted enquiry board, committee, licensing authority or the like.

The amounts of such defence costs and supplementary payments incurred, except payments in settlement of

claims and suits, are payable by **us** in addition to the applicable **limit of liability** of this **policy**.

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

Where **we** are prevented by law or otherwise from making payments on **your** behalf, **we** will indemnify **you** for legal liability incurred to the extent that such liability is covered by this **policy**.

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

Limit of Liability

Subject to:

- a. the 'Claims preparation expenses' provision under 'General Policy conditions',
- b. the 'Defence costs and supplementary payments' clause above;
- c. item 4 of Additional Benefit 'Property in Your physical and legal control' below;

for **general liability** the **limit of liability** specified in the **policy schedule** represents the maximum amount which **we** shall be liable to pay in respect of any one claim or series of claims arising out of any one **occurrence**.

for **products liability** the **limit of liability** specified in the **policy schedule** represents the maximum amount which **we** shall be liable to pay in respect of any one claim or series of claims, and in the aggregate during any one **period of insurance**.

The applicable **limit of liability** will not be reduced by the amount of any **excess** payable by **you**.

Excess

The **excess** that applies is shown on the **policy schedule**.

Additional benefits

We will also provide the following additional benefits in this **policy section**.

Section 7 - Public and Products Liability Section

Property in your physical or legal control

Exclusion 16 shall not apply with regard to:

- a. the personal property, tools and effects of any of **your** directors, partners, proprietors, officers, executives or **employees**, or the clothing and personal effects of any of **your** visitors;
- b. premises or part(s) of premises (including their contents) leased or rented, or temporarily occupied by **you** for the purpose of the **business**, but no cover is provided by this **policy** if **you** have assumed the responsibility to insure such premises;
- c. premises (and/or) their contents temporarily occupied by **you** for the purpose of carrying out work in connection with **your business**, or any other property temporarily in **your** possession for the purpose of being worked upon;
- d. but no indemnity is granted for damage to that part of any property upon which **you** are or have been working if the damage arises solely out of such work;
- e. any **vehicle** (including its contents, spare parts and accessories while they are in or on such **vehicle**) not belonging to or used by **you**, whilst any such **vehicle** is in a car park owned or operated by **you** provided that **you** do not operate the car park for reward, as a principal part of **your business**;

notwithstanding exclusion 6 'Contractual Liability', any property (except property that **you** own) not mentioned in paragraphs (a) to (d) above whilst in **your** physical or legal care, custody or control whether or not **you** have accepted or assumed legal liability for such property, provided that our liability under this additional benefit shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one **occurrence** or any greater amount set out in the **policy schedule**.

Policy section conditions

Claims

Notification of occurrence, claim or suit

You shall give:

- a. written notice via your broker, to **us**, as soon as reasonably practicable, of any claim made against **you** or any **occurrence** that may give rise to a claim being made against **you** and which is covered by this **policy section**.

- b. all such additional information that **we** may reasonably require and every demand, writ, summons, proceedings, impending prosecution or inquest and all documents relating to the claim or **occurrence** shall be forwarded to **us** as soon as practicable after they are received by **you**.

Your duties in the event of an occurrence, claim or suit

- a. **You** shall not, without **our** written consent (which consent shall not be unreasonably withheld), make any admission, offer, promise or payment in connection with any **occurrence** or claim.
- b. **You** shall use the best endeavours to preserve all property, **products**, appliances, plant, and all other things which may assist in the investigation or defence of a claim or suit or in the exercise of rights of subrogation and, so far as may be reasonably practicable, no alteration or repair shall be effected without **our** consent until **we** have had an opportunity of inspection.
- c. **You** shall, when so requested, provide **us** with details of any other insurances current at the time of any **occurrence**, and/or **personal injury** and/or **property damage** and/or **advertising injury** and covering any of the liability insured by this **policy section**.

Our rights regarding claims

- a. Following the happening of any **occurrence** in respect of which a claim is, or may be, made under this **policy**, **we** have full discretion in the conduct of any legal proceedings and in the settlement of any claim. **You** must co-operate by giving **us** any statements, documents or assistance **we** require. This may include giving evidence in any legal proceedings.
- b. **We** may at any time pay to **you**, in respect of all claims against **you** arising directly or indirectly from one source or original cause:
 - i. the amount of the Limit of Liability or such other amount specified in respect thereof (after deduction of any sum(s) already paid by **us**, which sum(s) would reduce the amount of **our** unfulfilled liability in respect thereof); or
 - ii. any lesser sum for which the claim(s) can be settled.
- c. Upon making such payment, **we** shall relinquish conduct and control of, and be under no further

Section 7 - Public and Products Liability Section

- d. liability under this **policy** in connection with, such claim(s) except for defence costs and supplementary payments:
 - i. recoverable from **you** in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently); or
 - ii. incurred by **us**, or by **you** with **our** written consent, prior to the date of such payment.

Cross liabilities

This insurance extends to indemnify:

- a. each of the parties comprising the **named insured**; and
- b. each of the **insureds** hereunder

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

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

Provided always that:

- a. each of such parties shall be separately subject to the terms, claims conditions, General Policy conditions, exclusions and definitions of this **policy** in the same manner and to a like extent as though separate policies had been issued, and
- b. in no case shall the amount payable by **us** in respect of any one claim or series of claims arising out of any one **occurrence** or in the aggregate, as the case may be, exceed the applicable **Limit of Liability** as specified in the **policy schedule**.

Inspection and audit

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

We may examine and audit **your** books and records at any time during the currency of this **policy** and within three (3) years after the final termination of this **policy**

but only with regard to matters which in **our** opinion are relevant to this **policy**.

Release

Where **you** are required by contractual agreement to release any government or public or local authority or other statutory authority or any landlord or any other persons or parties from liability for loss, destruction or damage or legal liability insured against under this **policy**, such release is allowed without prejudice to this insurance.

Notwithstanding general condition 'Subrogation rights' of this **policy**, **we** agree to waive all **our** rights of subrogation against any such authority or persons or parties in the event of any occurrence for which a claim for indemnity may be made under this **policy**.

Subrogation and allocation of the proceeds of recoveries

Subject to condition 'Subrogation Waiver', any corporation, organisation or person claiming under this insurance shall, at **our** request and at **our** expense, do and concur in doing and permit to be done all such acts and things that may be necessary or may reasonably be required by **us** for the purpose of enforcing any rights and remedies, or for obtaining relief or indemnity from any other organisation(s) or person(s), to which **we** shall be or would become entitled upon **us** paying for or indemnifying **you** in respect of legal liability under this **policy**.

Should **you** incur any legal liability which is not covered by this **policy**:

- a. due to the application of an **excess**; and/or
- b. where the amounts of any judgments or settlements exceed the applicable **insured amount**;

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

Subrogation Waiver

We hereby agree to waive all **our** rights of subrogation under this **policy section** against:

- a. each of the parties described as an **insured**;

Section 7 - Public and Products Liability Section

- b. any corporation, organisation or person which or who owns or controls the majority of the capital stock of any corporation or organisation to which or to whom protection is afforded under this **policy**.

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

Exclusions under this policy section

These exclusions apply to this **policy section** only.

We do not cover any liability:

1. for **advertising injury**:
 - a. resulting from statements made at **your** direction with knowledge that such statements are false;
 - b. resulting from failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
 - c. resulting from any incorrect description of **products** or services;
 - d. resulting from any mistake in advertised price of **products** or services;
 - e. resulting from failure of the **insured's** **products** or services to conform with advertised performance, quality, fitness or durability;
 - f. incurred by any **insured** whose principal occupation or business is advertising, broadcasting, publishing or telecasting
2. for **personal injury** and/or **property damage** arising from:
 - a. the ownership, maintenance, operation, or use by **you** of any **aircraft**;
 - b. the ownership, operation or use by **you** of any **watercraft** or **hovercraft** exceeding ten (10) metres in length, whilst such **watercraft** or **hovercraft** is on, in or under water.

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

- i. **watercraft** used in operations carried out by any independent contractor for whose conduct **you** may be liable; or
- ii. **watercraft** owned by **you** and operated by others and used by **you** for business entertainment.

3. arising out of **your products** that are **aircraft** or **aircraft** component parts used for maintaining an **aircraft** in flight or moving upon the ground or used in the construction of an **aircraft** hull or machinery which to **your** knowledge are incorporated in an **aircraft**.

4. directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

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

- a. arising out of the rendering of or failure to render professional medical advice by **medical persons** employed by **you** to provide first aid and other medical services on **your premises**; or
 - b. arising out of advice which is given by **you** for no fee; or
 - c. arising out of advice given in respect of the use or storage of your **products**.
6. which has been assumed by **you** under any contract or agreement that requires **you** to:
 - a. effect insurance over property, either real or personal;
 - b. assume liability for **personal injury** and/or **property damage** regardless of fault,

provided that this exclusion shall not apply with regard to:

- i. liabilities which would have been implied by law in the absence of such contract or agreement; or
- ii. liabilities assumed under **incidental contracts**; or
- iii. terms regarding merchantability, quality, fitness or care of **your product** which are implied by law or statute; or
- iv. liabilities assumed under the contracts specifically designated in the **policy schedule** or in any **endorsement(s)** to this **policy**.

7. for **property damage** to any **products** where such damage is directly caused by a fault or defect in such **products**; but this exclusion shall be interpreted to apply with respect to damage to that part and only that part of such **product** to which the damage is directly attributable.

8. for defamation:
 - a. resulting from statements made prior to the commencement of the **period of insurance**;

Section 7 - Public and Products Liability Section

- a. resulting from statements made at **your** direction with knowledge that such statements are false;
 - b. if your **business** is advertising, broadcasting, publishing or telecasting.
9. arising out of:
- a. the communication, display, distribution or publication of **data**; provided that this Exclusion does not apply to **personal injury** and/or **advertising injury** arising therefrom;
 - b. the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of **data**;
 - c. error in creating, amending, entering, deleting or using **data**;
 - d. the total or partial inability 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.
- 10.
- a. for Bodily Injury to any Worker in respect of which **you** are or would be entitled to indemnity under any policy of insurance, fund, scheme or self insurance pursuant to or required by any legislation relating to Workers Compensation or Accident Compensation whether or not such policy, fund, scheme or self insurance has been effected. Provided that this **policy** will respond to the extent that **your** liability would not be covered under any such policy, fund, scheme or self insurance arrangement had you complied with **your** obligations pursuant to such law.
 - b. imposed by:
 - i. the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement;
 - ii. any law relating to **employment practices**.
- For the purpose of this exclusion:
- a. the term 'Worker' means any person deemed to be employed by **you** pursuant to any Workers Compensation Law. Voluntary workers, secondees and work experience students (if any) shall not be deemed to be **your** employees.
- b. the term 'Bodily Injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.
11. for the cost of performing, completing, correcting or improving any work undertaken by **you**.
12. for any fines, penalties, punitive exemplary or aggravated damages.
13. arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that such liability would have attached in the absence of such clauses or warranties.
14. for loss of use of tangible property, which has not been physically lost, destroyed or damaged, directly arising out of:
- a. a delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or
 - b. failure of any **products** or work performed by **you** or on **your** behalf to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **you**; but this Exclusion 14(b) shall not apply to **your** liability for loss of use of other tangible property resulting from sudden and accidental physical loss, destruction of or damage to any **products** or work performed by **you** or on **your** behalf after such **products** or work have been put to use by any person or organisation other than **you**.
- 15.
- a. for **personal injury** and/or **property damage** directly or indirectly arising out of the dispersal, release, seepage, migration or escape of **pollutants** into or upon land, the atmosphere or any watercourse or body of water;
 - b. for any costs and expenses incurred in preventing the discharge, dispersal, release, seepage, migration or escape of, or, testing and monitoring for, containing, removing, nullifying, or cleaning up of, **pollutants**.
- Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 15(a) and 15(b) shall not apply where such discharge, dispersal, release, seepage, migration, or escape is caused by a sudden, identifiable, unintended and unexpected event from **your** standpoint which takes place in its entirety at a specific time and place.

Section 7 - Public and Products Liability Section

16. a. for damage to property leased or rented to **you**;
b. for damage to property not belonging to **you** but in your physical or legal control other than the property described in 'Additional Benefit – Property in physical and legal control'.
17. for **property damage** to property owned by **you**.
18. for any products warranty or guarantee given by **you** or on **your** behalf, but this exclusion shall not apply to the requirements of any Federal or State legislation as to product safety and information.
19. for damages, costs or expenses arising out of the withdrawal, recall, inspection, repair, reconditioning, modification, reinstallation, replacement or loss of use of any **products** where such **products** are withdrawn or recalled from the market or from use by any person or organisation because of any known, alleged or suspected defect or deficiency in such **products**.
20. for **personal injury** or **property damage** arising out of the ownership, possession or use by **you** of any **vehicle**:
- a. which is registered or which is required under any legislation to be registered; or
- b. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of legislation (whether or not that insurance is effected);
- but exclusions (a) and (b) shall not apply to: **personal injury** where:
- i. that compulsory liability insurance or statutory indemnity does not provide indemnity; and
- ii. the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by you of legislation relating to **vehicles**;
- iii. any **vehicle** (including any tool or plant forming part of or attached to or used in connection with such **vehicle**) whilst being operated or used by **you** or on **your** behalf as a **tool of trade** at **your business premises** or on any **work site**;
- iv. the delivery or collection of goods to or from any **vehicle**;
- v. the loading or unloading of any **vehicle**;
- vi. any **vehicle** temporarily in **your** custody or control for the purpose of parking;
- vii. **property damage** caused by or arising out of the movement of any **vehicle** (which is required to be Conditionally Registered in accordance with the law of any State or Territory in Australia) in the event of **your** inadvertent and unintentional failure to effect Conditional Registration.

Section 8 - Business Interruption Section

About this policy section

This **policy section** covers the loss of income and the additional costs associated with returning **your business** to normal operations following **damage** covered by the **policy**.

Policy section 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 9.

Accounts Receivable	<p>The total amount owed to the business by customers as at the end of the month immediately prior to the date the damage occurred and adjusted for:</p> <ol style="list-style-type: none"> Bad debts; Amounts debited and credited to customers accounts in the period between in the period to which the customers last statement relates and the date of the damage; and Any abnormal trading conditions which had or could have materially affected the business <p>to reasonably represent the amount which would have been recovered at the time of the damage had it not occurred.</p>	Gross Profit	<p>The amount by which the sum of money paid or payable to you for goods sold, services rendered or rental received plus the amount of the closing stock and work in progress exceeds the sum of the opening stock and work in progress and the amount of the uninsured working expenses.</p> <p>Note: The amount of the opening and closing stocks will be arrived at in accordance with your normal accounting methods, due provision being made for depreciation.</p>
Annual Income	The gross income during the 12 months immediately before the date the damage occurred.	Indemnity Period	<p>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 the policy schedule or, in the case of weekly revenue, ending at the earliest of either the expiration of the maximum period specified in the policy schedule or when the business ceases to be affected as a result of the damage.</p>
Damage	Physical loss, destruction or damage occurring during the period of insurance caused by an event insured against under the following sections of this policy :	Rate of Gross Profit	<p>The rate of gross profit, expressed as a percentage, earned on the standard income during the financial year immediately before the date of the damage to your property due to an insured event.</p>
Gross Income	<ol style="list-style-type: none"> Property Damage; Theft; Glass; Money; General Property. <p>The money paid or payable to you for goods sold, services rendered or rental received less the purchase price of stock.</p>	Standard Income	<p>The gross income during the period immediately before the date that the loss or damage occurred which corresponds to the indemnity period after any adjustments for trends in the business.</p>
		Weekly Income	<p>The gross income received by you for each week the business is in operation, during the indemnity period.</p>

Your insurance under this policy section

Provided 'Business Interruption' is shown under 'What's Covered' in the **policy schedule**, **we** will cover **you** in the event of interruption of or interference with **your business** as a consequence of **damage** to any **property insured** or any part thereof used by **you** at the **premises**

Section 8 - Business Interruption Section

for the purpose of your **business**. We will pay **you** in respect of each item selected by **you** and shown in the current **policy schedule**, the amount of the loss resulting from such interruption or interference.

Provided that:

- a. the payment is in accordance with the 'What we pay' provision for the item;
- b. **we** have paid for or admitted liability in respect of such **damage** to your **property insured** under the relevant **policy section**, or another insurer has paid for or admitted liability in respect of such **damage**; and
- c. **our** liability in no case will exceed in respect of each item the **insured amount** shown in the current **policy schedule** for that item.

There are five covers available in this **policy section**:

- Gross Profit basis;
- Gross Income basis;
- Weekly Income basis;
- Additional Costs of Working;
- Accounts Receivable.

Your **policy schedule** indicates which cover/s **you** have selected.

What we pay

Gross Profit Basis

If **you** have chosen to insure **gross profit** we will pay:

- a. In respect of a reduction in **gross profit** during the **indemnity period** as a consequence of an **insured event**, the amount produced by applying the **rate of gross profit** to the shortage in **standard income** during the **indemnity period**; and
- b. In respect of the increased costs to avoid a reduction in **gross profits** as a consequence of an **insured event** and with **our** consent, increased costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the shortage in **annual income**, provided the costs are less than, or equal to, the amount **we** would have paid by applying the **rate of gross profit** to the shortage in **standard income** during the **indemnity period**.

We will not pay more than the **insured amount** shown in the **schedule** for **gross profit**.

Gross Income Basis

If **you** have chosen to insure **Gross Income** we will pay:

- a. The amount by which, as a consequence of an **insured event**, the **gross income** earned during the **indemnity period** falls short of the **standard income**; and
- b. In respect of the increased costs to avoid a reduction in **gross income**, as a consequence of an **insured event** and with **our** consent, increased costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the shortage in **annual income**, provided the costs are less than, or equal to, the amount **we** would have paid under a reduction in **gross income**.

We will not pay more than the **insured amount** shown in the **schedule** for **gross income**.

Weekly Income Basis

If **you** have chosen to insure **Weekly income** we will pay:

- a. The amount by which, as a consequence of an **insured event**, the **weekly income** earned falls short of the **standard weekly income**; and
- b. In respect of the increased costs to avoid a reduction in **weekly income**, as a consequence of an **insured event** and with **our** consent, increased costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the shortage in **weekly income**, provided the costs are less than, or equal to, the amount **we** would have paid under a reduction in **weekly income**.

We will increase the insured amount for weekly income shown in the schedule by 50% during seasonal increase periods.

We will not pay more than the insured amount shown in the schedule for weekly income.

Additional Costs of Working

If **you** have chosen to insure additional costs of working **we** will pay the additional expenditure reasonably incurred by **you** during the **indemnity period** for the sole purpose of resuming or maintaining normal business operations or services following **damage** to any **property insured** or any part thereof used by **you** at the **premises** for the purpose of your **business**. We will not pay more than the **insured amount** shown in the **schedule** for additional costs of working.

Section 8 - Business Interruption Section

Accounts Receivable

If **you** have chosen to insure accounts receivable **we** will pay:

- a. Any **accounts receivable** which **you** do not receive and are unable to trace as a result of an **insured event** causing loss and/or damage to your business records; and
- b. Any expenditure incurred with our consent in tracing and establishing those **accounts receivable** after the **insured event** has occurred.

We will not pay more than the **insured amount** shown in the **schedule** for **accounts receivable**.

Excess

The **excess** that applies is shown on the **policy schedule**.

Extra covers

This **policy section** is extended to include the following Extra Covers. The Extra Covers are payable provided that the relevant **insured amount** shown in the **schedule** has not otherwise been exhausted.

Infectious disease, etc.

We will cover **you** for interruption to or interference with **your business** due to closure or evacuation of the whole or part of the **premises** during the **period of insurance** by order of a competent government, public or statutory authority as a result of:

- a. bomb threat, vermin or pests or defects in the drains or other sanitary arrangements, occurring at the **premises**;
- b. an outbreak of an infectious or contagious human disease occurring within a 20-kilometre radius of the **premises**, however there is no cover for highly pathogenic Avian Influenza or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments irrespective of whether discovered at the **premises**, or out-breaking elsewhere;
- c. injury, illness or disease caused by the consumption of food or drink supplied at or from the premises during the **period of insurance**;
- d. murder or suicide occurring at the **premises**.

Prevention of access

We will cover **you** for interruption to **your business** that is caused by or results from **damage** to property in the

vicinity of the **premises** which shall prevent or hinder the use of or access to the **premises** provided that:

- a. the **damage** would have been covered under the property section of this **policy** if the property in the vicinity of the **premises** had been insured under that **policy section**;
- b. the **damage** prevents or hinders the use of or access to the **premises**;
- c. the **damage** results in interruption of or interference with **your business**.

We will cover **you** for interruption to **your business** that is caused by an order of any legal authority which prevents or restricts access to the **premises** provided that the order results from a threat of or damage to property within a 50 kilometre radius of the **premises**.

Utilities

Where **damage** occurs within The Commonwealth of Australia or its territories at:

- a. a gas supplier;
- b. an electricity power station or sub station;
- c. a water or sewerage works;
- d. a land based telecommunications installations
- e. a customer's premises;
- f. computer or technology facilities

and these premises supply goods or services to **you** or **you** supply goods or services to them, **we** will treat the **damage** as **damage** for the purpose of this **policy section**.

We will not pay for the first two (2) normal business days following the **damage**.

Additional benefits

This **policy section** is extended to include the following Additional Benefits. Additional Benefits 2 to ~~7~~8 inclusive are payable provided that the relevant **insured amount** shown in the **schedule** has not otherwise been exhausted.

Section 8 - Business Interruption Section

Claim Preparation Expenses

In addition to the amount payable under General Condition 'Claim preparation expenses' of this **policy**, we will pay **you** up to \$25,000 or the amount shown in the **policy schedule**, whichever is the greater for the costs of such reasonable professional fees as may be payable by **you** and other such reasonable expenses necessarily incurred by **you** and not otherwise recoverable, for preparation and negotiation of claims under this **policy section**.

External provider infrastructure

We will treat **damage** to external providers infrastructure, including any technology, ancillary equipment and data processing media, utilised by **you** in your **business** in The Commonwealth of Australia other than at the **premises** as **damage** for the purpose of this **policy section** provided that:

- a. the **damage** would have been covered under the property section of this **policy**, if the computer facilities had been insured under that section;
- b. the **damage** results in **you** being unable to utilise a computer installation or any ancillary equipment in **your business**; and
- c. the **damage** results in interruption of or interference with **your business**.

Customers and suppliers

We will treat **damage** to unspecified property at the premises:

- a. of **your** suppliers, manufacturers or processors of component goods, materials or services which supply the **business** directly; or
- b. of customers of goods or materials or services (other than those services provided by any utilities) or
- c. at storage premises neither owned nor operated by **you** where **you** store goods or materials

all within the Commonwealth of Australia as **damage** for the purpose of this **policy section**, provided that **our** liability will not exceed 20% of the relevant **insured amount** shown in the **schedule**.

Departmental provisions

We will apply the cover provided by this **policy section** to each department of **your business**, if **your business** is

conducted in departments, and each department has individually ascertainable trading results.

We will not pay more than the **insured amount** shown in the **policy schedule** against **Gross Profit, Gross Income** or **Weekly income** for all losses resulting from the same event.

Documents temporarily removed

We will treat **damage** to your documents or documents held in trust by **you** and **electronic data** files belonging to or held in trust by **you** as part of your **business** that are:

- a. temporarily removed to other premises anywhere in Australia; or
- b. while in transit to any place in Australia if the following would apply:
 - i. the **damage** would have been covered under the property section of this **policy** if the documents and **electronic data** files had been insured under that section;
 - ii. the **damage** results in interruption of or interference with your **business**

We will not cover **you** for more than \$25,000 or the amount shown in the **policy schedule**, whichever is the greater.

Storage sites/temporary removal

We will cover **you** for interruption to **your business** that is caused by or results from **damage** to **your** property stored or being processed at any premises in the Commonwealth of Australia not occupied by **you**. **Our** total liability under this additional benefit will not exceed 20% of the relevant **insured amount** shown in the **schedule**.

Transit

We will cover **you** for interruption to **your business** that is caused by or results from **damage** to your **property insured** while in transit by road, rail, sea or air within the Commonwealth of Australia and outside of the **premises** occupied by **you**. **Our** total liability under this additional benefit will not exceed 20% of the relevant **insured amount** shown in the **schedule** in respect of any one **occurrence**

Section 8 - Business Interruption Section

Policy section conditions

Insured amount

Our liability to **you** will in no case exceed in respect of each item the **insured amount** expressed against that item in the current **policy schedule**. 'Extra Covers' and 'Additional Benefits' are within the total **insured amount** of this **policy section** and not additional to the total **insured amount** with the exception of additional benefit 'Claims Preparation Costs'.

If you have chosen **weekly revenue**, **we** will not pay more each week for loss of weekly revenue than the **weekly benefit**.

Interim claim payments

When a claim is admitted for a loss under this **policy section we** will, if requested by **you**, make interim claim payments at intervals to be mutually agreed. These interim payments will be calculated from a loss adjusters report or other information and/or documentation supplied to **us** to support your claim.

Section 9 - Employee Dishonesty Section

About this policy section

This **policy section** covers theft of **your** property or **money** by any of **your employees** during the period of insurance.

Policy section 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 9.

Covered property

Tangible property other than money.

Employee (for the purpose of this policy section only)

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 will include trainees, casual, part-time, seasonal, temporary, voluntary and work experience personnel) acting in such capacity, but excludes **directors** and independent contractors.

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:

- regular or overtime wages, salaries, fees or benefits earned in the normal course of employment; or
- damages of any type, including but not limited to punitive, exemplary or aggravated damages.
- Securities
- 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

Money

or other securities (or interests therein) of whatever nature.

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; or

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

Your insurance under this policy section

Provided 'Employee Dishonesty' is shown under 'What's Covered' in the **policy schedule** we will pay **you** for **fidelity loss** that occurs during the **period of insurance**.

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 **period of insurance**.

However, if the act of fraud or dishonesty is committed during more than one **period of insurance** you shall be entitled to elect in which of these **periods of insurance** the act of fraud or dishonesty shall be deemed to have occurred. The maximum amount of insurance will be determined by the **insured amount** that applied in the elected **period of insurance**.

What we pay

In respect of Employee Dishonesty, we will:

- pay **you** the amount of lost **money**; or
- 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 **period of insurance**, the maximum amount **we** will pay for all

Section 9 - Employee Dishonesty Section

claims under Employee Dishonesty in the **period of insurance** is the 'Employee dishonesty' **insured amount** shown in **your policy schedule**.

Excess

The **excess** that applies is shown on the **policy schedule** and applies to each **claim** under this **policy section**.

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

Extra covers

If **we** agree to pay a claim under this **policy section** for loss or damage to **money**, **we** will also pay or provide the extra covers set out below.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the **insured amount**.

Retroactive cover

If this section replaces any previous fraud and dishonesty policy held by **you** that is terminated, cancelled or allowed to expire at the time of the replacement, **we** will cover any **fidelity loss** that is within the periods of cover of the consecutive previous policy provided that:

- a. the **fidelity loss** is not covered by the consecutive previous policy;
- b. 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
- c. the **fidelity loss** would have been covered under this section if this section had been in force when the acts or defaults causing the **fidelity loss** were committed.

Welfare, social or sporting club 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 below, any amounts payable in respect of this extension of the term '**you**' do not apply in addition to the **insured amount** applicable to this optional cover.

Unidentified Employees

If **you** suffer a **fidelity loss** and **you** are unable to positively identify the specific **employee** whose conduct has given rise to the **fidelity loss** **we** will pay for the loss provided that **you** are able to establish to our satisfaction that the loss was caused by the fraudulent or dishonest acts of one or more of your **employees**.

Additional benefits

The following additional benefits are paid in addition to the **insured amount**:

Claims preparation costs

In addition to the amount payable under General Condition 'Claim preparation expenses' of this **policy**, if **we** agree to pay a **claim** under this optional cover **we** will also pay for the reasonable cost of professional fees and other reasonable expenses incurred by **you** with **our** consent, for the preparation of claims under this optional cover.

We will not pay more than \$5,000 for claims preparation costs during any one **period of insurance**.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

We will not cover **you** for

- a. any **fidelity loss** arising from any act of dishonesty committed more than 12 months before the inception of this **policy section**.
- b. more than the lesser of the:
 - i. **insured amount** shown in the **policy schedule**; or
 - ii. the amount that would have been recoverable under the previous policy had it continued in force until the discovery of the loss
- c. any **fidelity loss** caused by a particular **employee** occurring after **your** discovery of the fraudulent or dishonest act.
- d. any **fidelity loss** discovered more than 12 months after the **period of insurance** has expired or more than 12 months after the termination of the employment of the **employee** concerned.

Section 10 - Tax Audit Section

About this policy section

This section covers the **professional fees** such as accountant's fees incurred by **you** in connection with an 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.

Policy section 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 9.

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 <ol style="list-style-type: none"> Income Tax Assessment Act 1936 (Cth); Income Tax Assessment Act 1997 (Cth); Fringe Benefits Tax Assessment Act 1986 (Cth); A New Tax System (Goods and Services Tax) Act 1999 (Cth); Superannuation Guarantee (Administration) Act 1992 (Cth); Termination Payments Tax (Assessment and Collection Act) 1997 (Cth); Sales Tax Assessment Act 1930 (Cth); Sales Tax Assessment Act 1992 (Cth); or any legislation of an Australian State or Territory relating to payroll or capital gains tax. 	
Professional fees	Fees, costs and disbursements payable to a tax agent or professional person (other than you) in connection with a tax audit by an authority. Professional fees does not mean any fees, costs or disbursements:	
		<ol style="list-style-type: none"> that relate to any subsequent objection lodged with the authority in respect of a tax audit; incurred after the tax audit has been completed; or incurred after 12 months from the commencement date of the
	Return	Any return legally required to be, and is actually lodged with, an Australian Commonwealth, Federal or State government or government authority or agency by you or on your behalf.
	Self managed superannuation fund	Any self managed superannuation fund that meets the definition contained in the Superannuation Industry (Supervision) Act 1993 (SIS).
	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 and 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 and statements. Tax agent does not mean you or a person working for you under a contract of employment.
	Tax audit	<ol style="list-style-type: none"> 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; or 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.
	You	" You " Includes any company, firm, partnership or trust in which you hold a 50% or more ownership, interest or shareholding.

Section 10 - Tax Audit Section

Your insurance under this policy section

Provided that 'Tax Audit' is shown under 'What's Covered' in **your policy schedule** we will insure **you** for **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.

The nature and extent of cover under this cover section will depend on whether you select:

- Business Audit with Investigation Cover; or
- Directors Audit with Investigation Cover; or
- Superannuation Audit with Investigation Cover.

The cover **you** select will be shown on **your policy schedule**.

What we pay

Subject to the 'Reinstatement of Insured Amount Extra Cover', if the **policy schedule** shows the cover is:

- Business Audit with Investigation Cover, the most **we** will pay for a **claim** during the **period of insurance** relating to a **tax audit** is the **Insured amount** shown on the **schedule**;
- Directors Audit with Investigation Cover, the most **we** will pay for a **claim** during the **period of insurance** relating to a **tax audit** of each director named in the **schedule**, is the **Insured amount** shown on the **schedule**;
- Superannuation Audit with Investigation Cover, the most **we** will pay for a **claim** during the **period of insurance** relating to a **tax audit** of each **self managed superannuation fund** named in the **schedule** is the **Insured amount** shown on the **schedule**.

Excess

The **excess** that applies is shown on the **policy schedule**

Extra covers

If **we** agree to pay a claim for **professional fees** under this section **we** will also pay for the following extra covers.

Reinstatement of insured amount

If **we** pay an amount for a claim under this **policy section** **we** will automatically reinstate the insured amounts

under this section. **You** will not have to pay any additional premium.

Policy section conditions

For the purpose of this section:

- the **tax audit** commences at the time **you** or **your** professional advisor first receive notice of either an audit or an inquiry, investigation, examination or review.
- the **tax audit** is complete when:
 - the auditor has given written notice to that effect;
 - the auditor notifies **us** that it has made a concluded decision about **your** returns;
 - when the auditor has issued an assessment or amended assessment of your returns; or
 - in the absence of (i), (ii) or (iii) where **your** professional advisor declares in writing that such an audit has been concluded;

Claims

For any **claim**:

- you** must notify **us** within 30 days of the first notice of a **tax audit**;
- you** must keep **us** fully informed of all developments as they occur;
- you** shall take all necessary and reasonable steps to minimise any delays and costs incurred or likely to be incurred;
- 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**; and
- your** tax agent will assist **us** with any matter **we** may pursue with the authority.

Exclusions under this policy section

These exclusions apply to this **policy section** only.

This section does not cover:

- the amount of any fine or penalty that **you** may be ordered to pay by any **authority** or court;
- 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 section;
- 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**;

Section 10 – Tax Audit Section

- d. any **claim** or **claims** caused by or arising out of any fraudulent act or fraudulent omission or statement made to an authority or caused by or arising out of any act committed deliberately or with wilful intent by **you**;
- e. any **tax audit** conducted by the Australian Prudential Regulation Authority;
- f. **professional fees** that are:
 - i. associated with any criminal prosecution;
 - ii. associated with any return lodged outside the Commonwealth of Australia, its states or territories;
 - iii. in respect of any person or organisation ordinarily resident outside the Commonwealth of Australia, its states or territories;
- g. any form of activity involving a periodic review relevant you maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance, similar requirements.